

---

**Report To:** Health and Social Care Committee    **Date:** 27 August 2009  
**Report By:** Acting Director Social Care and Chief Financial Officer    **Report No:** FIN/41/09/AP/TW  
**Contact Officer:** Angela Edmiston    **Contact No:** 01475 712143  
**Subject:** 2009/10 Social Work Revenue Budget – Period 3 to 30 June 2009

---

## 1.0 PURPOSE

- 1.1 To advise Committee of the 2008/09 outturn and the 2009/10 Revenue Budget position at Period 3 to 30 June 2009.

## 2.0 SUMMARY

- 2.1 In 2008/09 there was an underspend of £771,000, inclusive of £997,000 of reserves to be earmarked for projects in 2009/10. This resulted in a net overspend of £226,000, 0.44% of the total budget. Details of this net overspend are shown in Section 5 of the report.
- 2.2 The total Health and Social Care Committee budget for 2009/10 is £51,211,970 with a further £997,000 brought forward as earmarked reserves. The latest projection is a net overspend of £284,000 arising mainly from projected overspends in employee costs and adult supplementation which are offset by a reduction in child care supplementation and homelessness.
- 2.3 The Corporate Management Team have reviewed this initial position and have asked for further detail on certain issues. Once this information is received action will be taken to improve the position prior to the next report to Committee in October.

## 3.0 RECOMMENDATIONS

- 3.1 The Committee note the outturn for 2008/09, the current projected overspend for 2009/10 of £284,000 as at 30 June 2009 and the action requested by the Corporate Management Team to address the projected overspend.

Robert Murphy  
Acting Director of Social Care

Alan Puckrin  
Chief Financial Officer

## **4.0 BACKGROUND**

- 4.1 The purpose of the report is to advise Committee of the 2008/09 outturn as well as the current position of the 2009/10 budget and to highlight the main issues contributing to the overspend of £226,000 in 2008/09 and the projected overspend of £284,000 in 2009/10.

## **5.0 2008/09 OUTTURN**

- 5.1 The main variations from budget in 2008/09 (excluding those relating to employee costs which are noted separately in 5.2 below) were:

### Service Strategy

There was an overspend of £27,000 relating to maintenance and licence charges for the SWIFT system which were not projected to the May Committee.

### Older Persons

There was an underspend of £17,000. This is a reduction in the underspend of £68,000 since the May Committee and is mainly due to increases in property costs allocated as part of the year end process, supplies and services and transport costs which are partly offset by underspends elsewhere in Social Work.

### Learning Disabilities

There was an underspend of £11,000, which is a reduction in the underspend of £5,000 since the May Committee.

### Mental Health

There was an underspend of £92,000, which is an increase in the underspend of £28,000 since the May Committee, due to additional income from charges to users.

### Children and Families

There was an overspend of £373,000 which was reported to the May Committee.

### Physically and Sensory Handicapped

There was an overspend of £125,000 which is a reduction in the overspend of £45,000 since the May Committee report, mainly due to an underspend in aids and adaptations.

### Addiction / Substance Misuse

There was an underspend of £15,000 which was reported to the May Committee.

### Support Management

There was an underspend of £62,000 which is a reduction in the underspend of £63,000 since the May Committee report, mainly within administration costs for practice teacher training materials (which are partly offset by external income), telephones and mobile charges and capital charges allocated as part of the year end process.

### Assessment and Care Management

There was an underspend of £69,000 which is an increase in the underspend of £20,000 since the May Committee report. This is mainly due to an increase in the underspend within the new monies received for adult protection in 2008/09.

### Supporting People Payments

There was an underspend of £101,000. This is an increase in the underspend of £26,000 since the May Committee and is mainly due to a reduction in an internal re-charge for a paralegal, lower than projected payments to support providers and administration costs.

### Delayed Discharge

There was an underspend of £5,000 which was not reported to the last Committee.

### Homelessness

There was an underspend of £89,000 which arose since the May Committee, mainly due to additional income received for the scatter flats. Whilst income was expected during 2008/09, the sum was not identified until after the last Committee.

## 5.2 Employee Costs

Overspend of £96,000. This was an increase of £92,000 from that reported to the Committee in May. This is due to a £67,000 under-recovery of turnover savings and an increase in manual costs of £47,000, which included a charge of £16,000 for the outstanding equal pay claims, which were not budgeted for within Social Work. This was partially offset by a further underspend in travel and subsistence costs.

## 6.0 **2009/10 PROJECTION**

6.1 The main issues to highlight in relation to the current projected overspend of £284,000 as detailed in Appendix 1 are:

### Employee Costs

The projected overspend of £431,000 in Appendix 1 relates to:

Turnover Savings: - A turnover savings target of £570,640 has been set for Social Work for 2009/10. The current projection for turnover savings for 2009/10 is a shortfall of £394,000.

Manual Costs: - There is a projected underspend in manual costs of £71,000.

Salary Overtime: - The salary overtime costs to date are over budget which if continues at the current level would result in a projected overspend of £108,000.

Social Work and Finance Services are reviewing reasons for the current projected overspend in order that significant reductions can be achieved by the next report to Committee.

### Older Persons

There is a projected underspend of £67,000, which is mainly due to the projected underspend in manual employee costs as discussed above.

### Learning Disabilities

There is a projected overspend of £167,000. This is due to the full year effect of three additional complex care packages approved within adult supplementation, partly offset by a reduction in respite costs.

These individual packages related to circumstances where as a duty to care we required to meet particular pressures resulting in the transfer of placements, or an increase in service. In one case we had the additional responsibility for the Council of being legal Guardian for the individual, who had been demonstrating very serious challenging behaviour. The other two cases reflected increased level of care needs which impacted on the sustainability of the care placement. Reviews of the care packages have been initiated with a view to bringing the projection on line.

### Child Care

There is a projected underspend of £126,000. This is made up from within residential schools and the fostering / adoption budgets.

Residential Schools: - There is a projected underspend of £342,000 within the residential schools budget, however, increase in admittances could significantly reduce the underspend. It is therefore prudent to build in a contingency of £100,000 within the residential schools projection, the net result being a net projected underspend of £242,000. This is included in the table below and Appendix 1.

Fostering / Adoption: - There is a projected overspend within the fostering / adoption budget of £118,000 due to an increase in the numbers of children in Social Work care previously reported to the Committee.

Social Work Services are currently conducting a review of the Fostering and Kinship budgets. This may have cost implications for the Service and a report will be prepared by Social Work to the next Committee giving full details and any financial implications.

### Physically and Sensory Handicapped

There is a projected overspend of £44,000. This is due to an increase in supplementation packages and is in line with the 08/09 outturn.

### Support Management

As shown in the table below there is a projected overspend of £493,000. This is mainly due to the projected turnover shortfall and the projected increase in overtime costs as discussed above. Also included within the overspend is a projected underspend in voluntary service training which has been partly offset by an increase in the payments to other local authorities for user agreements and agency staff costs.

### Homelessness

There is a projected underspend of £200,000. This is due to the rationalisation of the scatter flat budget following the operation of an integrated budget for a full year post stock transfer.

## 7.0 IMPLICATIONS

7.1 The current projected outturn per Social Work is:

Actual 2008/09 £000	Service	Approved Budget 2009/10 £000	Revised Budget 2009/10 £000	Projected Out-turn 2009/10 £000	Projected Over (Under) Spend £000
1,203	Strategy	1,065	1,065	1,065	0
18,724	Older Persons	19,747	19,761	19,694	(67)
4,342	Learning Disabilities	4,123	4,123	4,290	167
969	Mental Health	1,147	1,147	1,153	6
10,370	Children and Families	10,243	10,249	10,073	(176)
2,527	Physically and Sensory	2,359	2,359	2,403	44
624	Addiction / Substance Misuse	653	653	653	0
2,748	Support / Management	3,098	3,116	3,609	493
1,181	Assessment and Care Management	1,233	1,233	1,250	17
920	Mainstream Delayed Discharge	952	902	902	0
0	Criminal Justice	0	0	0	0
5,374	Supporting People	5,058	5,058	5,058	0
698	Homelessness	765	765	565	(200)
0	Resource Transfer / Delayed Discharge	0	0	0	0
629	Integrated Children's Services Funds	769	769	769	0
(216)	Fairer Scotland Fund / Financial Inclusion	0	0	0	0
<b>50,093</b>	<b>Total Net Expenditure</b>	<b>51,212</b>	<b>51,200</b>	<b>51,484</b>	<b>284</b>

## 8.0 VIREMENT

8.1 The Health and Social Care Committee on 25<sup>th</sup> May 2009 approved virement of £12,000 to the Community Services voluntary organisations budget, this has been reflected in the above table.

## 9.0 EQUALITIES

9.1 There are no equality issues within this report.

## 10.0 CONSULTATION

10.1 This report has been considered by the Corporate Management Team who have requested further information and action in advance of the October Committee report.

10.2 The report is prepared jointly between Finance & Social Care Services.

SOCIAL WORKREVENUE BUDGET MONITORING REPORTPERIOD 3: 1st April 2009 - 30th June 2009

2008/09 Actual £000	Subjective Heading	Approved Budget 2009/10 £000	Revised Budget 2009/10 £000	Projected Out-turn 2009/10 £000	Projected Over/(Under) Spend £000	Percentage Variance
	<b>SOCIAL WORK</b>					
26,468	Employee Costs	26,714	26,924	27,355	431	1.60%
1,810	Property costs	1,409	1,397	1,397	0	0.00%
1,245	Supplies and Services	1,004	1,004	1,004	0	0.00%
489	Transport and Plant	415	406	406	0	0.00%
854	Administration Costs	714	741	737	(4)	(0.54%)
32,907	Payments to Other Bodies	32,171	32,992	32,980	(12)	(0.04%)
(13,676)	Income	(11,215)	(12,264)	(12,395)	(131)	1.07%
<b>50,097</b>	<b>SOCIAL WORK NET EXPENDITURE</b>	<b>51,212</b>	<b>51,200</b>	<b>51,484</b>	<b>284</b>	<b>0.55%</b>
	Transfer to Reserves				0	
	<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>51,212</b>	<b>51,200</b>	<b>51,484</b>	<b>284</b>	

HEALTH & SOCIAL CARE COMMITTEEMATERIAL OVER / UNDERSPENDS (Excluding Transfers to Earmarked Reserves)PERIOD 3: 1st April 2009 - 30th June 2009

Outturn 2008/09 £000	Budget Heading	Revised Budget 2009/10 £000	Proportion of Budget	Actual to 30th June 2009 £000	Projection 2009/10 £000	Over/(Under) Budget £000
1,110	Fostering / Adoption	1,080	270	405	1,198	118
2,793	Child Care Supplementation	2,782	696	552	2,540	(242)
2,183	Adult Supplementation / Additional Support Core Hours	2,141	535	624	2,397	256
544	Respite	516	129	52	427	(89)
0	Voluntary Sector Training	30	8	0	0	(30)
18	Agency Staff - Support Services	0	0	6	24	24
95	Payment to Other Local Authorities	81	20	0	95	14
(504)	Turnover Target	(571)	(143)	(177)	(177)	394
5,781	Manual Costs	6,028	1,238	1,166	5,957	(71)
429	Overtime Costs	350	88	109	458	108
0	Homelessness Bad Bebt Budget	69	17	0	0	(69)
0	Scatter Flat Income	(649)	(162)	(188)	(780)	(131)
	<b>TOTAL MATERIAL VARIANCES</b>					<b>282</b>

EARMARKED RESERVES POSITION STATEMENT

COMMITTEE: Health and Social Care

Appendix 2

Project	Lead Officer/ Responsible Manager	C/f Funding 2008/09 £000	New Funding 2009/10 £000	Total Funding 2009/10 £000	Actual To Period 03 2009/10 £000	Projected Spend 2009/10 £000	Amount to be Earmarked for 2010/11 & Beyond £000	Lead Officer Update
Telecare Grant	Gillian McCready	107	200	307	12	307	0	Full spend projected by year end. New funding reflects £100k grant and £100k match funding (£50k administration approval and £50k delayed discharge funding).
Demonstrators Grant	Gillian McCready	113		113	14	113	0	Full spend projected by year end
Homelessness Task Force Grant	Jim Anderson	224		224	167	198	26	Retention for 2010/11. Contract will otherwise be completed in 2009/10
Financial Inclusion - FSF	Anne Feeney	224	112	336	51	336	0	FSF allocation for 09/10 not released due to monitoring returns not being completed by the Service.
- Champions Fund	Anne Feeney	196	0	196	35	196	0	Contract is to 2011, with further funding in 2010/11. Invoices to come from other authorities for staffing costs.
FSF Social Care **	Colin Struthers	123	676	799	93	799	0	FSF funding to cover to March 2010. Detail of projects below.
Pilot to enhance job opportunities for care leavers	Sharon McAlees	10		10	0	10	0	Report re-plans for expenditure to be discussed at CMT August. Already submitted by N Graham but further discussion required.
<b>Total</b>		<b>997</b>	<b>988</b>	<b>1,985</b>	<b>372</b>	<b>1,959</b>	<b>26</b>	

\*\*

Fairer Scotland Fund - Choose Life	B Young	3	22	25	0	25	0
Fairer Scotland Fund - Drugs Carers Programme	D Carmichael	35	69	104	16	104	0
Fairer Scotland Fund - YPAT Culture Change	C Park	20	165	185	29	185	0
Fairer Scotland Fund - Road to Recovery	D Carmichael	18	173	191	24	191	0
Fairer Scotland Fund - Homeless Detox	C Park	47	247	294	24	294	0
		<b>123</b>	<b>676</b>	<b>799</b>	<b>93</b>	<b>799</b>	<b>0</b>