

## Finance Monitoring Report – October 2023

To: Adults and Health Committee

Meeting Date: 14 December 2023

From: Executive Director: Adults, Health & Commissioning  
Executive Director: Public Health  
Executive Director: Finance and Resources

Electoral division(s): All

Key decision: No

Forward Plan ref: N/A

Outcome: The committee should have considered the financial position of services within its remit as at the end of October 2023.

Recommendation: Adults and Health Committee is recommended to note the Adults, Health and Commissioning and Public Health Finance Monitoring Report as at the end of October 2023.

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## 1. Background

- 1.1 Finance Monitoring Reports (FMR) are produced monthly, except for April, by all services. They report on a range of financial information to enable a view of each service's financial position to be taken.
- 1.2 Budgets for services are agreed by Full Council in the business plan in February of each year and can be amended by budget virements. In particular, the FMR provides a revenue budget forecast showing the current projection of whether services will be over- or under-spent for the year against those budgets.
- 1.3 The presentation of the FMR enables Members to review and comment on the financial position of services within the committee's remit.
- 1.4 Generally, the FMR forecasts explain the overall financial position of each service and the key drivers of any budget variance, rather than explaining changes in forecast month-by-month.
- 1.5 The contents page of the FMR shows the key sections of the report. In reviewing the financial position of services, members of this committee may wish to focus on these sections:
  - Section 1 – providing a summary table for services that are the responsibility of this committee and setting out the significant financial issues (replicated below).
  - Section 5 – the key activity data for Adult Services provides information about service-user numbers and unit costs, which are principle drivers of the financial position
  - Appendices 1-3 – these set out the detailed financial position by service and provide a detailed commentary for services projecting a significant variance from budget.
  - Appendix 4 – this sets out the savings for Adults, Health and Commissioning and Public Health in the 2023/24 business plan, and savings not achieved and brought forward from previous years that are still thought to be deliverable.
  - Appendix 5 – contains information on earmarked reserves, grant income and budget virements.

## 2. Main Issues

- 2.1 The FMR provides summaries and detailed explanations of the financial position of Adults, Health and Commissioning and Public Health services. At the end of October, Adults, Health and Commissioning has an underlying forecast of £1.1m overspend mainly driven by movements in the numbers of older adults placed into bed-based care. However, work to review the usage of grants across Adult Social Care has released grant funding to support these emerging pressures, reducing the net forecast position to an underspend of £365k. Public Health, excluding Children's Public Health, is forecasting an underspend of 2% of budget (£621k). Headline figures are set out in the tables below:

Table 1: Adults Health and Commissioning position

Forecast Outturn Variance (Previous)  £000	Directorate	Gross Budget  £000	Income Budget  £000	Net Budget  £000	Actual  £000	Forecast Outturn Variance  £000	Forecast Outturn Variance  %
2,462	Adults, Health and Commissioning	343,526	-129,830	213,696	123,343	1,066	0.5%
<b>2,462</b>	<b>Total Expenditure</b>	<b>343,526</b>	<b>-129,830</b>	<b>213,696</b>	<b>123,343</b>	<b>1,066</b>	<b>0.5%</b>
-2,517	Mitigations	0	0	0	0	-1,431	0.0%
<b>-55</b>	<b>Total</b>	<b>343,526</b>	<b>-129,830</b>	<b>213,696</b>	<b>123,343</b>	<b>-365</b>	<b>0.2%</b>

Table 2: Public Health position

Forecast Outturn Variance (Previous)  £000	Directorate	Gross Budget  £000	Income Budget  £000	Net Budget  £000	Actual  £000	Forecast Outturn Variance  £000	Forecast Outturn Variance  %
0	Public Health - Children	14,631	-4,150	10,481	5,574	-31	0.3%
-412	Public Health	30,183	-37,437	-7,254	-13,983	-621	-2.1%
<b>-412</b>	<b>Total Expenditure</b>	<b>44,814</b>	<b>-41,587</b>	<b>3,227</b>	<b>-8,409</b>	<b>-652</b>	<b>-1.5%</b>
0	Drawdown from reserves	-3,227	0	-3,227	-674	0	0.0%
<b>-412</b>	<b>Total</b>	<b>41,587</b>	<b>-41,587</b>	<b>0</b>	<b>-9,084</b>	<b>-652</b>	<b>-1.6%</b>

## 2.2 Public Health reserves

2.2.1 The Public Health reserve balance at the end of October 2023 stood at £6.64m. Further details of the breakdown of Public Health reserves is set out in Appendix 5 of the FMR report, section 5.3.2. Of this balance, £5.93m was committed to specific projects, and £709k was uncommitted.

2.2.2 The Council's Public Health team have been reviewing the potential usage of the uncommitted reserves and put forward to Strategy, Resources and Partnership Committee the following proposals for work to reduce health inequalities and help the pandemic recovery:

Table 3: Proposed Public Health reserves usage

Reserve usage	Total Cost
1. School based interventions to address obesity	£389,000
2. Tackling childhood anxiety	£320,000

### 2.2.3 Further detail on these areas is set out below:

#### 1. School based interventions to address obesity

Obesity is considered to be the most pressing public health challenge. There is robust data collected through the annual National Child Weight Measurement Programme (NCMP) that measures reception (5/6 year) and year 6 (10/11 years) children in maintained schools. For over two decades rates of childhood obesity have increased and stagnated at a high level. The COVID-19 pandemic exacerbated these high rates especially amongst year 6 children, with around a third either overweight or obese.

During the past two years in Cambridgeshire, we provided funding for piloting primary school-based interventions to address low levels of physical activity and poor nutrition. Additional COMF funding has been secured to build on this pilot work because of the impact that the Covid-19 pandemic has had on childhood obesity, which is one of criteria for allocating the Fund. There is increasing evidence that incentives have a role in behaviour change at an individual but also at an organisational level. The proposal for use of Public Health reserves is that an incentive payment is made to schools where their projects/interventions have evaluated positively in terms of changing the school environment, pupil and staff behaviour change. The aim is to increase engagement but also encourage and support schools to embed and sustain their projects without ongoing funding.

#### 2. Tackling childhood anxiety

A whole school approach and holistic model to address and prevent anxiety and to support children, young people, school teachers and parents to tackle anxiety and other mental health related issues. The funds will be primarily focused to support the schools in Cambridgeshire that do not currently benefit from having mental health support teams (157 out of 285 schools do not have an MHST allocated). This is approximately 60% of Cambridgeshire schools. However, it is also expected that some of the funds will be spent to provide specific and extra support to the schools that do have mental health support teams to add additional resource where needed.

The funds will buy expert resources in terms of employing trained specialists to work in and with schools to design and deliver tiered programmes of activity working with CYP, teachers and parents with evidence-based interventions that are known to address anxiety.

### 2.2.4 This will fully commit the current Public Health reserve balance.

## 2.3 Debt position

2.3.1 The following position on debt as at the end of October 2023 for Adults, Health and Commissioning and Public Health was reported to Audit and Accounts Committee in early December. NHS debt has been included because this largely relates to Adult Social Care:

Table 4: Overall Age Debt Position - By Directorate

































Directorate	Overdue			Trend Performance	
	Current Month	Previous Month	Last Year	Monthly	Yearly
NHS Services	£5,693,195	£3,808,493	£7,020,506		
Adults, Health & Commissioning	£18,843,256	£19,223,587	£15,199,443		
Public Health	£11,472	£11,472	-£80,546		
<b>Grand Total</b>	<b>£24,547,923</b>	<b>£23,043,552</b>	<b>£22,139,493</b>		

Table 5: ASC Age Debt Analysis

**Overall Age Debt by - Debt Status**[Include monthly / Annual Trend Analysis -  
Movement on Overdue]

Debt Status	Current	1-30	31-90	91-183	184-365	366-730	730+	Grand Total	Overdue			Trend Performance	
									Current Month	Previous Month	Last Year	Monthly	Yearly
Automated Dunning Cycle	£77	£445,642	£404,243	£5,076	£6,186	£3,363	£0	£864,588	£864,511	£1,245,797	£4,018		
Awaiting Appointee / Court of Protection / Power of Attorney	£292,936	£232,134	£484,587	£859,005	£1,261,750	£1,526,364	£583,213	£5,239,989	£4,947,053	£4,649,074	£3,029,374		
Awaiting Service Response	£52,053	£77,441	£202,215	£465,903	£448,598	£792,446	£396,389	£2,435,044	£2,382,991	£2,236,938	£1,238,106		
DCA Action - Ongoing	£0	£0	£0	£0	£0	£5,709	£29,498	£35,207	£35,207	£42,877	£0		
Debt Team Dealing	£0	£20,601	£538,027	£621,624	£496,030	£402,924	£392,785	£2,471,991	£2,471,991	£2,287,216	£4,881,419		
Deceased - Pending Probate / Settlement of Account	£166,534	£140,992	£327,615	£874,818	£1,078,046	£1,332,139	£1,703,989	£5,624,132	£5,457,598	£5,480,993	£4,183,939		
Full Cost Non-Disclosure	£0	£0	£12,659	£27,331	£32,929	£100,253	£117,767	£290,940	£290,940	£290,940	£153,620		
Income Team Dealing	-£69,301	-£74,707	£122,507	£225,827	£216,574	£281,664	£39,912	£742,474	£811,776	£1,315,695	£249,098		
Legal Action - Ongoing	£0	£0	£3,922	£14,598	£27,633	£48,713	£365,346	£460,211	£460,211	£460,211	£381,918		
Payment Plan	£1,171	£2,179	£12,496	£36,255	£60,935	£117,348	£334,878	£565,262	£564,091	£564,798	£515,446		
Pending Write-off	£0	£2,615	£3,004	£5,748	£3,581	£17,686	£97,697	£130,332	£130,332	£110,042	£173,969		
Pre-Dunning Cycle	£3,044,093	£277,148	£2,011	£0	£0	£0	£0	£3,323,251	£279,158	£391,610	£0		
Secured Property Charge	£0	£0	£0	£0	£2,428	£10,827	£134,141	£147,396	£147,396	£147,396	£388,536		
Grand Total	£3,487,561	£1,124,044	£2,113,285	£3,136,186	£3,634,690	£4,639,436	£4,195,615	£22,330,817	£18,843,256	£19,223,587	£15,199,443		

**Key Highlights**

ASC has seen a £3.6m increase over the last twelve months across all age brackets, with £1.9m relating to aged debts that are more than a year old. In the main the increase is across four key areas as shown below:

- £1.9m increase in debts awaiting Court of Protection (COP) – These debts are where Service Users have lost capacity to manage their financial affairs and applications are made to the COP for a family member, Advocate or the council through Client Funds to take over responsibility for property and affairs decisions. The Council has seen a significant increase in the time that such applications are completed from 16 weeks to 9 months or more. This problem is not specific to the Council and is a national problem.
- £1.1m increase in debts requiring support from ASC – Due to the vulnerable nature of the customer base these debts can be quite complex in some cases. Debts are likely to be overstated where customer is initially assessed as 'Full Cost' and then reassessed (as a result of a change in circumstances or where a customer had not previously engaged with the Council's financial assessment process) resulting in a lower contribution and therefore a reduction in debt.
- £563k increase in respect of queries being managed by the Income Team, where investigations are ongoing in respect of customers who have advised payment has been made. Payment allocation difficulties can be caused where customer do not provide enough details of the service they are paying for.

2.3.2 Through the business planning process, the Corporate Leadership Team commissioned a Deep Dive on Adult Social Care debt and client contributions. This has resulted in a Debt Management Improvement Plan with initiatives assigned to the corporate Finance Operations services as well as Adult Social Care teams, particularly Financial Assessments. Improvements in the following areas have been identified:

#### 2.3.3 Financial Assessments

Reduce backlogs through service improvement actions, which will support a reduction in debt and improved income collection.

Implement operational deep dives to review process and technology for improvements to efficiency and effectiveness.

Continue to recruit to reach full establishment, with two new starters in August, and one further role to recruit to.

#### 2.3.4 Improve digitalisation

Implement an online Portal within Financial Assessments to improve efficiency and possible automation.

Explore the use of Mosaic as core billing system or improved interfaces, which will require a full review of business processes and any operational risks from such a change.

Channel shift customers to preferred methods of payment where Direct Debit would be the most effective method of payment.

Increase paperless billing and reminders to improve customer experience and reduce operational costs through better use of technology.

#### 2.3.5 Debt Team

Perform a review of the current operating target model, identifying and implementing improvements that will increase revenue streams for the council. Work has already commenced with the recruitment of a Strategic Exchequer Manager which came into effect on the 6 November 2023. This role will oversee the Debt team, the Deep Dive and implement key improvement activity, including:

- Lead the provision of sound income collection and recovery strategies and technical guidance, both internal to and external to Financial Operations and develop effective relationships with appropriate national bodies and other local authorities, to inform and enhance the quality of the work of the post-holder's team.
- Work collaboratively with other service areas, on projects and programmes that support developments/improvements for the Debt and Income Service in a professional and positive way. To facilitate the execution of the Council's Use of Resources and Value for Money strategies by providing Income and recovery support, analysis, and interpretation.

- Ensuring that the service delivers long-term positive outcomes locally for people and communities. Build and promote successful partnership working across all sectors and with service users to deliver more cost effective and valued services. Ensuring that the needs of service users are met by demonstrating behaviour which fosters equality of opportunity in service provision and employment.

2.3.6 The Deep Dive will be run as a formal project with senior sponsorship by an Executive Director. Standard project governance will be adopted. A high-level update on progress will be provided at future meetings.

### 3. Alignment with ambitions

3.1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes

There are no significant implications for this ambition.

3.2 Travel across the county is safer and more environmentally sustainable

There are no significant implications for this ambition.

3.3 Health inequalities are reduced

The overall financial position of the Public Health directorate underpins this ambition and elements of both Public Health reserve and grant spend have been committed to projects which seek to reduce health inequalities.

3.4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs

The overall financial position of the Adults, Health and Commissioning and Public Health directorates underpin this ambition.

3.5 Helping people out of poverty and income inequality

Public Health grant and reserve spend in 2023/24 is helping fund work undertaken to address this ambition.

3.6 Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised

There are no significant implications for this ambition.

3.7 Children and young people have opportunities to thrive

There are no significant implications for this ambition.



## 4. Source documents guidance

### 4.1 Source documents

Finance Monitoring Reports are produced monthly, except for April, for all of the Council's services. These are uploaded regularly to the website below.

### 4.2 Location

[Finance and performance reports - Cambridgeshire County Council](#)

## Appendix 1: Adults, Health and Commissioning and Public Health Finance Monitoring Report October 2023

See separate document