

# Report

Report to:	<b>Social Work Resources Committee</b>
Date of Meeting:	<b>1 September 2021</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Director, Social Work Resources</b>

Subject:	<b>Social Work Resources - Revenue Budget Monitoring 2021/2022</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 2021 to 16 July 2021 for Social Work Resources
- ◆ provide a forecast for the year to 31 March 2022.

## 2. Recommendation(s)

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

- (1) the breakeven position on the Social Work Resources revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2022 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 2021/2022.

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 F.

## 4. Employee Implications

4.1. There are no employee implications as a result of this report.

## 5. Financial Implications

5.1. As at 16 July 2021, there is an overspend of £0.650m against the phased budget, of which £0.395m is COVID related and £0.255m non COVID related. The financial forecast for the revenue budget to 31 March 2022 is breakeven.

5.2. The Council continues to incur expenditure in relation to COVID-19 and in order to separate these costs from the Council's normal activities, a COVID-19 Service has been included within Social Work Resources (Appendix B).

- 5.3. The COVID related expenditure incurred by Social Work Resources for Adults and Older People Social Care, is expected to be funded by COVID reserves and the Scottish Government Mobilisation Plan, via Health. The additional cost includes expenditure on beds to facilitate discharge from hospital, PPE equipment, staff overtime and sustainability and additional cost being incurred by Social Care providers. These additional costs and income from Scottish Government are included in Appendix B and total £4.087 million.
- 5.4. In addition to extra costs, Social Work Resources has lost income from services which are not being provided during the emergency and his totals £0.318m at period 4 and is included at Appendix D.
- 5.5. Taking the two figures together gives additional cost to the Council of £4.405m.
- 5.6. As part of re-mobilisation of services, hospitals are seeing presentation of service users with more complex needs requiring much higher packages of care on discharge, resulting in additional costs within Care at Home and Care Homes. To address this demand, recruitment for Care at Home staffing has been authorised. In addition, there are further pressures within supported living, direct payments and unachieved savings. The additional cost pressures will be included in year in the mobilisation plan.
- 5.7. Whilst these costs are being charged to Mobilisation plan for 2021/2022, there is a risk that if these packages are prolonged, this will be an additional pressure moving into 2022/2023 where no additional funding for Mobilisation will be available.
- 5.8. Appendix B also includes additional COVID related expenditure for Children and Families Services (£0.395m), which will not be funded by the Scottish Government via the Mobilisation Plan, as these services are not delegated to the IJB. These additional costs mainly related to residential and external placements for young people arising from the pandemic and will be reimbursed via an alternative Scottish Government funding allocation.
- 5.9. The Resource has identified pressures within Children and Families Services due to the number of residential school/external placements and fostering and adoption placements in the early part of the current year. The estimate of the potential full year pressure is approximately £1m. The position as at 16 July, is an overspend of £0.326m.
- 5.10. Virements are proposed to realign budgets. These movements have been detailed in the appendices to this report, as appropriate.

## **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. 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.

7.2. There are no implications for sustainability in terms of the information contained in this report.

## **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**

28 July 2021

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

◆ Accountable, Effective, Efficient and Transparent

### **Previous References**

◆ None

### **List of Background Papers**

◆ Financial Ledger and budget monitoring results to 16 July 2021

### **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 16 July (No.4)

## 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 16/7/21</b>	<b>Actual 16/7/21</b>	<b>Variance 16/7/21</b>		<b>% Variance 16/7/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	95,535	95,535	0	24,250	26,522	(2,272)	over	-9.4%	
Property Costs	2,585	2,585	0	614	908	(294)	over	-47.9%	
Supplies & Services	5,113	5,113	0	1,180	1,228	(48)	over	-4.1%	
Transport & Plant	4,477	4,477	0	510	469	41	under	8.0%	
Administration Costs	1,702	1,702	0	315	313	2	under	0.6%	
Payments to Other Bodies	23,065	23,065	0	6,582	7,014	(432)	over	-6.6%	
Payments to Contractors	104,620	104,620	0	22,452	25,681	(3,229)	over	-14.4%	
Transfer Payments	3,125	3,125	0	1,095	1,248	(153)	over	-14.0%	
Financing Charges	334	334	0	14	12	2	under	14.3%	
<b>Total Controllable Exp.</b>	<b>240,556</b>	<b>240,556</b>	<b>0</b>	<b>46,147</b>	<b>46,797</b>	<b>(650)</b>	<b>Over</b>	<b>-11.2%</b>	
<b>Total Controllable Inc.</b>	<b>(64,748)</b>	<b>(64,748)</b>	<b>0</b>	<b>(10,865)</b>	<b>(16,598)</b>	<b>5,733</b>	<b>over recovered</b>	<b>-52.8%</b>	
<b>Net Controllable Exp.</b>	<b>175,808</b>	<b>175,808</b>	<b>0</b>	<b>34,401</b>	<b>34,523</b>	<b>(122)</b>	<b>Over</b>	<b>-1.4%</b>	

**Variance Explanations**

Variance explanations are shown in Appendices B -F.

**Budget Virements**

Budget virements are shown in Appendices B-F.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

## Social Work Resources Committee: Period Ended 16 July (No4)

## Covid-19

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 16/7/21</b>	<b>Actual 16/7/21</b>	<b>Variance 16/7/21</b>		<b>% Variance 16/7/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	0	0	0	0	2,429	(2,429)	over	n/a	1
Property Costs	0	0	0	0	172	(297)	over	n/a	2
Supplies & Services	0	0	0	0	162	(37)	over	n/a	3
Transport & Plant	0	0	0	0	6	(6)	over	n/a	
Administration Costs	0	0	0	0	3	(3)	over	n/a	
Payments to Other Bodies	0	0	0	0	314	(314)	over	n/a	4
Payments to Contractors	0	0	0	0	3,005	(3,005)	over	n/a	5
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
<b>Total Controllable Exp.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,091</b>	<b>(6,091)</b>	<b>Over</b>	<b>n/a</b>	
<b>Total Controllable Inc.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(5,696)</b>	<b>5,696</b>	<b>Over recovered</b>	<b>n/a</b>	<b>6</b>
<b>Net Controllable Exp.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>395</b>	<b>(395)</b>	<b>Over</b>	<b>n/a</b>	

**Variance Explanations****1 Employee Costs**

These costs relate to the response to COVID-19 to maintain existing service delivery and to support hospital discharge and include the £500 payment to Social Care staff.

**2 Property Costs**

These costs related to expenditure on hygiene products in response to COVID-19 and the operation of the PPE hub for supplies to all Social Care providers.

**3 Supplies & Services**

These costs mainly relate to an increase in demand for adaptations as services are remobilised.

**4 Payments To Other Bodies**

This expenditure relates to costs incurred by South Lanarkshire Leisure in respect of providing COVID-19 vaccination venues.

**5 Payment to Contractors**

This expenditure relates to the response to COVID-19 to provide capacity in the system, payments to external providers in respect of sustainability, the Social Care Support Fund and additional costs incurred on PPE and infection and prevention control measures. It also includes the expenditure in relation to residential schools and external placements for young people as a result of the pandemic.

**6 Income**

This over recovery of income is currently offsetting the expenditure incurred in response to COVID-19 and the cost of the £500 payment to Social Care staff.

**Budget Virements**

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

## Social Work Resources Committee: Period Ended 16 July 2021 (No.4)

## 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 16/7/21</b>	<b>Actual 16/7/21</b>	<b>Variance 16/7/21</b>		<b>% Variance 16/07/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	17,159	17,159	0	4,569	4,464	105	under	2.3%	1a,b
Property Costs	329	329	0	58	70	(12)	over	-20.7%	
Supplies & Services	509	509	0	145	127	18	under	12.4%	
Transport & Plant	624	624	0	155	146	9	under	5.8%	
Administration Costs	300	300	0	97	94	3	under	3.1%	a
Payments to Other Bodies	9,764	9,764	0	2,905	3,020	(115)	over	-4.0%	2a,b
Payments to Contractors	4,563	4,563	0	1,067	1,302	(235)	over	-22.0%	3
Transfer Payments	3,112	3,112	0	1,092	1,239	(147)	over	-13.5%	4b
Financing Charges	19	19	0	4	2	2	under	50.0%	
<b>Total Controllable Exp.</b>	<b>36,379</b>	<b>36,379</b>	<b>0</b>	<b>10,092</b>	<b>10,464</b>	<b>(372)</b>	<b>over</b>	<b>-3.7%</b>	
<b>Total Controllable Inc.</b>	<b>(1,999)</b>	<b>(1,999)</b>	<b>0</b>	<b>(727)</b>	<b>(773)</b>	<b>46</b>	<b>over recovered</b>	<b>-6.3%</b>	<b>4a,b</b>
<b>Net Controllable Exp.</b>	<b>34,380</b>	<b>34,380</b>	<b>0</b>	<b>9,365</b>	<b>9,691</b>	<b>(326)</b>	<b>over</b>	<b>-3.5%</b>	

**Variance Explanations****1. Employee Costs**

The underspend is a result of turnover being more than anticipated.

**2. Payment to Other Bodies**

The overspend is attributable to the increase in demand for fostering services.

**3. Payment to Contractors**

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

**4. Transfer Payments**

This overspend related to additional demand for kinship care.

**5. Income**

This is in relation to the recovery of costs from the Home Office for services provided to unaccompanied asylum-seeking children in South Lanarkshire children's care facilities.

**Budget Virements**

- a Incorporation of Scottish Attainment Fund Net Effect £0, Employee Costs £0.193m, Administration £0.011m, Payment to Other Bodies £0.520m, Income (£0.724m).
- b Incorporation of Mental Health and Wellbeing Funding Net Effect £0, Employee Costs £0.513m, Payment to Other Bodies £0.313m, Transfer Payments £0.015m, Income (£0.841m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

## Social Work Resources Committee: Period Ended 16 July 2021 (No.4)

## 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 16/7/21</b>	<b>Actual 16/7/21</b>	<b>Variance 16/7/21</b>		<b>% Variance 16/07/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	64,750	64,750	0	16,046	16,074	(28)	over	-0.2%	a,d,e
Property Costs	1,645	1,645	0	381	338	43	under	11.3%	a,d
Supplies & Services	4,027	4,027	0	921	960	(39)	over	-4.2%	a
Transport & Plant	3,509	3,509	0	296	265	31	under	10.5%	a,d
Administration Costs	435	435	0	104	115	(11)	over	-10.6%	
Payments to Other Bodies	12,971	12,971	0	3,509	3,500	9	under	0.3%	a,b,c,d,f
Payments to Contractors	100,029	100,029	0	21,379	21,368	11	under	0.1%	a,b,c,e
Transfer Payments	7	7	0	2	8	(6)	over	-300.0%	
Financing Charges	42	42	0	2	4	(2)	over	-100.0%	
<b>Total Controllable Exp.</b>	<b>187,415</b>	<b>187,415</b>	<b>0</b>	<b>42,640</b>	<b>42,632</b>	<b>8</b>	<b>Under</b>	<b>0.0%</b>	
<b>Total Controllable Inc.</b>	<b>(55,475)</b>	<b>(55,475)</b>	<b>0</b>	<b>(8,227)</b>	<b>(8,219)</b>	<b>(8)</b>	<b>Under recovered</b>	<b>0.1%</b>	<b>a, b,c,f</b>
<b>Net Controllable Exp.</b>	<b>131,940</b>	<b>131,940</b>	<b>0</b>	<b>34,413</b>	<b>34,413</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	

**Variance Explanations****Budget Virements**

- a. Incorporation of IJB financial plan 21/22 Net Effect £0: Employee costs £2.751m, Property Costs (£0.001m), Supplies & Services (£0.546m), Transport (£0.022m), Payment to Other Bodies £0.2m, Payment to Contractors (£1.124m), Income (£1.258m).
- b. Budget realignment of Carer Act Funding Net Effect £0: Payment to Other Bodies £0.116m, Payment to Contractors (£0.116m).
- c. Budget realignment of Living Wage Funding Net Effect £0: Payment to Other Bodies £0.140m, Payment to Contractors (£0.140m)
- d. Budget realignment of Day Care Saving 20/21 Net Effect £0: Employee Costs £0.075m, Property £0.008m, Transport £0.186m, Payment to Other Bodies (0.269m).
- e. Budget realignment of service between inhouse and external supported living Net Effect £0: Employee Costs (£0.142m), Payment to Contractors £0.142m.
- f. Correction of original budget upload Net Effect £0: Payment to Other Bodies £0.265m, Income (£0.265m)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 16 July 2021 (No.4)

## Performance and Support Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 16/7/21</b>	<b>Actual 16/7/21</b>	<b>Variance 16/7/21</b>		<b>% Variance 16/07/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,913	6,913	0	1,870	1,825	45	under	2.4%	
Property Costs	539	539	0	152	157	(5)	over	-3.3%	
Supplies & Services	464	464	0	82	76	6	under	7.3%	
Transport & Plant	253	253	0	10	3	7	under	70.0%	
Administration Costs	430	430	0	84	67	17	under	20.2%	
Payments to Other Bodies	35	35	0	2	0	2	under	100.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	262	262	0	5	5	0	-	0.0%	
<b>Total Controllable Exp.</b>	<b>8,896</b>	<b>8,896</b>	<b>0</b>	<b>2,205</b>	<b>2,133</b>	<b>72</b>	<b>Under</b>	<b>3.3%</b>	
<b>Total Controllable Inc.</b>	<b>(993)</b>	<b>(993)</b>	<b>0</b>	<b>(119)</b>	<b>(118)</b>	<b>(1)</b>	<b>under recovered-</b>	<b>0.8%</b>	
<b>Net Controllable Exp.</b>	<b>8,044</b>	<b>8,044</b>	<b>0</b>	<b>2,086</b>	<b>2,015</b>	<b>71</b>	<b>under</b>	<b>3.4%</b>	

Variance Explanations



## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

## Social Work Resources Committee: Period Ended 16 July 2021 (No4)

## Justice Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 16/7/21</b>	<b>Actual 16/7/21</b>	<b>Variance 16/7/21</b>		<b>% Variance 16/07/21</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,713	6,713	0	1,765	1,730	35	under	2.0%	
Property Costs	72	72	0	23	46	(23)	over	-100.0%	
Supplies & Services	113	113	0	32	28	4	under	12.5%	
Transport & Plant	91	91	0	49	49	0	-	0.0%	
Administration Costs	537	537	0	30	34	(4)	over	-13.3%	
Payments to Other Bodies	295	295	0	166	180	(14)	over	-8.4%	a
Payments to Contractors	28	28	0	6	6	0	-	0.0%	
Transfer Payments	6	6	0	1	1	0	-	0.0%	
Financing Charges	11	11	0	3	1	2	under	66.7%	
<b>Total Controllable Exp.</b>	<b>7,866</b>	<b>7,866</b>	<b>0</b>	<b>2,075</b>	<b>2,075</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	
<b>Total Controllable Inc.</b>	<b>(6,281)</b>	<b>(6,281)</b>	<b>0</b>	<b>(1,792)</b>	<b>(1,792)</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	<b>a</b>
<b>Net Controllable Exp.</b>	<b>1,585</b>	<b>1,585</b>	<b>0</b>	<b>283</b>	<b>283</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	

Variance ExplanationsBudget Virements

- a. Incorporation of funding for Caledonian Men's Project Net Effect £0: Payment to Other Bodies £0.074m, Income (£0.074m).