
Report To: Health and Social Care Committee **Date:** 5th March 2009

Report By: Corporate Director, Education & Social Care and Chief Financial Officer **Report No:** FIN/22/09/TW/SC

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Subject: 2008/09 Revenue Budget – Period 9 to 31st December 2008

1.0 PURPOSE

- 1.1 To advise Committee of the 2008/09 Revenue Budget position at Period 9 to 31st December 2008.

2.0 SUMMARY

- 2.1 The total Health and Social Care Services Committee budget for 2008/09 is £49,721,720, including a budget of £1.254 million for single status and a further £1.258 million brought forward as earmarked reserves. The latest projection is an overspend of £89,000.

This is an increase of £89,000 since the last report to Committee and is due to a projected increase within child care residential schools and fostering.

- 2.2 The nature and timing of this projected overspend makes it difficult for action to be taken to contain this specific pressure at this point in the financial year. The Corporate Director, Education and Social Care and his management team will continue to identify measures to minimise the projected overspend.

3.0 RECOMMENDATIONS

- 3.1 The Committee note the current projected overspend for 2008/09 as at 31st December 2008 and that the Corporate Director, Education and Social Care will continue to strive to minimise any overspend by the year end.
- 3.2 That the Committee approve permanent virement as detailed in paragraph 7.1 and Appendix 3.

4.0 BACKGROUND

- 4.1 The purpose of the report is to advise Committee of the current position of the 2008/09 budget which is an overspend of £89,000.

The main areas contributing to this projected overspend are:

Child Care Supplementation – A projected increase of £41,000 since reported to the last Committee (referred to in paragraph 5.3 below within Children and Families).

Fostering – A projected increase of £80,000 since reported to the last Committee (also referred to in paragraph 5.3 below within Children and Families).

5.0 2008/09 PROJECTION

- 5.1 Appendix 1 outlines the total variances and any material variances subjectively.

Appendix 2 outlines the total Earmarked Reserves carried forward from 2007/08 and the corresponding projected spend.

Appendix 3 outlines the virement which Committee is requested to approve.

- 5.2 The current projected outturn for Social Work is an overspend of £89,000. The projected variations from budget are shown in the table below.

Actual 2007/08 £000	Service	Approved Budget 2008/09 £000	Revised Budget 2008/09 £000	Projected Out-turn 2008/09 £000	Projected Over (Under) Spend £000
1,034	Strategy	925	1,008	1,008	0
16,750	Older Persons	17,045	18,755	18,635	(120)
3,246	Learning Disabilities	3,179	3,985	3,969	(16)
793	Mental Health	1,104	1,116	1,052	(64)
9,541	Children and Families	8,774	9,759	10,142	383
2,212	Physically and Sensory	2,280	2,392	2,562	170
566	Addiction / Substance Misuse	659	680	665	(15)
2,468	Support / Management	2,961	3,025	2,905	(120)
1,165	Assessment and Care Management	1,135	1,294	1,245	(49)
404	Delayed Discharge	929	929	929	0
0	Criminal Justice	0	0	0	0
945	Supporting People	7,894	5,131	5,056	(75)
191	Homelessness	234	801	801	0
0	Resource Transfer / Delayed Discharge	0	0	0	0
279	Integrated Children's Services Funds	968	833	833	0
(327)	Fairer Scotland Fund / Financial Inclusion	0	13	13	0
	Non Essential Expenditure Savings Target	0	0	(5)	(5)
38,491	Total Net Expenditure	48,087	49,721	49,810	89
	Transfer to Reserves		(480)	(480)	(0)
	Total Net Expenditure Excluding Earmarked Reserves		49,241	49,330	89

5.3 The main issues to highlight in relation to the 2008/09 budget as shown in 5.2 above are:

Older Persons

There is a projected underspend of £120,000. This is a reduction in underspend reported to the last Committee of £14,000 and is mainly due to a projected under recovery in home care re-charges of £30,000, which have been offset by further projected underspends within grants to voluntary organisations and travel and subsistence costs.

Learning Disabilities

There is a projected underspend of £16,000, which is an increase in the underspend of £9,000 since the last Committee. This is due to a projected increase of £10,000 in income for clients using day centres.

Mental Health

An underspend of £64,000 is projected which is an increase of £32,000 since reported to the last Committee and is due to a projected saving in payments to voluntary organisations which has been partly offset by a reduction in the projected underspend within supplementation for adults with mental health need.

Children and Families

A projected overspend of £383,000 is being reported. This is an increase of £99,000 since reported to the last Committee. This is mainly due to an increase in the residential schools budget of £41,000 due to movements in the number of children being placed and the type of school that they attend. An additional sixteen children have been placed in foster care since the last report, resulting in an increase in the projection for fostering by £80,000 to a projected overspend of £127,000. This has been partly offset by a projected reduction in payments to voluntary organisations and for young people leaving care.

Physically and Sensory Impaired

An overspend of £170,000 has been projected which is an increase of £6,000 since reported to the last Committee. This is due to an increase in the projected overspend for direct payments.

Support Management

An underspend of £120,000 is projected, this is a reduction in the underspend reported to the last Committee of £32,000. This is mainly due to the projected under-recovery in the non-essential expenditure savings reported to the last Committee. This has been partly offset by an increase in income expected for recharges for employees within the Prison Service of £24,000 and an internal management charge to external funding of £20,000.

Assessment and Care Management

An underspend of £49,000 has been projected. This was reported to the last Committee and is due to a saving within the adult support and protection funding offset by an overspend in agency fees.

Supporting People

An underspend in supporting people of £75,000 has been projected as a result of on going service reviews resulting in a reduction in the value of the supporting people contracts. This is an increase of £25,000 since the last Committee.

6.0 OTHER AREAS OF INTEREST

6.1 Employee Costs

Salaries / Sessional - A turnover savings target of £570,640 has been set for Social Work for 2008/09. The current projection for turnover savings for 2008/09 (which now includes the additional 0.5% employee pay award) is a shortfall of £116,000. This is a reduction in the shortfall of £21,000 since the last Committee report. The remainder of the target is intended to be achieved through stringent vacancy management between now and the end of the financial year, therefore, the salaries in table 5.2 and Appendix 1 are projected on budget.

Manual – Social Work are currently projecting an overspend of £156,000 within home care manual costs. This is due to the reduction in hospital beds for the frail elderly who are now being looked after at home. Funding has been secured to cover these additional costs from the health board and a debtors account has been raised to claim £378,000 of funding for the bed closures, from which the projected overspend in manual costs will be covered. The manual costs within 5.2 of the report and Appendix 1 are projected on budget.

6.2 Delayed Discharge / Resource Transfer

Social Work are currently projecting an underspend of £343,000 in the joint commissioning plan within delayed discharge funding for 2008/09. This is in agreement with the Health Board and unallocated resources will be used for commitments in future years, hence, no underspend is being reported. An agreement has also been made with the Health Board to carry forward resource transfer funds of £57,000 into 2009/10 to cover commitments for a specific client.

6.3 Ravenscraig Hospital Closure

As reported to the last Committee negotiations have been underway for some time with NHS Greater Glasgow and Clyde over the closure of approximately twenty four frail elderly beds at Ravenscraig Hospital, which have not been used this year. As stated in 6.1 above, an account has been rendered to the Health Board for £378,000 and has been included within the projections table 5.2 above and Appendix 1. Discussions are ongoing to agree the distribution of the balance of the fund.

6.4 Earmarked Reserves

A detailed breakdown of the current earmarked reserves position is included in Appendix 2. Spend to date is 66% of the current projected spend for 2008/09.

7.0 VIREMENT

7.1 Committee are asked to approve the permanent virement of £143,000 as detailed in Appendix 3. This virement is included in the projections in the table within 5.2 above and in Appendix 1 attached. All three virements listed are transfers to other services and will also be reported to the appropriate Committees of the other services in compliance with the financial regulations.

8.0 EQUALITIES

8.1 There are no equality issues within this report.

9.0 CONSULTATION

9.1 The report is prepared jointly between the Corporate Director, Education & Social Care and the Chief Financial Officer.

SOCIAL WORKREVENUE BUDGET MONITORING REPORTPERIOD 9: 1st April 2008 - 31st December 2008

2007/08 Actual £000	Subjective Heading	Approved Budget 2008/09 £000	Revised Budget 2008/09 £000	Projected Out-turn 2008/09 £000	Projected Over/(Under) Spend £000	Percentage Variance
	SOCIAL WORK					
25,139	Employee Costs	24,083	26,075	26,044	(31)	(0.12%)
1,851	Property costs	1,381	1,423	1,394	(29)	(2.04%)
1,099	Supplies and Services	1,065	1,288	1,292	4	0.31%
458	Transport and Plant	400	391	426	35	8.95%
806	Administration Costs	690	736	725	(11)	(1.49%)
34,738	Payments to Other Bodies	34,127	32,393	32,964	571	1.76%
(24,756)	Income	(13,659)	(12,585)	(13,035)	(450)	3.58%
39,335	SOCIAL WORK NET EXPENDITURE	48,087	49,721	49,810	89	0.18%
	Transfer to Reserves		(480)	(480)	0	
	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	48,087	49,241	49,330	89	

HEALTH & SOCIAL CARE COMMITTEEMATERIAL OVER / UNDERSPENDS (Excluding Transfers to Earmarked Reserves)PERIOD 9: 1st April 2008 - 31st December 2008

Outturn 2007/08 £000	Budget Heading	Revised Budget 2008/09 £000	Proportion of Budget	Actual to 31st December 2008	Projection 2008/09 £000	Over/(Under) Budget £000
499	Travel and Subsistence	449	337	249	421	(28)
875	Fostering / Adoption	978	746	864	1,105	127
2,895	Child Care Supplementation	2,471	1,853	2,248	2,783	312
2,078	Adult Supplementation / Additional Support Core Hours	2,089	1,567	1,744	2,201	112
0	Education Attainment Fund	99	74	0	79	(20)
267	Youth Crime Funding	149	112	31	89	(60)
23	Voluntary Sector Training	50	38	0	0	(50)
(149)	Income from Other Local Authorities	(150)	(113)	(108)	(170)	(20)
107	Direct Payments	117	88	115	149	32
(63)	Estate recovery for Client	0	0	(40)	(40)	(40)
5	Agency Staff - Care Management	73	55	60	99	26
51	Printing and Stationery	67	50	32	49	(18)
26	Payment to Other Local Authorities	152	114	99	165	13
421	Transport Costs	298	224	246	333	35
1,780	Free Personal Care	1,899	1,424	1,355	1,824	(75)
185	Clients Requisites / Equipment Rentals / Clothing Uniform	117	88	143	145	28
187	Catering	192	144	132	182	(10)
91	Other Property Costs	73	55	49	59	(14)
151	Electricity / Gas	159	119	60	149	(10)
314	Rents	95	71	36	75	(20)
(143)	Internal Management Re-Charges	(143)	(107)	(107)	(163)	(20)
8,147	Supporting People Expenditure	4,594	3,446	3,025	4,519	(75)
2,911	Payments to Voluntary Organisations	3,055	2,291	2,607	3,003	(52)
0	Adult Support Funding	124	72	0	44	(80)
	TOTAL MATERIAL VARIANCES					93

EARMARKED RESERVES POSITION STATEMENT

Appendix 2

COMMITTEE: Health and Social Care

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>c/f Funding 2007/08</u>	<u>New Funding 2008/09</u>	<u>Total Funding 2008/09</u>	<u>Actual Spend to P9 2008/09</u>	<u>Projected Spend 2008/09</u>	<u>Amount to be Earmarked for 2009/10 & Beyond</u>	<u>Lead Officer Update</u>
		£000	£000	£000	£000	£000	£000	
Supporting People Grant	Anne Innes	388	0	388	388	388	0	Fully spent within 08/09.
Telecare Grant	Gillian McCready	83	125	208	99	158	50	Estimated £50k slippage due to delays in recruitment to be earmarked for 09/10.
Demonstrators Grant	Gillian McCready	150	0	150	28	75	75	Expenditure for salaries and commissioning pieces of research.
Homelessness Task Force Grant	Jim Anderson	257	243	500	91	390	110	Phase 3 of Inverclyde Centre started November 2008 and is expected to be completed in April 2009
Financial Inclusion	Anne Feeney	327	380	707	300	387	320	New funding to 31/10/08 from Fairer Scotland Fund for employee costs. Award from Fairer Scotland Fund for additional funding for 18 months to March 2010.
Corporate Parenting	Sharon McAlees	53	0	53	51	53	0	Fully Committed within 08/09
Total		1,299	748	2,006	957	1,451	555	

HEALTH & SOCIAL CARE COMMITTEE**VIREMENT REQUESTS**

Budget Heading	Increase Budget	(Decrease) Budget
	£	£
Social Work Services - Changing Childrens Services Fund		(90,000)
Education Services - Education Psychologists	90,000	
Social Work Services - Education Attainment Fund		(12,000)
Education Services - Quality Improvement Officer	12,000	
Social Work - National Accommodation Strategy for Sex Offenders		(41,000)
Other Housing and Development - National Accommodation Strategy for Sex Offenders	41,000	
	143,000	(143,000)

Note

The above movements are transfers of uncommitted budgets to commitments agreed within other services and as such will be reported to the appropriate Committees.