

# Report

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Report to:	<b>Social Work Resources Committee</b>
Date of Meeting:	<b>13 July 2011</b>
Report by:	<b>Chief Executive and Executive Director (Social Work Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2011/2012 - Social Work Resources</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 2011 to 10 June 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 break even position on Social Work Resources' revenue budget, as detailed in Appendix A of the report, be noted;
- (2) that following the probable outturn exercise, the forecast to 31 March 2012 of break even be noted; and
- (3) 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 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 10 June 2011, there is a break even position against the phased budget. The financial forecast to 31 March 2012 is a break even position.

5.2. Living Wage

On 10 February 2011, the Council's Executive Committee approved the implementation of a Living Wage with an increase of at least £250 for those employees earning less than £21,000. A budget allocation has been made to Social Work Resources and has been shown across all Services in the accompanying Appendices. This has been funded from Central Funds earmarked during the 2011/12 budget process.

5.3. 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.

## **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.

**Archibald Strang**  
**Chief Executive**

**Harry Stevenson**  
**Executive Director (Social Work Resources)**

17 June 2011

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

◆ Accountable, Effective and Efficient

### **Previous References**

◆ None

### **List of Background Papers**

◆ Financial Ledger and budget monitoring results to 10 June 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 10 June 2011 (No.3)

## 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 10/06/11</b>	<b>Actual 10/06/11</b>	<b>Variance 10/06/11</b>		<b>% Variance 10/06/11</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	75,944	75,944	0	11,626	11,401	225	under	1.9%	
Property Costs	3,999	3,999	0	501	522	(21)	over	(4.2%)	
Supplies & Services	7,338	7,338	0	932	928	4	under	0.4%	
Transport & Plant	3,626	3,626	0	745	749	(4)	over	(0.5%)	
Administration Costs	2,330	2,330	0	272	302	(30)	over	(11.0%)	
Payments to Other Bodies	13,912	13,912	0	2,382	2,332	50	under	2.1%	
Payments to Contractors	66,763	66,763	0	9,098	9,261	(163)	over	(1.8%)	
Transfer Payments	209	209	0	26	39	(13)	over	(50.0%)	
Financing Charges	438	438	0	89	84	5	under	5.6%	
<b>Total Controllable Exp.</b>	<b>174,559</b>	<b>173,559</b>	<b>0</b>	<b>25,671</b>	<b>25,618</b>	<b>53</b>	<b>under</b>	<b>0.2%</b>	
<b>Total Controllable Inc.</b>	<b>(34,631)</b>	<b>(34,631)</b>	<b>0</b>	<b>(2,661)</b>	<b>(2,608)</b>	<b>(53)</b>	<b>under recovered</b>	<b>(2.0%)</b>	
<b>Net Controllable Exp.</b>	<b>139,928</b>	<b>139,928</b>	<b>0</b>	<b>23,010</b>	<b>23,010</b>	<b>0</b>	<b>-</b>	<b>0.0%</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 10 June 2011 (No.3)

## Children &amp; Families Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 10/06/11	Actual 10/06/11	Variance 10/06/11		% Variance 10/06/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	13,049	13,049	0	1,976	1,937	39	under	2.0%	a
Property Costs	292	292	0	21	39	(18)	over	(85.7%)	
Supplies & Services	831	831	0	118	102	16	under	13.6%	
Transport & Plant	468	468	0	75	73	2	under	2.7%	
Administration Costs	308	308	0	40	40	0	-	0.0%	
Payments to Other Bodies	6,256	6,256	0	1,288	1,232	56	under	4.3%	1
Payments to Contractors	3,200	3,200	0	970	1,055	(85)	over	(8.8%)	2,b
Transfer Payments	200	200	0	25	22	3	under	12.0%	
Financing Charges	44	44	0	7	3	4	under	57.1%	
<b>Total Controllable Exp.</b>	<b>24,648</b>	<b>24,648</b>	<b>0</b>	<b>4,520</b>	<b>4,503</b>	<b>17</b>	<b>under</b>	<b>0.4%</b>	
<b>Total Controllable Inc.</b>	<b>(399)</b>	<b>(399)</b>	<b>0</b>	<b>(61)</b>	<b>(77)</b>	<b>16</b>	<b>over recovered</b>	<b>26.2%</b>	
<b>Net Controllable Exp.</b>	<b>24,249</b>	<b>24,249</b>	<b>0</b>	<b>4,459</b>	<b>4,426</b>	<b>33</b>	<b>under</b>	<b>0.7%</b>	

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

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

**2. Payments to Contractors**

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

Budget virements

a. Transfer from centrally held funds in respect of the Living Wage Allocation £0.030m: Employee Costs £0.030m.

b. Budget transfer to Adult Services in relation to young people in transition (£0.172m): Payments to Contractors (£0.172m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 10 June 2011 (No.3)

## 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 10/06/11</b>	<b>Actual 10/06/11</b>	<b>Variance 10/06/11</b>		<b>% Variance 10/06/11</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	48,839	48,839	0	7,479	7,352	127	under	1.7%	1,a
Property Costs	1,972	1,972	0	243	229	14	under	5.8%	
Supplies & Services	5,635	5,635	0	677	676	1	under	0.1%	
Transport & Plant	2,787	2,787	0	602	608	(6)	over	(1.0%)	
Administration Costs	591	591	0	68	81	(13)	over	(19.1%)	b
Payments to Other Bodies	6,687	6,687	0	851	869	(18)	over	(2.1%)	
Payments to Contractors	63,448	63,448	0	8,124	8,203	(79)	over	(1.0%)	2,c,d,e
Transfer Payments	0	0	0	0	15	(15)	over	n/a	
Financing Charges	100	100	0	16	12	4	under	25.0%	
<b>Total Controllable Exp.</b>	<b>130,059</b>	<b>130,059</b>	<b>0</b>	<b>18,060</b>	<b>18,045</b>	<b>15</b>	<b>under</b>	<b>0.1%</b>	
<b>Total Controllable Inc.</b>	<b>(28,192)</b>	<b>(28,192)</b>	<b>0</b>	<b>(1,624)</b>	<b>(1,585)</b>	<b>(39)</b>	<b>under recovered</b>	<b>(2.4%)</b>	<b>c</b>
<b>Net Controllable Exp.</b>	<b>101,867</b>	<b>101,867</b>	<b>0</b>	<b>16,436</b>	<b>16,460</b>	<b>(24)</b>	<b>over</b>	<b>(0.1%)</b>	

**Variance explanations****1. Employee Costs**

This underspend is a result of vacancies.

**2. Payments to Contractors**

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

**Budget virements**

- Transfer from centrally held funds in respect of the Living Wage Allocation £0.579m: Employee Costs £0.579m.
- Transfer of training budget to Corporate Resources: (£0.242m), Administration Costs (£0.242m).
- Budget realignment in relation to Early Discharge for 2011/12: Payments to Contractors £0.499m, Income (£0.499m).
- Budget transfer in relation to young people in transition from Children and Families Services £0.172m: Payments to Contractors £0.172m.
- Transfer of David Dale House budget to Housing and Technical Resources (£0.019m): Payments to Contractors (£0.019m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 10 June 2011 (No.3)

## 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 10/06/11</b>	<b>Actual 10/06/11</b>	<b>Variance 10/06/11</b>		<b>% Variance 10/06/11</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	4,884	4,884	0	772	752	20	under	2.6%	a
Property Costs	98	98	0	16	15	1	under	6.3%	
Supplies & Services	59	59	0	8	10	(2)	over	(25.0%)	
Transport & Plant	94	94	0	14	15	(1)	over	(7.1%)	
Administration Costs	494	494	0	14	8	6	under	42.9%	
Payments to Other Bodies	656	656	0	154	145	9	under	5.8%	b
Payments to Contractors	68	68	0	4	3	1	under	25.0%	b
Transfer Payments	3	3	0	0	1	(1)	over	n/a	
Financing Charges	23	23	0	4	4	0	-	0.0%	
<b>Total Controllable Exp.</b>	<b>6,379</b>	<b>6,379</b>	<b>0</b>	<b>986</b>	<b>953</b>	<b>33</b>	<b>under</b>	<b>3.3%</b>	
<b>Total Controllable Inc.</b>	<b>(5,440)</b>	<b>(5,440)</b>	<b>0</b>	<b>(936)</b>	<b>(913)</b>	<b>(23)</b>	<b>under recovered</b>	<b>(2.5%)</b>	<b>b</b>
<b>Net Controllable Exp.</b>	<b>939</b>	<b>939</b>	<b>0</b>	<b>50</b>	<b>40</b>	<b>10</b>	<b>under</b>	<b>20.0%</b>	

**Budget virements**

a. Transfer from centrally held funds in respect of the Living Wage Allocation £0.012m: Employee Costs £0.012m.

b. Budget realignment in relation to the cessation of funding for substance misuse project: Payments to Other Bodies (£0.005m), Payments to Contractors (£0.133m), Income £0.138m.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 10 June 2011 (No.3)

## Performance and Support

<u>Budget Category</u>	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 10/06/11	Actual 10/06/11	Variance 10/06/11		% Variance 10/06/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	9,172	9,172	0	1,399	1,360	39	under	2.8%	a
Property Costs	1,637	1,637	0	221	239	(18)	over	(8.1%)	b
Supplies & Services	813	813	0	129	140	(11)	over	(8.5%)	
Transport & Plant	277	277	0	54	53	1	under	1.9%	
Administration Costs	937	937	0	150	173	(23)	over	(15.3%)	c
Payments to Other Bodies	313	313	0	89	86	3	under	3.4%	
Payments to Contractors	47	47	0	0	0	0	under	n/a	
Transfer Payments	6	6	0	1	1	0	under	0.0%	
Financing Charges	271	271	0	62	65	(3)	over	(4.8%)	
<b>Total Controllable Exp.</b>	<b>13,473</b>	<b>13,473</b>	<b>0</b>	<b>2,105</b>	<b>2,117</b>	<b>(12)</b>	<b>over</b>	<b>(0.6%)</b>	
<b>Total Controllable Inc.</b>	<b>(600)</b>	<b>(600)</b>	<b>0</b>	<b>(40)</b>	<b>(33)</b>	<b>(7)</b>	<b>under recovered</b>	<b>(17.5%)</b>	
<b>Net Controllable Exp.</b>	<b>12,873</b>	<b>12,873</b>	<b>0</b>	<b>2,065</b>	<b>2,084</b>	<b>(19)</b>	<b>over</b>	<b>(0.9%)</b>	

Budget virements

- a. Transfer from centrally held funds in respect of the Living Wage Allocation £0.076m: Employee Costs £0.076m.  
b. Transfer of David Dale House accommodation budget to Housing and Technical Resources (£0.396m): Property Costs (£0.396m).  
c. Transfer of training budget to Corporate Resources: (£0.034m), Administration Costs (£0.034m).