

# Report

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Report to:	<b>Social Work Resources Committee</b>
Date of Meeting:	<b>6 September 2017</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 to 21 July 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 £0.693m on the Social Work Resources' revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2018 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 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 21 July 2017, there is an overspend of £0.693m against the phased budget. The financial forecast for the revenue budget to 31 March 2018 is breakeven.

- 5.2. Social Work Resources are showing an overspend of £0.693m. As reported at Executive Committee on 28 June 2017, Social Work Resources experienced budget pressures in 2016/2017, arising from an increased demand for social care services. While additional funding has been added to the Social Work Resources' budget for 2017/2018 to assist with these pressures, it is expected that the demand for social care services 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. Through work undertaken analysing Home Care spend following unusually high levels of spend in May, we have seen that levels of additional activity have not been sustained into subsequent months. However, the full year costs of continuing to deliver the service in May will put further pressure on the budget for this year. Indications show that the total level of overspend for social care services will result in an overspend in the social work budget of £2.3m for 2017/2018.
- 5.4. The position will be closely monitored as the requirement for Home Care is difficult to predict. The overspend may increase should the level of demand fluctuate against projections. In monitoring the position, we will consider where other underspends can assist in offsetting these pressures in the short term. Social Work Resources are working to minimise the level of overspend being incurred, and a recovery plan is being discussed with the Integration Joint Board.
- 5.5. The Council is also looking at its overall financial position for 2017/2018 to assist with any resulting overspend.

## **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**

7 August 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 21 July 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 21 July 2017 (No.5)

## Social Work Resources Summary

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 21/07/17</b>	<b>Actual 21/07/17</b>	<b>Variance 21/07/17</b>		<b>% Variance 21/07/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	82,562	82,562	0	23,025	22,872	153	under	0.7%	
Property Costs	2,759	2,759	0	704	640	64	under	9.1%	
Supplies & Services	5,960	5,960	0	1,337	1,340	(3)	over	(0.2%)	
Transport & Plant	4,495	4,495	0	1,247	1,277	(30)	over	(2.4%)	
Administration Costs	1,375	1,375	0	327	391	(64)	over	(19.6%)	
Payments to Other Bodies	16,197	16,197	0	5,190	5,362	(172)	over	(3.3%)	
Payments to Contractors	85,801	85,801	0	22,045	22,752	(707)	over	(3.2%)	
Transfer Payments	524	524	0	164	213	(49)	over	(29.9%)	
Financing Charges	269	269	0	74	62	12	under	16.2%	
<b>Total Controllable Exp.</b>	<b>199,942</b>	<b>199,942</b>	<b>0</b>	<b>54,113</b>	<b>54,909</b>	<b>(796)</b>	<b>over</b>	<b>(1.5%)</b>	
<b>Total Controllable Inc.</b>	<b>(60,603)</b>	<b>(60,603)</b>	<b>0</b>	<b>(17,799)</b>	<b>(17,902)</b>	<b>103</b>	<b>over recovered</b>	<b>0.6%</b>	
<b>Net Controllable Exp.</b>	<b>139,339</b>	<b>139,339</b>	<b>0</b>	<b>36,314</b>	<b>37,007</b>	<b>(693)</b>	<b>over</b>	<b>(1.9%)</b>	

**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 21 July 2017 (No.5)**

**Children and Families Services**

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 21/07/17</b>	<b>Actual 21/07/17</b>	<b>Variance 21/07/17</b>		<b>% Variance 21/07/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	14,466	14,466	0	4,050	3,945	105	under	2.6%	<b>1,a</b>
Property Costs	312	312	0	61	53	8	under	13.1%	
Supplies & Services	528	528	0	188	175	13	under	6.9%	
Transport & Plant	619	619	0	186	215	(29)	over	(15.6%)	
Administration Costs	159	159	0	90	123	(33)	over	(36.7%)	
Payments to Other Bodies	8,032	8,032	0	2,992	3,057	(65)	over	(2.2%)	<b>2,</b>
Payments to Contractors	3,026	3,026	0	913	1,178	(265)	over	(29.0%)	<b>3,a</b>
Transfer Payments	511	511	0	160	207	(47)	over	(29.4%)	<b>4</b>
Financing Charges	14	14	0	6	6	0	-	0.0%	
<b>Total Controllable Exp.</b>	<b>27,667</b>	<b>27,667</b>	<b>0</b>	<b>8,646</b>	<b>8,959</b>	<b>(313)</b>	<b>over</b>	<b>(3.6%)</b>	
<b>Total Controllable Inc.</b>	<b>(385)</b>	<b>(385)</b>	<b>0</b>	<b>(185)</b>	<b>(234)</b>	<b>49</b>	<b>over recovered</b>	<b>26.5%</b>	<b>5,b</b>
<b>Net Controllable Exp.</b>	<b>27,282</b>	<b>27,282</b>	<b>0</b>	<b>8,461</b>	<b>8,725</b>	<b>(264)</b>	<b>over</b>	<b>(3.1%)</b>	

**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. Payments to Other Bodies**

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

**3. Payments to Contractors**

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

**4. Transfer Payments**

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

**5. 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**

- a. Budget realignment in relation to service re-provision Net Effect 0: Employee Costs (£0.108m), Payments to Other Bodies £0.047m, Payments to Contractors (£0.219m), Income £0.280m.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 21 July 2017 (No.5)

## 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 21/07/17</b>	<b>Actual 21/07/17</b>	<b>Variance 21/07/17</b>		<b>% Variance 21/07/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	56,450	56,450	0	15,723	15,664	59	under	0.4%	a
Property Costs	1,727	1,727	0	552	518	34	under	6.2%	
Supplies & Services	4,919	4,919	0	1,068	1,103	(35)	over	(3.3%)	
Transport & Plant	3,525	3,525	0	1,018	1,020	(2)	over	(0.2%)	
Administration Costs	326	326	0	102	128	(26)	over	(25.5%)	
Payments to Other Bodies	7,329	7,329	0	2,060	2,141	(81)	over	(3.9%)	1,a,b,c,d
Payments to Contractors	82,729	82,729	0	21,128	21,570	(442)	over	(2.1%)	2,c,d,e
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	38	38	0	17	11	6	under	35.3%	
<b>Total Controllable Exp.</b>	<b>157,043</b>	<b>157,043</b>	<b>0</b>	<b>41,668</b>	<b>42,155</b>	<b>(487)</b>	<b>over</b>	<b>(1.2%)</b>	
<b>Total Controllable Inc.</b>	<b>(53,899)</b>	<b>(53,899)</b>	<b>0</b>	<b>(16,152)</b>	<b>(16,204)</b>	<b>52</b>	<b>over recovered</b>	<b>0.3%</b>	<b>3,a,b,e</b>
<b>Net Controllable Exp.</b>	<b>103,144</b>	<b>103,144</b>	<b>0</b>	<b>25,516</b>	<b>25,951</b>	<b>(435)</b>	<b>over</b>	<b>(1.7%)</b>	

**Variance Explanations****1. Payments to Other Bodies**

This overspend mainly attributable to the demand for Direct Payments for service users.

**2. Payments to Contractors**

The overspend relates to demand for Care at Home services including home care and supported living.

**3. 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 established for Integration Partnership funding. Net Effect 0: Employee Costs £4.574m, Payments to Other Bodies £0.650m, Income (£5.224m).
- Budget established in relation to the roll forward of Mental Health Innovation funding. Net Effect 0: Payments to Other bodies £0.219m, Income (£0.219m).
- Budget realignment in relation to respite budgets. Net Effect 0: Payments to Other Bodies £0.147m, Payments to Contractors (£0.147m).
- Budget realignment in relation to the roll forward position. Net Effect 0: Payments to Other bodies £0.186m, Payments to Contractors (£0.186m).
- Budget realignment in relation to the removal of Resource Transfer Inflation. Net Effect 0: Payments Contractors (£0.377m), Income £0.377m.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 21 July 2017 (No.5)

## 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 21/07/17</b>	<b>Actual 21/07/17</b>	<b>Variance 21/07/17</b>		<b>% Variance 21/07/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	5,051	5,051	0	1,408	1,387	21	under	1.5%	a
1Property Costs	102	102	0	23	15	8	under	34.8%	
Supplies & Services	88	88	0	25	22	3	under	12.0%	
Transport & Plant	116	116	0	39	37	2	under	5.1%	
Administration Costs	452	452	0	21	22	(1)	over	(4.8%)	
Payments to Other Bodies	619	619	0	103	128	(25)	over	(24.3%)	a
Payments to Contractors	46	46	0	4	4	0	-	0.0%	
Transfer Payments	6	6	0	2	2	0	-	0.0%	
Financing Charges	13	13	0	6	3	3	under	50.0%	
<b>Total Controllable Exp.</b>	<b>6,493</b>	<b>6,493</b>	<b>0</b>	<b>1,631</b>	<b>1,620</b>	<b>11</b>	<b>under</b>	<b>0.7%</b>	
<b>Total Controllable Inc.</b>	<b>(5,487)</b>	<b>(5,487)</b>	<b>0</b>	<b>(1,411)</b>	<b>(1,411)</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	
<b>Net Controllable Exp.</b>	<b>1,006</b>	<b>1,006</b>	<b>0</b>	<b>220</b>	<b>209</b>	<b>11</b>	<b>under</b>	<b>5.0%</b>	

**Budget Virements**

- a. Budget realignment in relation to Section 27 pay award. Net Effect 0: Employee Costs £0.105m, Payments to Other bodies (£0.105m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 21 July 2017 (No.5)

## Performance and Support

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 21/07/17</b>	<b>Actual 21/07/17</b>	<b>Variance 21/07/17</b>		<b>% Variance 21/07/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,595	6,595	0	1,844	1,876	(32)	over	(1.7%)	a,b
Property Costs	618	618	0	68	54	14	under	20.6%	c
Supplies & Services	425	425	0	56	40	16	under	28.6%	a,c
Transport & Plant	235	235	0	4	5	(1)	over	(25.0%)	
Administration Costs	438	438	0	114	118	(4)	over	(3.5%)	a
Payments to Other Bodies	217	217	0	35	36	(1)	over	(2.9%)	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	7	7	0	2	4	(2)	over	(100.0%)	
Financing Charges	204	204	0	45	42	3	under	6.7%	
<b>Total Controllable Exp.</b>	<b>8,739</b>	<b>8,739</b>	<b>0</b>	<b>2,168</b>	<b>2,175</b>	<b>(7)</b>	<b>over</b>	<b>(0.3%)</b>	
<b>Total Controllable Inc.</b>	<b>(832)</b>	<b>(832)</b>	<b>0</b>	<b>(51)</b>	<b>(53)</b>	<b>2</b>	<b>over recovered</b>	<b>3.9%</b>	<b>a,b</b>
<b>Net Controllable Exp.</b>	<b>7,907</b>	<b>7,907</b>	<b>0</b>	<b>2,117</b>	<b>2,122</b>	<b>(5)</b>	<b>over</b>	<b>(0.2%)</b>	

**Budget Virements**

- a. Budget established for Scottish Legal Aid Board funding. Net Effect 0: Employee Costs £0.107m, Supplies and Services £0.002m, Administration Costs £0.004m, Income (£113m).
- b. Budget established for Welfare Rights Officers. Net Effect 0: Employee Costs £0.120m, Income (£0.120m).
- c. Budget realignment in relation to Electronic Records and Data Management Systems costs. Net Effect 0: Property costs (£0.101m), Supplies and Services £0.101m.