

# Report

Report to:	<b>Social Work Resources Committee</b>
Date of Meeting:	<b>19 August 2020</b>
Report by:	<b>Executive Director (Finance and Corporate Resources) Director, Health and Social Care</b>

Subject:	<b>Social Work Resources - Revenue Budget Monitoring 2019/2020</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 2019 to 31 March 2020 for Social Work Resources.
- ◆ provide a reconciliation of the predicted outturn position against the actual expenditure incurred in the year to 31 March 2020.

## 2. Recommendation(s)

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

- (1) that an overspend of £1.855m on the Social Work Resources' revenue budget, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved.

## 3. Background

- 3.1. This is the sixth revenue budget monitoring report presented to the Social Work Resources Committee for the financial year 2019/2020.
- 3.2. The Resource had previously completed its formal probable outturn exercise for the year. In section 5 the outturn figure is compared against the reported position for the financial year with explanations provided for the main variations.
- 3.3. 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 F.

## 4. Employee Implications

4.1. None.

## 5. Financial Implications

- 5.1 The outturn position is a net overspend of £1.855 million with no Transfers to Reserve. This is an improved position of £0.384 million on the overspend of £2.239 million reported as part of the probable outturn.
- 5.2 The main elements of the overspend relates to Children and Families (£1.947m over) due to increased demand in relation to residential schools and external placements, kinship carer payments and fostering and adoption allowances. There is also an overspend in Adult and Older People Services (£0.199m over) due to

recruitment of Home Care staff, equipment and adaptations and Direct Payments. These overspends are partially offset by vacancies in both Performance and Support (£0.141m under) and Justice Services (£0.153m under).

- 5.3 The improved position includes the transfer of funding from the Integrated Joint Board of £0.350 million to assist with managing the overspends within Adult and Older People Services, as reported to the Executive Committee.
- 5.4 The Council has also incurred 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).
- 5.5 Any COVID related expenditure costs incurred by Social Work Resources for Adults and Older People Social Care, are funded by the Scottish Government Mobilisation Plan, via Health. This relates to expenditure on beds to facilitate discharge from hospital, expenditure on support for carers, PPE equipment and also staff overtime. These costs and income sit fully within Social Work Resources and total £0.325 million.
- 5.6 Although the Scottish Government have allocated funding to assist in managing these additional costs, the funding may not be sufficient to cover all of the costs being incurred by councils across financial years 2019/2020 and 2020/2021. If spend continues at current levels, and full additional funding is not forthcoming from Central Governments, this will put pressure on the Council's budget in 2020/2021.
- 5.7 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.

## **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)**

**Val de Souza**  
**Director, Health and Social Care**

14 July 2020

**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 28 February 2020

**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 31 March 2020 (No.14)

## Social Work Resources Summary

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 31/03/20</b>	<b>Actual 31/03/20</b>	<b>Variance 31/03/20</b>		<b>% Variance 31/03/20</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	89,313	90,606	(1,293)	(1,293)	89,313	90,287	(974)	Over	(1.1%)	
Property Costs	2,659	2,454	205	205	2,659	2,705	(46)	Over	(1.7%)	
Supplies & Services	5,813	5,999	(186)	(186)	5,813	6,196	(383)	Over	(6.6%)	
Transport & Plant	4,412	4,562	(150)	(150)	4,412	4,629	(217)	Over	(4.9%)	
Administration Costs	1,526	1,596	(70)	(70)	1,526	1,572	(46)	Over	(3.0%)	
Payments to Other Bodies	19,581	20,473	(892)	(892)	19,581	20,109	(528)	Over	(2.7%)	
Payments to Contractors	100,537	101,136	(599)	(599)	100,537	101,195	(658)	Over	(0.7%)	
Transfer Payments	2,349	2,733	(384)	(384)	2,349	3,039	(690)	Over	(29.4%)	
Financing Charges	270	311	(41)	(41)	270	325	(55)	Over	(20.4%)	
<b>Total Controllable Exp.</b>	226,460	229,870	(3,410)	(3,410)	226,460	230,057	(3,597)	Over	(1.6%)	
<b>Total Controllable Inc.</b>	(61,457)	(62,628)	1,171	1,171	(61,457)	(63,199)	1,742	over recovered	2.8%	
<b>Net Controllable Exp.</b>	165,003	167,242	(2,239)	(2,239)	165,003	166,858	(1,855)	Over	(1.1%)	
<b>Transfer to Reserves (as at 03/01/20)</b>	0	0	0	0	0	0	0	-		
<b>Position After Transfers to Reserves (as at 03/01/20)</b>	165,003	167,242	(2,239)	(2,239)	165,003	166,858	(1,855)	Over	(1.1%)	

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 31 March 2020 (No.14)

## Covid- 19

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 31/03/20</b>	<b>Actual 31/03/20</b>	<b>Variance 31/03/20</b>		<b>% Variance 31/03/20</b>	<b>Note</b>
	<b>£000</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	0	32	(32)	Over	n/a	
Property Costs	0	0	0	0	0	46	(46)	Over	n/a	1
Supplies & Services	0	0	0	0	0	160	(160)	Over	n/a	2
Transport & Plant	0	0	0	0	0	0	0	-	n/a	
Administration Costs	0	0	0	0	0	7	(7)	Over	n/a	
Payments to Other Bodies	0	0	0	0	0	5	(5)	Over	n/a	
Payments to Contractors	0	0	0	0	0	78	(78)	Over	n/a	3
Transfer Payments	0	0	0	0	0	0	0	-	n/a	
Financing Charges	0	0	0	0	0	0	0	-	n/a	
<b>Total Controllable Exp.</b>	0	0	0	0	0	328	(328)	Over	n/a	
<b>Total Controllable Inc.</b>	0	0	0	0	0	(325)	325	over recovered	n/a	4
<b>Net Controllable Exp.</b>	0	0	0	0	0	3	(3)	Over	(5.8%)	
<b>Transfer to Reserves (as at 03/01/20)</b>	0	0	0	0	0	0	0	-		
<b>Position After Transfers to Reserves (as at 03/01/20)</b>	0	0	0	0	0	3	(3)	Over	(5.8%)	

Variance Explanations

- 1 Property Costs**  
These costs related to expenditure on hygiene products in response to COVID-19.
- 2 Supplies and Services**  
These costs relate to the additional requirement for PPE in responding to COVID-19
- 3 Payments to Contractors**  
This expenditure relates to the response to COVID-19 to create capacity in the hospitals.
- 4 Income**  
This over recovery of income is currently offsetting the expenditure incurred in response to COVID-19.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 31 March 2020 (No.14)

## Children and Families Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 31/03/20</b>	<b>Actual 31/03/20</b>	<b>Variance 31/03/20</b>		<b>% Variance 31/03/20</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	15,926	15,918	8	8	15,926	15,858	68	Under	0.04%	
Property Costs	337	329	8	8	337	326	11	Under	3.3%	
Supplies & Services	577	613	(36)	(36)	577	561	16	Under	2.8%	
Transport & Plant	636	794	(158)	(158)	636	800	(164)	Over	(25.8%)	1
Administration Costs	288	321	(33)	(33)	288	298	(10)	Over	(3.5%)	
Payments to Other Bodies	8,635	9,247	(612)	(612)	8,635	9,046	(411)	Over	(4.8%)	2
Payments to Contractors	5,271	6,343	(1,072)	(1,072)	5,271	6,354	(1,083)	Over	(20.5%)	3
Transfer Payments	2,336	2,708	(372)	(372)	2,336	3,011	(675)	Over	(28.9%)	4
Financing Charges	17	33	(16)	(16)	17	33	(16)	Over	(94.1%)	
<b>Total Controllable Exp.</b>	<b>34,023</b>	<b>36,306</b>	<b>(2,283)</b>	<b>(2,283)</b>	<b>34,023</b>	<b>36,287</b>	<b>(2,264)</b>	<b>Over</b>	<b>(6.7%)</b>	
<b>Total Controllable Inc.</b>	<b>(902)</b>	<b>(1,255)</b>	<b>353</b>	<b>353</b>	<b>(902)</b>	<b>(1,219)</b>	<b>317</b>	<b>over recovered</b>	<b>35.1%</b>	<b>5</b>
<b>Net Controllable Exp.</b>	<b>33,121</b>	<b>35,051</b>	<b>(1,930)</b>	<b>(1,930)</b>	<b>33,121</b>	<b>35,068</b>	<b>(1,947)</b>	<b>Over</b>	<b>(5.9%)</b>	
<b>Transfer to Reserves (as at 03/01/20)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>		
<b>Position After Transfers to Reserves (as at 03/01/20)</b>	<b>33,121</b>	<b>35,051</b>	<b>(1,930)</b>	<b>(1,930)</b>	<b>33,121</b>	<b>35,068</b>	<b>(1,947)</b>	<b>Over</b>	<b>(5.9%)</b>	

**Variance Explanations****1. Transport and Plant**

This reflects the costs of transporting children to and from school or respite.

**2. Payments to Other Bodies**

This overspend is due to the continuing demand for fostering and adoption services.

**3. Payment to Contractors**

This overspend is due to the demand for children's residential schools and external placements.

**4. Transfer Payments**

This overspend is due to the increase in demand for kinship care.

**5. Income**

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

**Budget Virements**

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

## Social Work Resources Committee: Period Ended 31 March (No.14)

## Adults and Older People Services

	Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion 31/03/20	Actual 31/03/20	Variance 31/03/20		% Variance 31/03/20	Note
	£000	£000	£000	£000	£000	£000	£000			
<b>Budget Category</b>										
Employee Costs	60,663	61,994	(1,331)	(1,331)	60,663	61,795	(1,132)	over	(1.9%)	1
Property Costs	1,684	1,551	133	133	1,684	1,827	(143)	over	(8.5%)	2
Supplies & Services	4,659	4,746	(87)	(87)	4,659	4,808	(149)	over	(3.2%)	3
Transport & Plant	3,430	3,507	(77)	(77)	3,430	3,573	(143)	over	(4.2%)	4
Administration Costs	432	492	(60)	(60)	432	509	(77)	over	(17.8%)	5
Payments to Other Bodies	10,430	10,735	(305)	(305)	10,430	10,653	(223)	over	(2.1%)	6 a
Payments to Contractors	95,247	94,773	474	474	95,247	94,760	487	under	0.5%	7 a
Transfer Payments	7	14	(7)	(7)	7	18	(11)	over	(157.1%)	
Financing Charges	36	49	(13)	(13)	36	52	(16)	over	(44.4%)	
<b>Total Controllable Exp.</b>	176,588	177,861	(1,273)	(1,273)	176,588	177,995	(1,407)	over	(0.8%)	
<b>Total Controllable Inc.</b>	(53,731)	(54,558)	827	827	(53,731)	(54,939)	1,208	over recovered	2.2%	8
<b>Net Controllable Exp.</b>	122,857	123,303	(446)	(446)	122,857	123,056	(199)	over	(0.2%)	
<b>Transfer to Reserves (as at 03/01/20)</b>	0	0	0	0	0	0	0	-		
<b>Position After Transfers to Reserves (as at 03/01/20)</b>	122,857	123,303	(446)	(446)	122,857	123,056	(199)	over	(0.2%)	

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

This overspend is a result of Home Care recruitment for future vacancies to maintain staffing levels and overtime to meet service delivery.

**2. Property Costs**

The overspend reflects incurred security costs, offset in part by savings generated through the installation of energy efficient boilers and a reduction in gas consumption.

**3. Supplies and Services**

The overspend relates to the licence costs of the new home care scheduling system.

**4. Transport and Plant**

This overspend reflects an increase in costs in for hired vehicles and passenger services provided by Fleet Services.

**5. Administration Costs**

This overspend is made up of a number of small administration variances

**6. Payments to Other Bodies**

This overspend reflects the number of Service Users choosing a Direct Payment under the Self Directed Support legislation.

**7. Payment to Contractors**

This underspend reflects the current commitment for care. It also offsets the overspend in Direct Payments at Payment to Other Bodies.

**8. Income**

This over recovery relates to non-recurring income received from service users in respect of prior year care costs being higher than budgeted and a contribution from the IJB to assist with managing overspends.

**Budget Virements**

- a Realignment of Carers Respite Payment to Contractors £0.111m, Payment to Other Bodies (£0.111m)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 31 March 2020 (No.14)

## Justice and Substance Misuse

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 31.03/20</b>	<b>Actual 31/03/20</b>	<b>Variance 31/03/20</b>		<b>% Variance 31/03/20</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,109	6,000	109	109	6,109	6,048	61	Under	1.0%	1
Property Costs	71	70	1	1	71	68	3	Over	4.20%	
Supplies & Services	140	120	20	20	140	110	30	Under	21.4%	
Transport & Plant	119	82	37	37	119	83	36	Under	30.3%	
Administration Costs	455	462	(7)	(7)	455	444	11	Over	2.4%	
Payments to Other Bodies	481	455	26	26	481	370	111	Under	23.1%	2
Payments to Contractors	19	20	(1)	(1)	19	(2)	21	Under	110.5%	
Transfer Payments	6	11	(5)	(5)	6	9	(3)	Over	(50.0%)	
Financing Charges	10	22	(12)	(12)	10	23	(13)	Over	(130.0%)	
<b>Total Controllable Exp.</b>	<b>7,410</b>	<b>7,242</b>	<b>168</b>	<b>168</b>	<b>7,410</b>	<b>7,153</b>	<b>257</b>	<b>Under</b>	<b>3.5%</b>	
<b>Total Controllable Inc.</b>	<b>(6,069)</b>	<b>(6,057)</b>	<b>(12)</b>	<b>(12)</b>	<b>(6,069)</b>	<b>(5,985)</b>	<b>(104)</b>	<b>under recovered</b>	<b>(1.7%)</b>	<b>A</b>
<b>Net Controllable Exp.</b>	<b>1,341</b>	<b>1,185</b>	<b>156</b>	<b>156</b>	<b>1,341</b>	<b>1,188</b>	<b>153</b>	<b>Under</b>	<b>11.4%</b>	
<b>Transfer to Reserves (as at 03/01/20)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>		
<b>Position After Transfers to Reserves (as at 03/01/20)</b>	<b>1,341</b>	<b>1,185</b>	<b>156</b>	<b>156</b>	<b>1,341</b>	<b>1,188</b>	<b>153</b>	<b>Under</b>	<b>11.4%</b>	

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

This underspend is mainly as a result of vacancies within Substance Misuse and Unpaid Work which are being considered in line with service requirements.

**2. Payment to Other Bodies**

This underspend is mainly related to Big Lottery funding that will be spent next financial year

**3. Income**

This under recovery is mainly related to Big Lottery funding that will be spent next year.

**Budget Virements**

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Social Work Resources Committee: Period Ended 31 March 2020 (No.14)

## Performance and Support

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year BEFORE Transfers</b>	<b>Annual Forecast Variance BEFORE Transfers</b>	<b>Annual Forecast Variance AFTER Transfers</b>	<b>Budget Proportion 31/03/20</b>	<b>Actual 31/03/20</b>	<b>Variance 31/03/20</b>		<b>% Variance 31/03/20</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,615	6,694	(79)	(79)	6,615	6,554	61	Under	(0.9%)	1
Property Costs	567	504	63	63	567	438	129	Under	22.8%	2
Supplies & Services	437	520	(83)	(83)	437	557	(120)	Over	(27.5%)	3
Transport & Plant	227	179	48	48	227	173	54	Under	23.8%	
Administration Costs	351	321	30	30	351	314	37	Under	10.5%	
Payments to Other Bodies	35	36	(1)	(1)	35	35	0	Under	0.00%	
Payments to Contractors	0	0	0	0	0	5	(5)	Over	n/a	
Transfer Payments	0	0	0	0	0	1	(1)	Over	n/a	
Financing Charges	207	207	0	0	207	217	(10)	Over	(4.8%)	
<b>Total Controllable Exp.</b>	8,439	8,461	(22)	(22)	8,439	8,294	145	Under	1.7%	
<b>Total Controllable Inc.</b>	(755)	(758)	3	3	(755)	(751)	(4)	under recovered	(0.5%)	
<b>Net Controllable Exp.</b>	7,684	7,703	(19)	(19)	7,684	7,543	141	Under	1.8%	
<b>Transfer to Reserves (as at 03/01/20)</b>	0	0	0	0	0	0	0	-		
<b>Position After Transfers to Reserves (as at 03/01/20)</b>	7,684	7,703	(19)	(19)	7,684	7,543	141	Under	1.8%	

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

This is a result of vacancies which have now been filled.

**2. Property Costs**

The underspend relates to furniture and equipment which could not be procured due to emergency situation.

**3. Supplies and Services**

This overspend relates to the Social Work contribution to the Electronic Data Record Management System

**Budget Virements**