

Report

Report to:	Social Work Resources Committee
Date of Meeting:	7 September 2022
Report by:	Executive Director (Finance and Corporate Resources) Director, Health and Social Care

Subject:	Social Work Resources - Revenue Budget Monitoring 2022/2023
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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 2022 to 15 July 2022 for Social Work Resources
- ◆ provide a forecast for the year to 31 March 2023

2. Recommendation(s)

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

- (1) that the underspend of £0.407m on the Social Work Resources' revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2023 of breakeven, be noted; and
- (2) that the proposed budget virements be approved.

3. Background

3.1. This is the first revenue budget monitoring report presented to the Social Work Resources Committee for the financial year 2022/2023.

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. There are no employee implications as a result of this report.

5. Financial Implications

5.1. As at 15 July 2022, there is an underspend of £0.407m against the phased budget, all of which lies within Adults and Older People Services as a result of vacancies across Social Workers, Day Care and Residential homes.

5.2. There are likely to be further underspends in relation to specific funding streams in Adults and Older People, where spend has not yet commenced or is not fully committed. Finance Services are currently in discussion with the Chief Financial Officer from the IJB to confirm the anticipated position and this will be reported back in the regular reports to this Committee.

- 5.3. Within Children and Families, budget pressures are ongoing into 2022/2023 in relation to residential placements, fostering and kinship care, some of which is a legacy from the pandemic. £3.451 million has been added to the Children and Families budget on a one-off basis and has been funded by the monies set aside in Reserves at the end 2021/2022 (£2.051 million approved as part of the year-end report to Executive Committee in June 2022) as well as £1.400 million from the Children and Families Residential reserve which was set aside in 2020/2021. In addition, some of the remaining Covid funding (up to £3.000 million) is available to assist with this pressure. The period 4 overspend position on Children and Families (£0.167 million) is after taking account of the drawdown of £3.451 million and is currently being managed by an underspend on Performance and Support.
- 5.4. The Council continues to incur expenditure in relation to COVID-19 and these costs are now included within the individual service statements rather than shown as a separate Covid-19 appendix.
- 5.5. The Covid-19 related expenditure incurred by Social Work Resources for Adults and Older People Social Care, will be funded by COVID reserves held by the IJB. The additional cost includes expenditure on beds to facilitate discharge from hospital, PPE equipment, staff overtime and sustainability and additional cost being incurred by Social Care providers.
- 5.6. Virements are proposed to realign budgets. These movements have been detailed in the appendices to this report, as appropriate.
- 6. Climate Change, Sustainability and Environmental Implications**
- 6.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
- 7. Other Implications**
- 7.1. 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.
- 7.2. There are no implications for sustainability in terms of the information contained in this report.
- 8. Equality Impact Assessment and Consultation Arrangements**
- 8.1. 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.
- 8.2. 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)

Soumen Sengupta
Director, Health and Social Care

28 July 2022

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee – 29 June 2022

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 15 July 2022

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 July (No.4)

Social Work Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/7/22	Actual 15/7/22	Variance 15/7/22		% Variance 15/7/22	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	108,670	108,670	0	26,212	25,601	611	under	2.3%	
Property Costs	3,358	3,358	0	830	881	(51)	over	-6.1%	
Supplies & Services	6,101	6,101	0	1,250	1,152	98	under	7.8%	
Transport & Plant	4,800	4,800	0	603	574	29	under	4.8%	
Administration Costs	1,731	1,731	0	222	230	(8)	over	-3.6%	
Payments to Other Bodies	25,871	25,871	0	6,959	6,945	14	under	0.2%	
Payments to Contractors	129,562	129,562	0	28,025	28,222	(197)	over	-0.7%	
Transfer Payments	3,811	3,811	0	1,378	1,381	(3)	over	-0.2%	
Financing Charges	367	367	0	16	10	6	under	37.5%	
Total Controllable Exp.	284,271	284,271	0	65,495	64,996	499	under	0.8%	
Total Controllable Inc.	(72,787)	(72,787)	0	(11,402)	(11,310)	(92)	Under recovered	0.8%	
Net Controllable Exp.	211,484	211,484	0	54,093	53,686	407	Under	0.8%	

Variance Explanations

Variance explanations are shown in Appendices B -E.

Budget Virements

Budget virements are shown in Appendices B-E.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 July 2022 (No.4)

Children and Families Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/7/22	Actual 15/7/22	Variance 15/7/22		% Variance 16/07/21	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	17,492	17,492	0	4,654	4,625	29	under	0.6%	a
Property Costs	404	404	0	69	89	(20)	over	-29.0%	
Supplies & Services	636	636	0	133	126	7	under	5.3%	a
Transport & Plant	636	636	0	130	119	11	under	8.5%	
Administration Costs	302	302	0	87	83	4	under	4.6%	a
Payments to Other Bodies	10,609	10,609	0	3,200	3,199	1	under	0.0%	a
Payments to Contractors	7,131	7,131	0	2,308	2,510	(202)	over	-8.8%	1
Transfer Payments	3,798	3,798	0	1,375	1,374	1	under	0.1%	
Financing Charges	21	21	0	5	1	4	under	80.0%	
Total Controllable Exp.	41,029	41,029	0	11,961	12,126	(165)	over	-1.4%	
Total Controllable Inc.	(2,247)	(2,247)	0	(204)	(202)	(2)	over recovered	1.0%	a
Net Controllable Exp.	38,782	38,782	0	11,757	11,924	(167)	over	-1.4%	

Variance Explanations**1. Payment to Contractors**

This overspend is a result of the continuing increased requirement for children's residential school and external placements.

Budget Virements

- a Incorporation of Scottish Attainment Fund Net Effect £0, Employee Costs £0.208m, Administration £0.011m, Payment to Other Bodies £0.315m, Supplies and services £0.100m, Income (£0.635m).
- b Transfer from Reserves and non-recurring funding solutions Net effect £3.451m, Payment to contractors £2.400m, Payment to other bodies £0.750m, Transfer payments £0.801, Employee costs (£0.300m), Income (£0.200m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 July 2022 (No.4)

Adults and Older People Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/7/22	Actual 15/7/22	Variance 15/7/22		% Variance 15/07/22	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	78,074	78,074	0	18,174	17,769	405	under	2.2%	1.a, b, c, d, e, f
Property Costs	2,353	2,353	0	586	597	(11)	over	-1.9%	f
Supplies & Services	4,940	4,940	0	1,093	1,009	84	under	7.7%	2.f
Transport & Plant	3,810	3,810	0	425	406	19	under	4.5%	
Administration Costs	461	461	0	73	86	(13)	over	-17.8%	
Payments to Other Bodies	14,984	14,684	0	3,602	3,595	7	under	0.2%	f
Payments to Contractors	122,390	122,390	0	25,676	25,669	7	under	0.0%	B,f
Transfer Payments	7	7	0	2	6	(4)	over	-200.0%	
Financing Charges	57	57	0	4	4	0	-	0%	
Total Controllable Exp.	226,776	266,776	0	49,635	49,141	494	Under	1.0%	
Total Controllable Inc.	(62,331)	(62,331)	0	(9,521)	(9,434)	(87)	Under recovered	0.9%	b, c, d, e, f
Net Controllable Exp.	164,445	164,445	0	40,114	39,707	407	under	1.0%	

Variance Explanations

- Employee costs**
The underspend is a result of vacancies of vacancies across Social Workers, Day Care and Residential homes.
- Supplies and Services**
This underspend is a consequence of building-based day services currently not being fully operational.

Budget Virements

- Transfer of Modern Apprentice funding to Finance and Corporate Resources, Employee Costs (£1.0m).
- Day care regarding Net Effect: £0, Employee costs £0.102m, Income (£0.036m), Payment to contractors (£0.065m).
- Incorporation of IJB reserve for Quality Assurance and Commissioning team Net Effect: £0, Income (£0.377m), Employee costs £0.377m.
- Incorporation of IJB reserve for Project management team Net Effect: £0, Income (£0.178m), Employee costs £0.178m,
- Incorporation of IJB reserve for Scheduling team Net Effect £0, Income (£0.147m), employee costs £0.147m.
- Incorporation of IJB financial plan 2022/23 Net Effect: £0, Employee costs £4.197m, Property costs £0.642m, Supplies & Services £0.581m, Payment to Other Bodies £0.536m, Payment to Contractors (£0.088m), Income £5.868m

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 July 2022 (No.4)

Performance and Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/7/22	Actual 15/7/22	Variance 15/7/22		% Variance 15/07/22	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	5,382	5,382	0	1,416	1,272	144	under	10.2%	1
Property Costs	534	534	0	148	148	0	-	0%	
Supplies & Services	432	432	0	6	5	1	under	16.7%	
Transport & Plant	256	256	0	8	6	2	under	25.0%	
Administration Costs	387	387	0	52	52	0	-	0%	
Payments to Other Bodies	35	35	0	2	0	2	under	100.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	278	278	0	4	4	0	-	0.0%	
Total Controllable Exp.	7,304	7,304	0	1,636	1,487	149	Under	9.1%	
Total Controllable Inc.	(782)	(782)	0	(48)	(45)	(3)	under recovered-	6.3%	
Net Controllable Exp.	6,522	6,522	0	1,588	1,442	146	under	9.2%	

Variance Explanations**1. Employee costs**

This is an underspend due to vacancies which are being actively recruited, mainly within Admin and Clerical staff.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 15 July 2022 (No4)

Justice Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 15/7/22	Actual 15/7/22	Variance 15/7/22		% Variance 15/07/22	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	7,722	7,722	0	1,968	1,935	33	under	1.7%	a,
Property Costs	67	67	0	27	47	(20)	over	-74.1%	
Supplies & Services	93	93	0	18	12	6	under	33.3%	
Transport & Plant	98	98	0	40	43	(3)	over	-7.5%	
Administration Costs	581	581	0	10	9	1	under	10.0%	c
Payments to Other Bodies	543	543	0	155	151	4	under	2.6%	a, b, c
Payments to Contractors	41	41	0	41	43	(2)	over	-4.9%	c
Transfer Payments	6	6	0	1	1	0	-	0.0%	
Financing Charges	11	11	0	3	1	2	under	66.7%	
Total Controllable Exp.	9,162	9,162	0	2,263	2,242	21	under	0.9%	
Total Controllable Inc.	(7,427)	(7,427)	0	(1,629)	(1,629)	0	-	0.0%	a, b, c
Net Controllable Exp.	1,735	1,735	0	634	613	21	under	3.3%	

Variance Explanations**Budget Virements**

- Incorporation of Justice Services recovery funding Net Effect £0: Employee costs £0.681m, Payment to Other Bodies £0.069m, Income (£0.750m).
- Incorporation of S27 Allocation for 3rd Sector Net effect: £0, Income (£0.130m), Payment to Other Bodies £0.130m.
- Big Lottery funding carried forward from 21/22 Net effect £0, Administration £0.042, Payment to other Bodies £0.087, Payment to contractors £0.013m, Income (£0.142m).