

**Report To:** Health and Social Care Committee **Date:** 4<sup>th</sup> March 2010

**Report By:** Corporate Director (Designate),  
Health & Social Care & Chief  
Financial Officer **Report No:** FIN/16/AP/TW

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**Subject:** 2009/10 Social Work Revenue Budget – Period 9 to 31 December  
2009

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### 1.0 PURPOSE

1.1 To advise Committee of the 2009/10 Revenue Budget position at Period 9 to 31 December 2009.

### 2.0 SUMMARY

2.1 The total Health and Social Care Committee budget for 2009/10 is £51,310,000 with a further £997,000 brought forward as earmarked reserves. The latest projection is a net underspend of £248,000.

2.2 This is an increase in the projected underspend of £97,000 since last reported, mainly arising from:

- A net reduction in the employee cost overspends of £94,000, mainly due to an increase in turnover savings.
- A net reduction in the projection for residential schools of £20,000 reflecting two new admissions. The original £100,000 contingency has been removed.
- An increase in the residential nursing projection of £77,000 due to emergency placements, however, this has been offset by a reduction in the free personal care budget of £74,000.
- An increase in external homecare packages of £45,000, due to additional clients receiving care packages.
- A reduction in the fostering projection of £27,000 due to a fall in the numbers in care.
- Additional hostels grant income of £102,000 due to additional accommodation capacity within the homeless service.
- Additional income of £24,000 within homelessness for an employee seconded to the Scottish Government.
- An increase in respite short breaks of £15,000 due to approved respite for new and current clients.
- An increase of client care package costs within Physically & Sensory Impaired of £65,000.
- Removal of the previously reported underspend within the Education Attainment Fund of £50,000. This will now be reported within Education Services.

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### **3.0 RECOMMENDATIONS**

3.1 The Committee note the current projected underspend for 2009/10 of £248,000 and approve virement of £50,000 as requested in paragraph 7.1 below.

Robert Murphy  
Corporate Director (Designate), Health & 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 £248,000.

## 5.0 2009/10 PROJECTION

- 5.1 The main issues to highlight in relation to the current projected underspend of £248,000 as detailed in Appendix 1, are:

### 5.2 Employee Costs

The projected overspend of £77,000 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 £135,000. This is an increase in turnover achieved of £153,000 since reported to the last Committee. This is due to the management of vacancies.

Manual Costs: - There is a projected underspend in manual costs of £95,000, which is a reduction in the underspend of £48,000 since the last Committee. This is based upon estimated additional homecare hours required to cover the holiday period and trends in previous years for the amount required to the end of the financial year.

Travel and Subsistence / Training and Other Staff Costs: - There is a projected overspend of £37,000, which is an increase of £10,000 since the last report. This is mainly due to a projected increase in travel and subsistence within the home care service.

### 5.3 Strategy

There is a projected underspend of £29,000 mainly within respite short breaks. This is a reduction of £16,000 since reported to the last Committee and is mainly due to an increase in respite packages.

### 5.4 Older Persons

There is a projected overspend of £69,000, which is a cost increase of £103,000 since reported to the last Committee. This is due to a projected increase of £48,000 in the manual employee costs due to the additional homecare hours required to cover staff holidays and sickness periods and past year trends, this is included in the Employee Cost note above.

There is also a projected increase in residential nursing costs of £77,000, due to emergency placement, which have been partly offset by a reduction in the free personal care budget of £74,000. An increase in external homecare packages of £45,000 has also been projected since reported to the last Committee due to an increase in client numbers.

In addition to this there is an overspend of £16,000 within travel and subsistence costs which has been partly offset by a reduction in other property costs of £4,000 and additional income from charging orders of £5,000.

## 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 £108,000. This is a reduction of £17,000 since reported to the last Committee, due to a projected reduction in adult care costs of £11,000 and a reduction in travel and subsistence of £5,000, since the last report.

### 5.6 Mental Health

There is a projected underspend of £8,000 which is a reduction in the underspend reported to the last Committee of £8,000. This is mainly due to a reduction in income from the health board and an increase in travel and subsistence costs.

### 5.7 Child Care

There is a projected underspend of £368,000. This is an increase in the underspend of £37,000 since reported to the last Committee.

Residential Schools: - There is a projected underspend of £462,000 which is a net reduction of £20,000, since reported to the last Committee. The projection reported to the last Committee included a contingency of £100,000 which has now been removed.

Fostering / Adoption: - There is a projected overspend within the fostering / adoption budget of £108,000, which is a reduction of £27,000 since reported to the last Committee. This is due to a drop in the numbers of children receiving care.

An underspend of £50,000 within the education attainment fund was reported to the last Committee, however, the budget should be fully transferred to Education Services. Therefore it is more appropriate that the underspend be reported within Education Services .

At the last Committee a projected overspend of £40,000 in the travel and subsistence costs within child care was reported, this has been reviewed and the projected overspend reduced to £35,000 due to savings made within other staff costs and travel in Child Protection.

There are further projected savings of £34,000 within Child Care property costs, supplies and services and administration costs due to the re-alignment of the integrated childrens services budgets and the reduction of one rented unit due to the integration.

### 5.8 Physically and Sensory Impaired

There is a projected overspend of £138,000, which is an increase in the overspend of £86,000 since reported to the last Committee. This is mainly due to an increase in care package costs and the number of clients claiming direct payments .

#### 5.9 Addiction / Substance Abuse

There is a projected underspend of £8,000, which is an increase in the projected costs of £19,000 since reported to the last Committee. This is due to the extension of the care period for one client and two new admissions. Social Work Management are meeting with the Health Board to try to secure additional income to fund these packages.

#### 5.10 Support Management

As shown in the table below there is a projected overspend of £186,000, which is a reduction of £151,000 since reported to the last Committee. This is mainly due to an increase in the turnover savings achieved of £153,000 since reported to the last Committee, which is included within the Employee Cost note above.

#### 5.11 Assessment and Care Management

There is a projected underspend of £27,000 which is a further increase in the underspend of £15,000 since reported to the last Committee due to the Service no longer requiring the use of external agency staff.

#### 5.12 Homelessness

There is a projected underspend of £307,000. This is a further underspend of £107,000 since reported to the last Committee.

This is due to additional hostels grant of £102,000 being projected from the Scottish Government due to both the increase in capacity of eight bed space within the Homeless Centre since the completion of the refurbishment.

Additional income has been projected for the secondment of an employee of £24,000. In addition to this there is a projected underspend of £17,500 within bed and breakfast accommodation and £3,000 in office equipment purchase. This has been partly offset by a projected net overspend of £39,000 within temporary accommodation property costs, mainly rents, security, cleaning and prior year council tax bills.

#### 5.13 Criminal Justice

As reported to the last Committee, 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 continuing to work 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	1,106	1,077	(29)
18,724	Older Persons	19,747	19,696	19,765	69
4,342	Learning Disabilities	4,123	3,928	4,035	108
969	Mental Health	1,147	1,126	1,118	(8)
10,999	Children and Families	11,012	10,825	10,457	(368)
2,527	Physically and Sensory Impaired	2,359	2,278	2,416	138
624	Addiction / Substance Misuse	653	591	583	(8)
2,748	Support / Management	3,098	3,509	3,695	186
1,181	Assessment and Care Management	1,233	1,467	1,440	(27)
920	Mainstream Delayed Discharge	952	952	952	0
0	Criminal Justice *	0	0	0	0
5,374	Supporting People	5,058	5,080	5,078	(2)
698	Homelessness	765	752	445	(307)
0	Resource Transfer / Delayed Discharge *	0	0	0	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>51,310</b>	<b>51,062</b>	<b>(248)</b>

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

## 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 59.66% 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 9: 1st April 2009 - 31st December 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	27,761	27,838	77	0.28%
1,810	Property costs	1,409	1,846	1,853	7	0.38%
1,245	Supplies and Services	1,004	1,039	1,042	3	0.29%
489	Transport and Plant	415	473	484	11	2.33%
854	Administration Costs	714	695	694	(1)	(0.14%)
32,907	Payments to Other Bodies	32,171	33,965	33,948	(17)	(0.05%)
(13,676)	Income	(11,215)	(14,469)	(14,797)	(328)	2.27%
<b>50,097</b>	<b>SOCIAL WORK NET EXPENDITURE</b>	<b>51,212</b>	<b>51,310</b>	<b>51,062</b>	<b>(248)</b>	<b>(0.48%)</b>
	Transfer to Reserves				0	
<b>50,097</b>	<b>TOTAL NET EXPENDITURE EXCLUDING EARMARKED RESERVES</b>	<b>51,212</b>	<b>51,310</b>	<b>51,062</b>	<b>(248)</b>	

**HEALTH & SOCIAL CARE COMMITTEE****MATERIAL OVER / UNDERSPENDS (Excluding Transfers to Earmarked Reserves)****PERIOD 9: 1st April 2009 - 31st December 2009**

Outturn 2008/09 £000	Budget Heading	Revised Budget 2009/10 £000	Proportion of Budget	Actual to 31st December 2009	Projection 2009/10 £000	Over/(Under) Budget £000
1,110	Fostering / Adoption / Legal Fees	1,081	811	1,017	1,189	108
2,793	Child Care Supplementation	2,782	2,087	1,724	2,320	(462)
2,555	Adult Supplementation / Additional Support Hours / Respite	2,570	1,928	1,954	2,770	200
1,816	Free Personal Care	1,905	1,429	1,353	1,888	(17)
0	Payments to the Health Board	21	16	21	41	20
55	Respite Breaks	134	101	46	104	(30)
0	Voluntary Sector Training	30	23	0	0	(30)
18	Agency - Support Services / Assessment & Care Management	0	0	11	11	11
95	Payment to Other Local Authorities	156	117	120	203	47
1,070	External Homecare Packages	1,323	992	1,028	1,486	163
7,745	Residential Nursing	8,261	6,196	6,242	8,413	152
(504)	Turnover Target	(571)	(428)	(327)	(436)	135
5,781	Manual Costs	6,130	4,316	4,191	6,035	(95)
354	Flexible Budget	329	247	268	357	28
153	Other Expenditure	156	117	41	134	(22)
145	Direct Payments	120	90	126	146	26
118	Homelessness Accommodation / Miscellaneous	46	35	15	20	(26)
489	Transport Costs	473	355	334	484	11
843	Other Administration Costs	717	538	439	707	(10)
512	Other Staff Costs / Training and Travel and Subsistence	479	359	269	516	37
(271)	Hostels Grant Income	(285)	(214)	(318)	(387)	(102)
0	Homelessness Re-charge	0	0	(8)	(24)	(24)
0	Homelessness Bad Debt Budget	69	52	0	0	(69)
0	Sutherland Efficiency Savings	905	679	470	805	(100)
(498)	Homelessness temporary accommodation Income	(649)	(487)	(188)	(780)	(131)
(861)	Recharge income / Charging Orders / Other Local Authorities	(832)	(624)	(387)	(902)	(70)
	<b>TOTAL MATERIAL VARIANCES</b>					<b>(250)</b>

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 09 2009/10</u>	<u>Projected Spend 2009/10</u>	<u>Amount to be Earmarked for 2010/11 &amp; 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	145	298	129	The underspend is mainly due to delays due to technical difficulties with the installation of the Telehealth Equipment. Match funding budget and expenditure being identified.
Demonstrators Grant	Gillian McCready	113	0	113	47	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	125	336	0	Full spend anticipated prior to 31/3/10, confirmed with the service manager.
- Champions Fund	Anne Feeney	196	0	196	136	196	0	Contract runs to 2011, with further funding in 2010/11. Full spend expected.
FSF Social Care **	Colin Struthers	123	679	802	420	636	166	FSF funding to cover to March 2010. Detail of projects below. Underspend anticipated of £166k. This has resulted in a reduction of the contract value by the £166k. This will not require to be earmarked for 2010/11.
Pilot to enhance job opportunities for care leavers	Sharon McAlees	10	0	10	0	10	0	Report agreed at CMT. Full spend is expected in 09/10.
<b>Total</b>		<b>997</b>	<b>1,111</b>	<b>2,108</b>	<b>1,053</b>	<b>1,765</b>	<b>343</b>	

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Fairer Scotland Fund - Choose Life	B Young	3	25	28	4	11	17	
Fairer Scotland Fund - Drugs Carers Programme	D Carmichael	35	69	104	59	81	23	
Fairer Scotland Fund - YPAT Culture Change	C Park	20	165	185	115	140	45	
Fairer Scotland Fund - Road to Recovery	D Carmichael	18	173	191	102	191	0	
Fairer Scotland Fund - Homeless Detox	C Park	47	247	294	140	213	81	
		<b>123</b>	<b>679</b>	<b>802</b>	<b>420</b>	<b>636</b>	<b>166</b>	

**HEALTH & SOCIAL CARE COMMITTEE****VIREMENT REQUESTS**

<b>Budget Heading</b>	<b>Increase Budget</b>	<b>(Decrease) Budget</b>
	£	£
1 - Social Work Services - Education Attainment Fund		(50,000)
1 - Education Services - Education Attainment Fund	50,000	
	<b>50,000</b>	<b>(50,000)</b>

**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. £10,000 was approved at the Social Care Committee on the 7th January 2010, the above virement requests approval to transfer the balance.