

**SOCIAL CARE & INCLUSION SCRUTINY AND PERFORMANCE  
PANEL**

Agenda Item  
No.

**DATE: 21 FEBRUARY 2012**

**QUARTER 3 FINANCIAL MONITORING POSITION FOR 2011/12**

**Ward(s)** All

**Portfolio:**

Health, Social Care and Inclusion - Councillor McCracken

**Summary of report**

This report summarises the predicted revenue and capital outturn position for 2011/12, based on the financial performance for quarter 3 (April 2011 to December 2011), for services within the remit of the Social Care & Inclusion Scrutiny and Performance Panel.

**Recommendation**

To note the 2011/12 forecast year end financial position for services under the remit of the Social Care & Inclusion Scrutiny and Performance Panel is a planned net revenue underspend of £11k, after the use of approved reserves, proposed transfers to reserves, carry forwards and action planning. In addition, there is currently a forecast breakeven position against Capital resources of £3.093m.

**Background papers**


Various financial working papers.

2010/11 Outturn report to Scrutiny Panel

2011/12 Budget Books on Council's Internet and Intranet

***Reason for scrutiny***

To inform the panel of the forecast financial position for 2011/12 for services within their remit.



**Signed:**

**Executive Director:** Paul Davies

**Date:** 24 January 2012

### ***Resource and legal considerations***

Directorates are required to manage their services within budget. Overspends may arise for a number of reasons, including national economic and local factors. Further detail is provided within this report. Corrective action plans are in place to mitigate any overspends within service. Any corporate overspend will require replenishment in the 2011/12 budget.

### ***Citizen impact***

The budget is aligned with service activity within service plans within the directorate. Investment has been targeted at service improvement, stability and user demand.

### ***Environmental impact***

Services within the remit of this panel have a direct influence and impact on the environment.

### ***Performance management***

Financial performance is considered alongside service targets. Managers are required to deliver their service targets within budget, wherever possible. Corrective action plans are in place to mitigate overspends within service. Variances against budget are identified in the report.

### ***Equality Implications***

Services consider equality issues in setting budgets and delivering services. Irrespective of budgetary pressures the council must fulfil equal opportunities obligations.

### ***Consultation***

Senior managers within the services have been consulted and have signed off the forecast as accurate.

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## 1 Forecast Revenue Outturn 2011/12 – Social Care & Inclusion Directorate

- 1.1 The forecast revenue outturn for 2011/12 for the services under the remit of the Social Care & Inclusion Scrutiny and Performance Panel (based on the position as at the end of December 2011) is a planned underspend of **£11k** (net of the use of earmarked reserves). The outturn shown is based on actual information from the Oracle system, and discussions with managers regarding year-end forecasts and achievement of approved savings.
- 1.2 The forecast outturn only includes areas where there is a high degree of certainty about predicted under/overspends. Where a significant overspend is forecast or a new pressure identified the Social Care & Inclusion Directorate Management Team, through the three weekly budget meetings, identify an in year action plan to mitigate this position and ensure that the budget is balanced at the end of the year. At this point in the year the action plan for this service totals **£2.112m**, of which £1.458m has been delivered to date. The action plan is summarised in **Table 1** below and detailed in **Appendix 3**. The planned underspend position is predicated on the achievement of this action plan.
- 1.3 The predicted outturn includes use of reserves (where approval has been given by Cabinet for additional funds for specific services) and approved carry forwards from previous years of **£2.371m**. The predicted outturn includes a proposed transfer to earmarked reserves of £974k relating to a forecast underspend against funding transferred from Walsall PCT to develop reablement services within Walsall..
- 1.4 **Table 1** shows the forecast outturn for each service, and **Appendix 1** provides an analysis of the reasons for material forecast variances.
- 1.5 Included within the directorate budget for 2011/12 are new investments and savings, as approved by Council on 24 February 2011, totalling **£1.433m** and **£7.133m** respectively. The full year effect of previous years' investments and savings included in the budget are **£448k** for investments and **£1.690m** for savings. A full breakdown of investment and savings can be found in the 2011/12 Social Care and inclusion budget book. Where savings are not able to be achieved in full in year, directorate management teams are required to identify and manage alternative savings in liaison with the relevant portfolio holder.

**Table 1 - Social Care & Inclusion Forecast Revenue Outturn 2011/12**

Service	Annual Budget £'000	Profiled Budget £'000	Actual to Date £'000	Variance to date (under) / overspend £'000	Year End Forecast £'000	Year end variance (under) / overspend £'000	Use of Reserves / Approved carry forward £'000	Non essential spend savings still to be achieved £'000	Action Plan savings still to be achieved £'000	Variance Net Reserves / Non essential spend action plan (under) / overspend £'000
Access, Assessment & Care Management	6,367	4,841	4,942	101	6,567	200	(53)	0	0	
Provider	8,125	6,015	7,710	1,695	10,343	2,218	(844)	0	0	1
Strategic Development	(833)	(589)	(2,504)	(1,915)	(3,465)	(2,632)	648	0	0	(1,000)
Mental Health	7,411	5,557	5,938	381	7,775	364	(4)	0	0	
Management Support & Other	(208)	(147)	41	188	(105)	103	(6)	0	0	
Safeguarding	499	375	320	(55)	484	(15)	0	0	0	
Commissioning	44,562	33,435	33,563	128	46,363	1,801	(1,137)	0	(654)	
<b>Total Social Care &amp; Inclusion</b>	<b>65,923</b>	<b>49,487</b>	<b>50,010</b>	<b>523</b>	<b>67,962</b>	<b>2,039</b>	<b>(1,396)</b>	<b>0</b>	<b>(654)</b>	

## 2 Forecast Capital Outturn 2011/12 – Social Care & Inclusion Directorate

- 2.1 The forecast capital outturn for 2011/12 for the schemes under the remit of this panel (as at the end of December 2011) predicts that resources of **£3.093m** will be fully utilised. **Table 2** shows a summary per service with more detailed analysis by scheme at **Appendix 2**.

<b><u>Table 2 – Social Care &amp; Inclusion Forecast Capital Outturn 2011/12</u></b>				
<b>Service Area</b>	<b>Annual Budget £'000</b>	<b>Year To Date £'000</b>	<b>Year End Forecast £'000</b>	<b>Year End Variance £'000</b>
<b>Mainstream</b>				
Provision	141	152	141	0
Strategic Development	750	0	750	0
Commissioning	1,226	167	1,226	0
<b>Total Mainstream</b>	<b>2,117</b>	<b>319</b>	<b>2,117</b>	<b>0</b>
<b>Non Mainstream</b>				
Provision	92	91	92	0
Strategic Development	884	788	884	0
<b>Total Non Mainstream</b>	<b>976</b>	<b>879</b>	<b>976</b>	<b>0</b>
<b>Total Social Care &amp; Inclusion</b>	<b>3,093</b>	<b>1,198</b>	<b>3,093</b>	<b>0</b>

- 2.2 Although spend against budget currently appears low, this is in line with the expenditure profile for the capital programme, with the majority of the expenditure taking place in quarter four of the financial year.

### **Appendix 1 – Explanation of Significant Revenue Variations**

<b>Service</b>	<b>Reason / Explanation of Variance</b>	<b>Variance £'000</b>
<b><u>Access, Assessment &amp; Care Management</u></b>		
Equipment & Materials	Forecast overspend relating to the provision of disability equipment. Expenditure to be re-coded to Children's Social Care.	69
Other smaller variances		78
<b>Sub-total</b>		<b>147</b>
<b><u>Provision</u></b>		
Salary Costs	Delay in introduction of new working patterns within in house provider services.	415
Fees & Charges	Forecast shortfall on income charges relating to community alarms due to initial delay in roll out of the scheme.	825
Other smaller variances		134
<b>Sub-total</b>		<b>1,374</b>
<b><u>Strategic Development</u></b>		
Salary Costs	In year restructure of department and holding of vacant posts during restructure.	(754)
Private contractor fees	As part of the transformation programme investment funding is being centrally managed by the directorate. Funding will be allocated to areas of pressure within the Commissioning service.	(1,406)
Supplies & Services	Costs associated with roll out of mobile working to front line staff	189
Direct payment support	Increase in the number of clients receiving direct payments and associated costs of providing support to these individuals to manage their accounts	67
Grant funding	Utilisation of Social Care reform grant to fund costs relating to the rollout of personal budgets.	(300)
Other smaller variances		220
<b>Sub-total</b>		<b>(1,984)</b>
<b><u>Mental Health</u></b>		
Salaries	Forecast underachievement of savings targets relating to delayed restructure of staff within Mental Health.	180

<b>Service</b>	<b>Reason / Explanation of Variance</b>	<b>Variance £'000</b>
Private contractor fees	Forecast overspend on placement costs representing ongoing pressure from 2010/11.	198
Other smaller variances		(18)
<b>Sub-total</b>		<b>360</b>
<b><u>Social Care Management</u></b>		
Agency Staff	Cost of agency staff to support of directorate wide projects	97
<b>Sub-total</b>		<b>97</b>
<b><u>Safeguarding</u></b>		
Agency Staff	Provision of independent chair of adult safeguarding panel	20
Private contractor fees	Planned underspend on IMCA / DOLs	(45)
Other smaller variances		10
<b>Sub-total</b>		<b>(15)</b>
<b><u>Commissioning</u></b>		
Payment to other organisations	Forecast overspends on placement costs mainly relating to clients with disabilities (£3.202m). These overspends are offset by planned underspends on provision of placements for Older People, and by the underspends across the directorate detailed above.	10
<b>Sub-total</b>		<b>10</b>
<b>Total Social Care &amp; Inclusion</b>		<b>(11)</b>

**Appendix 2 - Forecast Capital Outturn 2011/12**

<b>Service Area / Scheme</b>	<b>Annual Budget £'000</b>	<b>Year To Date £'000</b>	<b>Year End Forecast £'000</b>	<b>Year End Variance £'000</b>
<b>Mainstream</b>				
Hollybank rehabilitation centre	8	0	8	0
Refurbishment of Goscote	133	152	133	0
PARIS development	750	0	750	0
Preventative Adaptations	1,226	167	1,226	0
<b>Total Mainstream</b>	<b>2,117</b>	<b>319</b>	<b>2,117</b>	<b>0</b>
<b>Non Mainstream</b>				
Property rationalisation	92	91	92	0
DoH Capital allocation	740	788	740	0
Mental Health	144	0	144	0
<b>Total Non Mainstream</b>	<b>976</b>	<b>879</b>	<b>976</b>	<b>0</b>
<b>Total Social Care &amp; Inclusion</b>	<b>3,093</b>	<b>1,198</b>	<b>3,093</b>	<b>0</b>



**Appendix 3 – 2011/12 Social Care & Inclusion Budget Action Plan**

<b>Service</b>	<b>Action identified</b>	<b>Action Plan to be delivered £</b>	<b>Action Plan Delivered and Included in Outturn £</b>	<b>RAG</b>
Joint Commissioning – Physical Disabilities	Implementation of reprovision project to return of out of borough placements to less expensive placements within Walsall.	492,000	219,992	<b>A</b>
Joint Commissioning – Learning Disabilities	Implementation of reprovision project to return of out of borough placements to less expensive placements within Walsall.	1,620,000	1,237,954	<b>A</b>
<b>Total Social Care &amp; Inclusion</b>		<b>2,112,000</b>	<b>1,457,946</b>	