

24 JULY 2012

DRAFT REVENUE AND CAPITAL OUTTURN 2011/12 (PRE-AUDIT)

Ward(s) All

Portfolio:

Councillor Barbara McCracken – Social Care & Health

Summary of report

This report summarises the draft revenue and capital outturn position for the year ended 2011/12, subject to external audit, for services within the remit of the Health Scrutiny and Performance Panel.

The Integrated Community Equipment Service (ICES) pooled budget fully utilised the resources available.

The Learning Disabilities pooled budget overspent by **£2.985m**. Although the service successfully delivered £2.085m of savings during 2011/12, ongoing pressures on placement budgets from previous years, and the cost of new placements agreed in 2011/12, contributed to the overspend position.

The overspend will be funded by partners as per their contribution to the pooled budget, with £833k (27.9%) being funded by the PCT and the remainder, £2.152m (72.1%), being funded by the council through underspends achieved elsewhere within the Social Care and Inclusion directorate during 2011/12.

Further details are provided within the 2011/12 Outturn Financial Monitoring Position statement which was reported to the Social Care and Inclusion Scrutiny and Performance Panel on 12 July 2012.

Recommendation

To note that the draft 2011/12 year end financial position for services under the remit of the Health Scrutiny and Performance Panel, a breakeven position for the ICES pooled budget and an overspend against budget of **£2.985m** (net of use of earmarked reserves/ carry forwards) for the Learning Disability pooled budget.

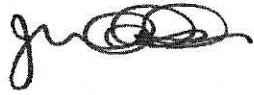
Background papers

Various financial working papers.
Quarterly reporting to Scrutiny Panels throughout year
2011/12 Budget Books on Council's Internet and Intranet

Reason for scrutiny

To inform the panel of the pre-audit financial position for 2011/12.

Signed:



Chief Finance Officer: James T Walsh

Executive Director: Paul Davies

Date: 11 July 2012

Date: 11 July 2012

Resource and legal considerations

The accounts were monitored and reported on as part of the budget guidelines and all entries into the final accounts have been undertaken in line with the required accounting guidance and standards.

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 were put in place to mitigate overspends. 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

Consultation was undertaken as part of the budget setting process and throughout the financial year on the financial position and reporting thereof.

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1 Revenue Outturn 2011/12 – Learning Disabilities Pooled Budget

- 1.1 The draft revenue outturn for 2011/12 for the Learning Disability pooled budget is an overspend against budget of **£2.985m** (net of the use of earmarked reserves / carry forwards). This position is subject to external audit which will take place during July. Table 1 provides a summary by service, and a full analysis of the material variances is shown in **Appendix 1**.

Table 1 - Draft Revenue Outturn 2011/12 – LD Pooled Budget					
Service	Annual Budget £m	Year End Actual £m	Year End Variance £m	Use of Reserves / Approved carry Forward £m	Variance Net of Reserves (Under)/ Overspend £m
Provider Services	8.196	8.245	0.049	0.000	0.049
Placements	18.780	22.302	3.522	(0.218)	3.304
Care Management	0.685	0.628	(0.057)	0.000	(0.057)
Management & Admin	2.155	1.920	(0.235)	0.000	(0.235)
Other	0.340	0.264	(0.076)	0.000	(0.076)
Total	30.156	33.359	3.203	(0.218)	2.985

- 1.2 The budget for 2011/12 included approved savings of £988k. Although these were fully delivered, ongoing pressures on placement budgets from previous years, and the cost of new placements agreed in 2011/12, contributed to the overspend position.
- 1.3 Action taken in year to manage this pressure included the implementation of action plans across the service centred on a reprovion programmes to resettle clients with a learning disability from residential care back into the community.
- 1.4 The outturn includes use of reserves of £218k where approval was given by Cabinet for additional funds for specific services. **Table 2** provides a summary of these.

Table 2 - Analysis of 2011/12 Use of Earmarked Reserves		
Service	Amount £	Explanation
Other Specific Reserves Campus Closures	(217,697)	Planned use of prior year grant income
Total Use of Reserves	(217,697)	

2 Revenue Outturn 2011/12 – ICES Pooled Budget

2.1 The draft revenue outturn for 2011/12 for the ICES pooled budget is a breakeven position against budget. This position is subject to external audit which will take place during July. Table 2 provides a summary by service, and a full analysis of the material variances is shown in **Appendix 1**.

Service	Annual Budget £m	Year End Actual £m	Year End Variance £m	Use of Reserves / Approved carry Forward £m	Variance Net of Reserves (Under)/ Overspend £m
Equipment	0.865	0.925	0.060	0.000	0.060
Non Pay	0.129	0.100	(0.029)	0.000	(0.029)
Pay	0.398	0.367	(0.031)	0.000	(0.031)
Audit Fees	0.004	0.004	0.000	0.000	0.000
Total	1.396	1.396	0.000	(0.218)	0.000

Appendix 1 – Explanation of Significant Revenue Variations

Service	Reason / Explanation of Variance	Variance £'000
<u>Learning Disabilities Pooled Budget</u>		
<u>Provider</u>		
Day Services	Other small variances	(49)
Sub-total		(49)
<u>Placements</u>		
Placements	Ongoing pressure on placement budgets from previous years and cost of new placements agreed in 2011/12	3,304
Sub-total		3,304
<u>Care Management</u>		
Sub-total	Other small variances	(57)
<u>Management and Admin</u>		
Sub-total	Reduced apportionment of management costs for the pooled budget from elsewhere within the directorate due to efficiencies implemented to manage pressures within social care as a whole (mainly linked to holding posts vacant and delaying non essential expenditure).	(235)
<u>Other</u>		
Sub-total	Other small variances	(76)
Total Learning Disabilities Pooled Budget		2,985
<u>ICES</u>		
Total ICES Pooled Budget		0