

Report

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Report to:	Social Work Resources Committee
Date of Meeting:	12 October 2011
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Social Work Resources)

Subject:	Revenue Budget Monitoring 2011/2012 - 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 2011 to 2 September 2011 for Social Work Resources
- ◆ provide a forecast for the year to 31 March 2012

2. Recommendation(s)

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

- (1) that the underspend on Social Work Resources' revenue budget of £0.028million (0.1%), as detailed in Appendix A of the report, be noted; and the forecast to 31 March 2012 of break even be noted.
- (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 2011/2012.

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 E.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 2 September 2011, the variance from phased budget to date is an underspend of £0.028million. The forecast for the revenue budget to 31 March 2012 is a break even position.

5.2. Virements are also proposed to realign budgets across the services and with other Resources. These movements have been detailed in the appendices to this report.

6. Other Implications

- 6.1. The main risk associated with the Council's Revenue Budget is that there is a significant overspend. The risk has been assessed as low given the detailed budget management applied across the Resources. 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)

Harry Stevenson

Executive Director (Social Work Resources)

12 September 2011

Link(s) to Council Values/Improvement Themes/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ Social Work Resources Committee 13 July, 2011

List of Background Papers

- ◆ Financial Ledger and budget monitoring results to 2 September 2011

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 2 September 2011 (No.6)

Social Work Resources Summary

Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 02/09/11	Actual 02/09/11	Variance 02/09/11		% Variance 02/09/11	Note
£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>								
Employee Costs	75,827	75,827	0	29,012	28,329	683	under	2.4%
Property Costs	3,917	3,917	0	1,262	1,456	(194)	over	(15.4%)
Supplies & Services	7,454	7,454	0	2,565	2,513	52	under	2.0%
Transport & Plant	3,803	3,803	0	1,656	1,755	(99)	over	(6.0%)
Administration Costs	2,335	2,335	0	647	670	(23)	over	(3.6%)
Payments to Other Bodies	13,655	13,655	0	5,461	5,262	199	under	3.6%
Payments to Contractors	66,793	66,793	0	24,995	25,489	(494)	over	(2.0%)
Transfer Payments	209	209	0	74	82	(8)	over	(10.8%)
Financing Charges	445	445	0	195	175	20	under	10.3%
Total Controllable Exp.	174,438	174,438	0	65,867	65,731	136	under	0.2%
Total Controllable Inc.	(34,466)	(34,466)	0	(10,789)	(10,681)	(108)	under recovered	(1.0%)
Net Controllable Exp.	139,972	139,972	0	55,078	55,050	28	under	0.1%

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 2 September 2011 (No.6)

Children & Families Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 02/09/11	Actual 02/09/11	Variance 02/09/11		% Variance 02/09/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	13,071	13,071	0	5,044	4,917	127	under	2.5%	1
Property Costs	292	292	0	45	130	(85)	over	(188.9%)	2
Supplies & Services	832	832	0	310	289	21	under	6.8%	
Transport & Plant	504	504	0	201	255	(54)	over	(26.9%)	3
Administration Costs	313	313	0	107	111	(4)	over	(3.7%)	
Payments to Other Bodies	6,297	6,297	0	2,846	2,729	117	under	4.1%	4
Payments to Contractors	3,208	3,208	0	1,524	1,711	(187)	over	(12.3%)	5,a
Transfer Payments	200	200	0	71	63	8	under	11.3%	
Financing Charges	44	44	0	22	10	12	under	54.5%	
Total Controllable Exp.	24,761	24,761	0	10,170	10,215	(45)	over	(0.4%)	
Total Controllable Inc.	(507)	(507)	0	(175)	(191)	16	over recovered	9.1%	
Net Controllable Exp.	24,254	24,254	0	9,995	10,024	(29)	over	(0.3%)	

Variance explanations**1. Employee Costs**

This underspend is a result of vacancies and an underspend in travel costs (see 3 below).

2. Property Costs

This overspend is a result of adaptations required to an operational building for service users.

3. Transport and Plant

This overspend reflects charges in relation to pool car rentals and is offset by an underspend within employee costs. A budget realignment is required (see 1 above).

4. Payments to Other Bodies

This underspend is made up of a number of small underspends across various expenditure lines.

5. Payments to Contractors

This overspend is due to an increase in the number of children placed within residential schools.

Budget virements

a. Budget realignment in relation to homecare budget from Adults and Older People Services £0.012m: Payments to Contractors £0.012m.

SOUTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 2 September 2011 (No.6)

Adults and Older People Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 02/09/11	Actual 02/09/11	Variance 02/09/11		% Variance 02/09/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	48,523	48,523	0	18,574	18,145	429	under	2.3%	1,a,b
Property Costs	1,969	1,969	0	610	626	(16)	over	(2.6%)	
Supplies & Services	5,817	5,817	0	1,904	1,834	70	under	3.7%	2,c
Transport & Plant	2,892	2,892	0	1,302	1,342	(40)	over	(3.1%)	
Administration Costs	590	590	0	192	172	20	under	10.4%	
Payments to Other Bodies	6,287	6,287	0	2,102	2,043	59	under	2.8%	3,d,e
Payments to Contractors	63,470	63,470	0	23,459	23,770	(311)	over	(1.3%)	4,d,e
Transfer Payments	0	0	0	0	15	(15)	over	n/a	
Financing Charges	99	99	0	29	23	6	under	20.7%	
Total Controllable Exp.	129,647	129,647	0	48,172	47,970	202	under	0.4%	
Total Controllable Inc.	(27,760)	(27,760)	0	(8,159)	(8,081)	(78)	under recovered	(1.0%)	5,e
Net Controllable Exp.	101,887	101,887	0	40,013	39,889	124	under	0.3%	

Variance explanations

1. Employee Costs

This underspend is a result of vacancies.

2. Supplies and Services

This underspend is a result of the outcome of the Best Value Service Review of care and support.

3. Payments to Other Bodies

This underspend is due to the current level of assessed need for supported living services.

4. Payments to Contractors

This overspend is due to the current level of assessed need for supported living services.

5. Income

This under recovery of income reflects the current financial position regarding service users and their ability to pay.

Budget virements

- a. Budget realignment in relation to the transfer of the financial assessment team to Performance and Support Services (£0.110m): Employee Costs (£0.110m).
- b. Transfer of budget from Community Resources for Living Wage £0.002m: Employee Costs £0.002m.
- c. Transfer of community alarms budget from Housing and Technical Resources £0.168m: Supplies and Services £0.168m.
- d. Budget realignment in relation to homecare budget to Children and Families Services (£0.012m): Payments to Other Bodies (£0.118m), Payments to Contractors £0.106m.
- e. Budget realignment in relation to Cross Boundary Income: Payments to Other Bodies (£0.256m), Payments to Contractors (£0.060m), Income £0.316m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 2 September 2011 (No.6)

Justice and Substance Misuse

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 02/09/11	Actual 02/09/11	Variance 02/09/11		% Variance 02/09/11	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	4,860	4,860	0	1,842	1,810	32	under	1.7%	
Property Costs	93	93	0	27	36	(9)	over	(33.3%)	
Supplies & Services	55	55	0	21	27	(6)	over	(28.6%)	
Transport & Plant	111	111	0	35	50	(15)	over	(42.9%)	
Administration Costs	504	504	0	44	50	(6)	over	(13.6%)	
Payments to Other Bodies	694	694	0	292	272	20	under	6.8%	
Payments to Contractors	68	68	0	12	7	5	under	41.7%	
Transfer Payments	3	3	0	1	2	(1)	over	(100.0%)	
Financing Charges	23	23	0	16	9	7	under	43.8%	
Total Controllable Exp.	6,411	6,411	0	2,290	2,263	27	under	1.2%	
Total Controllable Inc.	(5,485)	(5,485)	0	(2,312)	(2,303)	(9)	under recovered	(0.4%)	
Net Controllable Exp.	926	926	0	(22)	(40)	18	under	81.8%	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 2 September 2011 (No.6)

Performance and Support

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 02/09/11	Actual 02/09/11	Variance 02/09/11		% Variance 02/09/11	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	9,373	9,373	0	3,552	3,457	95	under	2.7%	1,a
Property Costs	1,563	1,563	0	580	664	(84)	over	(14.5%)	2,b,c
Supplies & Services	750	750	0	330	363	(33)	over	(10.0%)	
Transport & Plant	296	296	0	118	108	10	under	8.5%	b
Administration Costs	928	928	0	304	337	(33)	over	(10.9%)	
Payments to Other Bodies	377	377	0	221	218	3	under	1.4%	
Payments to Contractors	47	47	0	0	1	(1)	over	n/a	
Transfer Payments	6	6	0	2	2	0	-	0.0%	
Financing Charges	279	279	0	128	133	(5)	over	(3.9%)	
Total Controllable Exp.	13,619	13,619	0	5,235	5,283	(48)	over	(0.9%)	
Total Controllable Inc.	(714)	(714)	0	(143)	(106)	(37)	under recovered	25.9%	
Net Controllable Exp.	12,905	12,905	0	5,092	5,177	(85)	over	(1.7%)	

Variance explanations**1. Employee Costs**

This underspend is a result of vacancies.

2. Property Costs

This overspend is due to security costs and repairs and maintenance to operational buildings.

Budget virements

- Budget realignment in relation to the transfer of the financial assessment team from Adults and Older People Services £0.110m: Employee Costs £0.110m.
- Transfer of budget from Community Resources for Living Wage £0.035m: Property Costs £0.017m, Transport and Plant £0.018m.
- Budget transfer in relation to Legislative Compliance to Housing and Technical Resources (£0.091m): Property Costs (£0.091m).