

REPORT

| | |
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| <p>To: SOCIAL WORK COMMITTEE</p> | <p>Subject: 2005/2006 BUDGET MONITORING REPORT</p> <p>PERIOD 01.04.05 – 16.09.05 (PERIOD 6)</p> <p>SOCIAL WORK</p> |
| <p>From: DIRECTOR OF SOCIAL WORK</p> | |
| <p>Date: 3 OCTOBER 2005</p> | <p>Ref: MC/JH3</p> |

1. Purpose of Report / Introduction

This report compares projected out-turn expenditure and income against annual estimates and provides explanations for the major out-turn variances.

2. Summary of Budget Variances

2.1 The out-turn projection shows that the department is anticipating an overspend of £1,073,500 at the financial year-end. This is the result of a significant increase in expenditure on Residential Schools particularly in respect of secure accommodation and in purchasing foster places. The projected additional expenditure in these areas of £2.4m which is demand lead is being partially offset by management action reducing expenditure in other areas.

3. Budget Re-alignment / Supplementation

3.1 The Social Work budget has been supplemented by an additional £1.7m from Council surpluses, alternate funding sources and a virement from Central Repairs. This was agreed at the Policy and Resources Committee of 14 June 2005.

4. Explanation of Major Out-Turn Variances

4.1. This section of the report provides an explanation of the major out-turn variances:-

| | | |
|-----------------------------|-----------------|-------------------|
| 4.1.1 Employee Costs | £657,000 | Underspend |
|-----------------------------|-----------------|-------------------|

The anticipated outturn underspend is a result of vacancies.

| | | |
|-----------------------------|-----------------|------------------|
| 4.1.2 Property Costs | £169,000 | Overspend |
|-----------------------------|-----------------|------------------|

The majority of the anticipated overspend relates to cleaning of Social Work establishments. This position will be monitored and may be subject to change as the contract requirements are reviewed. Another area of overspend relates to electricity costs which have increased by 26% due to increases in usage charges. The power costs had been pegged for the last three years and the new contract pegs these costs for the next two financial years.

4.1.3 Supplies and Services **£332,000** **Overspend**

The main area of overspend relates to contract catering payments, it is anticipated that this area will be overspent by £223,000. The reason for this overspend is currently under investigation and a meeting has been arranged between the departments concerned. An additional area of anticipated overspend is in relation to expenditure on computer equipment. These overspends will be partially offset by underspends in other expenditure items within supplies and services resulting in the anticipated overspend shown above.

4.1.4 Transport Costs **£46,500** **Overspend**

It is anticipated the transport costs will be overspent at the year-end. This anticipated overspend relates to the area of staff travel. However, it is anticipated that the transport arrangements in place for service users will change to reflect the new day opportunities programme.

4.1.5 Administration Costs **£575,000** **Underspend**

An underspend of £575,000 is projected in this area at the year-end. This position is dependent on significant savings being made in training and excludes any allowance for bad debt. This position will be closely monitored and further investigated. This budget has been enhanced from the prior year surpluses to absorb prior year overspends.

4.1.6 Payments to Other Bodies **£2,100,000** **Overspend**

There remains significant and increasing pressures on fostering and adoption budgets. These are the result of the numbers of children requiring to be taken into care because of their vulnerability in the community, in many instances as a result of addiction problems within the family. At present there are insufficient numbers of Foster Carers in North Lanarkshire to meet the demand for placements resulting in the department requiring to purchase expensive placements from Independent Foster Agencies. This position is being closely monitored but at present it is projected that the fostering and adoption budget will be overspent by £1.2m.

A similar increase in projected expenditure exists at present in residential schools, particularly in secure placements. These result from decisions made by the courts and childrens' panels. If the current level of placements continues to the year end, the budget will be overspent by £1.2m. This position is being closely monitored and adjusted to reflect future activity.

4.1.7 Other Costs **£128,000** **Underspend**

This anticipated underspend reflects the prior year end position.

4.1.8 Income **£214,000** **Over-recovered**

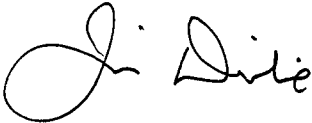
Income is anticipated to be over-recovered at the year-end. The anticipated over-recovery will be within the area of Residential Care and Resource Transfer. However, this masks an under recovery on income in relation to lunch clubs projected at £140,000.

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 the contents of this report be noted.



Jim Dickie
Director of Social Work
9 September 2005

For further information on this report please contact Ronnie Paul, Head of Social Work Resources, TEL: (01698 332023)

Summary of Budgeted OT by Period

| Prd | Instructors OT 0173 | APT &C OT 0193 | BGSW OT 0233 | Man Spec Field Wk OT 0243 | Care Staff OT 0253 | Home care Workers OT 0263 | Man Workers Gen OT 0353 | Dom Staff OT 0403 | Cleaners OT 0413 | Sess Staff OT 0423 | Total |
|-----|---------------------------|----------------------|--------------------|---------------------------------|--------------------------|---------------------------------|-------------------------------|-------------------------|------------------------|--------------------------|---------|
| 1 | 666 | 7,439 | 10,043 | 13,814 | 24,298 | - | 538 | - | - | - | 56,798 |
| 2 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 3 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 4 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 5 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 6 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 7 | 821 | 6,950 | 9,385 | 12,904 | 22,702 | - | 502 | - | - | - | 53,264 |
| 8 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 9 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 10 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 11 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 12 | 820 | 6,943 | 9,372 | 12,891 | 22,673 | - | 501 | - | - | - | 53,200 |
| 13 | 1,005 | 6,682 | 9,035 | 12,415 | 21,868 | - | 497 | - | - | - | 51,502 |
| | 10,692 | 90,501 | 122,183 | 168,043 | 295,598 | - | 6,547 | - | - | - | 693,564 |
| | 10,692 | 90,501 | 122,183 | 168,043 | 295,598 | - | 6,547 | - | - | - | 693,564 |
| Var | - | - | - | - | - | - | - | - | - | - | - |

SOCIAL WORK DEPARTMENT
BUDGET MONITORING YEAR 2005/06

ANALYSIS OF DEVELOPMENT MONIES

| Cost Centre | CC Description | A/c | A/c description | Annual Budget | | | | | | | | |
|-------------|---------------------|------|--------------------------------|----------------|----------------|----------------|----------------|---------------|----------------|----------|----------------|----------|
| | | | | Period No 2 | Period No 3 | Movement | Period No 4 | Movement | Period No 5 | Movement | Period No 6 | Movement |
| S0154 | Development Staff | 0556 | Other E'ee Costs | 710,044 | 45,698 | 664,346 | 27,828 | 17,870 | 27,828 | 0 | 27,828 | 0 |
| S0155 | Development Elderly | 0556 | Other E'ee Costs | -23,829 | -23,829 | 0 | -23,829 | 0 | -23,829 | 0 | -23,829 | 0 |
| S0156 | Development General | 0630 | Rents | 124,000 | 124,000 | 0 | 124,000 | 0 | 124,000 | 0 | 124,000 | 0 |
| S0156 | Development General | 0650 | Property Insurance Allocations | 100,000 | 100,000 | 0 | 100,000 | 0 | 100,000 | 0 | 100,000 | 0 |
| S0156 | Development General | 0780 | Upkeep of Grounds | 3,989 | 3,989 | 0 | 3,989 | 0 | 3,989 | 0 | 3,989 | 0 |
| S0156 | Development General | 0801 | Gas | 58,000 | 58,000 | 0 | 58,000 | 0 | 58,000 | 0 | 58,000 | 0 |
| S0156 | Development General | 0834 | Contract Cleaning | 111,902 | 111,902 | 0 | 111,902 | 0 | 111,902 | 0 | 111,902 | 0 |
| S0156 | Development General | 1330 | Contract Catering Payments | 183,602 | 183,602 | 0 | 183,602 | 0 | 183,602 | 0 | 183,602 | 0 |
| S0156 | Development General | 1556 | Internal Fuel Stock Issued | 258 | 258 | 0 | 258 | 0 | 258 | 0 | 258 | 0 |
| S0156 | Development General | 2359 | Other Admin Costs | 3,122 | 8,158 | -5,036 | 8,158 | 0 | 8,158 | 0 | 8,158 | 0 |
| S0403 | CSP 2004/05 | 5400 | Sales Fees Charges General | -300,000 | 0 | -300,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | 971,088 | 611,778 | 359,310 | 593,908 | 17,870 | 593,908 | 0 | 593,908 | 0 |

North Lanarkshire Council
Social Work Department
Budgetary Control 2005/06
- Period 5 report and Period 6 report

| | |
|--------------------|--------------------|
| Annual Estimate P5 | 110,947,201 |
| Annual Estimate P6 | <u>110,947,201</u> |
| Movement in Period | <u>0</u> |

| | 5 | 6 | MOVEMENT | REASONS | |
|-----------------------|--------------------|--------------------|----------|---|-----------------|
| | ESTIMATE | ESTIMATE | | | |
| | £ | £ | | | |
| Employee Costs | 70,662,194 | 70,705,499 | 43,305 | SAMH worker. | 42,305 |
| | | | | Other e'ee costs re withdrawal of NHS & HPS contrib | 12,000 |
| | | | | North Lanarkshire Advocacy Forum | -11,000 |
| | | | | | <u>43,305</u> |
| Property Costs | 5,044,090 | 5,044,090 | 0 | | |
| Supplies and Services | 8,161,574 | 8,151,574 | -10,000 | Termination of project | -10,000 |
| Transport and Plant | 4,662,070 | 4,662,070 | 0 | | |
| Administration | 2,628,857 | 2,653,857 | 25,000 | Increase to match increased income | |
| Pays to Other Bodies | 70,814,368 | 70,904,725 | 90,357 | Increased x to match funding | 183,072 |
| | | | | Termination of project | -62,965 |
| | | | | Withdrawal of NHS & HPS contrib | -40,750 |
| | | | | North Lanarkshire Advocacy Forum | 11,000 |
| | | | | | <u>90,357</u> |
| CPCR | 0 | 0 | 0 | | |
| Other Costs | 1,199,371 | 1,199,371 | 0 | | |
| Apportioned Expenses | 3,054,225 | 3,054,225 | 0 | | |
| Capital Charges | 1,238,917 | 1,238,917 | 0 | | |
| Income | -56,518,465 | -56,667,127 | -148,662 | Income from SAMH far worker. | -42,305 |
| | | | | Termination of project | 72,965 |
| | | | | 7CCSF funding | -208,072 |
| | | | | Withdrawal of NHS & HPS contrib | 28,750 |
| | | | | | <u>-148,662</u> |
| TOTAL BUDGET | 110,947,201 | 110,947,201 | 0 | | |

FINANCIAL MONITORING REPORT

1 April 2005 to 16 September 2005 (Period 6)

COMMITTEE: SOCIAL WORK INCLUDING SUPPORTED EMPLOYMENT DIVISION: SOCIAL WORK EXCLUDING BELTANE

| LINE NO. (1) | DESCRIPTION (2) | Adjustment Columns | | | | | | BUDGET TO DATE (3) | ACTUAL TO DATE (4) | YEAR TO DATE VARIANCES (5) | | % | ANNUAL BUDGET (7) | PROJECTED OUTFURN (8) | PROJECTED OUTFURN VARIANCE (9) | | % |
|-----------------|---------------------------|-----------------------------|-----------------------------|---------------------------|---|------------|------------|-----------------------|-----------------------|-------------------------------|-----|-------------|----------------------|--------------------------|-----------------------------------|-----|---|
| | | Per BC Report | | Bud - Actual (B) - (A) | (+/-) increase / (-) reduce Adjustments to columns Budget (£) | Actual (£) | | | | | | | | | | | |
| | | Start budget to date (B) | Start actual to date (A) | | | | | | | | | | | | | | |
| | | £ | £ | £ | £ | £ | £ | £ | £ | £ | | £ | £ | £ | | | |
| 1. | EMPLOYEE COSTS | 31,367,164 | 31,199,541 | 167,623 | 0 | 0 | 31,367,164 | 31,199,541 | 167,623 | Underspend | 1% | 70,192,669 | 69,535,669 | 657,000 | Underspend | 1% | |
| 2. | PROPERTY COSTS | 1,523,002 | 2,356,764 | -833,762 | 756,856 | -5,461 | 2,279,857 | 2,351,302 | -71,445 | Overspend | -3% | 5,021,516 | 5,190,516 | 169,000 | Overspend | -3% | |
| 3. | SUPPLIES AND SERVICES | 3,369,341 | 2,792,773 | 576,568 | -394,581 | 245,461 | 2,974,761 | 3,038,235 | -63,474 | Overspend | -2% | 7,850,170 | 8,182,170 | (332,000) | Overspend | -4% | |
| 4. | TRANSPORT & PLANT | 1,821,358 | 2,074,154 | -252,796 | 114,466 | 0 | 1,935,824 | 2,074,154 | -138,330 | Overspend | -7% | 4,610,229 | 4,656,729 | (46,500) | Overspend | -1% | |
| 5. | ADMINISTRATION COSTS | 1,064,647 | 1,089,089 | -24,442 | 107,393 | 0 | 1,172,040 | 1,089,089 | 82,951 | Underspend | 7% | 2,642,634 | 2,067,634 | 575,000 | Underspend | 22% | |
| 6. | PAYMENTS TO OTHER BODIES | 29,758,555 | 29,029,207 | 729,348 | -991,626 | 0 | 28,766,929 | 29,029,207 | -262,278 | Overspend | -1% | 70,859,725 | 72,959,725 | -2,100,000.00 | Overspend | -3% | |
| 7. | OTHER COSTS | 543,990 | 165,986 | 378,004 | -298,164 | 0 | 245,826 | 165,986 | 79,840 | Underspend | 32% | 1,195,398 | 1,067,398 | 128,000.00 | Underspend | 11% | |
| 8. | APPORTIONED EXPENSES | 763,556 | -2,108 | 765,664 | -763,556 | 2,108 | 0 | 0 | - | Underspend | 0% | 3,054,225 | 3,054,225 | - | Underspend | 0% | |
| 9. | CAPITAL FINANCING CHARGES | 0 | 718,296 | -718,296 | 0 | -718,296 | 0 | 0 | - | Underspend | 0% | 1,238,917 | 1,238,917 | - | Underspend | 0% | |
| 10. | TOTAL EXPENDITURE | 70,211,613 | 69,423,702 | 787,912 | -1,469,212 | -476,187 | 68,742,402 | 68,947,514 | -205,113 | Overspend | -0% | 166,665,483 | 167,952,983 | (1,287,500) | Overspend | -1% | |
| 11. | INCOME | 22,248,595 | 19,243,831 | -3,004,764 | -3,850,401 | -104,592 | 18,398,194 | 19,139,239 | 741,045 | Over-rec. | 4% | 56,049,457 | 56,263,457 | 214,000 | Over-recovery | 0% | |
| 12. | NET EXPENDITURE | 47,963,018 | 50,179,870 | -2,216,852 | 2,381,189 | -371,595 | 50,344,207 | 49,808,275 | 535,932 | Underspend | 1% | 110,616,026 | 111,689,526 | (1,073,500) | On Target | -1% | |

FINANCIAL MONITORING REPORT

1 April 2005 to 16 September 2005 (Period 6)

COMMITTEE: SOCIAL WORK DIVISION : TOTAL SOCIAL WORK SUMMARY

| LINE NO. (1) | DESCRIPTION (2) | BUDGET TO DATE (3) | ACTUAL TO DATE (4) | YEAR TO DATE VARIANCES (5) | % (6) |
|-----------------|---------------------------|-----------------------|-----------------------|-------------------------------|----------|
| | | £ | £ | £ | |
| 1. | EMPLOYEE COSTS | 31,591,794 | 31,419,655 | 172,139 Underspend | 1% |
| 2. | PROPERTY COSTS | 2,290,978 | 2,365,425 | (74,447) Overspend | -3% |
| 3. | SUPPLIES AND SERVICES | 3,113,813 | 3,123,875 | (10,063) Overspend | -0% |
| 4. | TRANSPORT & PLANT | 1,955,460 | 2,092,848 | (137,388) Overspend | -7% |
| 5. | ADMINISTRATION COSTS | 1,176,885 | 1,091,644 | 85,241 Underspend | 7% |
| 6. | PAYMENTS TO OTHER BODIES | 28,778,179 | 29,029,207 | (251,028) Overspend | -1% |
| 7. | OTHER COSTS | 245,826 | 165,986 | 79,840 Underspend | 32% |
| 8. | APPORTIONED EXPENSES | 0 | 0 | - On Target | |
| 9. | CAPITAL FINANCING CHARGES | 0 | 0 | - On Target | |
| 10. | TOTAL EXPENDITURE | 69,152,936 | 69,288,641 | (135,705) Overspend | -0% |
| 11. | INCOME | 18,674,390 | 19,317,067 | 642,677 Over-recovery | 3% |
| 12. | NET EXPENDITURE | 50,478,546 | 49,971,574 | 506,972 Underspend | 1% |

| ANNUAL BUDGET (7) | PROJECTED OUTTURN (8) | PROJECTED OUTTURN VARIANCE (9) | % (10) |
|----------------------|--------------------------|-----------------------------------|-----------|
| £ | £ | £ | |
| 70,705,499 | 70,048,499 | 657,000 Underspend | 1% |
| 5,044,090 | 5,213,090 | (169,000) Overspend | -3% |
| 8,151,574 | 8,483,574 | (332,000) Overspend | -4% |
| 4,662,070 | 4,708,570 | (46,500) Overspend | -1% |
| 2,653,857 | 2,078,857 | 575,000 Underspend | 22% |
| 70,904,725 | 73,004,725 | (2,100,000) Overspend | -3% |
| 1,199,371 | 1,071,371 | 128,000 Underspend | 11% |
| 3,054,225 | 3,054,225 | 0 On Target | 0% |
| 1,238,917 | 1,238,917 | 0 On Target | 0% |
| 167,614,328 | 168,901,828 | (1,287,500) Overspend | -1% |
| 56,667,127 | 56,881,127 | 214,000 Over-recovery | 0% |
| 110,947,201 | 112,020,701 | (1,073,500) Overspend | -1% |

Beltane & Supported Employment

| | Budget per | Actual per |
|-------------------------|----------------|----------------|
| BC Expenditure | 134,194 | 206,546 |
| Spreadsheet Expenditure | <u>134,194</u> | <u>206,546</u> |
| Variance | <u>-</u> | <u>-</u> |

Budget Variance Reconciliation

| | Annual | Year to date | | Full Yr |
|---------------------------|----------|--------------|--------------|------------|
| | Budget | Actual | | %age spent |
| Finance Charge | | | 2,108 | #DIV/0! |
| Internal Finance Recharge | | | | #DIV/0! |
| Information Recharge | | | | #DIV/0! |
| Chief Executive Charge | | | | #DIV/0! |
| Personnel Charge | | | | #DIV/0! |
| Legal Charge | | | | #DIV/0! |
| Central Services Charge | | | | #DIV/0! |
| Councillors Charge | | | | #DIV/0! |
| Canteen Charge | | | | #DIV/0! |
| Estates Charge | | | | #DIV/0! |
| Office Accomodation | | | | #DIV/0! |
| | <u>-</u> | <u>-</u> | <u>2,108</u> | <u>-</u> |
| Variance | | - | - | 2,108 |