

To: SOCIAL WORK COMMITTEE	Subject: OUT-TURN REPORT 2001/2002 PERIOD 01.04.01 – 31.03.02 SOCIAL WORK DEPARTMENT	
From: DIRECTOR OF SOCIAL WORK		
Date: 22 August 2002	Ref: RP/MY	

1. INTRODUCTION

- 1.1 The purpose of this report is to advise Committee on the final out-turn for the department of Social Work, including the Sheltered / Supported Employment Division, for the financial year 1 April 2001 to 31 March 2002.
- 1.2 The report provides a comparison of actual expenditure and income against estimated expenditure and income and provides explanations of the most significant variances. An expenditure statement is appended to the report.
- 1.3 The underspend, excluding those items outwith the control of the Department such as Apportioned Expenses, Property Insurance and Provision for Doubtful Debt, is £2,765,863. This is a favourable movement of £2,264,486 from the Provisional Out-turn which was presented to Committee on 9th May 2002. This increase is largely due to increased income generated through the receipt of Transitional Housing Benefit. The final position relating to Transitional Housing Benefit claims was only concluded after the Provisional Out-turn report due to a variety of administrative delays.
- 1.4 This additional resource can be utilised to provide housing support packages to clients who require them in order to remain within their own home. Prior to receipt of this resource, the department had limited ability to provide this care through mainstream Community Care budgets. The work undertaken throughout the financial year 2001/02 to re-assess clients, so that any housing support elements of care packages could be paid for from this new resource, had the result of augmenting those Community Care budgets which provide other elements of care.

2. BUDGET RE-ALIGNMENT

- 2.1 Earlier Committee reports advised of a series of budget re-alignments during the year. A projected under-spend of £1,500,000 within Employee Costs in Management and Support Services, and overspends within the same division in Property Costs and Supplies and Services were highlighted in July 2001. Committee agreed that £800,000 of this under-spend could be utilised to enhance the budget for Equipment and Adaptations in order to reduce waiting lists in the area. Also, a further £300,000 could be utilised to increase the budget for Information Technology, which is vital, if the department is to cope with the demands and pressures, which are being placed on it by the ever-increasing change agenda. This realignment was reflected in the Department's Property and Supplies and Services Costs respectively.
- 2.2 In addition, it was agreed at the September 2001 meeting of the Policy and Resources Committee that the Equipment budget, within property costs, could be increased by £224,000, once again to assist with lengthy waiting lists.
- 2.3 Finally, in October 2001, Committee approved proposals put forward by the department for additional uses for the projected underspend in the Social Work Budget. The Property budget was amended to reflect the planned additional spend of £680,000 and consequently, this additional spend has been reflected in the out-turn figures.

3.8 Income £6,155,277 Over-recovered

- a) This over-recovery is a result of an over-recovery of £6,100,000 within Management and Support Services. Additional Resources have been received in the latter half of the financial year from the Housing Benefits system in relation to Transitional Housing Benefit for clients receiving housing support through Homecare Services. Ultimately this resource will serve to provide enhanced home support services to clients.
- b) The Transitional Housing Benefit income received in the year 2001/02 is £7.1m, which is an increase of £3m from that reported in the provisional out-turn report. The significant increase in income is a direct result of additional claims processed in the final month of the financial year. There has been however, a requirement to incur additional expenditure in support of a number of new initiatives, for example the £680,000 referred to in paragraph 2.3, and this has marginally offset the additional income received.
- c) The under-recovery in Fees and Charges relates partly to an under-recovery of £280,000 within Homecare Services. The income generated from charging clients for Homecare Services is in turn determined by the personal income available to clients to pay the charges. An assessment is carried out on each client to ascertain their ability to contribute towards their care costs. As part of this process, clients are given advice and assistance to claim the full amount of allowances for which they may be eligible. The outcome of this financial assessment will determine the level at which the client contributes towards their care costs. Work is continuing to ensure the future maximisation of benefit uptakes by clients, thus increasing their ability to contribute to the cost of their care. This under-recovery is offset somewhat by an over-recovery of £75,000 which relates to increased income from Beltane Workshop.
- d) The department also received £416,000 additional Resource Transfer from the Health Board in 2001/02.
- c) The balance of the over-recovery totalling £524,000 is a result of an over-recovery in Cross Boundary Income of £185,000, additional Income received within the area of Residential Homes for the Elderly of £200,000, additional grant of £79,000 received from the Scottish Executive in the year for IT services and finally the level of grant for Offenders Services and Asylum Seekers exceeding the anticipated budget by £68,000.

4. PROPOSED FUTURE STRATEGY

As can be seen from the above, there is a controllable under-spend of £2,765,863 for the year 2001/02. The Department considers that this provides an opportunity to enhance service delivery in a number of areas by using the monies on a non-recurring basis. It is proposed that £1.1m of the available surplus be used to address the following urgent Social Work requirements:-

a) Offices Brandon Parade

The department has for some time been working with officers from the Department of Housing and Property Services to find a solution to the lack of office accommodation for Headquarters and Area Team staff. The potential lease of office accommodation adjacent to the main headquarters in Brandon Parade has been identified as a solution. Social Work is able to fund the lease and other recurring costs associated with the property from existing revenue budgets. However, non-recurring monies are required to carry out refurbishment work to the property in order that it meets departmental requirements. The department is unable to fund this from its Capital Programme which is fully committed and is therefore seeking a contribution of £650,000 in 2002/03 followed by a further £200,000 in 2003/04. This latter contribution will be met from unutilised Transitional Benefit payments realised at the end of the current financial year.

b) Respite Care Services for Children and Adults with Learning Disabilities

Previous Social Work Committees approved proposals to enter into a partnership arrangement with PHEW, a voluntary organisation providing respite care in North Lanarkshire, with a view to building a new centre with services of hotel standard. Funding for the project attracted a £600,000 grant from the National Lottery Fund but PHEW are required to obtain a mortgage of approximately £500,000, which is a significant burden for such a small organisation and would ultimately require to be funded through increased service charges to the department.

The Social Work Committee of February 2002 approved a proposal that the Department seek to reduce the mortgage by making additional grant available. It is therefore proposed that £450,000 additional grant is made available from the monies identified in this report for this purpose.

5. FINANCIAL CONCURRENCE

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

6. RECOMMENDATIONS

It is recommended that Committee :-

- a) Note the out-turn variances for 2001/02 and,
- b) Approve the proposed future strategy outlined in section 4 and the utilisation of £1.1m of the year-end surplus.



J. Dickie
Director of Social Work
24th July 2002

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NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT 1 APRIL 2001 TO 31 MARCH 2002

SOCIAL WORK DEPARTMENT

LINE NO. (1)	DESCRIPTION (2)	ANNUAL BUDGET (3)	ACTUAL EXPENDITURE (4)	TOTAL VARIANCE (5)	OUTWITH DEPARTMENTS CONTROL (6)	DEPARTMENT VARIANCE (7)	VARIANCE	% (9)
		£	£	£	£	£		
1.	EMPLOYEE COSTS	46,823,194	47,263,286	-440,092	-	-440,092	Overspend	-1%
2.	PROPERTY COSTS	6,520,630	6,687,233	-166,603	-109,939	-56,664	Overspend	-3%
3.	SUPPLIES AND SERVICES	3,836,175	4,824,622	-988,447	-	-988,447	Overspend	-26%
4.	TRANSPORT & PLANT	3,083,412	3,571,033	-487,621	-	-487,621	Overspend	-16%
5.	ADMINISTRATION COSTS	924,402	1,695,254	-770,852	-128,785	-642,067	Overspend	-83%
6.	APPORTIONED EXPENSES	2,671,988	2,580,973	91,015	91,015	-		
7.	PAYMENTS TO OTHER BODIES	31,738,638	32,447,788	-709,150	-	-709,150	Overspend	-2%
8.	CAPITAL FINANCING CHARGES	1,814,154	1,814,154	-	-	-		
9.	OTHER COSTS	525,881	591,254	-65,373	-	-65,373	Overspend	-12%
10.	TOTAL EXPENDITURE	97,938,474	101,475,597	-3,537,123	-147,709	-3,389,414	Overspend	-4%
11.	OTHER GRANTS	3,164,097	3,233,033	68,936	-	68,936	Over-recovered	2%
12.	FEES AND CHARGES	3,983,777	3,786,823	-196,954	-	-196,954	Under-recovered	-5%
13.	CHARGES TO CAPITAL	-	-	-	-	-		
14.	DEPARTMENTAL RECHARGE	-	-	-	-	-		
15.	OTHER	11,672,662	17,955,957	6,283,295	-	6,283,295	Over-recovered	54%
16.	TOTAL INCOME	18,820,536	24,975,813	6,155,277	-	6,155,277	Over-recovered	33%
17.	NET EXPENDITURE	79,117,938	76,499,784	2,618,154	-147,709	2,765,863	Underspend	3%