

**SOCIAL CARE
SCRUTINY AND PERFORMANCE PANEL**

**Agenda Item
No. 10b.**

DATE: 23 JULY 2013

DRAFT REVENUE AND CAPITAL OUTTURN 2012/13 (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 2012/13, subject to external audit, for services within the remit of the Social Care Scrutiny and Performance Panel.

Recommendation

To note that the draft 2012/13 year end financial position for services under the remit of the Social Care Scrutiny and Performance Panel, is a revenue variance (overspend) against budget of **£0.382m** (net of use of earmarked reserves/ carry forwards), and a capital position of **Nil** variance (net of approved carry forwards into 2013/14).

Background papers

Various financial working papers.
Quarterly reporting to Scrutiny Panels throughout the year
2012/13 Budget Books on Council's Internet and Intranet

Reason for scrutiny

To inform the panel of the pre-audit financial position for 2012/13.

Signed:



Chief Finance Officer: James T Walsh

Date: 10 July 2013



Executive Director: John Bolton

Date: 10 July 2013

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 2012/13 – Social Care & Inclusion Directorate

- 1.1 The draft revenue outturn for 2012/13 for the services under the remit of the Social Care Scrutiny and Performance Panel is an over spend against budget of **£0.382m** (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 2012/13					
Service	Annual Budget £	Year End Actual £	Year End Variance £	Use of Reserves/ Approved carry Forward £	Variance Net of Reserves (Under)/ Overspend £
Access, Assessment & Care Management	6,556,938	6,515,915	(41,023)	(6,360)	(47,383)
Provider	8,222,801	9,928,183	1,705,382	(408,730)	1,296,652
Strategic Development	2,699,095	1,185,546	-1,513,549	(755,674)	(2,269,223)
Mental Health	6,834,873	7,271,442	436,569	(121,722)	314,847
Management Support & Other	102,846	300,562	197,716	(45,940)	151,776
Safeguarding	556,619	477,427	-79,192	0	(79,192)
Commissioning	42,144,816	43,361,935	1,217,119	(202,187)	1,014,932
TOTAL	67,117,988	69,041,010	1,923,022	(1,540,613)	382,409
Proposed carry forwards from 2012/13 to 2013/14					0
TOTAL NET OF CARRY FORWARDS					382,409

- 1.2 The budget for 2012/13 included approved savings of £7.155m. £6.608m (92%) of these were achieved. The reasons for non-achievement were due to ongoing pressures around placement budgets from previous years, and the cost of new placements agreed in 2012/13 within Learning Disabilities.
- 1.3 The social care commissioning budgets have been reviewed when setting the budget for 2013/14 and the over spend with learning disabilities and under spends in other commissioning areas have been realigned to reduce pressures on the pooled budget going forward.
- 1.4 The outturn includes net use of and transfers to reserves of £1.541m where approval was given by Cabinet for additional funds for specific services, which are summarised in **Table 2**.

Table 2 - Analysis of 2012/13 Use of Earmarked Reserves		
Service	Amount £	Explanation
Carry Forwards from 2011/12 Supporting People programme	(416,907)	Supporting independence in vulnerable adults
Other Specific Reserves		
NHS funding	(5,252,983)	Funding used in 2012/13 to develop reablement services and social care capacity
Pay & Protection	(39,073)	2012/13 staffing costs relating to Pay & Grading
Diamond Jubilee	(16,650)	Costs associated with Diamond Jubilee events
Redundancy costs	(522,936)	Redundancy costs linked to 12/13 savings
SC&I Interim Management	(29,021)	Costs of 2012/13 interim management costs
New funding from NHS	4,519,544	New funding to be used during 2013/14 to develop reablement services and social care capacity
Carers Funding	214,720	Funding to be used during 2013/14 for post within Welfare Rights team and carers direct payments
Links to Work	2,693	Donations received for nomination event in November 2013
Total Use of Reserves	(1,540,613)	

- 1.5 The main reasons for the over spend position for services within the remit of the Panel are as follows:
- Increase in bad debt provisions for custom card debt (relating to benefits based charging) and general bad debt
 - Full analysis of the variances is shown in **Appendix 1**

2 Capital Outturn 2012/13 – Social Care Directorate

2.1 The capital outturn for 2012/13 for the schemes under the remit of this panel is an under spend against budget of **£0.545m**, of which £0.545m has been approved to be carried forward into 2013/14, resulting in a nil variance. **Table 3** provides a summary by scheme.

Table 3 - Draft Capital Outturn 2012/13					
Service	Annual Budget	Final Outturn	Year End Variance	Carry forward to 2013/14	Variance Net of c/fwds
	£	£	£	£	£
<u>Council Funded Schemes</u>					
Preventative adaptations & Supported independent living	1,583,645	1,443,346	(140,299)	140,299	0
Total Council Funded	1,583,645	1,443,346	(140,299)	140,299	0
<u>Prudential Borrowing Schemes</u>					
PARIS development phase 2 - Working Smarter	439,068	33,983	(405,085)	405,085	0
Total Prudential Borrowing	439,068	33,983	(405,085)	405,085	0
TOTAL SOCIAL CARE	2,022,713	1,477,329	(545,384)	545,384	0

EXPLANATION OF REVENUE VARIANCES

SERVICE	REASON / EXPLANATION FOR VARIANCE	VARIANCE
Access, Assessment & Care Management	Mainly due to posts being vacant throughout the year partially offset by overspend on staff travel costs and an increase in general bad debt provision	(47,383)
Commissioning	Mainly due to continued pressure on placement costs relating to clients with a learning disability and physical disability, partially offset by under spends on costs of packages of care for older people due to continued development of services to support people longer in their own homes and increase in bad debt provision for custom card (benefits based charging)	1,014,932
Management Support	Mainly relates to additional costs for professional services, agency staff and legal fees	151,776
Mental Health Services	Mainly due to delay in implementation of staffing restructure within Mental Health	314,847
Provider Services	Mainly relates to restructure of provider services to incorporate transfer of staff from Rushall Mews, and costs of Telecare equipment where budget sits within Strategic Development (budget has been realigned for 2013/14 to take account of changes of management responsibility)	1,296,652
Safeguarding	Mainly relates to an under spend on contract costs following ending of external Deprivation of Liberty and Mental Capacity contracts and bringing service in house	(79,191)
Strategic Development	Planned under spends on furniture/ materials/ telephones/ office supplies budgets across the directorate, reduced rental costs for the Independent Living Centre compared to those originally forecast, and posts being vacant throughout the year. The Telecare equipment budget sits within Strategic Development however costs have been incurred within Provider Services (budget has been realigned for 2013/14 to take account of changes of management responsibility)	(2,269,223)
TOTAL VARIANCE		382,409