

Report

Report to:	Social Work Resources Committee
Date of Meeting:	27 September 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 11 August 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 as detailed in section 5.7, be noted; and
- (2) that the proposed budget virements be approved.

3. Background

3.1. This is the second 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 11 August 2023, there is a breakeven position against the phased budget.

5.2. **Children and Families:** As detailed in the previous report, 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 to Social Work Committee (28 June 2023), 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 11 August 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 5 overspend position on Children and Families (£0.140m) is currently being managed by an underspend on Performance and Support and Justice Services.
- 5.6. **Adults 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 11 August, costs of £2.4 million have been incurred in relation to the cost of the grade changes. This is shown under Employee Costs in Appendix C but does not show as a net overspend as there is sufficient budget available at this stage in the financial year to cover the additional costs incurred to date.
- 5.7. Officers within the IJB have been looking to identify recurring funding solutions. A budget recovery plan presented to the IJB on 19 September was not agreed. To manage the spend position this year, work will be required by the IJB Chief Officer and Chief Financial Officer, in conjunction with the Council's officers, to address this. This is likely to be achieved, in the short term, through management controls pending further decisions to be taken by the IJB to balance the in-year budget.

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)

Soumen Sengupta
Director, Health and Social Care

19 September 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ None

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 11 August 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 11 August 2023 (No.5)

Social Work Resources Summary

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/23	Actual 11/08/23	Variance 11/08/23		% Variance 11/08/23	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	108,492	108,492	0	36,211	38,114	(1,903)	Over	-5.3%	
Property Costs	4,372	4,372	0	1,147	1,145	2	Under	0.2%	
Supplies & Services	5,879	5,879	0	1,870	1,912	(42)	Over	-2.2%	
Transport & Plant	4,685	4,685	0	729	753	(24)	Over	-3.3%	
Administration Costs	1,967	1,967	0	304	311	(7)	Over	-2.3%	
Payments to Other Bodies	24,073	24,073	0	8,875	8,492	383	Under	4.3%	
Payments to Contractors	135,972	134,972	0	47,765	46,331	1,434	Under	3.0%	
Transfer Payments	3,060	3,060	0	1,593	1,624	(31)	Over	-1.9%	
Financing Charges	403	403	0	15	19	(4)	Over	-26.7%	
Total Controllable Exp.	288,903	288,903	0	98,509	98,701	(192)	Over	-0.2%	
Total Controllable Inc.	(74,184)	(74,184)	0	(11,468)	(11,660)	192	Under recovered	-1.7%	
Net Controllable Exp.	214,719	214,719	0	87,041	87,041	0	-	0.0%	

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 11 August 2023 (No.5)

Children and Families Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/23	Actual 11/08/23	Variance 11/08/23		% Variance 11/08/23	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	18,572	18,572	0	6,424	6,253	171	Under	2.7%	1, a, b,
Property Costs	460	460	0	99	104	(5)	Over	-5.1%	
Supplies & Services	585	585	0	142	178	(36)	Over	-25.4%	c
Transport & Plant	626	626	0	183	206	(23)	Over	-12.6%	
Administration Costs	319	319	0	143	150	(7)	Over	-4.9%	c
Payments to Other Bodies	9,283	9,283	0	3,204	3,301	(97)	Over	-3.0%	2, b, c, d
Payments to Contractors	5,483	5,483	0	3,678	3,868	(190)	Over	-5.2%	3, a, d
Transfer Payments	3,047	3,047	0	1,589	1,612	(23)	Over	-1.4%	
Financing Charges	20	20	0	0	3	(3)	Over	n/a	
Total Controllable Exp.	38,395	38,395	0	15,462	15,675	(213)	Over	-1.4%	
Total Controllable Inc.	(1,180)	(1,180)	0	(590)	(663)	73	Over recovered	-12.4%	4, b, c
Net Controllable Exp.	37,215	37,215	0	14,872	15,012	(140)	Over	-0.9%	

Variance Explanations

- Employee costs**
This is an underspend due to vacancies which are being actively recruited.
- Payment to Other Bodies**
This overspend is a result of the increased requirement for support with adoption allowances and fostering placements.
- Payment to Contractors**
This overspend is a result of the continuing increased requirement for children's residential school and external placements.
- Income**
The over recovery of income mainly relates to an over recovery in funding due to an increase in the number of unaccompanied asylum-seeking young people being supported.

Budget Virements

- Realignment of Employee Costs Net Effect: £0, Employee Costs (£0.300m), Payment to Contractors £0.300m.
- Realignment of Mental Health and Wellbeing Fund Net Effect: £0, Employee Costs £0.002m, Payment to Other Bodies (£0.550m), Income £0.548m.
- Realignment of Attainment Fund Net Effect: £0, Supplies and Services (£0.013m), Payment to Other Bodies (£0.311m), Administration (£0.013m), Income £0.337m.
- 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 11 August 2023 (No.5)

Adults and Older People Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/23	Actual 11/08/23	Variance 11/08/23		% Variance 11/08/23	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	78,104	78,104	0	25,772	28,016	(2,244)	Over	-8.7%	1, a,
Property Costs	3,266	3,266	0	837	829	8	Under	1.0%	d
Supplies & Services	4,763	4,763	0	1,696	1,683	13	Under	0.8%	d
Transport & Plant	3,700	3,700	0	481	482	(1)	Over	-0.2%	
Administration Costs	756	756	0	74	85	(11)	Over	-14.9%	
Payments to Other Bodies	14,242	14,242	0	5,429	4,932	497	Under	9.2%	2, c
Payments to Contractors	130,450	130,450	0	44,048	42,424	1,624	Under	3.7%	3, b, c
Transfer Payments	7	7	0	2	9	(7)	Over	-350.0%	
Financing Charges	55	55	0	7	7	0	-	0.0%	
Total Controllable Exp.	235,343	235,343	0	78,346	78,467	(121)	Over	-0.2%	
Total Controllable Inc.	(65,285)	(65,285)	0	(9,225)	(9,346)	121	Over recovered	-1.3%	4, a, b, d
Net Controllable Exp.	170,058	170,058	0	69,121	69,121	0	0	0.0%	

Variance Explanations**1. Employee costs**

This overspend is mainly attributable to the home care job evaluation costs for the period 1 April to 4 August 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

- Drawdown from Reserves Net Effect: £0, Employee Costs (£0.681m), Income £0.681m.
- Community Alert Alarm reversal of increase in price Net Effect: £0, Payment to Contractors (£0.550m), Income £0.550m.
- Realignment of Procurement savings Net Effect: £0, Payment to Other Bodies £0.259m, Payment to Contractors (£0.259m).
- Realignment of increase in Residential care income Net Effect: £0, Property £0.052m, Supplies and Services £0.077m, Income (£0.129m).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 11 August 2023 (No.5)

Performance and Support Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 19/05/23	Actual 19/05/23	Variance 19/05/23		% Variance 19/05/23	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	5,051	5,051	0	1,759	1,656	103	Under	5.9%	1
Property Costs	568	568	0	169	171	(2)	Over	-1.2%	
Supplies & Services	454	454	0	13	16	(3)	Over	-23.1%	
Transport & Plant	251	251	0	8	5	3	Under	37.5%	
Administration Costs	324	324	0	53	47	6	Under	11.3%	
Payments to Other Bodies	26	26	0	2	16	(14)	Over	-700.0%	
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	-	0.0%	
Total Controllable Exp.	6,993	6,993	0	2,012	1,919	93	Under	4.6%	
Total Controllable Inc.	(635)	(635)	0	(44)	(40)	(4)	Under recovered	9.1%	
Net Controllable Exp.	6,358	6,358	0	1,968	1,879	89	under	4.5%	

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 11 August 2023 (No.5)

Justice Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 11/08/23	Actual 11/08/23	Variance 11/08/23		% Variance 11/08/23	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	6,765	6,765	0	2,256	2,189	67	Under	3.0%	1, a
Property Costs	78	78	0	42	41	1	Under	2.4%	
Supplies & Services	77	77	0	19	35	(16)	Over	-84.2%	a
Transport & Plant	108	108	0	57	60	(3)	Over	-5.3%	
Administration Costs	568	568	0	34	29	5	Under	14.7%	a
Payments to Other Bodies	522	522	0	240	243	(3)	Over	-1.3%	a
Payments to Contractors	39	39	0	39	39	0	-	0.0%	a
Transfer Payments	6	6	0	2	3	(1)	Over	-50.0%	
Financing Charges	9	9	0	0	1	(1)	Over	n/a	
Total Controllable Exp.	8,172	8,172	0	2,689	2,640	49	Under	1.8%	
Total Controllable Inc.	(7,084)	(7,084)	0	(1,609)	(1,611)	2	Over recovered	-0.1%	a
Net Controllable Exp.	1,088	1,088	0	1,080	1,029	51	under	4.7%	

Variance Explanations**1. Employee Costs**

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

Budget Virements

a. Reduction in Big Lottery funding Net Effect: £0, Employee Costs (£0.008m), Supplies and Services (£0.022m), Administration (£0.079m), Payment to Other Bodies £0.003m, Payment to Contractors (£0.031m), Income £0.137m.