

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

**Agenda Item  
No. 7**

**DATE: 1 SEPTEMBER 2011**

**QUARTER 1 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 1 (April 2011 to June 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 net revenue underspend of £105k, after the use of approved reserves, carry forwards and action planning. Capital resources of £3.122m are currently forecast to be fully utilised.

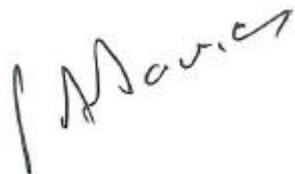
**Background papers**

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:** 17 August 2011

### **Resource and legal considerations**

Services 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 June 2011) is an underspend of **£105k** (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 fortnightly 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 no action plan is currently required as all forecast overspends are offset by predicted underspends or relate to expenditure to be funded by use of earmarked reserves.
- 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 **£1.853m**.
- 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**

<b>Service Area</b>	<b>Annual Budget £'000</b>	<b>Profiled Budget £'000</b>	<b>Year To Date £'000</b>	<b>Variance to date (Under)/ Overspend £'000</b>	<b>Year End Forecast £'000</b>	<b>Year End Variance (Under)/ Overspend £'000</b>	<b>Use of Reserves / Approved Carry Forward £'000</b>	<b>Non Essential Spend Savings Still to be Achieved £'000</b>	<b>Action Plan Savings Still to be Achieved £'000</b>	<b>Variance Net of Reserves / Non Essential Spend and Action Plans (Under)/ Overspend £'000</b>
Access, Assessment & Care Management	6,620	1,654	1,711	57	6,629	9	(51)	0	0	(42)
Provision	8,090	2,049	3,263	1,214	9,600	1,510	(750)	0	0	760
Strategic Development	(230)	(57)	(1,992)	(1,935)	(2,170)	(1,940)	(300)	0	0	(2,240)
Mental Health	7,012	1,753	2,167	414	7,439	427	0	0	0	427
Social Care Management	(76)	(19)	190	209	67	143	0	0	0	143
Safeguarding	499	125	146	21	524	25	0	0	0	25
Commissioning	44,504	11,126	11,348	222	46,078	1,574	(752)	0	0	822
<b>Total Social Care &amp; Inclusion</b>	<b>66,419</b>	<b>16,631</b>	<b>16,833</b>	<b>202</b>	<b>68,167</b>	<b>1,748</b>	<b>(1,853)</b>	<b>0</b>	<b>0</b>	<b>(105)</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 June 2011) predicts that resources of **£3.122m** will be utilised in full. **Table 2** shows a summary per service with more detailed analysis by scheme at **Appendix 2**.

<b>Table 2 – Social Care &amp; Inclusion Forecast Capital Outturn 2010/11</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	137	141	0
Strategic Development	750	0	750	0
Commissioning	1,226	4	1226	0
<b>Total Mainstream</b>	<b>2,117</b>	<b>137</b>	<b>2,117</b>	<b>0</b>
<b>Non Mainstream</b>				
Provision	265	0	265	0
Strategic Development	740	134	740	0
<b>Total Non Mainstream</b>	<b>1,005</b>	<b>134</b>	<b>1,005</b>	<b>0</b>
<b>Total Social Care &amp; Inclusion</b>	<b>3,122</b>	<b>271</b>	<b>3,122</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 quarters two, three and four of the financial year.

## Appendix 1 – Explanation of Significant Revenue Variations

Service	Reason / Explanation of Variance	Variance £'000
<b><u>Access, Assessment &amp; Care Management</u></b>		
Equipment & Materials	Forecast overspend relating to the provision of disability equipment. Budget currently within Children's Social Care.	69
Other smaller variances		(111)
<b>Sub-total</b>		<b>(42)</b>
<b><u>Provision</u></b>		
Transport Costs	Forecast overspend on transport provision for Day Centres. Budget currently within Commissioning.	327
Fees & Charges	Forecast shortfall on income charges relating to community alarms due to initial delay in roll out of the scheme.	348
Other smaller variances		85
<b>Sub-total</b>		<b>760</b>
<b><u>Strategic Development</u></b>		
Private contractor fees	As part of the transformation programme investment funding is being central managed by the directorate. Funding to be allocated to areas of pressure within the Commissioning service.	(1,881)
Equipment & Materials	Restraint on non-essential spend	(175)
Grant funding	Utilisation of Social Care reform grant to fund costs relating to the rollout of personal budgets.	(297)
Other smaller variances		113
<b>Sub-total</b>		<b>(2,240)</b>
<b><u>Mental Health</u></b>		
Salaries	Forecast underachievement of savings targets relating to restructure of staff within Mental Health.	180
Private contractor fees	Forecast overspend on placement costs representing ongoing pressure from 2010/11.	181
Other smaller variances		66
<b>Sub-total</b>		<b>427</b>
<b><u>Social Care Management</u></b>		
Agency Staff	Cost of agency staff to support of	143

	directorate wide projects	
<b>Sub-total</b>		<b>143</b>
<b>Service</b>	<b>Reason / Explanation of Variance</b>	<b>Variance £'000</b>
<b><u>Safeguarding</u></b>		
Agency Staff	Provision of independent chair of adult safeguarding panel	25
<b>Sub-total</b>		<b>25</b>
<b><u>Commissioning</u></b>		
Payment to other organisations	Forecast overspends on placement costs mainly relating to clients with disabilities (£2.106m). These overspends are offset by forecast underspends on provision of placements for Older People, and by the underspends across the directorate detailed above.	1,240
Transport Costs	Forecast underspend relating to provision of transport to Day Centres. Costs currently within Provider Services.	(418)
<b>Sub-total</b>		<b>822</b>
<b>Total Social Care &amp; Inclusion</b>		<b>(105)</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	133	133	0
PARIS development	750	0	750	0
Preventative Adaptations	1,000	1	1,000	0
Supported independent living	226	3	226	0
<b>Total Mainstream</b>	<b>2,117</b>	<b>137</b>	<b>2,117</b>	<b>0</b>
<b>Non Mainstream</b>				
Property rationalisation	98	98	98	0
DoH Capital allocation	740	0	740	0
Information for Social Care Grant	23	0	23	0
Mental Health	144	36	144	0
<b>Total Non Mainstream</b>	<b>1,005</b>	<b>134</b>	<b>1,005</b>	<b>0</b>
<b>Total Social Care &amp; Inclusion</b>	<b>3,122</b>	<b>271</b>	<b>3,122</b>	<b>0</b>