

Finance Monitoring Report – January 2024

To: Adults and Health Committee

Meeting Date: 7th March 2024

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 January 2024.

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 January 2024 and the update on Adult Social Care debt.

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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 January 2024, Adults, Health and Commissioning is projected to deliver a forecast underspend of £3,920k. This masks a significant underlying pressure of £1.3m across care costs for people with learning disabilities. In addition, care costs for older people are significantly above budget, but this is being more than offset by increases in client contributions and by the application of grant funding in 2023-24 to meet increasing costs. Public Health is projected to be £49k underspent. 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 %
-9	Adults, Health and Commissioning	345,536	-130,109	215,428	170,706	-1,639	-0.8%
-9	Total Expenditure	345,536	-130,109	215,428	170,706	-1,639	-0.8%
-1,431	Mitigations	0	0	0	0	-2,281	0.0%
-1,440	Total	345,536	-130,109	215,428	170,706	-3,920	-1.8%

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 %
-20	Public Health - Children	15,246	-4,150	11,096	8,260	-20	-0.2%
-4	Public Health	26,047	-37,143	-7,572	-14,152	-29	-0.0%
-24	Total Expenditure	41,293	-41,293	3,524	-5,892	-49	-0.1%
0	Drawdown from reserves	-3,523	0	-3,523	-1,055	0	0.0%
-24	Total	41,293	-41,293	0	-6,947	-49	-0.1%

2.2 Adult Social Care debt position

2.2.1 The position on overdue debt as at the end of January 2024 for Adults, Health and Commissioning and Public Health is set out below. NHS debt has also been included where this relates to Adult Social Care or Public Health:

Table 4: ASC Age Debt Position - end January 2024

Directorate	Overdue			Trend Performance	
	January 2024	October 2023	Last Year	Monthly	Yearly
NHS Services	£5,315,644	£5,693,195	£7,020,506	Decrease	Decrease
Adults, Health & Commissioning	£20,030,537	£18,843,256	£16,314,588	Increase	Increase
Grand Total	£25,346,181	£24,536,451	£23,335,094		

2.2.2 Key Highlights

ASC debt has seen a £3.7m increase over the last twelve months across all age brackets, of which £1.8m relates to aged debts that are more than a year old. In the main the increase is across two key areas as shown below:

- £1.5m 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.
- £1.7m increase in debts relating to deceased Service Users. These debts can take some time to clear due to the timescales for probate and property sales which are often needed before the debts can be cleared.

The Debt Management Improvement Plan continues and is starting to impact debt levels. Early focus of the plan has been first on Court of Protection debt, and subsequently Deceased debt. Court of Protection debt is no longer rising as it was previously and has been holding at a relatively stable level since the late summer of 2023. The overall ASC debt position is down £100k from the level at the end of December. Nevertheless this is not a short term plan and activity to reduce debt levels will continue.

The level of aged debt has necessitated an increase in the Council's bad debt provision and the reported position for the Adults, Health and Commissioning directorate reflects a £900k increase to that provision.

- 2.2.3 As we progress through the follow on work from the debt deep dive we will be monitoring progress closely and will focus on the percentage of overdue debt compared to revenue raised as the target to see reducing. In a steady state the actual level of debt will grow over time with inflationary uplifts so comparing with revenue raised will give a clearer picture of progress.

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. Quarterly reports 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 January 2024

See separate document