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| To:   | HOUSING AND SOCIAL WORK SERVICES COMMITTEE | Subject: | 2008/09 BUDGET MONITORING REPORT           |
| From: | HEAD OF HOUSING AND SOCIAL WORK RESOURCES  |          | PERIOD 01/04/08 – 20/06/08<br>(PERIOD 3)   |
| Date: | 20 AUGUST 2008                             | Ref:     | RP/JH/IMcC                                 |
|       |  |          | HOUSING (NON HRA) AND SOCIAL WORK SERVICES |

## 1. Introduction

This report advises Committee on the overall financial position of the Non Housing Revenue Account and Social Work Services for the period 1 April 2008 to 20 June 2008. The report compares projected out-turn expenditure and income against annual estimates and provides explanations for the major out-turn variances.

## 2. Executive Summary of Financial Position

- 2.1 The projected outturn for Housing (Non-HRA) is breakeven.
- 2.2 The out-turn projection for Social Work Services is an underspend of £200,000. This is a favourable movement of £200,000 from the previously reported breakeven position in Period 2. This position has been reached by underspends in property costs and administration costs, combined with over recovery of income, partially offset by overspends in transport and plant, payments to other bodies and other costs. However, a number of budget strategies are underway and all variances will be subject to further scrutiny throughout the financial year.
- 2.3 The overall effect of these variances is a projected over-recovery of £200,000, which provides an opportunity to redirect resources to other service priorities.
- 2.4 It is proposed to increase budgeted income from Resource Transfer by £200,000 in the current year and use this additional Health Board funding to increase the revenue contribution to the Capital Programme to carry out improvement works at the Joint Equipment Store in Fern Street, Motherwell. This facility is run jointly with the Health Board, which is supportive of the new initiative.

## 3. Explanation of Major Outturn Variances

- 3.1 Appendix 1 gives a summarised position for the service, with Appendix 2 outlining the performance against budget for Housing (Non-HRA) and Social Work Services combined. A summary of the major variances is outlined within table 1 below.

### 3.2 Service Overview

Table 1

| Service Division     | Outturn Position (£s)       | Analysis  |
|----------------------|-----------------------------|---|
| Housing (Non HRA)    | £ Breakeven                 |   |
| Social Work Services | £ 200,000 underspend        | Underspends in development initiatives along with additional income are partially offset by cost pressures within independent homecare, fostering and transport services. |
| <b>Total</b>         | <b>£ 200,000 underspend</b> |   |

#### 4. Service Efficiency Measures

4.1 Both the Housing Non-HRA and Social Work Services outturn projections will continue to be monitored for the remainder of the financial year.

#### 5. Financial Concurrence

5.1 The Executive Director of Finance and Customer Services concurs with the financial information contained in this report and has been fully involved in its preparation.

#### 6. Recommendation

It is recommended that the Housing and Social Work Services Committee:

- i) approve virement of £200,000 from budgeted income to CFCR in the current year as outlined in paragraph 2.4 of this report;
- ii) remit this proposal to the Policy and Resources Committee for approval; and
- iii) otherwise note the contents of this report.



**R Paul**  
**Head of Housing and Social Work Resources**  
**1 August 2008**

Enc.

For further information on this report please contact Ian McCulloch on telephone 01236 812681 or John Hogg on telephone 01698 332022

**FINANCIAL MONITORING REPORT**  
**1 April 2008 to 20 June 2008 (P03)**  
**COMMITTEE: HOUSING AND SOCIAL**  
**WORK SERVICES**

**DIVISION : HOUSING (NON HRA) AND SOCIAL WORK SUMMARY**

**Appendix 1**

| LINE NO.<br>(1) | DESCRIPTION<br>(2)   | BUDGET TO DATE<br>(3) | ACTUAL TO DATE<br>(4) | YEAR TO DATE VARIANCES<br>(5) | ANNUAL BUDGET<br>(6) | PROJECTED OUTTURN<br>(7) | PROJECTED OUTTURN VARIANCE<br>(8) | %<br>(9)    | ANALYSIS<br>(10)   |
|-----------------|----------------------|-----------------------|-----------------------|-------------------------------|----------------------|--------------------------|-----------------------------------|-------------|--|
|                 |                      | £                     | £                     | £                             | £                    | £                        | £                                 |             |  |
| 1.              | SOCIAL WORK SERVICES | 26,391,290            | 26,236,824            | 154,466 Underspend            | 165,048,202          | 164,848,202              | 200,000 Underspend                | 0.1%        | Underspends in development initiatives along with additional income are partially offset by cost pressures within independent homecare, fostering and transport services.<br><br>Under-recovery of home loan repayments, offset by saving within energy costs. |
| 2.              | HOUSING (NON HRA)    | 1,116,378             | 1,050,996             | 65,382 Underspend             | 5,847,365            | 5,847,365                | 0 On Target                       | 0.0%        |  |
| <b>3</b>        | <b>TOTAL</b>         | <b>27,507,668</b>     | <b>27,287,820</b>     | <b>219,848 Underspend</b>     | <b>170,895,567</b>   | <b>170,695,567</b>       | <b>200,000 Underspend</b>         | <b>0.1%</b> |  |

**FINANCIAL MONITORING REPORT**  
**1 April 2008 to 20 June 2008 (P03)**  
**COMMITTEE: HOUSING AND SOCIAL**  
**WORK SERVICES**

**DIVISION : HOUSING (NON HRA) AND SOCIAL WORK SUMMARY**

**Appendix 2**

| IN<br>IO.<br>1) | DESCRIPTION<br>(2)        | BUDGET<br>TO DATE<br>(3) | ACTUAL<br>TO DATE<br>(4) | YEAR TO DATE<br>VARIANCES<br>(5) | ANNUAL<br>BUDGET<br>(6) | PROJECTED<br>OUTTURN<br>(7) | PROJECTED OUTTURN<br>VARIANCE<br>(8) | %<br>(9)    | ANALYSIS<br>(10)   |
|-----------------|---------------------------|--------------------------|--------------------------|----------------------------------|-------------------------|-----------------------------|--------------------------------------|-------------|--|
|                 |                           | £                        | £                        | £                                | £                       | £                           | £                                    |             |  |
| 1.              | EMPLOYEE COSTS            | 17,350,319               | 17,021,754               | 328,565 Underspend               | 84,995,926              | 84,995,926                  | 0 On Target                          | 0.0%        |  |
| 2.              | PROPERTY COSTS            | 602,575                  | 571,704                  | 30,871 Underspend                | 5,271,121               | 5,117,604                   | 153,517 Underspend                   | 2.9%        | Power, rent and water rates                                |
| 3.              | SUPPLIES AND SERVICES     | 1,029,502                | 1,046,366                | (16,864) Overspend               | 7,297,231               | 7,320,927                   | (23,696) Overspend                   | -0.3%       |  |
| 4.              | TRANSPORT & PLANT         | 517,100                  | 611,988                  | (94,888) Overspend               | 4,194,051               | 4,505,183                   | (311,132) Overspend                  | -7.4%       | Service user transport costs                               |
| 5.              | ADMINISTRATION COSTS      | 348,131                  | 284,377                  | 63,754 Underspend                | 4,047,373               | 3,547,322                   | 500,051 Underspend                   | 12.4%       | Ongoing review of Modernisation agenda                     |
| 6.              | PAYMENTS TO OTHER BODIES  | 10,888,714               | 11,036,687               | (147,973) Overspend              | 93,046,173              | 93,351,203                  | (305,030) Overspend                  | -0.3%       | Demand for Independent Homecare and fostering & adoption   |
| 7.              | OTHER COSTS               | 303,892                  | 338,426                  | (34,534) Overspend               | 1,317,225               | 1,519,826                   | (202,601) Overspend                  | -15.4%      | Office refurbishment commitments                           |
| 8.              | APPORTIONED EXPENSES      | 0                        | 0                        | 0 On Target                      | 6,024,471               | 6,024,471                   | 0 On Target                          | 0.0%        |  |
| 9.              | CFCR                      | 0                        | 0                        | 0 On Target                      | 1,400,000               | 1,400,000                   | 0 On Target                          | 0.0%        |  |
| 10.             | CAPITAL FINANCING CHARGES | 0                        | 0                        | 0 On Target                      | 1,833,410               | 1,833,410                   | 0 On Target                          | 0.0%        |  |
| 11.             | TOTAL EXPENDITURE         | 31,040,233               | 30,911,302               | 128,931 Underspend               | 209,426,981             | 209,615,872                 | (188,891) Overspend                  | -0.1%       |  |
| 12.             | INCOME                    | 3,532,565                | 3,623,482                | 90,917 Over-recovery             | 38,531,414              | 38,920,305                  | 388,891 Over-recovery                | 1.0%        | Anticipated over recovery mainly from health board funding |
| 13.             | <b>NET EXPENDITURE</b>    | <b>27,507,668</b>        | <b>27,287,820</b>        | <b>219,848 Underspend</b>        | <b>170,895,567</b>      | <b>170,695,567</b>          | <b>200,000 Underspend</b>            | <b>0.1%</b> |  |