

Report

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Report to:	Social Work Resources Committee
Date of Meeting:	20 September 2006
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Social Work Resources)

Subject:	Revenue Budget Monitoring 2006/2007 - Social Work Resources
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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 2006 to 11 August 2006 for Social Work Resources
- ◆ provide a forecast for the year to 31 March 2007

2. Recommendation(s)

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

- (1) that the overspend on Social Work Resources' revenue budget of £0.175million (0.5%), as detailed in Appendix A of the report, and the forecast for the revenue budget to 31 March 2007 of breakeven, be noted; and
- (2) that it notes the Executive Committee will consider a transfer from reserves of £1.2million to meet Social Work budget pressures.

3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Social Work Resources Committee for the financial year 2006/2007. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Social Work Resources on Appendix A, and then details the individual services, along with variance explanations, in Appendices B to G.

4. Employee Implications

4.1. None

5. Financial Implications

- 5.1. The June meeting of Social Work Resources Committee was advised of an overspend of £0.020m. In August, the Executive Committee was advised that this had risen to £0.150m and that the position would be monitored and further reported. As at 11 August 2006, the variance from phased budget is an overspend of £0.175million (0.5%).

- 5.2 Through investigation, the extent of budget pressures within Older People Services (Externally Purchased Care) and Children and Families Services (Residential School Places) have been established. These pressures are liable to be substantial if left unaddressed. At present, the budget for externally purchased care for older people is stretched due to increased referrals for support; additional residential places for young people are required, continuing the pressures from 2005/06. In addition, there is increasing demand for equipment and adaptations to enable people to remain in their own homes.
- 5.3. Social Work Resources have proposed measures to meet part of these pressures using existing budget underspends. The Executive Committee on 13 September 2006 considered a transfer from reserves of £1.2 million to meet the balance to support the Social Work budget which will be included in the financial reports for period 6. The budget position will naturally be continually monitored throughout the rest of this financial year.
- 6. Other Implications**
- 6.1. None
- 7. Consultation**
- 7.1. Not applicable

Archibald Strang
Executive Director (Finance and Information Technology Resources)

Harry Stevenson
Executive Director (Social Work Resources)

25 August 2006

Link(s) to Council Objectives

- ◆ Managing South Lanarkshire's Wealth of Resources – Financial Control, corporate Governance

Previous References

- ◆ Social Work Resources Committee, 28 June 2006

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 11 August 2006

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 11th August 2006 (No.5)

Social Work Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	63,270	63,270	0	22,762	22,678	84	under	0.4%	
Property Costs	3,867	3,867	0	924	930	(6)	over	(0.6%)	
Supplies & Services	6,144	6,144	0	1,949	1,887	62	under	3.2%	
Transport & Plant	2,465	2,465	0	320	345	(25)	over	(7.8%)	
Administration Costs	1,969	1,969	0	563	585	(22)	over	(3.9%)	
Payments to Other Bodies	20,591	20,591	0	7,537	7,459	78	under	1.0%	
Payments to Contractors	39,975	39,975	0	12,481	12,765	(284)	over	(2.3%)	
Transfer Payments	116	116	0	36	65	(29)	over	(80.6%)	
Financing Charges	405	405	0	223	206	17	under	7.6%	
Total Controllable Exp.	138,802	138,802	0	46,795	46,920	(125)	over	(0.3%)	
Total Controllable Inc.	(37,589)	(37,589)	0	(10,458)	(10,408)	(50)	under recovery	0.5%	
Net Controllable Exp.	101,213	101,213	0	36,337	36,512	(175)	ov er	(0.5%)	

Variance Explanations

Variance explanations are shown in Appendices B-G.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11th August 2006 (No.5)

Service Strategy

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	806	806	0	291	290	1	under	0.3%	
Property Costs	4	4	0	1	0	1	under	100.0%	
Supplies & Services	13	13	0	4	2	2	under	50.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	43	43	0	13	9	4	under	30.8%	
Payments to Other Bodies	211	211	0	65	63	2	under	3.1%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	2	2	0	1	0	1	under	100.0%	
Total Controllable Exp.	1,079	1,079	0	375	364	11	under	2.9%	
Total Controllable Inc.	(26)	(26)	0	(5)	(5)	0	-	n/a	
Net Controllable Exp.	1,053	1,053	0	370	359	11	under	3.0%	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11th August 2006 (No.5)

Children and Families Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	11,566	11,566	0	4,136	4,133	3	under	0.1%	
Property Costs	322	322	0	32	25	7	under	21.9%	
Supplies & Services	794	794	0	230	237	(7)	over	(3.0%)	
Transport & Plant	324	324	0	101	112	(11)	over	(10.9%)	
Administration Costs	263	263	0	65	62	3	under	4.6%	
Payments to Other Bodies	5,052	5,052	0	1,934	2,175	(241)	over	(12.5%)	1,a,
Payments to Contractors	2,093	2,093	0	664	795	(131)	over	(19.7%)	2
Transfer Payments	107	107	0	33	62	(29)	over	(87.9%)	
Financing Charges	35	35	0	22	27	(5)	over	(22.7%)	
Total Controllable Exp.	20,556	20,556	0	7,217	7,628	(411)	over	(5.7%)	
Total Controllable Inc.	(3,137)	(3,137)	0	(182)	(191)	9	over recovery	(4.9%)	
Net Controllable Exp.	17,419	17,419	0	7,035	7,437	(402)	over	(5.7%)	

Variance Explanations

- 1 The overspend is attributable to the external purchasing of places in residential schools as a result of an increase in the number of young people in secure accommodation.
- 2 The overspend is due to annual inflationary increases and an increased number of young people in external residential placements.

Budget Virements

- a Budget transfer to Education Resources in relation to Changing Children's Services Fund (£1.152m) : Payments to Other Bodies (£1.152m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11th August 2006 (No.5)

Older People Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	26,367	26,367	0	9,531	9,567	(36)	over	(0.4%)	a
Property Costs	585	585	0	157	172	(15)	over	(9.6%)	
Supplies & Services	1,215	1,215	0	375	298	77	under	20.5%	
Transport & Plant	807	807	0	68	105	(37)	over	(54.4%)	a
Administration Costs	271	271	0	108	125	(17)	over	(15.7%)	
Payments to Other Bodies	1,694	1,694	0	718	711	7	under	1.0%	
Payments to Contractors	27,998	27,998	0	8,656	8,838	(182)	over	(2.1%)	1
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	10	10	0	4	6	(2)	over	(50.0%)	
Total Controllable Exp.	58,947	58,947	0	19,617	19,822	(205)	over	(1.0%)	
Total Controllable Inc.	(10,040)	(10,040)	0	(3,186)	(3,157)	(29)	under recovery	0.9%	
Net Controllable Exp.	48,907	48,907	0	16,431	16,665	(234)	over	(1.4%)	

Variance Explanations

1 This overspend relates to the current over-commitment for Home Care services as a result of assessed need.

Budget Virements

a Budget transfer from Housing & Technical Resources in relation to Sleepover Withdrawal - £0.125m : Employee Costs £0.114m, Transport & Plant £0.011m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11th August 2006 (No.5)

Adult Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	14,115	14,115	0	5,094	5,006	88	under	1.7%	1,b
Property Costs	355	355	0	105	131	(26)	over	(24.8%)	b
Supplies & Services	3,240	3,240	0	1,013	1,018	(5)	over	(0.5%)	c
Transport & Plant	895	895	0	74	105	(31)	over	(41.9%)	
Administration Costs	202	202	0	50	45	5	under	10.0%	c
Payments to Other Bodies	11,407	11,407	0	3,938	3,853	85	under	2.2%	2,a,b,c
Payments to Contractors	9,702	9,702	0	3,106	3,132	(26)	over	(0.8%)	a,b
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	81	81	0	57	39	18	under	31.6%	
Total Controllable Exp.	39,997	39,997	0	13,437	13,329	108	under	0.8%	
Total Controllable Inc.	(16,301)	(16,301)	0	(4,267)	(4,222)	(45)	under recovery	1.1%	a,c
Net Controllable Exp.	23,696	23,696	0	9,170	9,107	63	under	0.7%	

Variance Explanations

- 1 The underspend is a result of recruitment difficulties for Care Staff for the re-provisioning of clients from Laburnum. This has now been addressed.
- 2 The underspend is due to a timing delay in the processing of invoices for long term care, respite and home care. It is forecast that this underspend will diminish once these invoices are received and processed.

Budget Virements

- a Budget realignment of Payments to Other Bodies £0.260m to Payments to Contractors (£0.100m), to Income (£0.160m).
- b Budget realignment of Employee Costs (£0.250m) to Property Costs £0.060m, to Payments to Other Bodies (£0.347m), to Payments to Contractors £0.537m.
- c Additional monies received from the Scottish Executive for National Suicide Prevention £0.136m: Supplies and Services £0.030m, Administration £0.060m, Payments to Other Bodies £0.045m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11th August 2006 (No.5)

Offenders Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,747	3,747	0	1,337	1,297	40	under	3.0%	
Property Costs	92	92	0	23	21	2	under	8.7%	
Supplies & Services	43	43	0	14	16	(2)	over	(14.3%)	
Transport & Plant	70	70	0	19	19	0	-	n/a	
Administration Costs	107	107	0	32	28	4	under	12.5%	
Payments to Other Bodies	2,053	2,053	0	785	542	243	under	31.0%	1,a
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	3	3	0	1	2	(1)	over	(100.0%)	
Financing Charges	27	27	0	19	15	4	under	21.1%	
Total Controllable Exp.	6,142	6,142	0	2,230	1,940	290	under	13.0%	
Total Controllable Inc.	(4,389)	(4,389)	0	(1,694)	(1,697)	3	over recovery	(0.2%)	
Net Controllable Exp.	1,753	1,753	0	536	243	293	under	54.7%	

Variance Explanations

1 This planned underspend will assist in offsetting overspends elsewhere in the Resource.

Budget Virements

a Additional monies received from the Scottish Executive for Criminal Justice A £0.190m: Payments to Other Bodies £0.190m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11th August 2006 (No.5)

Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/06	Actual 11/08/06	Variance 11/08/06		% Variance 11/08/06	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	6,669	6,669	0	2,373	2,385	(12)	over	(0.5%)	
Property Costs	2,509	2,509	0	606	581	25	under	4.1%	
Supplies & Services	839	839	0	313	316	(3)	over	(1.0%)	
Transport & Plant	369	369	0	58	4	54	under	93.1%	1
Administration Costs	1,083	1,083	0	295	316	(21)	over	(7.1%)	
Payments to Other Bodies	174	174	0	97	115	(18)	over	(18.6%)	
Payments to Contractors	182	182	0	55	0	55	under	100.0%	2
Transfer Payments	6	6	0	2	1	1	under	50.0%	
Financing Charges	250	250	0	120	119	1	under	0.8%	
Total Controllable Exp.	12,081	12,081	0	3,919	3,837	82	under	2.1%	
Total Controllable Inc.	(3,696)	(3,696)	0	(1,124)	(1,136)	12	over recovery	(1.1%)	
Net Controllable Exp.	8,385	8,385	0	2,795	2,701	94	under	3.4%	

Variance Explanations

- 1 This relates to outstanding transport charges including maintenance, leasing and fuel.
 2 This planned underspend will assist in offsetting overspends elsewhere in the Resource.