

Report

Report to:	Social Work Resources Committee
Date of Meeting:	6 December 2023
Report by:	Executive Director (Finance and Corporate Resources) Director, Health and Social Care

Subject:	Social Work Resources - Revenue Budget Monitoring 2023/2024
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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 2023 to 6 October 2023 for Social Work Resources
- ◆ provide a forecast for the year to 31 March 2024

2. Recommendation(s)

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

- (1) the position on the Social Work Resources' revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2024 of breakeven, 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 2023/2024.

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 6 October 2023, there is a breakeven position against the phased budget.

5.2. **Children and Families:** As detailed in the previous reports, budget pressures within Children and Families are continuing into 2023/2024 in relation to residential placements, fostering and kinship care, some of which is a legacy from the pandemic.

5.3. As previously advised, there is one-off funding identified totalling £9.2 million, and this is available this financial year to contribute towards these residual Children and Families' pressures.

- 5.4. The Children and Families position as at 6 October 2023 assumes funding will be available and will be drawn down later in the financial year, as required. The Resource are working towards managing the overall budget pressure in Children and Families by 2024/2025.
- 5.5. The period 7 overspend position on Children and Families (£0.298m) is currently being managed by an underspend on Performance and Support and Justice Services.
- 5.6. **Adult and Older People:** As previously advised, within Adult and Older People, the outcome of the Job Evaluation exercise for Home Carers will result in recurring costs of approximately £7 million from 2023/2024. These costs are not included in the IJB budget set for 2023/2024. As at 6 October, costs of £3 million have been incurred in relation to the cost of the grade changes
- 5.7. Officers within the IJB have been looking to identify recurring funding solutions. These solutions and an overall recovery plan were agreed by the IJB on 18 October 2023. Budgets will be realigned as required to reflect this agreement.
- 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. There are inflationary and budget pressures including utilities (as well as general inflation pressures) this year which increase the risk of overspend, however, these have mitigated through the IJB financial plan for 2023/24. 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.
- 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)

Professor Soumen Sengupta
Director, Health and Social Care

27 October 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ 27 September 2023

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 6 October 2023

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 6 October 2023 (No.7)

Social Work Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 6/10/23	Actual 6/10/23	Variance 6/10/23		% Variance 6/10/23	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	108,706	108,706	0	52,473	55,106	(2,633)	Over	-5.0%	
Property Costs	4,403	4,403	0	1,665	1,693	(28)	Over	-1.7%	
Supplies & Services	5,909	5,909	0	2,607	2,736	(129)	Over	-4.9%	
Transport & Plant	4,683	4,683	0	3,853	3,642	211	Under	5.5%	
Administration Costs	1,967	1,967	0	525	470	55	Under	10.5%	
Payments to Other Bodies	24,070	24,070	0	12,841	12,282	559	Under	4.4%	
Payments to Contractors	136,071	136,071	0	74,208	72,422	1,786	Under	2.4%	
Transfer Payments	3,060	3,060	0	2,487	2,526	(39)	Over	-1.6%	
Financing Charges	404	404	0	19	19	0	-	n/a	
Total Controllable Exp.	289,973	288,903	0	150,678	150,896	(218)	Over	-0.1%	
Total Controllable Inc.	(75,089)	(75,089)	0	(46,461)	(46,679)	218	Under recovered	-0.5%	
Net Controllable Exp.	214,884	214,884	0	104,217	104,217	0	-	n/a	

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 6 October 2023 (No.7)

Children and Families Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 6/10/23	Actual 6/10/23	Variance 6/10/23		% Variance 6/10/23	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	18,728	18,728	0	9,294	9,060	234	Under	2.5%	1, a
Property Costs	470	470	0	272	284	(12)	Over	-4.4%	
Supplies & Services	585	585	0	213	239	(26)	Over	-12.2%	
Transport & Plant	624	624	0	300	319	(19)	Over	-6.3%	
Administration Costs	319	319	0	185	202	(17)	Over	-9.2%	
Payments to Other Bodies	9,408	9,408	0	4,945	4,933	12	Under	0.2%	b
Payments to Contractors	5,358	5,358	0	4,841	5,429	(588)	Over	-12.1%	2, b
Transfer Payments	3,047	3,047	0	2,481	2,504	(23)	Over	-0.9%	
Financing Charges	21	21	0	3	3	0	-	n/a	
Total Controllable Exp.	38,560	38,560	0	22,534	22,973	(439)	Over	-1.9%	
Total Controllable Inc.	(1,181)	(1,181)	0	(636)	(777)	141	Over recovered	-22.2%	3
Net Controllable Exp.	37,379	37,379	0	21,898	22,196	(298)	Over	-1.4%	

Variance Explanations**1. Employee costs**

This is an underspend due to vacancies which are being actively recruited.

2 Payment to Contractors

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

3. Income

The over recovery of income mainly relates to funding received from the Home Office due to an increase in the number of unaccompanied asylum-seeking young people being supported.

Budget Virements

- Incorporation of Childrens and Young Peoples Change Fund £0.156, Employee Costs £0.0.156m.
- Realignment of Throughcare budget Net Effect: £0, Payment to Other Bodies £0.116m, Payment to Contractors (£0.116m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 6 October 2023 (No.7)

Adults and Older People Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 6/10/23	Actual 6/10/23	Variance 6/10/23		% Variance 6/10/23	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	78,036	78,036	0	37,324	40,444	(3,120)	Over	-8.4%	1, a, c
Property Costs	3,286	3,286	0	988	1,002	(14)	Over	-1.4%	
Supplies & Services	4,793	4,793	0	2,345	2,431	(86)	Over	-3.7%	a
Transport & Plant	3,700	3,700	0	3,279	3,107	172	Under	5.2%	
Administration Costs	756	756	0	177	123	54	Under	30.5%	
Payments to Other Bodies	14,546	14,546	0	7,631	7,069	562	Under	7.4%	2, b
Payments to Contractors	130,674	130,674	0	69,328	66,954	2,374	Under	3.4%	3, c
Transfer Payments	7	7	0	3	16	(13)	Over	-433.3%	
Financing Charges	55	55	0	8	7	1	Under	12.5%	
Total Controllable Exp.	235,853	235,853	0	121,083	121,153	(70)	Over	-0.1%	
Total Controllable Inc.	(65,795)	(65,795)	0	(42,706)	(42,776)	70	Over recovered	-0.2%	4, a, b
Net Controllable Exp.	170,058	170,058	0	78,377	78,377	0	-	n/a	

Variance Explanations**1. Employee costs**

This overspend is mainly attributable to the home care job evaluation costs for the period 1 April to 29 September 2023, and is offset by Payments to Other Bodies and Payments to Contractors below.

2. Payments to Other Bodies

The underspend is due to unallocated funding to date.

3. Payments to Contractors

The underspend is due to higher than anticipated DWP offset funding in relation to residential and nursing care services and less than anticipated nursing care home placements to date.

4. Income

The over recovery is due to non-recurring recovery of funding from service users in respect of Direct Payments not being fully utilised.

Budget Virements

a. Drawdown from IJB Reserves Net Effect: £0, Employee Costs £0.119m, Supplies £0.050m, Income (£0.169m).

b. Incorporation of Distress Briefing Intervention funding 2023/24 Net Effect: £0, Payment to Other Bodies £0.340m, Income (£0.340m).

c. Realignment of Procurement savings Net Effect: £0, Payment Contractors £0.234m, Employee costs (£0.234m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 6 October 2023 (No.7)

Performance and Support Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 6/10/23	Actual 6/10/23	Variance 6/10/23		% Variance 6/10/23	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	5,051	5,051	0	2,545	2,410	135	Under	5.3%	1
Property Costs	566	566	0	338	339	(1)	Over	-0.3%	
Supplies & Services	454	454	0	22	20	2	Under	9.1%	
Transport & Plant	251	251	0	205	151	54	Under	26.3%	
Administration Costs	324	324	0	113	103	10	Under	8.8%	
Payments to Other Bodies	26	26	0	3	21	(18)	Over	-600.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	319	319	0	8	8	0	-	n/a	
Total Controllable Exp.	6,991	6,991	0	3,234	3,052	182	Under	5.6%	
Total Controllable Inc.	(635)	(635)	0	(82)	(88)	6	Over recovered	-7.3%	
Net Controllable Exp.	6,356	6,356	0	3,152	2,964	188	Under	6.0%	

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 6 October 2023 (No.7)

Justice Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 6/10/23	Actual 6/10/23	Variance 6/10/23		% Variance 6/10/23	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	6,891	6,891	0	3,310	3,192	118	Under	3.6%	1, a, b
Property Costs	81	81	0	67	68	(1)	Over	-1.5%	
Supplies & Services	77	77	0	27	46	(19)	Over	-70.4%	
Transport & Plant	108	108	0	69	65	4	Under	5.8%	
Administration Costs	568	568	0	50	42	8	Under	16.0%	
Payments to Other Bodies	790	790	0	262	259	3	Under	1.1%	a, b
Payments to Contractors	39	39	0	39	39	0	-	0.0%	
Transfer Payments	6	6	0	3	6	(3)	Over	-100.0%	
Financing Charges	9	9	0	0	1	(1)	Over	n/a	
Total Controllable Exp.	8,569	8,569	0	3,827	3,718	109	Under	2.8%	
Total Controllable Inc.	(7,478)	(7,478)	0	(3,037)	(3,038)	1	Over recovered	0.0%	a, b
Net Controllable Exp.	1,091	1,091	0	790	680	110	Under	13.9%	

Variance Explanations**1. Employee Costs**

This is an underspend due to vacancies which are being actively recruited.

Budget Virements

a. Incorporation of Scottish Government funding for Intensive Support Packages Net Effect: £0, Employee costs £0.087m, Payment to Other Bodies £0.114m, Income (£0.201m).

b. Incorporation of Problem-Solving Drug Court funding Net Effect: £0, Employee costs £0.039m, Payment to Other Bodies £0.150m, Income (£0.189m).