

# Report

Report to:	<b>Social Work Resources Committee</b>
Date of Meeting:	<b>7 February 2018</b>
Report by:	<b>Executive Director, Finance and Corporate Resources Director, Health and Social Care</b>

Subject:	<b>Social Work Resources - Revenue Budget Monitoring 2017/2018</b>
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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 8 December 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 £0.613m on the Social Work Resources' revenue budget, as detailed in Appendix A of the report, and the forecast overspend of £0.924m to 31 March 2018, be noted; and
- (2) that the proposed budget virements be approved.

## 3. Background

3.1. This is the third 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 8 December 2017, there is an overspend of £0.613m against the phased budget. The financial forecast for the revenue budget to 31 March 2018 is a potential overspend of £0.924m.

- 5.2. Social Work Resources are showing an overspend of £0.613m. 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. Previous indications showed that the total level of overspend for social care services may result in an overspend on the social work budget for 2017/2018 of £2.3m. The level of demand forecast for Care at Home remains as originally projected, however, we are now receiving a higher level of income than expected in relation to service user contributions for Care Home Placements. In addition, there has been a reduction in the level of external placements. Work on a recovery plan has been successful by limiting non-essential expenditure, improving energy efficiency and as a result of non essential vacancies. This work continues, including discussions with Health and the Integration Joint Board, and analysing the impact on Council costs following the completion of client financial assessments.
- 5.4. The position will continue to be closely monitored as the requirement for Home Care is difficult to predict, particularly over the winter period. As a result of the additional income from Care Home clients, the reduction in number of Children's Placements and the expenditure reductions from the recovery plan, the projected Social Work overspend is £0.924m.

## **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**  
**Director, Health and Social Care**

15 December 2017

**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, effective, efficient and transparent

**Previous References**

- ◆ Social Work Resources Committee of 15 November 2017

**List of Background Papers**

- ◆ Financial Ledger and budget monitoring results to 8 December 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 8 December 2017 (No.10)

## Social Work Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 08/12/17	Actual 08/12/17	Variance 08/12/17		% Variance 08/12/17	Note
	£000	£000	£000	£000	£000	£000			
<b><u>Budget Category</u></b>									
Employee Costs	82,979	82,772	207	54,975	54,839	136	under	0.2%	
Property Costs	2,650	2,307	343	1,953	1,713	240	under	12.3%	
Supplies & Services	6,138	6,620	(482)	3,817	4,170	(353)	over	(9.2%)	
Transport & Plant	4,473	4,641	(168)	3,016	3,154	(138)	over	(4.6%)	
Administration Costs	1,379	1,765	(386)	753	986	(233)	over	(30.9%)	
Payments to Other Bodies	16,564	16,793	(229)	10,952	11,170	(218)	over	(2.0%)	
Payments to Contractors	85,172	85,746	(574)	54,326	54,558	(232)	over	(0.4%)	
Transfer Payments	613	764	(151)	427	533	(106)	over	(24.8%)	
Financing Charges	269	241	28	138	126	12	under	8.7%	
<b>Total Controllable Exp.</b>	200,237	201,649	(1,412 )	130,357	131,249	(892)	over	(0.7%)	
<b>Total Controllable Inc.</b>	(60,958)	(61,446)	488	(44,005)	(44,284)	279	over recovered	0.6%	
<b>Net Controllable Exp.</b>	139,279	140,203	(924)	86,352	86,965	(613)	over	(0.7%)	

**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 8 December 2017 (No.10)

## Children and Families Services

Budget Category	Annual Budget £000	Forecast for Year £000	Annual Forecast Variance £000	Budget Proportion 08/12/17 £000	Actual 08/12/17 £000	Variance 08/12/17 £000		% Variance 08/12/17	Note
Employee Costs	14,416	14,201	215	9,614	9,393	221	under	2.3%	1
Property Costs	301	270	31	264	246	18	under	6.8%	
Supplies & Services	527	466	61	394	352	42	under	10.7%	2
Transport & Plant	615	700	(85)	429	514	(85)	over	(19.8%)	3
Administration Costs	155	330	(175)	121	240	(119)	over	(98.3%)	4
Payments to Other Bodies	8,039	8,243	(204)	6,234	6,392	(158)	over	(2.5%)	5
Payments to Contractors	3,029	3,812	(783)	2,078	2,590	(512)	over	(24.6%)	6
Transfer Payments	600	746	(146)	418	522	(104)	over	(24.9%)	7
Financing Charges	14	16	(2)	11	8	3	under	27.3%	
<b>Total Controllable Exp.</b>	<b>27,696</b>	<b>28,784</b>	<b>(1,088)</b>	<b>19,563</b>	<b>20,257</b>	<b>(694)</b>	<b>over</b>	<b>(3.5%)</b>	
<b>Total Controllable Inc.</b>	<b>(496)</b>	<b>(560)</b>	<b>64</b>	<b>(378)</b>	<b>(420)</b>	<b>42</b>	<b>over recovered</b>	<b>11.1%</b>	<b>8</b>
<b>Net Controllable Exp.</b>	<b>27,200</b>	<b>28,224</b>	<b>(1,024)</b>	<b>19,185</b>	<b>19,837</b>	<b>(652)</b>	<b>over</b>	<b>(3.4%)</b>	

Variance Explanations**1. Employee Costs**

This non recurring underspend has arisen whilst a service redesign has been undertaken to create an Intensive Family Support Service for under 12s. The service will be implemented next financial year.

**2. Supplies and Services**

This underspend relates to supplies for clients, which is a demand led line.

**3. Transport and Plant**

This overspend is in relation to transport costs for children going to school and residential respite.

**4. Administration Costs**

The overspend is as a result of legal fees for children being adopted. This expenditure is driven by numbers and complexity of contested adoptions.

**5. Payments to Other Bodies**

This overspend is due an increase in the requirement for external fostering placements.

**6. Payments to Contractors**

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

**7. Transfer Payments**

The overspend is primarily in relation to Section 22 payments which are provided to families to support the welfare of young people. The overspend reflects the demand and number of users requiring support.

**8. 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 who have been placed in internal resources.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 8 December 2017 (No.10)

## Adults and Older People Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	56,626	56,919	(293)	37,403	37,627	(224)	over	(0.6%)	1,c
Property Costs	1,655	1,457	198	1,210	1,055	155	under	12.8%	2
Supplies & Services	5,097	5,558	(461)	3,178	3,541	(363)	over	(11.4%)	3,a
Transport & Plant	3,511	3,607	(96)	2,338	2,403	(65)	over	(2.8%)	4
Administration Costs	345	521	(176)	249	357	(108)	over	(43.4%)	5,a
Payments to Other Bodies	7,721	7,748	(27)	4,239	4,274	(35)	over	(0.8%)	b
Payments to Contractors	82,097	81,888	209	52,206	51,926	280	under	0.5%	5,a,b,c
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	38	43	(5)	29	27	2	under	6.9%	
<b>Total Controllable Exp.</b>	157,090	157,741	(651)	100,852	101,210	(358)	over	(0.4%)	
<b>Total Controllable Inc.</b>	(53,921)	(54,188)	267	(39,980)	(40,216)	236	over recovered	0.6%	7
<b>Net Controllable Exp.</b>	103,169	103,553	(384)	60,872	60,994	(122)	over	(0.2%)	

**Variance Explanations****1. Employee Costs**

This overspend is due to overtime costs for care and support staff to ensure that appropriate staffing ratios are maintained and within home care for service delivery.

**2. Property Costs**

This underspend is due to investment in more energy efficient heating systems and a reduction in gas tariffs.

**3. Supplies and Services**

This overspend is a result of demand for equipment and adaptations.

**4. Transport and Plant**

This overspend is in relation to the costs of transporting adults and older people to day care centres.

**5. Administration Costs**

This overspend is made up of a number of smaller variances, including the replacement of 5 stand alone telephones systems past their useful life, mobile phones and legal fees.

**6. Payments to Contractors**

The underspend includes an overspend relating to demand for Care at Home services including home care, offset by a reduction in care home placement costs due to a greater level of income than expected in relation to service users contributions.

**7. 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**

- Budget realignment for Mobile Working Project. Supplies and Services £0.102m, Administration Costs £0.018m, Payments to Contractors (£0.120m).
- Budget realignment for Living Wage for Direct Payments. Net Effect 0. Payments to Other Bodies £0.232m, Payments to Contractors (£0.232m).
- Budget realignment for Home Care. Net Effect 0, Payment to Contractors £0.620m, Employee Costs (£0.620m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 8 December 2017 (No.10)

## Justice and Substance Misuse

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	5,196	5,055	141	3,438	3,369	69	under	2.0%	1,a
1Property Costs	99	65	34	82	54	28	under	34.1%	
Supplies & Services	88	191	(103)	56	95	(39)	over	(69.6%)	2
Transport & Plant	116	117	(1)	82	81	1	under	1.2%	
Administration Costs	453	448	5	47	46	1	under	2.1%	
Payments to Other Bodies	544	539	5	338	348	(10)	over	(3.0%)	a
Payments to Contractors	46	46	0	42	42	0	-	0.0%	
Transfer Payments	6	7	(1)	4	5	(1)	over	(25.0%)	
Financing Charges	13	13	0	9	7	2	under	22.2%	
<b>Total Controllable Exp.</b>	<b>6,561</b>	<b>6,481</b>	<b>80</b>	<b>4,098</b>	<b>4,047</b>	<b>51</b>	<b>under</b>	<b>1.2%</b>	
<b>Total Controllable Inc.</b>	<b>(5,595)</b>	<b>(5,599)</b>	<b>4</b>	<b>(3,508)</b>	<b>(3,508)</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	<b>a</b>
<b>Net Controllable Exp.</b>	<b>966</b>	<b>882</b>	<b>84</b>	<b>590</b>	<b>539</b>	<b>51</b>	<b>under</b>	<b>8.6%</b>	

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 programmes being delivered to prevent re-offending.

Budget Virements

- a. Budget realignment in relation to Deferred Sentence Project. Net Effect: 0: Employee Costs £0.0.078m, Payments to Other Bodies £0.030m, Income (£0.108m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 8 December 2017 (No.10)

## Performance and Support

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,741	6,597	144	4,520	4,450	70	under	1.5%	1
Property Costs	595	515	80	397	358	39	under	9.8%	
Supplies & Services	426	405	21	189	182	7	under	3.7%	
Transport & Plant	231	217	14	167	156	11	under	6.6%	
Administration Costs	426	466	(40)	336	343	(7)	over	(2.1%)	
Payments to Other Bodies	260	263	(3)	141	156	(15)	over	(10.6%)	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	7	11	(4)	5	6	(1)	over	(20.0%)	
Financing Charges	204	169	35	89	84	5	under	5.6%	
<b>Total Controllable Exp.</b>	<b>8,890</b>	<b>8,643</b>	<b>247</b>	<b>5,844</b>	<b>5,735</b>	<b>109</b>	<b>under</b>	<b>1.9%</b>	
<b>Total Controllable Inc.</b>	<b>(946)</b>	<b>(1,099)</b>	<b>153</b>	<b>(139)</b>	<b>(140)</b>	<b>1</b>	<b>over recovered</b>	<b>0.7%</b>	
<b>Net Controllable Exp.</b>	<b>7,944</b>	<b>7,544</b>	<b>400</b>	<b>5,705</b>	<b>5,595</b>	<b>110</b>	<b>under</b>	<b>1.9%</b>	

Variance Explanations

## 1. Employee Costs

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