

**Community Wellbeing
2024/25 Revenue
Budget**

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2024/25 Revenue Budget

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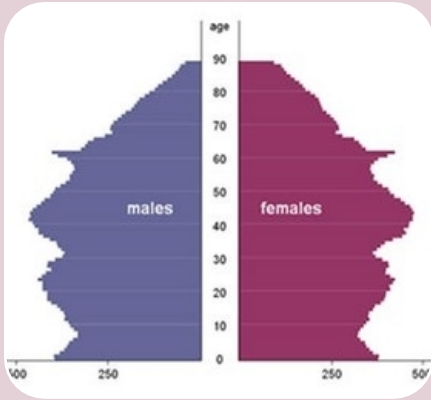
Community Wellbeing 2023/24 Forecast

2023/24 Forecast Outturn at Q2: £0.5m overspend

(Management Action expected to reduce to balanced position by 31 March 2024)

Key variances from budget (> £250k) at Q2:

- **£0.7m overspend** (Learning Disability) due to a combination of cost pressures resulting from increased complexity in care needs as well as demand pressures within residential care.
- **£1.6m overspend** (Physical Support) due to both cost and demand pressures in residential care, cost pressures in nursing care and demand pressures in homecare.
- **£0.5m overspend** (Care Operations and All Ages Commissioning) due to agency/interim cost pressures.



Ageing population in Herefordshire

Over 65 population has grown by nearly 10,000 in last 10 years – 43% increase in 70-75 year olds; 39% increase in 90+

Inflation / cost of living

Average weekly cost of residential and nursing placements has increased by nearly £100 per week in last 12 months – request for fee uplifts are already being received

Increased complexity of need

Impact of the pandemic when people did not attend for routine hospital appointments

Market availability

Expensive care homes in the county – impact and speed of people falling below the income threshold

Impact of the hospital

Hospital running at over 100% bed occupancy through much of autumn

Increased demand – cost and complexity for adult social care

Community Wellbeing 2024/25 Budget £76.9m

Continued challenge in 2024/25 due to increasing demand and complexity of need for the county's ageing population, limited market availability, the impact of hospital high occupancy rates and an increase in the number of individuals unable to fund their own care linked to the impact of the cost of living and inflation increases.

The budget for 2024/25 includes:

- Directorate Pressures of **£17.1m**
- Identified Mitigations of **£5.1m**
- Proposed Savings of **£3.3m**

Directorate	23/24 Budget £'000	Pressures £'000	Mitigations £'000	Savings £'000	24/25 Budget £'000
Community Wellbeing	68,124	17,182	(5,123)	(3,251)	76,932

Community Wellbeing 2024-2025 Pressures £17.1m and Mitigations £5.1m

Ref	Detail	£'000
P1	Pay Award	1,160
P2	Inflation pressures (90% funded)	7,115
P3	Demand pressures across learning disability, physical support and memory and cognition	5,123
P4	All Ages Social Care Fund	3,750
P5	Cross directorate virements	34
	Total Pressures	17,182
M1	All Ages Social Care Fund	(3,750)
M2	Better Care Fund – commissioned services	(661)
M3	Better Care Fund – hospital staffing support	(309)
M4	Management of cost and demand for short stay residential and nursing care placements	(403)
	Total Mitigations	(5,123)

Community Wellbeing 2024-2025 Proposed Savings £3.3m

Saving Category	Ref	Name of Proposal	Description	Saving £'000
Reduce	S1	Workforce service review	Full review of current service delivery models with a continued focus on operating with a stable engaged workforce.	353
Reduce	S2	Reduce Library opening hours by 10%	Review of current library service delivery with a focus on areas where reductions in opening hours would have the minimum impact	55
Reduce	S3	Delete vacant permanent posts not currently occupied	Review of all vacant posts not currently occupied by permanent or interim staff with a view to reducing employment costs across the service	801
Transform	S4	Review of high cost packages in Adult Social Care	Review of all active high cost packages of care including those delivering 2:1 and 3:1 care	1,000

Community Wellbeing 2024-2025 Proposed Savings £3.3m

Saving Category	Ref	Name of Proposal	Description	Saving £'000
Transform	S5	Better utilisation of existing care contracts	Focus on existing block contracts	200
Reduce	S6	Reduction in non-care contract values	Focus on Talk Community website, advertising & promotion budgets and voluntary sector infrastructure support	104
Increase £138k; Reduce £23k; Transform £50k	S7	Public Health savings	Reprioritising Public health grant through the recommissioning / decommissioning of contracts across Public Health.	211
Increase	S8	Maximise housing benefit claims	Maximise housing benefit claims to offset the costs of temporary accommodation	22
Increase	S9	Ensure correct pathways for funding of complex care	Continuation of Fair & Consistent Care & Funding Pathway	500

Community Wellbeing 2024-2025 Proposed Savings £3.3m

Saving Category	Ref	Name of Proposal	Description	Saving £'000
Increase	S10	Charge for welfare benefits support	Introduction of charging for welfare benefits support where this is requested by other organisations (not charging individuals)	5
			Total Community Wellbeing Savings	3,251

Delivery of Savings in 2024/25

The deliverability and status of the planned savings will be monitored as part of monthly budget monitoring arrangements, informed by planned and actual activity in the year to date, to determine a RAG rating for each identified savings targets. The table below notes the estimated delivery of savings in each quarter of the 2024/25 financial year.

Community Wellbeing				Profiled Delivery				
Category	Ref	Name of Proposal	Proposed Saving £'000	Q1 £'000	Q2 £'000	Q3 £'000	Q4 £'000	TOTAL £'000
Reduce	S1	Workforce service review	353	0	183	170	0	353
Reduce	S2	Reduce Library opening hours by 10%	55	0	55	0	0	55
Reduce	S3	Delete vacant permanent posts not currently occupied	801	801	0	0	0	801
Transform	S4	Review of high cost packages in Adult Social Care	1,000	250	250	250	250	1,000
Transform	S5	Better utilisation of existing care contracts	200	0	100	100	0	200
Reduce	S6	Reduction in non-care contract values	104	57	47	0	0	104
Increase Reduce Transform	S7	Public Health savings	211	211	0	0	0	211
Increase	S8	Maximise housing benefit claims	22	22	0	0	0	22
Increase	S9	Ensure correct pathways for funding of complex care	500	125	125	125	125	500
Increase	S10	Charge for welfare benefits support	5	5	0	0	0	5
TOTAL			3,251	1,471	760	645	375	3,251

Risks and Dependencies

- Agreement and implementation of the Service review
- Strong and dedicated contact management expertise to support with delivery of the review of high cost packages, utilisation of care contracts and reduction in non-care contract costs
- An increase in client demand and/or costs particularly the emerging demand pressures caused by clients requiring Adult Social Care support after falling below the 'self-funding' threshold