

Report To: Health and Social Care Committee **Date:** 7th January 2010
Report By: Acting Director Social Care and Chief Financial Officer **Report No:** FIN/80/AP/TW
Contact Officer: Angela Edmiston **Contact No:** 01475 712143
Subject: 2009/10 Social Work Revenue Budget – Period 7 to 31 October 2009

1.0 PURPOSE

- 1.1 To advise Committee of the 2009/10 Revenue Budget position at Period 7 to 31 October 2009.

2.0 SUMMARY

- 2.1 The total Health and Social Care Committee budget for 2009/10 is £51,434,720 with a further £997,000 brought forward as earmarked reserves. The latest projection is a net underspend of £151,000.
- 2.1 This is a reduction in the projection of £236,000 since last reported, arising mainly from the following projections:
- A net reduction in the employee cost overspends of £130,000, mainly due to an increase in turnover savings.
 - An increase in the projection for residential schools of £15,000 due to the movement of a child to the intensive support unit.
 - A reduction in adult supplementation, support and respite of £62,000, due to a reduction in clients.
 - An underspend of £50,000 in the education attainment fund for children.

3.0 RECOMMENDATIONS

- 3.1 The Committee note the current projected underspend for 2009/10 of £151,000 and approve virement as requested in paragraph 7.0 below.

Robert Murphy
Acting Director Social Care

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The purpose of the report is to advise Committee of the current position of the 2009/10 budget and to highlight the main issues contributing to the projected underspend of £151,000.

5.0 2009/10 PROJECTION

- 5.1 The main issues to highlight in relation to the current projected underspend of £151,000 as detailed in Appendix 1, are:

5.2 Employee Costs

The projected overspend of £171,000 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 £288,000. This is an increase in turnover achieved of £151,000 since reported to the last Committee. This is due to budget being identified from external funding and the management of vacancies.

Manual Costs: - There is a projected underspend in manual costs of £143,000, which is a further increase in the underspend of £4,000 since the last Committee. This is due to a managed reduction in internal homecare hours.

Travel and Subsistence / Training and Other Staff Costs: - There is a projected overspend of £27,000. This is mainly due to an increase in travel and subsistence within child care and was not reported to the last Committee due to an exercise being carried out within the Service to re-align the budgets, however, this shortfall could not be funded. This has been partly offset by a reduction in other staff and training costs within adult protection due to the delay in employee recruitment.

5.3 Strategy

There is a projected underspend of £45,000 within respite short breaks. This is as reported to the last Committee.

5.4 Older Persons

There is a projected underspend of £34,000, which is a reduction in the underspend of £25,000 since reported to the last Committee. This is due to an increase of £51,000 in the residential nursing costs and £28,000 in external homecare payments due to an increase in client numbers, which have been partly offset by additional income of £40,000 from charging orders and homecare clients.

In addition to this the previous projected transport overspend of £19,000 has been reversed due to additional budget being identified as part of the new transport strategy.

2010/11 efficiencies

A saving of £100,000 has been agreed against the Sutherland monies as part of the 1% efficiency savings in 2010/11. No expenditure has yet been committed against this sum in 2009/10 and as a result £100,000 has been put forward as a saving towards the overspend in the financial year 2009/10. This is as reported to the last Committee included within the underspend in Older Persons in the table below and Appendix 1 attached.

5.5 Learning Disabilities

There is a projected overspend of £125,000. This is a reduction of £28,000 since reported to the last Committee. This is due to a projected reduction in adult care costs of £13,000 since the last report.

In addition to this the previous projected transport overspend of £17,000 has been reversed due to additional budget being identified as part of the new transport strategy.

5.6 Mental Health

There is a projected underspend of £16,000 of which £2,000 was reported to the last Committee and is due to a reduction in payments for flexible care packages.

5.7 Child Care

There is a projected underspend of £331,000. This is an increase in the underspend of £18,000 since reported to the last Committee.

Residential Schools: - There is a projected underspend of £442,000 (this includes the £100,000 contingency built in as previously reported) which is a cost increase of £15,000 since reported to the last Committee due to the movement of a child into an intensive support unit.

Fostering / Adoption: - There is a projected overspend within the fostering / adoption budget of £135,000, which is a reduction of £3,000 since reported to the last Committee.

An underspend of £50,000 has been projected within the education attainment fund for children. This budget was included within Social Work in 2009/10 and was to be fully transferred to Education Services, however, Education only require £10,000 of the budget in this financial year the remainder now being projected as an underspend in Social Work. Virement is subsequently requested in paragraph 7 below and appendix 3 attached.

A projected overspend of £15,000 was reported to the previous Committee for transport costs in line with the 2008/09 outturn. This has now been brought back to budget due to the re-alignment of budget for the new transport strategy.

Since the last report an overspend of £40,000 is projected in the travel and subsistence costs within child care. This is in line with the costs to date and the outturn in 2008/09. This was not identified to the last Committee as the Service were undertaking a budget re-alignment exercise, however, additional budget could not be identified eliminate this projected shortfall. There is also a projected underspend within payment to care leavers of £14,000.

5.8 Physically and Sensory Impaired

There is a projected overspend of £55,000, which is a reduction in the overspend of £51,000 since reported to the last Committee, due to a reduction of two clients. There is also a reduction of £3,000 in the projected overspend of £15,000 within external transport hires, which was reported to the last Committee.

Although the above overspend has reduced since the last report due to a reduction in clients, a further two clients are due to be placed in the future, however, whether this will be in this financial year or next is currently unknown. This could potentially place additional pressure on this budget and Social Work management are in discussions with the Health Board with regard to the care package and funding required.

5.9 Addiction / Substance Abuse

There is a projected underspend of £27,000, a further projected underspend of £5,000 since reported to the last Committee. This is due to savings of £12,000 within rent due to the re-build of the Wellpark Centre which have been partly offset by an increase of £8,000 within supplies and services.

5.10 Support Management

As shown in the table below there is a projected overspend of £337,000, which is a reduction of £111,000 since reported to the last Committee. This is due to an increase in the turnover savings achieved of £151,000 since reported to the last Committee. This has been partly offset by a reduction in income from the Health Board of £21,000 due to the cessation of a secondment placement.

There are also projected overspends within telephones of £6,000 and other administration costs of £2,000 which were not reported to the last Committee.

5.11 Assessment and Care Management

There is a projected underspend of £8,000 which is a reduction in the overspend of £30,000 since reported to the last Committee. This is due to savings within the budgets allocated as part of the Adult Protection due to delays in the recruitment of staff. The posts were previously projected to be filled in October, however, this has been revised and the staff are expected to start from late November onwards.

5.12 Homelessness

There is a projected underspend of £200,000. This was reported to the last Committee. This is due to the rationalisation of the temporary accommodation budget following the operation of an integrated budget for a full year post stock transfer.

5.13 Criminal Justice

As shown in the table in 6.1 below Criminal Justice is currently being projected on budget, however, there are considerable pressures within the Criminal Justice budget for the six members authorities within the North Strathclyde Criminal Justice Authority. Social Work management are working with the Criminal Justice Authority and Scottish Government in order to review the pressures and ensure that the expenditure within Criminal Justice is fully funded.

6.0 IMPLICATIONS

6.1 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	1,107	1,062	(45)
18,724	Older Persons	19,747	19,700	19,666	(34)
4,342	Learning Disabilities	4,123	3,930	4,055	125
969	Mental Health	1,147	1,126	1,110	(16)
10,999	Children and Families	11,012	10,877	10,546	(331)
2,527	Physically and Sensory Impaired	2,359	2,284	2,336	52
624	Addiction / Substance Misuse	653	591	564	(27)
2,748	Support / Management	3,098	3,559	3,896	337
1,181	Assessment and Care Management	1,233	1,463	1,451	(12)
920	Mainstream Delayed Discharge	952	952	952	0
0	Criminal Justice *	0	0	0	0
5,374	Supporting People	5,058	5,080	5,080	0
698	Homelessness	765	765	565	(200)
0	Resource Transfer / Delayed Discharge *	0	0	0	0
(216)	Fairer Scotland Fund / Financial Inclusion	0	0	0	0
50,093	Total Net Expenditure	51,212	51,434	51,283	(151)

* Criminal Justice / Resource Transfer and Delayed Discharge are fully funded from external income, hence the zero budgets and expenditure.

6.2 Although the position within Social Work has improved considerably from the previous Committee, it should be noted to the Members that the Service will face additional challenges in 2010/11, in order to remain within budget. The 1% efficiency target of £537,750 for Social Work will be deducted from the 2010/11 budget posing additional pressures.

7.0 VIREMENT

7.1 The Committee are requested to approve virement as detailed in Appendix 3 attached. This is included in the figures within table in 6.1 above and Appendix 1 attached.

8.0 EARMARKED RESERVES

8.1 As shown in Appendix 2 attached, Social Work expenditure to date is 54.88% of the projected spend on earmarked reserves in 2009/10.

9.0 EQUALITIES

9.1 There are no equality issues within this report.

10.0 CONSULTATION

10.1 The report is prepared jointly between Finance & Social Work Services.

SOCIAL WORK**REVENUE BUDGET MONITORING REPORT****PERIOD 7: 1st April 2009 - 31st October 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
	SOCIAL WORK					
26,468	Employee Costs	26,714	27,694	27,865	171	0.62%
1,810	Property costs	1,409	1,874	1,862	(12)	(0.64%)
1,245	Supplies and Services	1,004	1,029	1,036	7	0.68%
489	Transport and Plant	415	481	484	3	0.62%
854	Administration Costs	714	729	741	12	1.65%
32,907	Payments to Other Bodies	32,171	33,806	33,675	(131)	(0.39%)
(13,676)	Income	(11,215)	(14,179)	(14,380)	(201)	1.42%
50,097	SOCIAL WORK NET EXPENDITURE	51,212	51,434	51,283	(151)	(0.29%)
	Transfer to Reserves				0	
50,097	TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES	51,212	51,434	51,283	(151)	

HEALTH & SOCIAL CARE COMMITTEE**MATERIAL OVER / UNDERSPENDS (Excluding Transfers to Earmarked Reserves)****PERIOD 7: 1st April 2009 - 31st October 2009**

Outturn 2008/09 £000	Budget Heading	Revised Budget 2009/10 £000	Proportion of Budget	Actual to 31st October 2009 £000	Projection 2009/10 £000	Over/(Under) Budget £000
1,110	Fostering / Adoption	1,080	630	758	1,215	135
2,793	Child Care Supplementation	2,782	1,623	1,424	2,341	(441)
2,555	Adult Supplementation / Additional Support Hours / Respite	2,732	1,594	1,495	2,865	133
1,816	Free Personal Care	1,905	1,111	1,044	1,962	57
0	Physically Sensory Impaired - Payments to the Health Board	21	12	21	41	20
55	Respite Breaks	134	78	25	89	(45)
0	Voluntary Sector Training	30	18	0	0	(30)
18	Agency - Support Services / Assessment & Care Management	0	0	11	24	24
95	Payment to Other Local Authorities	156	91	88	203	47
1,070	External Homecare Packages	1,323	662	646	1,442	119
7,745	Residential Nursing	8,261	4,819	4,728	8,336	75
(504)	Turnover Target	(571)	(333)	(165)	(283)	288
5,781	Manual Costs	6,130	3,376	3,250	5,987	(143)
354	Flexible Budget	329	192	186	360	31
153	Other Expenditure	159	93	38	142	(17)
471	Rents	531	310	335	519	(12)
512	Other Staff Costs / Training and Travel and Subsistence	499	291	273	526	27
0	Homelessness Bad Debt Budget	69	40	0	0	(69)
0	Sutherland Efficiency Savings	905	528	470	805	(100)
(498)	Homelessness temporary accommodation Income	(649)	(379)	(188)	(780)	(131)
43	Education Attainment Fund	53	31	0	3	(50)
(861)	Recharge income / Charging Orders / Other Local Authorities	(832)	(485)	(387)	(902)	(70)
	TOTAL MATERIAL VARIANCES					(152)

EARMARKED RESERVES POSITION STATEMENT

Appendix 2

COMMITTEE: Health and Social Care

<u>Project</u>	<u>Lead Officer/ Responsible Manager</u>	<u>c/f Funding 2008/09</u>	<u>New Funding 2009/10</u>	<u>Total Funding 2009/10</u>	<u>Actual To Period 07 2009/10</u>	<u>Projected Spend 2009/10</u>	<u>Amount to be Earmarked for 2010/11 & Beyond</u>	<u>Lead Officer Update</u>
		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	
Telecare Grant	Gillian McCready	107	320	427	111	298	129	The underspend is mainly due to delays due to technical difficulties with the installation of the Telehealth Equipment.
Demonstrators Grant	Gillian McCready	113	0	113	37	90	23	Service to seek permission from Scottish Government to carry forward.
Homelessness Task Force Grant	Jim Anderson	224		224	180	199	25	Retention for 2010/11. Contract will otherwise be completed in 2009/10.
Financial Inclusion - FSF	Anne Feeney	224	112	336	109	336	0	Full spend anticipated prior to 31/3/10, confirmed with the service manager.
- Champions Fund	Anne Feeney	196	0	196	135	196	0	Contract runs to 2011, with further funding in 2010/11.
FSF Social Care **	Colin Struthers	123	676	799	400	642	157	Slippage due to recruitment problems.
Pilot to enhance job opportunities for care leavers	Sharon McAlees	10		10	0	10	0	Report agreed at CMT. Full spend is expected in 09/10.
Total		997	1,108	2,105	972	1,771	334	

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Fairer Scotland Fund - Choose Life	B Young	3	22	25	0	13	12
Fairer Scotland Fund - Drugs Carers Programme	D Carmichael	35	69	104	47	104	0
Fairer Scotland Fund - YPAT Culture Change	C Park	20	165	185	93	140	45
Fairer Scotland Fund - Road to Recovery	D Carmichael	18	173	191	81	171	20
Fairer Scotland Fund - Homeless Detox	C Park	47	247	294	179	214	80
		123	676	799	400	642	157

HEALTH & SOCIAL CARE COMMITTEE**VIREMENT REQUESTS**

Budget Heading	Increase Budget	(Decrease) Budget
	£	£
1 - Social Work Services - Education Attainment Fund		(10,000)
1 - Education Services - Education Attainment Fund	10,000	
2 - Supporting People Charging Income	40,760	
2 - Homecare Charging Income		(40,760)
	50,760	(50,760)

Note

1 - The education attainment fund budget was added to Social Work during the budget process in 2009/10, however, it has been agreed between the services that the full budget should be transferred to Education in 2010/11 and a part year effect in 2009/10. Virement is therefore requested.

2 - The supporting people charging income was a transfer of income re-charged for the homecare element for the purposes of the grant claim, however, due to the supporting people no longer being grant funded the claim is no longer required and it is more appropriate that the budget and income is held within homecare.