

# WEST DUNBARTONSHIRE COUNCIL

## Report by Interim Executive Director of Social Work & Health

Social Work and Health Improvement Committee: 20 January 2010

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**Subject: Social Work Budgetary Position 2009/10 as at Period 7 – year to 15 November 2009**

### 1. Purpose

- 1.1 To advise members of the performance of the Social Work and Health budget for the period to 15 November 2009.

### 2. Background

- 2.1 Attached as Appendices A, B and C are budgetary control statements for the Social Work Services Department.
- 2.2 It should be noted that this report compares the actual expenditure to 15 November 2009 to the phased budget as at 15 November 2009.

### 3. Main Issues

- 3.1 The overall variance for the service to period 7 is £88,928 adverse. The main variances to date are as follows:
- 3.2 **Operations and Servicing** is favourable by £80,649. The main contributory factors are:
- Employee costs are currently shown as £118,903 favourable due to a successful policy of freezing vacant posts;
  - Payments to other bodies is adverse by £64,711. This is due to increased costs payable to Glasgow City Council for Standby service and a provision for a forecast overspend in Criminal Justice; and
  - Income received is higher than anticipated at £36,693 favourable.
- 3.3 **Residential Accommodation – Young People** is adverse by £126,650. The main contributory factors are:
- Higher cost fostering placements due to foster carers previously with WDC transferring to fostering agencies has caused an adverse variance of £151,000 to date.;
  - Staff costs are £36,000 adverse due to late redeployment of staff whose funding ended in March 2009; and
  - These adverse variances are partially offset by a continuing underspend in Young People Leaving Care costs which is presently £69,000 favourable.
- 3.4 **Residential Schools** is shown as adverse by £97,403. This is due to the current level of secure placements which is higher than budgeted.

**3.5 Other Services – Young People** are shown as adverse by £109,385. The main variances are:

- Supplementation costs for children with special needs is adverse by £70,000 due to increased client need and new clients; and
- Staff costs are adverse by £42,000 in the Alternatives to Care service but this is helping to minimise the adverse variance in Residential Schools.

**3.6 Residential Accommodation for Older People** is shown as favourable by £184,604. This variance is due to four factors:

- Employee costs are shown as adverse by £133,000. The situation regarding use of agency staff is still prevalent and is driven by high absence levels and vacant posts;
- Property costs are shown as adverse by £61,000 which is being caused by the increased cost electricity and gas. As previously reported budgets for these items appear to be insufficient due to recent and sustained price increases. At present costs this variance will exceed £100,000 by the end of the financial year;
- Income from client's contribution to care costs is higher than anticipated and is currently favourable by £54,000; and
- The cost of purchased care home places is £337,000 lower than budgeted due to numbers of clients placed in external care homes being less than expected in the budget.

**3.7 Day Centres - Elderly** is reported as favourable by £37,162. This is mainly due to:

- Employee costs and transport costs are both under spent by £17,000.

**3.8 Residential Care – Learning Disability** is shown as adverse by £315,855. This variance is mainly due to two factors:

- Residential care and housing support costs for adults with learning disabilities are adverse by £237,000. This is partly due to increased client need and new clients. In addition difficulty in achieving a saving of £170,000 which requires the placement of a client with the NHS which would have reduced the Council's costs; and
- Income received is also lower than budgeted and is adverse by £60,000 due to an error in the budget compilation as previously reported.

**3.9 Physical Disability** is shown as adverse by £43,286. This variance is mainly due to an increase in the number of clients receiving Direct Payments and an increase in the amount of Direct Payment being paid to one client (due to changing need). This increase is being partially offset by a decrease in Home Care costs.

**3.10 Day Centres – Learning Disability** is shown as favourable by £106,613. This variance is mainly due to savings as a result of the temporary closure of Auchentoshan centre. These include:

- Transport costs £45,000 favourable;
- Property costs £16,000 favourable;
- Supplies and services £16,000 favourable; and

- In addition income is higher than anticipated by £15,000.

**3.11 Other services – disability** is shown as favourable by £41,382. This is as a result of receiving income not included in the budget for the secondment of a manager to the EquipU service.

**3.12 Home Help Services** are shown as favourable by £195,583. Three significant variances are the main contributors to this position:

- Employee costs are shown as £87,000 favourable. This is due to effective management of workforce levels around identified assessed care needs;
- Payments to other bodies are shown as favourable by £85,000. This is also due to effective control of care packages provided by external partners; and
- Income from charges to clients is exceeding the level expected in the budget and is currently £29,000 favourable.

**3.13 Other Specific Services** is shown as adverse by £64,138. This variance is mainly due to the recharge of Homeless rents from HEED. This recharge is beyond the control of the Social Work service and it is expected to be offset by a favourable variance in Housing Benefit subsidy claimed by HEED.

**3.14 Addictions Services** is shown as £42,298 adverse. This is being caused by an increase in Supplementation costs due to increased client need and new clients.

#### **4. Personnel Issues**

**4.1** The ongoing freeze on filling of posts has resulted in a significant number of posts remaining vacant and these are expected to remain vacant until the end of the year. This will undoubtedly place strain on remaining employees and this may result in delays in the delivery of some functions as work is prioritised.

#### **5. Financial Implications**

**5.1** Other than the financial position noted above there are no financial implications of the budgetary control report.

#### **6. Risk Analysis**

**6.1** The main financial risks to the ongoing financial position relate to unforeseen client needs being identified between now and the end of the financial year which may result in increased costs arising from expensive service provision. This can affect several parts of the service as highlighted earlier in this report.

#### **7. Conclusion**

**7.1** The main issues identified to date relate to cost pressures in relation to care costs across the department as levels of need in a number of client group areas has changed since the setting of the budget. The department is continuing to make every attempt to manage the situation as best it can through the measures identified in the previous report to committee, however due to the nature of the service being

provided there remains potential for further cost increases resulting from changing care needs.

## **8. Recommendation**

### **8.1** Members are asked to note the contents of this report.

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Interim Executive Director of Social Work and Health.

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<b>Appendices:</b>	Appendix A - Summary Budgetary Control Report Appendix B - Detailed Budgetary Control Report Appendix C - Report on Budgetary Variances
<b>Background Papers:</b>	None
<b>Wards Affected:</b>	All