

AGENDA ITEM No. 3

REPORT

TO SOCIAL WORK COMMITTEE	Subject : SOCIAL WORK
FROM DIRECTOR OF FINANCE	REVENUE ESTIMATES 2000/2001 BASE SUBMISSIONS
DATE 5 November 1999 Ref. : PH/Rev1	

1. Introduction

- 1.1 This report sets out the Social Work Department's base estimates submission for the forthcoming financial year and the broad principles within which the Council's budget is being prepared . The Revenue Estimates cycle for 2000/2001 has been underway for several months , with base information and instructions being issued to departments in early August . This initial report has been prepared on the assumption that the Current level of Service Provision is maintained, with the necessary adjustments being incorporated into the base revenue estimate figures from the current year.
- 1.2 Departments have been requested to include , within their returns , only those expenditure pressures which are a consequence of the following :-
- The full year effect of previous year approved budget adjustments , already partly included in the base budget .
 - The costs of new statutory burdens supported in GAE .
 - External contract inflation .
 - The revenue consequences of capital projects approved in earlier years .
 - The costs of staff increments .
 - The impact of a changing client base where there is a direct link to expenditure .
 - The impact of Council decisions taken following approval of the 1999/2000 budget .

2. Social Work Base Estimate 2000/2001

- 2.1 A detailed analysis of the Social Work base budget for 2000/2001 is given at appendix (i). The movement in budget from 1999/2000 to 2000/2001 is explained within appendices ii and iii. The overall impact is an increase of £2.801m (4.2%) which can be analysed as follows:

	£
Approved net expenditure 1999/2000 (line 15 - page 5)	<u>66,045,038</u>
● The full year effect of previous year approved budget adjustments	
a) Community Care Development monies	210,000
b) Childcare Development Fund	367,000
● Reinstatement of Expenditure Advanced to 1998/99 as part of the 1999/2000 Budget strategy	50,000
● External Contract inflation	565,000
● The costs of new statutory burdens supported in GAE .	430,000
● The impact of a changing client base .	460,000
● General CSP Movements	719,000
Adjusted net expenditure 2000/2001 (line 15 - page 5)	<u>68,846,038</u>

It must be emphasised that these figures are subject to review during the budget setting process.

- 2.2 The base budget submission for 2000/2001 is prior to consideration of the impact of pay award settlements, DSO contract inflation, Non-Domestic Rates charges, employer's superannuation increases and policy decisions to be taken by the Council in relation to service reviews, enhancements and savings proposals.

3. Next Stage in Budget Process

- 3.1 At the time of preparing this report, the Scottish Executive has not yet determined the local government financial settlement for 2000/2001. However, the Financial Outlook report submitted to the Finance Committee on the 2nd September 1999 indicated that total savings of around £9m could be required to enable the Council to remain within forecast guideline figures. These estimates will be reviewed once individual council figures become available.
- 3.2 As previously reported, the Government has now introduced a system of Expenditure Guidelines which incorporate items previously excluded from capping, such as loan charges, Housing and Council Tax benefits and elements of Housing Non - HRA. Ministers expect that these new guideline figures will be adhered to by individual authorities.
- 3.3 Following the announcement of the Council's Expenditure Guidelines, GAE and AEF levels, the base budgets will require to be revised. Decisions will have to be taken on service priorities, proposals included within service plan submissions, and the level of potential savings which would be required to comply with Government Guidelines.

4. **Recommendations**

The Committee is requested to note the position set out in this report as part of the overall preparation of the Council's revenue budget for 2000/2001.


Director of Finance

NORTH LANARKSHIRE COUNCIL

ESTIMATE OF EXPENDITURE AND INCOME FOR THE YEAR ENDING 31st MARCH 2001

SOCIAL WORK - SUBJECTIVE SUMMARY

	(1)		(2)	(3)
LINE NO.	1999/2000 REVENUE ESTIMATE	EXPENDITURE	2000/2001 BASE REVENUE ESTIMATE	MOVEMENTS
	£		£	
1	37,274,886	EMPLOYEE COSTS	37,584,886	310,000
		Salaries and Wages -		
2	3,535,557	Admin & Clerical Staff	3,578,557	43,000
3	3,152,765	Basic Grade Social Workers	3,192,765	40,000
4	9,436,035	Management, Support, Specialist & Fieldwork Staff APT&C	9,553,035	117,000
5	6,979,728	Care Staff APT&C	7,066,728	87,000
6	1,391,163	Instructors	1,409,163	18,000
7	307,014	Hospital Social Workers	312,014	5,000
8	7,828,105	Manual Workers	7,828,105	-
9	132,379	Pension Increases	132,379	-
		Superannuation -		
10	1,855,923	APT&C Staff	1,855,923	-
11	137,402	Manual Workers	137,402	-
		National Insurance -		
12	1,738,354	APT&C Staff	1,738,354	-
13	348,217	Manual Workers	348,217	-
		Other Employee Costs -		
14	228,454	Other Staff Costs	228,454	-
15	203,790	Training Costs	203,790	-
16	4,328,524	PROPERTY COSTS	4,378,524	50,000
17	553,690	Rates	553,690	-
18	752,249	Rents and Feu Duties	752,249	-
19	101,808	Property Insurance	101,808	-
20	315,042	Electricity	315,042	-
21	94,324	Gas	94,324	-
22	36,847	Oil	36,847	-
23	16,717	Solid Fuel	16,717	-
24	48,655	Cleaning Materials	48,655	-
25	1,121,101	Payments to Contractors - Cleaning	1,121,101	-
26	358,530	Adaptations	408,530	50,000
27	2,491	Grounds Maintenance	2,491	-
28	508,719	Repairs and Maintenance	508,719	-
29	418,351	Other Property Costs	418,351	-
30	1,397,652	SUPPLIES AND SERVICES	1,397,652	-
31	223,061	Provisions	223,061	-
32	58,606	Office Equipment	58,606	-
33	55,880	Machine Rentals	55,880	-
34	93,655	Tools and Equipment	93,655	-
35	12,948	Uniforms	12,948	-
36	13,445	Crockery and Cutlery	13,445	-
37	6,158	Medical Equipment	6,158	-
38	37,890	Vocational Equipment	37,890	-
39	12,590	Laundry	12,590	-
40	6,350	Telephones for handicapped	6,350	-
41	69,340	Holidays and Outings	69,340	-
42	34,200	Clients Treatment Courses	34,200	-
43	36,370	Clients Clothing	36,370	-
44	129,699	Clients Requisites	129,699	-
45	161,280	Aids for the Handicapped	161,280	-
46	128,869	Furniture and Fittings	128,869	-
47	317,311	Other Supplies and Services	317,311	-
48	43,001,062	Carried Forward	43,361,062	360,000

ESTIMATE OF EXPENDITURE AND INCOME FOR THE YEAR ENDING 31st MARCH 2001

SOCIAL WORK - SUBJECTIVE SUMMARY

LINE NO.	(1)	EXPENDITURE	(2)	(3)
	1999/2000 REVENUE ESTIMATE		2000/2001 BASE REVENUE ESTIMATE	MOVEMENTS
	£		£	
49	43,001,062	Brought Forward	43,361,062	360,000
50	2,774,544	TRANSPORT AND PLANT	2,959,544	185,000
51	322,536	External Hires	322,536	-
52	1,421,028	Internal Transport Hires	1,606,028	185,000
53		Internal Transport Driver		-
54	8,587	Internal Transport Fuel	8,587	-
55	1,019,576	Staff Travel	1,019,576	-
56	2,817	Other Transport Costs	2,817	-
57	557,612	ADMINISTRATION COSTS	557,612	-
58	132,261	Printing and Stationery	132,261	-
59	15,232	Advertising	15,232	-
60	81,487	Postages	81,487	-
61	201,910	Telephones	201,910	-
62	18,051	Insurance (Other than Property and Transport)	18,051	-
63	108,671	Other Administration Costs	108,671	-
64	28,139,059	PAYMENTS TO OTHER BODIES	30,395,059	2,256,000
65	2,990,663	Payments to Voluntary Organisations	2,990,663	-
66	6,905,265	Supplementation Payments	7,070,265	165,000
67	879,136	Foster Parents Allowances	1,246,136	367,000
68	176,050	Foster Parents Discret.	176,050	-
69	15,140	Section 27 Payments	15,140	-
70	178,450	Community Parents	178,450	-
71	23,410	Payments to Childminders	23,410	-
72	342,980	Adoption Allowances	342,980	-
73	-	Payments to Link Carers	-	-
74	35,000	Development Monies	35,000	-
75	9,773,380	Community Care - Care Element	10,933,380	1,160,000
76	823,715	Community Care - Development	823,715	-
77	-	CET Allocation Home Care	-	-
78	2,196,474	Payments to other Local Authorities	2,196,474	-
79		Payments to Health Boards		-
80	246,400	Grants to Voluntary Organisations	246,400	-
81	1,916,916	Contract Catering	1,916,916	-
82	13,580	Section 12 Payments	13,580	-
83	200,650	Section 29 Payments	200,650	-
84	54,320	Section 22 Payments	54,320	-
85	786,450	Payments to Other Bodies	1,350,450	564,000
86	581,080	Independant Living Fund	581,080	-
87	791,445	OTHER EXPENDITURE	791,445	-
88	305	Conferences and Courses	305	-
89	791,140	Miscellaneous	791,140	-
90	-	Savings/Overprovision	-	-
91	-	Temporary Interest on Revenue Account	-	-
92	-	CAPITAL FINANCED FROM CURRENT REVENUE	-	-
93	1,276,000	CAPITAL CHARGES	1,276,000	-
94	2,238,582	APPORTIONED EXPENSES	2,238,582	-
95	78,778,304	Total Expenditure	81,579,304	2,801,000

NORTH LANARKSHIRE COUNCIL

ESTIMATE OF EXPENDITURE AND INCOME FOR THE YEAR ENDING 31st MARCH 2001

SOCIAL WORK - SUBJECTIVE SUMMARY

LINE NO.	(1)	INCOME	(2)	(3)
	1999/2000 REVENUE ESTIMATE		2000/2001 BASE REVENUE ESTIMATE	MOVEMENTS
	£		£	
1	12,733,266	INCOME	12,733,266	-
2	2,062,987	Government Grants - Various	2,062,987	-
3		Other Grants		-
4	6,335,771	Resource Transfer Allocation	6,335,771	-
5	66,630	Recoveries from Health Boards	66,630	-
6	2,290	Charges to Staff	2,290	-
7	40,340	Other LA's General	40,340	-
8	27,160	Sales Fees and Charges	27,160	-
9	14,220	Charges for Registration	14,220	-
10	3,340,647	Charges to Persons using Service	3,340,647	-
11	5,570	Direct Assistance Recoveries	5,570	-
12	837,651	Other Income	837,651	-
13	12,733,266	Total Income	12,733,266	-
14	78,778,304	Gross Expenditure b/f	81,579,304	2,801,000
15	66,045,038	Net Expenditure	68,846,038	2,801,000

North Lanarkshire Council

Current Service Provision (CSP) Adjustments 2000 / 2001

COMMITTEE: SOCIAL WORK
SERVICE: SOCIAL WORK SERVICES

CSP Increases

1. Increases in Expenditure

1.1 Full year effect of Community Care Development Provision included in 1999/2000 budget	210,000
1.2 Full year effect of Childcare Development Provision included in 1999/2000 budget	367,000
1.3 Transfer of match funding from DSS towards Hospital Discharge Programme	300,000
1.4 Recognition of increased requirement for Respite Care Provision	130,000
1.5 Aids and Adaptations re-instatement of advanced expenditure 1998/99 to meet increased levels of demand	50,000
1.6 Inflationary Increase to services purchased from voluntary sector	165,000
1.7 Increased Requirements for Internal Transport	185,000
1.8 Inflationary Increase to external providers of nursing and residential care	400,000
1.9 Packages of Care for young people with learning difficulties	250,000
1.10 Joint Planning Agreement with Health Board to provide continuing care for clients leaving long stay hospital care	210,000
1.11 Closure of Braidwood House resulting in need for alternative provision	224,000
1.12 Impact of Incremental Drift	310,000

Total CSP Increases	2,801,000
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CSP Reductions

2. Reductions in Expenditure	0
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Total CSP Reductions	0
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Net CSP Movements (CSP Increases less Reductions)	2,801,000
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Explanatory Notes to CSP Adjustments

Department : SOCIAL WORK

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1.1	<u>Full year effect of Community Care Development Provision</u> Balance of Community Care Service Development Monies. Full year effect of services put into place last year to provide supported living arrangements for young people with special needs leaving education or residential care.	210,000
1.2	<u>Full year effect of Childcare Development Provision</u> Full year effect of services put into place last year to increase community based placements and to support families through early intervention and prevention measures.	367,000
1.3	<u>DSS Transfer - Match Funding for Nursing / Residential Homes</u> Match Funding required towards the continuing transfer of of DSS resources to fund places in nursing and residential homes. (Full transfer required of £700,000, balance of £400,000 included in 1.8 to cover inflation)	300,000
1.4	<u>Recognition of additional requirement for Respite Care Provision</u> The enhancement of the respite care budget, meeting obligations to improve support to carers as outlined in GAE settlement.	130,000
1.5	<u>Aids and Adaptations - Re-instatement of advanced expenditure 1998/99</u> Equipment and Adaptations budgeted are under-resourced at present and require to be increased.	50,000
1.6	<u>Inflationary Increase to services purchased from voluntary sector</u> Over the last four years, inflationary increases in wages only within the voluntary bodies have been met by the authority. Current proposals allow for inflationary increases on all costs incurred by the bodies to be met in the coming year. The voluntary sector is viewed by the government as an important partner in delivering the community care agenda.	165,000
1.7	<u>Increased Internal Transport Requirements</u> During the budget setting process for 1999/2000, the allocation of Transport costs excluded provision for those vehicles directly externally hired by the Department. This provision has now been incorporated in the 2000/2001 base estimates.	185,000

Explanatory Notes to CSP Adjustments

Department : **SOCIAL WORK**

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Further Explanations of Items Included in CSP 2

1.8	<u>Inflationary Increases to external providers of nursing and residential care</u> Inflationary increases in the cost of purchasing residential and nursing care from the independent sector, coupled with decreases in average levels of client contributions being received.	400,000
1.9	<u>Packages of care for young people with Learning Difficulties</u> Packages of care such as Residential and Supported Family Placements require to be provided for young people with a learning disability leaving the educational system, thus resulting in growth in Social Work client population.	250,000
1.10	<u>Joint Planning Agreement with Health Board for Hospital Discharge</u> The Joint Planning Agreement with the Health Board requires funding to be made available to provide continuing care for clients leaving hospital under phase 2 of the discharge program.	210,000
1.11	<u>Closure of Braidwood House resulting in need for alternative provision</u> The planned closure of Braidwood House run by Capability Scotland in 2000 will result in alternative arrangements for 8 residents. All residents have been there for a number of years and are therefore transitionally protected. The current costs of care is £17,000 on average, this will rise to £45,000 for alternative care, the net effect to the department is an additional £28,000 per client.	224,000
1.12	<u>Impact of Incremental Drift</u> Additional Resources are required to fund annual increments	310,000