

Report To: Health and Social Care Committee **Date:** 21 October 2010

Report By: Corporate Director
Inverclyde Community Health &
Care Partnership and Chief
Financial Officer **Report No:** FIN 68/10/MC/AP

Contact Officer: Margaret Cook **Contact No:** 01475 714052

Subject: 2010/11 Social Work Revenue Budget – Period 5 to 31 August
2010

1.0 PURPOSE

- 1.1 To advise the Committee of the 2010/11 Revenue Budget position at Period 5 to 31 August 2010.

2.0 SUMMARY

- 2.1 The total Health and Social Care Committee budget for 2010/11 is £49,577,000 with a further £668,000 to be brought forward as Earmarked Reserves. The current projection is an overspend of £385,000.
- 2.2 This is an increase of £215,000 from the previously projected overspend of £170,000. It should be noted that £247,000 mid-year savings have been removed from the budget and the £176,000 cost of the 0.65% pay award has to be contained by the Service. Without the impact of these two factors the overall position would be a reduction in spend of £208,000.
- 2.3 The figures reflect a virement of £255,000 from unallocated Sutherland monies to Homecare and Care Home budgets.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the current projected overspend for 2010/11 of £385,000 as at 31 August 2010;
- 3.2 That the Committee approve the virement of £255,000 as shown in Appendix 3; and
- 3.3 That the Committee note the Corporate Director is taking action to manage the implementation of the mid year savings and contain the cost of pay awards through strict budget management and allocation of Resource Transfer & Delayed Discharge budgets.

Robert Murphy
Corporate Director Inverclyde Community
Health & Care Partnership

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

4.1 The purpose of the report is to advise the Committee of the current position of the 2010/11 budget and to highlight the main issues contributing to the projected overspend of £385,000 in 2010/11.

5.0 2010/11 CURRENT POSITION

5.1 The main issues to highlight in relation to the current projected overspend of £385,000, as detailed in Appendix 1 are:

a) Employee Costs: The projected overspend of £249,000 relates to:

Turnover savings: - The current projection is a shortfall of £55,000, an increase of £76,000 from that previously reported, due to £139,000 cost of the pay award partly offset by vacancy savings.

Former Manual costs: - There is a projected overspend of £154,000, an increase of £48,000 from that previously reported. The main reason for this is the £41,000 cost of the 0.65% pay award.

Travel and Overtime Costs: - The current projection is an overspend of £40,000 an increase of £65,000 from that previously reported to Committee. The main movement has occurred due overtime to cover children's units along with the impact of the mid year savings exercise, resulting in a budget reduction of £41,000.

b) Strategy: There is a projected underspend of £45,000, an increased underspend of £6,000. As previously reported this underspend relates to respite short break packages for carers.

c) Older Persons: There is a projected overspend of £25,000, a reduction in spend of £127,000 from that previously reported mainly due to virement as detailed in Appendix 3 to partially offset overspends in older people's residential and private homecare expenditure.

d) Learning Disabilities: There is a projected overspend of £43,000, an increase of £152,000 since last reported. The main reasons for the movement are an increase in the projection for care packages for adults with learning disabilities and a projected overspend in external transport costs for taking service users to day centres.

e) Mental Health: There is a projected overspend of £45,000, not previously reported. The majority of this overspend relates to the purchase of care packages.

f) Children & Families: The projected underspend is £54,000, mainly in residential childcare, a further underspend of £10,000 from that previously reported.

g) Physically & Sensory Impaired: There is a projected overspend of £106,000, a reduction of £62,000 from that previously reported mainly relating to Direct Payments due to the revision of start-up costs being less than previously projected.

h) Addiction/Substance Misuse: There is an underspend of £12,000 projected in this area, resulting from the transfer of unspent funding from the Wellpark capital project.

i) Support/Management: There is a projected overspend of £276,000, an increase of £166,000 from that previously reported. The majority of this overspend relates to the overspend in employee costs explained in point (a) above. The remaining overspend relates to payment to another Local Authority for the Standby Service.

- j) Homelessness: There is a projected overspend of £2,000, an increase of £42,000 as the previously reported underspend in furniture and fittings has been eliminated as budget was removed as part of the mid year savings exercise.

6.0 IMPLICATIONS

6.1 The current projected outturn is:

Actual 2009/10 £000	Service	Approved Budget 2010/11 £000	Revised Budget 2010/11 £000	Projected Out-turn 2010/11 £000	Projected Over (Under) Spend £000
1,241	Strategy	1,163	1,159	1,114	(45)
21,190	Older Persons	19,827	19,796	19,821	25
4,361	Learning Disabilities	3,746	3,737	3,780	43
1,050	Mental Health	1,060	1,037	1,082	45
10,542	Children and Families	10,637	10,743	10,689	(54)
2,329	Physically and Sensory	2,267	2,263	2,369	106
471	Addiction / Substance Misuse	577	574	562	(12)
3,064	Support / Management	2,676	2,719	2,995	276
1,333	Assessment and Care Management	1,233	1,229	1,234	5
897	Mainstream Delayed Discharge	935	935	935	0
0	Criminal Justice *	0	0	0	0
5,059	Housing Support (Previously Supporting People)	4,831	4,905	4,899	(6)
477	Homelessness	607	480	482	2
0	Resource Transfer / Delayed Discharge*	0	0	0	0
310	Fairer Scotland Fund / Financial Inclusion	0	0	0	0
52,324	Total Net Expenditure	49,559	49,577	49,962	385

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

7.0 EARMARKED RESERVES

7.1 Earmarked Reserves are detailed in Appendix 2. Spend to date is 28% of the projected spend for 2010/11.

8.0 VIREMENT

8.1 The Committee are requested to approve the virement as detailed in Appendix 3. The virement is reflected within this report.

9.0 EQUALITIES

9.1 There are no equality issues within this report.

10.0 OTHER ISSUES

10.1 The level of Resource Transfer is assumed at the 2009/10 rate until new year funding is confirmed.

10.2 The reporting methodology and allocation of Resource Transfer and Delayed Discharge is under review and future reports will reflect the gross costs of all Services along with a separate summary position for each funding stream.

11.0 CONSULTATION

11.1 This report has been jointly prepared by the Corporate Director Inverclyde Community Health & Care Partnership & the Chief Financial Officer.