

**To:** Social Work, Health and Wellbeing Policy Board

**On:** 19 May 2015

**Report by:** Director of Finance and Resources and Director of Children's Services

**Heading:** Revenue Budget Monitoring to 27 February 2015

**1. Summary**

1.1 Gross expenditure is £254,000 higher than budgeted, and income is £102,000 under recovered resulting in an overspend of £356,000.

Division / Department	Current Reported Position	% variance	Previously Reported Position	% variance
Social Work	£356,000 overspend	0.5%	£293,000 overspend	0.5%

1.2 In the revenue monitoring reports to board in August and November 2014 and January 2015, the Service set out a number of very significant budget pressures being experienced, and indicated that measures were being taken to work towards achieving a year end breakeven position, including, the use of non-recurring funding totalling £1.2m. This non recurring funding is reflected in the above reported position.

The report to board in November 2014 highlighted an increased level of risk to the achievement of a year-end break even position. As reported to board in January 2015, and in March 2015, close monitoring of continuing pressures indicated that it was prudent to forecast a potential year end overspend of around £400,000 (0.5% of the budget), this remains the position.

The key pressure areas are highlighted in paragraph 3 below.

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2. **Recommendations**

- 2.1 Members are requested to note the budget position, and the forecast year end overspend of around £400,000 (0.4%)
  - 2.2 Members are requested to note that monies used to help to mitigate the current budget position are available in the current year only.
  - 2.3 Members are requested to note there have been net budget realignments of £116,059 processed since the last report primarily related to training funds drawdown from General Fund reserves together with Early Years funding transferred from Education and partly offset by procurement savings.
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3. **Social Work**

**Current Position:** *£356,000 overspend*  
**Previously Reported:** *£293,000 overspend*

3.1 **Children and Families**

**Current Position:** *Net overspend of £465,000*  
**Previously Reported:** *Net overspend of £337,000*

As previously reported, the over spend within children and families continues to reflect higher than anticipated payroll costs offset by an under spend within external placement budgets.

There are however, ongoing pressures within childcare placement budgets reflecting the continuous requirement to respond to need along with the need to provide support for young adults who have reached the age of 18.

3.2 **Older People**

**Current Position:** *Net overspend of £377,000*  
**Previously Reported:** *Net overspend of £459,000*

The overspend within Older People services continues to reflect significant pressures within the care at home service due to the shift in the balance of care to support people remaining safely at home for as long as possible, along with the councils commitment to reducing bed days lost to delayed discharges from hospital.

This pressure is partially mitigated by one off in-year flexibility monies, reflected in the current reported position, along with a significant underspend in the external care home placement budget.

In addition to the pressures within the care at home service there is also a large under recovery of income from the Council's residential Care Homes due to the current levels of under occupancy.

### 3.3 **Physical Disabilities**

<b>Current Position:</b>	<b>Net overspend of £60,000</b>
<b><i>Previously Reported:</i></b>	<b><i>Net overspend of £37,000</i></b>

As previously reported this overspend is due to increases in the purchase of equipment to support service users to stay in their own homes reflecting the shift in the balance of care to the community and their associated needs.

### 3.4 **Learning Disabilities**

<b>Current Position:</b>	<b>Net underspend of £620,000</b>
<b><i>Previously Reported:</i></b>	<b><i>Net underspend of £595,000</i></b>

This under spend is due to the time taken to recruit to new posts within the Learning Disability day services, along with a degree of slippage in Adult planned placements.

### 3.5 **Mental Health**

<b>Current Position:</b>	<b>Net overspend of £112,000</b>
<b><i>Previously Reported:</i></b>	<b><i>Net overspend of £82,000</i></b>

This overspend reflects the temporary need to use agency workers to cover vacancies within the mental health service, which have now been filled.

### 3.6 **Projected Year End Position**

As detailed in paragraph 1.2, the Social Work year end projection is currently an overspend of around £400,000. As detailed in the main body of the report, the current year position is being significantly supported by the application of in year non recurring balances.

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#### **Implications of the Report**

1. **Financial** – The current net revenue projection is a year-end overspend of around £400,000.
2. **HR & Organisational Development** - none
3. **Community Planning** - none
4. **Legal** – none
5. **Property / Assets** – none
6. **Information Technology** – none
7. **Equality & Human Rights** The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** – none

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#### **List of Background Papers**

None

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**RENFREW'SHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2014/2015**  
 1st April 2014 to 27 February 2015

**POLICY BOARD : Social Work, Health & Well Being : SOCIAL WORK**

Description (1)	£000's	Revised Annual Budget (2)	£000's	Revised Period Budget (3)	£000's	Actual (4)	£000's	Adjustments (5)	£000's	Revised Actual (6) = (4 + 5)	£000's	Budget Variance (7)	%
Employee Costs		40,152		35,312		35,733		0		35,733	(421)	-1.2%	overspend
Property Costs		2,176		1,412		1,457		0		1,457	(45)	-3.2%	overspend
Supplies & Services		2,005		1,695		1,810		0		1,810	(115)	-6.8%	overspend
Contractors and Others		60,054		57,183		56,792		0		56,792	391	0.7%	underspend
Transport & Plant Costs		862		640		688		0		688	(48)	-7.5%	overspend
Administration Costs		7,046		722		753		0		753	(31)	-4.3%	overspend
Payments to Other Bodies		6,380		4,056		4,041		0		4,041	15	0.4%	underspend
CFCR		0		0		0		0		0	0	0.0%	breakeven
Capital Charges		1,747		0		0		0		0	0	0.0%	breakeven
<b>GROSS EXPENDITURE</b>		<b>120,422</b>		<b>101,020</b>		<b>101,274</b>		<b>0</b>		<b>101,274</b>	<b>(254)</b>	<b>-0.3%</b>	<b>overspend</b>
<b>Income</b>		<b>(28,716)</b>		<b>(32,240)</b>		<b>(32,138)</b>		<b>0</b>		<b>(32,138)</b>	<b>(102)</b>	<b>-0.3%</b>	<b>under-recovery</b>
<b>NET EXPENDITURE</b>		<b>91,706</b>		<b>68,780</b>		<b>69,136</b>		<b>0</b>		<b>69,136</b>	<b>(356)</b>	<b>-0.5%</b>	<b>overspend</b>

£000's

Bottom Line Position to 27 February 2015 is an overspend of (356) **-0.5%**  
 Anticipated Year End Budget Position is an overspend of (400) **-0.4%**

**RENFREW SHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2014/2015**  
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**POLICY BOARD : Social Work, Health & Well Being : SOCIAL WORK**

Description (1)	£000's	Revised Annual Budget (2)	£000's	Revised Period Budget (3)	£000's	Actual (4)	£000's	Adjustments (5)	£000's	Revised Actual (6) = (4 + 5)	£000's	Budget Variance (7)	%
Children & Families		26,605		23,083		23,548		0		23,548	(465)	-2.0%	overspend
Older People		32,911		33,617		33,994		0		33,994	(377)	-1.1%	overspend
Physical or Sensory Difficulties		5,678		5,330		5,390		0		5,390	(60)	-1.1%	overspend
Learning Difficulties		12,167		15,264		14,644		0		14,644	620	4.1%	underspend
Mental Health Needs		978		3,026		3,138		0		3,138	(112)	-3.7%	overspend
Offenders Services		0		(100)		(96)		0		(96)	(4)	-4.0%	under-recovery
Addiction Services		1,076		393		351		0		351	42	10.7%	underspend
Management & Support Services		11,439		(12,094)		(12,094)		0		(12,094)	0	0.0%	breakeven
Adults Change Fund		852		261		261		0		261	0	0.0%	breakeven
<b>NET EXPENDITURE</b>		<b>91,706</b>		<b>68,780</b>		<b>69,136</b>		<b>0</b>		<b>69,136</b>	<b>(356)</b>	<b>-0.5%</b>	<b>overspend</b>

£000's

(356)

-0.5%

-0.4%

Bottom Line Position to 27 February 2015 is an overspend of

Anticipated Year End Budget Position is an overspend of