

NORTH LANARKSHIRE COUNCIL
REPORT

TO	SOCIAL WORK COMMITTEE	SUBJECT	1997 BUDGET MONITORING REPORT PERIOD 1/4/97 - 14/9/97
FROM	DIRECTOR OF FINANCE		
DATE	25/9/97	Ref. : PH	SOCIAL WORK

Introduction

I enclose the Budgetary Control Report for the period 1 April 1997 to 14 September 1997. The report provides a comparison of actual expenditure and income against estimated expenditure and income and provides explanations of the more significant variations.

Summary of Budget Variances

The Net Expenditure for the period shows an overspend of £989,017 or -5% of the budget to date. The major reason for the variance is the cost of the Voluntary Redundancy Scheme amounting to £780,406. The Department have instigated a major savings exercise to compensate for the staff costs incurred as a result of these Early Retiral Payments. This will result in a significant reduction in the overspend as the financial year progresses.

The major variances , as detailed within the attached reports , can be summarised as follows :-

Major Areas of Overspend

	£	£
1. <u>Employee Costs</u>		<u>1,172,884</u>

There has been a number of Early Retirals within The Operations and Care of the Elderly Divisions. The cost of these Early Retirals, together with the overspend on Home Help wages as a result of the increased number of clients being cared for within the community, account for the majority of the overall overspend in this area. Other areas of departmental staff costs are currently being investigated to ensure that expenditure remains within budget.

The total variance can be analysed as follows;

Cost of Early Retirals	780,406
Home Help Service	173,381
Areas under investigation	<u>219,097</u>
	<u>1,172,884</u>

£ £

Major Areas of Underspend

1. Property Costs 49,006

The main reason for the underspend in this area is the slow rate of spend in the area of Aids and Adaptations for the handicapped. This expenditure is expected to reach budget levels as the financial year progresses.

2. Payments to Other Bodies 164,946

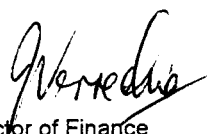
The underspend in this area is due to a fall in the number of elderly people being cared for in Residential Homes in the areas of Airdrie and Coatbridge. In these areas there is a greater number of clients being cared for within the community.

3. Income 40,798

The main reason for the under-recovery in Income is the delay in implementing the increase in Home Help charges. Staff are required to maximise client income before instigating the new charging system.

Recommendations

The committee note the contents of this report.



Director of Finance

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FINANCIAL MONITORING REPORT

1 April 1997 To 14 September 1997

COMMITTEE

SOCIAL WORK

TOTAL

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE (6)		% (7)
£			£	£	£		
31,569,194	1.	EMPLOYEE COSTS	13,601,683	14,774,567	(1,172,884)	Overspend	-9%
3,859,025	2.	PROPERTY COSTS	1,000,878	951,872	49,006	Underspend	5%
1,331,520	3.	SUPPLIES AND SERVICES	389,281	371,192	18,089	Underspend	5%
2,200,330	4.	TRANSPORT & PLANT	528,601	534,710	(6,109)	Overspend	-1%
499,602	5.	ADMINISTRATION COSTS	246,745	248,651	(1,906)	Overspend	-1%
2,129,910	6.	APPORTIONED EXPENSES					
23,247,676	7.	PAYMENTS TO OTHER BODIES	8,138,975	7,974,029	164,946	Underspend	2%
1,730,170	8.	CAPITAL FINANCING CHARGES					
120,000	9.	INTEREST ON REVENUE BALANCES					
1,424,314	10.	OTHER COSTS	74,601	73,962	639	Underspend	1%
68,111,741	11.	TOTAL EXPENDITURE	23,980,764	24,928,983	(948,219)	Overspend	-4%
9,411,350	12.	INCOME	3,438,157	3,397,359	(40,798)	Under-recovery	-1%
58,700,391	13	NET EXPENDITURE	20,542,607	21,531,624	(989,017)	Overspend	-5%

Analysis of the major variances are on pages 4 - 14

FINANCIAL MONITORING REPORT

1 April 1997 To 14 September 1997

COMMITTEE : SOCIAL WORK DIVISION : OPERATIONS AND SERVICING

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE		% (7)
					(6)		
£			£	£			
11,662,951	1.	EMPLOYEE COSTS	5,222,786	5,514,659	(291,873)	Overspend	-6%
1,748,382	2.	PROPERTY COSTS	290,932	283,491	7,441	Underspend	3%
160,750	3.	SUPPLIES AND SERVICES	43,889	41,285	2,604	Underspend	6%
634,716	4.	TRANSPORT & PLANT	316,087	328,003	(11,916)	Overspend	-4%
330,765	5.	ADMINISTRATION COSTS	180,849	182,002	(1,153)	Overspend	-1%
2,129,910	6.	APPORTIONED EXPENSES					
716,720	7.	PAYMENTS TO OTHER BODIES	253,998	249,350	4,648	Underspend	2%
1,730,170	8.	CAPITAL FINANCING CHARGES					
120,000	9.	INTEREST ON REVENUE BALANCES					
395,294	10.	OTHER COSTS	40,738	39,328	1,410	Underspend	3%
19,629,658	11.	TOTAL EXPENDITURE	6,349,279	6,638,118	(288,839)	Overspend	-5%
4,868,710	12.	INCOME	2,216,644	2,208,783	(7,861)	Under-recovered	-0%
14,760,948	13	NET EXPENDITURE	4,132,635	4,429,335	(296,700)	Overspend	-7%

See Page 5 for variance analysis.

FINANCIAL MONITORING REPORT 1997/98 - VARIANCE ANALYSIS

COMMITTEE : SOCIAL WORKDIVISION : OPERATIONS AND
SERVICING

£

£

1. Employee Costs**291,873 Overspend**

The variance can be summarised as follows:

Cost of Early Retiral Scheme	213,127
Superannuation contribution rate in excess of budget	<u>78,746</u>
	<u>291,873</u>

A number of staff within the Operations Division have taken advantage of the Early Retiral Scheme and the costs are shown in this area. In addition, the current superannuation contribution is in excess of the annual estimate and this is contributing to the adverse variance.

2. Transport Costs**11,916 Overspend**

The overspend is due to an overspend in the area of staff travel and subsistence. Due to a savings programme instigated, the budgeted expenditure has reduced but the level of staff usage has remained at a high level. This is currently being investigated by the Department.

FINANCIAL MONITORING REPORT

1 April 1997 To 14 September 1997

COMMITTEE : SOCIAL WORK

DIVISION : RA CHILDREN

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE		%
					(6)	(7)	
£			£	£	£		
2,188,153	1.	EMPLOYEE COSTS	798,657	820,742	(22,085)	Overspend	-3%
233,545	2.	PROPERTY COSTS	53,719	46,997	6,722	Underspend	13%
209,430	3.	SUPPLIES AND SERVICES	80,632	77,712	2,920	Underspend	4%
21,920	4.	TRANSPORT & PLANT	9,040	13,301	(4,261)	Overspend	-47%
25,824	5.	ADMINISTRATION COSTS	9,943	14,532	(4,589)	Overspend	-46%
	6.	APPORTIONED EXPENSES	-				
2,213,890	7.	PAYMENTS TO OTHER BODIES	986,126	990,648	(4,522)	Overspend	-0%
	8.	CAPITAL FINANCING CHARGES	-				
	9.	INTEREST ON REVENUE BALANCES	-				
3,160	10.	OTHER COSTS	-				
4,895,922	11.	TOTAL EXPENDITURE	1,938,117	1,963,932	(25,815)	Overspend	-1%
4,870	12.	INCOME	1,875	5,002	3,127	Over-recovery	167%
4,891,052	13	NET EXPENDITURE	1,936,242	1,958,930	(22,688)	Overspend	-1%

See Page 7 for variance analysis.

FINANCIAL MONITORING REPORT 1997/98 - VARIANCE ANALYSIS

COMMITTEE : SOCIAL WORKDIVISION : RA CHILDREN

	£	£
1. <u>Employee Costs</u>		<u>22,085 Overspend</u>
Salaries & Wages		
Overspend in Care Staff	44,973	
less Underspend re Leslie Street Home	<u>22,888</u>	
	22,085	
	<u> </u>	

There is an overspend in the Employee costs within this division. This overspend is a result of the employment of additional specialised staff to deal with a difficult client group and also the employment of temporary staff to cover for permanent staff on sickness absence.

However there is a corresponding underspend in staff costs due to the planned opening of a new childrens home in Leslie Street Motherwell not going ahead this financial year. This will constitute savings in the area of childcare.

FINANCIAL MONITORING REPORT**1 April 1997 To 14 September 1997**

COMMITTEE

SOCIAL WORK

DIVISION :

RA ELDERLY

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE (6)		% (7)
£			£	£	£		
4,539,828	1.	EMPLOYEE COSTS	1,927,290	2,414,811	(487,521)	Overspend	-25%
701,185	2.	PROPERTY COSTS	260,312	258,461	1,851	Underspend	1%
119,910	3.	SUPPLIES AND SERVICES	37,166	33,599	3,567	Underspend	10%
47,087	4.	TRANSPORT & PLANT	6,603	3,979	2,624	Underspend	40%
24,899	5.	ADMINISTRATION COSTS	9,586	10,071	(485)	Overspend	-5%
	6.	APPORTIONED EXPENSES					
10,525,010	7.	PAYMENTS TO OTHER BODIES	3,868,843	3,734,922	133,921	Underspend	3%
	8.	CAPITAL FINANCING CHARGES					
	9.	INTEREST ON REVENUE BALANCES					
41,050	10.	OTHER COSTS	15,400	19,672	(4,272)	Underspend	-28%
15,998,969	11.	TOTAL EXPENDITURE	6,125,200	6,475,515	(350,315)	Overspend	-6%
1,240,580	12.	INCOME	611,091	605,164	(5,927)	Under-recovery	-1%
14,758,389	13.	NET EXPENDITURE	5,514,109	5,870,351	(356,242)	Overspend	-6%

See Page 9 for variance analysis.

FINANCIAL MONITORING REPORT 1997/98 - VARIANCE ANALYSIS

COMMITTEE : SOCIAL WORKDIVISION : RA ELDERLY

£

£

1. Employee Costs**487,521 Overspend**

Cost of Early Retirals
less Savings re slippage in projects

533,228

45,707487,521

The overspend in this area relates to costs incurred for early retirals as a result of the closure of two Residential Homes for the Elderly - Merrystone House and Kennilworth House. In addition, there are staff costs incurred in 1997/98 for these homes which were due to close on 1st April 1997 but in fact remained open into this financial year.

There will be corresponding savings in this area as certain projects such as the Home-Care review will incur slippage due to delays. The total savings incurred in this period are estimated to be £45,707.

2. Payments to Other Bodies**133,921 Underspend**

The variance relates to savings made within Residential Accommodation in the areas of Airdrie and Coatbridge. Clients are being cared for within the community in these areas and this is borne out by the overspend shown in the area of Home Help wages.

FINANCIAL MONITORING REPORT

1 April 1997 To 14 September 1997

COMMITTEE

SOCIAL WORK

DIVISION :

RA MENTALLY
HANDICAPPED

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE (6)		% (7)
£			£	£			
414,154	1.	EMPLOYEE COSTS	184,087	191,758	(7,671)	Overspend	-4%
48,763	2.	PROPERTY COSTS	18,655	18,515	140	Underspend	1%
184,760	3.	SUPPLIES AND SERVICES	17,132	14,072	3,060	Underspend	18%
1,340	4.	TRANSPORT & PLANT	576	630	(54)	Overspend	-9%
3,188	5.	ADMINISTRATION COSTS	1,227	1,167	60	Underspend	5%
	6.	APPORTIONED EXPENSES					
3,982,230	7.	PAYMENTS TO OTHER BODIES	928,230	925,166	3,064	Underspend	0%
	8.	CAPITAL FINANCING CHARGES					
	9.	INTEREST ON REVENUE BALANCES					
891,320	10.	OTHER COSTS	6,000	4,984	1,016	Underspend	17%
5,525,755	11.	TOTAL EXPENDITURE	1,155,907	1,156,292	(385)	Overspend	-0%
69,210	12.	INCOME	26,646	29,362	2,716	Over-recovery	10%
5,456,545	13	NET EXPENDITURE	1,129,261	1,126,930	2,331	Underspend	0%

There are no significant variances to report at 14 September 1997.

FINANCIAL MONITORING REPORT

1 April 1997 To 14 September 1997

COMMITTEE : SOCIAL WORKDIVISION : HOME HELP SERVICE

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE		% (7)
					(6)		
£			£	£	£		
5,804,407	1.	EMPLOYEE COSTS	2,438,376	2,611,757	(173,381)	Overspend	-7%
	2.	PROPERTY COSTS					-
7,210	3.	SUPPLIES AND SERVICES	2,776	3,923	(1,147)	Overspend	-41%
203,742	4.	TRANSPORT & PLANT	83,974	78,689	5,285	Underspend	6%
360	5.	ADMINISTRATION COSTS	139	1,172	(1,033)	Overspend	743%
	6.	APPORTIONED EXPENSES					
279,000	7.	PAYMENTS TO OTHER BODIES	89,750	94,665	(4,915)	Overspend	
	8.	CAPITAL FINANCING CHARGES					
	9.	INTEREST ON REVENUE BALANCES					
	10.	OTHER COSTS					
6,294,719	11.	TOTAL EXPENDITURE	2,615,015	2,790,206	(175,191)	Overspend	-7%
1,239,350	12.	INCOME	477,150	454,449	(22,701)	Under-recovery	-5%
5,055,369	13	NET EXPENDITURE	2,137,865	2,335,757	(197,892)	Overspend	-9%

See Page 12 for variance analysis.

FINANCIAL MONITORING REPORT 1997/98 - VARIANCE ANALYSIS

COMMITTEE : SOCIAL WORKDIVISION : HOME HELP SERVICE

£

£

1. Employee Costs173,381 Overspend

The variance is largely made up of the following:

Manual workers wages	128,318
Cost of Early Retirals	<u>23,086</u>
	<u>151,404</u>

The overspend relates to Home Help wages and the cost of Early Retirals.

Home Help wages are overspent particularly in the areas of Coatbridge and Airdrie where a greater proportion of elderly clients are cared for within the community. However, this overspend is being offset by a reduction in the cost of Residential Accommodation for the elderly. It is anticipated that the overspend will be met by a transfer of Community Care resources. In addition, area teams are reviewing client needs to ensure that the level of services being provided are commensurate with client needs.

This division also has to bear cost relating to staff taking advantage of the Early Retiral Scheme.

^ Income22,701 Under-recovery

The under-recovery of income is due to the delay in implementing the increase in charges for the service. Staff are required to maximise the income of clients before instigating the new charging system.

FINANCIAL MONITORING REPORT

1 April 1997 To 14 September 1997

COMMITTEE

SOCIAL WORK

DIVISION :

OTHER SOCIAL
WORK SERVICES

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCE (6)		% (7)
£			£	£	£		
6,959,701	1.	EMPLOYEE COSTS	3,030,487	3,220,840	(190,353)	Overspend	-6%
1,127,150	2.	PROPERTY COSTS	377,260	344,408	32,852	Underspend	9%
649,460	3.	SUPPLIES AND SERVICES	207,686	200,601	7,085	Underspend	3%
1,291,525	4.	TRANSPORT & PLANT	112,321	110,108	2,213	Underspend	2%
114,566	5.	ADMINISTRATION COSTS	45,001	39,707	5,294	Underspend	12%
	6.	APPORTIONED EXPENSES					
5,530,826	7.	PAYMENTS TO OTHER BODIES	2,012,028	1,979,278	32,750	Underspend	2%
	8.	CAPITAL FINANCING CHARGES					
	9.	INTEREST ON REVENUE BALANCES					
93,490	10.	OTHER COSTS	12,463	9,978	2,485	Underspend	20%
15,766,718	11.	TOTAL EXPENDITURE	5,797,246	5,904,920	(107,674)	Overspend	-2%
1,988,630	12.	INCOME	104,751	94,599	(10,152)	Under-recovery	-10%
13,778,088	13.	NET EXPENDITURE	5,692,495	5,810,321	(117,826)	Overspend	-2%

See Page 14 for variance analysis.

FINANCIAL MONITORING REPORT 1997/98 - VARIANCE ANALYSIS

COMMITTEE : SOCIAL WORKDIVISION : OTHER SOCIAL
WORK SERVICES

£

£

1. Employee Costs190,353 Overspend

The overspend in staff costs in this area can be broken down as follows:

IT Treatment	54,000
Day Centre Elderly	31,000
Community Alarms	38,000
Day Centre Ment. Handicapped	(16,000)
Day Centre Phy.&Sensory	33,000
Rehabilitation Offenders	(56,000)
Other Specific Services	15,000
Addiction Services	34,000
Community Service Offenders	32,000
Joint Finance	25,000
	<hr/>
	190,000
	<hr/>

The Department is currently investigating these variances at Area Team level.

2. Property Costs32,852 Underspend

This underspend is due largely to the underspend on Aids and Adaptations in the 'Other Handicapped Services' division. This is a result of a slow rate of spend and expenditure will be realised as the year progresses.

3. Payments to Other Bodies32,750 Underspend

The underspend in this area is due to a slow rate of payments to voluntary organisations in the areas of Physically and Sensory Handicapped and List D Schools. However, this area is expected to catch up with the budget as the year progresses.

REPORT

TO	SOCIAL WORK COMMITTEE		Subject : REVENUE BUDGET MONITORING REPORT PERIOD 1/4/97 TO 14/9/97 SOCIAL WORK DEPARTMENT SHELTERED WORKSHOP
FROM	DIRECTOR OF FINANCE		
DATE	25/09/97	Ref. : JM/CP	

Introduction


I enclose the Budgetary Control Report for period 1 April 1997 to 14 September 1997.
The report provides a comparison of actual expenditure and income against estimated expenditure and income.

Summary of Budget Variances

The net expenditure position for the period shows an underspend of £2,985 or -6% of the cumulative budget to date.

Recommendation

The committee note the contents of this report.



M Director of Finance

NORTH LANARKSHIRE COUNCILFINANCIAL MONITORING REPORT1 April 1997 To 14 September 1997

COMMITTEE

SOCIAL WORKSERVICE : SHELTERED WORKSHOPS

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCES (6)	% (7)
278,190	1.	EMPLOYEE COSTS	119,621	118,101	1,520 Underspend	-1%
12,750	2.	PROPERTY COSTS	6,200	5,757	443 Underspend	-7%
86,200	3.	SUPPLIES AND SERVICES	45,100	48,532	(3,432) Overspend	8%
30,000	4.	TRANSPORT & PLANT	800	682	118 Underspend	-15%
3,500	5.	ADMINISTRATION COSTS	902	1,623	(721) Overspend	80%
125,000	6.	PAYMENTS TO OTHER BODIES				-
	7.	OTHER EXPENDITURE	100	556	(456) Overspend	456%
26,390	8.	CAPITAL FINANCING CHARGES		-	-	-
400	9.	INTEREST ON REVENUE BALANCES		-	-	-
562,430	10.	TOTAL EXPENDITURE	172,723	175,251	(2,528) Overspend	1%
404,470	11.	INCOME	119,105	124,618	5,513 Over-recovery	-5%
157,960	12.	NET EXPENDITURE	53,618	50,633	2,985 Underspend	-5%

There are no significant variances to report at 14 September 1997.