

Report

Report to:	Social Work Resources Committee
Date of Meeting:	15 November 2017
Report by:	Executive Director (Finance and Corporate Resources) Director, Health and Social Care

Subject:	Social Work Resources - Revenue Budget Monitoring 2017/2018
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2017 to 15 September 2017 for Social Work Resources
- ◆ provide a forecast for the year to 31 March 2018.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the overspend of £0.744m on the Social Work Resources' revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2018, be noted; and
- (2) that the proposed budget virements be approved.

3. Background

3.1. This is the second revenue budget monitoring report presented to the Social Work Resources Committee for the financial year 2017/2018. Further reports will follow throughout the year.

3.2. The report details the financial position for Social Work Resources in Appendix A, and then details the individual services, along with variance explanations, in Appendices B to E.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 15 September 2017, there is an overspend of £0.744m against the phased budget. The financial forecast for the revenue budget to 31 March 2018 is a potential overspend of £2.3m.

5.2. Social Work Resources are showing an overspend of £0.744m. As previously reported, it is expected that the requirement for social care services in 2017/2018 will continue to exceed the budget available, including service areas such as Care at

Home, and continuing pressures in Children and Families for Children's placements in Residential Schools.

- 5.3. Indications continue to show that the total level of overspend for social care services may result in an overspend in the social work budget of £2.3m for 2017/2018. Work on a recovery plan is ongoing, including discussions with Health and the Integrated Joint Board, and analysing the impact on Council costs following the completion of client financial assessments.
- 5.4. The position will be closely monitored as the requirement for Home Care is difficult to predict. Whilst the current budget pressure estimate is £2.3m, this could increase should there be fluctuations from our projections.
- 6. Other Implications**
- 6.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.
- 6.2. There are no implications for sustainability in terms of the information contained in this report.
- 7. Equality Impact Assessment and Consultation Arrangements**
- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 7.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning
Executive Director (Finance and Corporate Resources)

Val de Souza
Executive Director (Health and Social Care)

22 September 2017

Link(s) to Council Values/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 15 September 2017

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 September 2017 (No.7)

Social Work Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/09/17	Actual 15/09/17	Variance 15/09/17		% Variance 15/09/17	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	82,853	82,853	0	36,071	35,860	211	under	0.6%	
Property Costs	2,631	2,631	0	1,232	1,133	99	under	8.0%	
Supplies & Services	5,960	5,960	0	2,270	2,304	(34)	over	(1.5%)	
Transport & Plant	4,499	4,499	0	1,867	1,863	4	under	0.2%	
Administration Costs	1,382	1,382	0	479	576	(97)	over	(20.3%)	
Payments to Other Bodies	16,382	16,382	0	7,663	7,822	(159)	over	(2.1%)	
Payments to Contractors	85,632	85,632	0	33,724	34,696	(972)	over	(2.9%)	
Transfer Payments	533	533	0	244	316	(72)	over	(29.5%)	
Financing Charges	269	269	0	118	119	(1)	over	(0.8%)	
Total Controllable Exp.	200,141	200,141	0	83,668	84,689	(1,021)	over	(1.2%)	
Total Controllable Inc.	(60,881)	(60,881)	0	(30,523)	(30,800)	277	over recovered	0.9%	
Net Controllable Exp.	139,260	139,260	0	53,145	53,889	(744)	over	(1.4%)	

Variance Explanations

Variance explanations are shown in Appendices B and C.

Budget Virements

Budget virements are shown in Appendices B-E.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 September 2017 (No.7)

Children and Families Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/09/17	Actual 15/09/17	Variance 15/09/17		% Variance 15/09/17	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	14,438	14,438	0	6,306	6,190	116	under	1.8%	1,a
Property Costs	283	283	0	210	207	3	under	1.4%	c
Supplies & Services	528	528	0	271	257	14	under	5.2%	
Transport & Plant	623	623	0	283	297	(14)	over	(4.9%)	b
Administration Costs	160	160	0	107	158	(51)	over	(47.7%)	2
Payments to Other Bodies	8,132	8,132	0	4,364	4,475	(111)	over	(2.5%)	3,b
Payments to Contractors	3,032	3,032	0	1,386	1,842	(456)	over	(32.9%)	4
Transfer Payments	520	520	0	238	307	(69)	over	(29.0%)	5
Financing Charges	14	14	0	7	8	(1)	over	(14.3%)	
Total Controllable Exp.	27,730	27,730	0	13,172	13,741	(569)	over	(4.3%)	
Total Controllable Inc.	(497)	(497)	0	(263)	(357)	94	over recovered	35.7%	6,b
Net Controllable Exp.	27,233	27,233	0	12,909	13,384	(475)	over	(3.7%)	

Variance Explanations**1. Employee costs**

This underspend is a result of vacancies and funding for the redesign of the management structure which was implemented part way through the financial year.

2. Administration Costs

The overspend is as a result of legal fees for children being adopted.

3. Payments to Other Bodies

This overspend is due to the level of demand for Kinshipcare and Throughcare services.

4. Payments to Contractors

The overspend is a result of school, secure and external placements.

5. Transfer Payments

The overspend is primarily in relation to Section 22 payments to support the welfare of young people.

6. Income

The over recovery of income is attributable to the recovery of costs from the Home Office in respect of services provided to unaccompanied asylum seeking children.

Budget Virements

- Transfer of centrally held funds in respect of Pay Award and Living Wage (£0.028m). Employee Costs (£0.028m).
- Budget established in relation to Unaccompanied Asylum Seeking Children. Net Effect 0: Transport and Plant £0.004m, Payments to Other Bodies £0.108m, Income (£0.112m),
- Transfer of Grounds Trading budget to Community and Enterprise Resources £0.025m. Property Costs (£0.025m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 September 2017 (No.7)

Adults and Older People Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/09/17	Actual 15/09/17	Variance 15/09/17		% Variance 15/09/17	Note
	£000	£000	£000	£000	£000	£000			
Budget Category									
Employee Costs	56,532	56,532	0	24,604	24,590	14	under	0.1%	a
Property Costs	1,644	1,644	0	816	756	60	under	7.4%	1,b
Supplies & Services	4,920	4,920	0	1,835	1,844	(9)	over	(0.5%)	
Transport & Plant	3,525	3,525	0	1,518	1,503	15	under	1.0%	
Administration Costs	326	326	0	166	205	(39)	over	(23.5%)	
Payments to Other Bodies	7,496	7,496	0	2,984	2,981	3	under	0.1%	
Payments to Contractors	82,554	82,554	0	32,299	32,815	(516)	over	(1.6%)	2
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	38	38	0	19	21	(2)	over	(10.5%)	
Total Controllable Exp.	157,035	157,035	0	64,241	64,715	(474)	over	(0.7%)	
Total Controllable Inc.	(53,951)	(53,951)	0	(27,558)	(27,740)	182	over recovered	0.7%	3
Net Controllable Exp.	103,084	103,084	0	36,683	36,975	(292)	over	(0.8%)	

Variance Explanations

- Property Costs**
This underspend is due to reduced consumption of gas utilities.
- Payments to Contractors**
The overspend relates to demand for Care at Home services including home care.
- Income**
This over recovery of income relates to income from service users following financial assessments and one off recoveries of previous year care costs.

Budget Virements

- Transfer of centrally held funds in respect of Pay Award and Living Wage £0.071m. Employee Costs £0.071m.
- Transfer of Grounds Trading budget to Community and Enterprise Resources £0.084m. Property Costs (£0.084m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 September 2017 (No.7)

Justice and Substance Misuse

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/09/17	Actual 15/09/17	Variance 15/09/17		% Variance 15/09/17	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	5,142	5,142	0	2,237	2,143	94	under	4.2%	1,a,b
Property Costs	102	102	0	64	44	20	under	31.3%	
Supplies & Services	88	88	0	38	74	(36)	over	(94.7%)	2
Transport & Plant	116	116	0	55	58	(3)	over	(5.5%)	
Administration Costs	453	453	0	32	34	(2)	over	(6.3%)	
Payments to Other Bodies	514	514	0	225	279	(54)	over	(24.0%)	3,a
Payments to Contractors	46	46	0	39	39	0	-	0.0%	
Transfer Payments	6	6	0	3	3	0	-	0.0%	
Financing Charges	13	13	0	6	6	0	-	0.0%	
Total Controllable Exp.	6,480	6,480	0	2,699	2,680	19	under	0.7%	
Total Controllable Inc.	(5,487)	(5,487)	0	(2,605)	(2,605)	0	-	0.0%	
Net Controllable Exp.	993	993	0	94	75	19	under	20.2%	

Variance Explanations**1. Employee Costs**

This underspend is a result of vacancies within the service which are in the process of being filled.

2. Supplies and Services

The overspend is in relation to costs to prevent re-offending.

3. Payments to Other Bodies

This overspend is due to expenditure on contracted services being higher than budgeted.

Budget Virements

- Budget realignment in relation to Criminal Justice Pay Award. Net Effect: 0: Employee Costs £0.105m, Payments to Other Bodies (£0.105m).
- Transfer of centrally held funds in respect of Pay Award and Living Wage (£0.013m). Employee Costs (£0.013m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 September 2017 (No.7)

Performance and Support

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/09/17	Actual 15/09/17	Variance 15/09/17		% Variance 15/09/17	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	6,741	6,741	0	2,924	2,937	(13)	over	(0.4%)	a
Property Costs	602	602	0	142	126	16	under	11.3%	b
Supplies & Services	424	424	0	126	129	(3)	over	(2.4%)	
Transport & Plant	235	235	0	11	5	6	under	54.5%	
Administration Costs	443	443	0	174	179	(5)	over	(2.9%)	
Payments to Other Bodies	240	240	0	90	87	3	under	3.3%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	7	7	0	3	6	(3)	over	(100.0%)	
Financing Charges	204	204	0	86	84	2	under	2.3%	
Total Controllable Exp.	8,896	8,896	0	3,556	3,553	3	under	0.1%	
Total Controllable Inc.	(946)	(946)	0	(97)	(98)	1	over recovered	1.0%	
Net Controllable Exp.	7,950	7,950	0	3,459	3,455	4	under	0.1%	

Budget Virements

- a. Transfer of centrally held funds in respect of Pay Award and Living Wage £0.018m. Employee Costs £0.018m.
b. Transfer of Grounds Maintenance Trading budget to Community and Enterprise Resources £0.015m. Property Costs (£0.015m).