

## WEST DUNBARTONSHIRE COUNCIL

### Report by the Director of WD Community Health & Care Partnership

#### WD Community Health & Care Partnership Committee: 21 August 2013

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**Subject: Financial Report 2013/14 as at Period 3 (30 June 2013)**

#### **1. Purpose**




- 1.1** The purpose of the report is to provide the Committee with an update on the financial performance of the WD Community Health & Care Partnership to 30 June 2013 (Period 3).

#### **2. Recommendations**

- 2.1** It is recommended that the Committee note the contents of this report and the position at period 3, showing the revenue account with an adverse variance of £0.093m and an anticipated breakeven in the capital plan .

#### **3. Background**

- 3.1** At a meeting of West Dunbartonshire Council on 6 February 2013, Members agreed the revenue estimates for 2013/2014. At that time, a total net budget of £57.137m was approved.
- 3.2** At a meeting of West Dunbartonshire Council on 6 February 2013, Members agreed the 10 year General Services Capital Plan for 2013/2014 to 2022/23. The first three years from 2013/14 to 2015/16 have been approved in detail with the remaining 7 years being indicative at this stage. In addition a new method of capital monitoring has been developed and approved by both the SAMG and the CMT which looks at capital project spend over the whole life of the project.
- 3.3** The new monitoring format has 4 main sections as noted below:
- Financial information details budget allocation, expenditure to date, forecast project spend and forecast project variance;
  - Project Life Cycle information compares initial anticipated percentage completion to date with revised anticipated percentage completion to date to determine if projects are either on or ahead of target or behind target. This calculation is based on the length of time that has elapsed since the project start date;
  - Project Overview information details any issues that require to be reported and provides an update of the progress of each project; and
  - Based on the information provided in the first 3 sections a flag status of red, blue or green is assigned to each project as noted below.

Project Status	
Project is forecast to be overspent and/or experience material delay to completion	
Project is at risk of being overspent and/or experiencing delay in completion, however this is unquantifiable at present	
Project is on target both in relation to overall budget and the forecast stages in the project life cycle	

- 3.4** Where projects are annually recurring only the first year allocation (13/14) will be monitored at this time. However the whole project cost for specific projects approved to start within the initial three year period are included in the new budget monitoring format.
- 3.5** The approved capital budget for CHCP totals £21.727m and is made up by expenditure that has been carried forward from 2012/13 and a new budget for 2013/14.

#### **4. Main Issues**

##### Revenue Budget

- 4.1** The current departmental budgetary position is summarised in Appendix 1, with a more detailed analysis by service in Appendix 2.
- 4.2** The overall variance for the department to period 3 is £93,136 adverse. The main variances to date are shown below . It should be noted that there can be a great deal of fluctuation within client based spending due to new admissions / deaths /assessed needs changing and therefore the figures submitted at present are based on best available information at this time . The CHCP Management Team will meet regularly to continue to monitor this projected overspend with a view to bringing spend back in line with budget wherever possible .
- (i) Strategy, Planning & Health Improvement  
A favourable variance of £26,635 is being reported here. This is due to vacant posts.
- (ii) Residential Accommodation for Young People  
This budget is currently £93,336 adverse due to a large increase in the cost of Foster Care placements with a number of recent placements being made to independent agencies . A management action plan has been drawn up to address this issue and over the forthcoming months a review will be undertaken of all care plans for those children within the independent sector together with plans to launch a new fostering

recruitment campaign to increase the number of available foster carers hence reducing the requirement for independent agencies.

(iii) Residential – Elderly

This budget is £55,910 adverse at period 3, due to payments to external bodies and property costs being higher than anticipated and income being lower than expected.

Capital Budget

**4.3** The current departmental budgetary position is noted within Appendix 3, which shows no variance to budget.

**5. People Implications**

**5.1** There are no people implications.

**6. Financial Implications**

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

**7. Risk Analysis**

**7.1** The main financial risks to the ongoing financial position relate to unforeseen cost being identified between now and the end of the financial year. This can affect all service areas.

**8. Equalities Impact Assessment (EIA)**

**8.1** The report is for noting and therefore, no Equalities Impact Assessment was completed for this report.

**9. Consultation**

**9.1** The views of both Finance and Legal services have been requested on this report and both have advised there are neither any issues nor concerns with the proposal. As the report is for noting no further consultation is envisaged.

**10. Strategic Assessment**

**10.1** At its meeting on 26 September 2012, the Council agreed that its five main strategic priorities for 2012 - 2017 are as follows:

- Improve economic growth and employability;
- Improve life chances for children and young people;
- Improve care for and promote independence with older people;

- Improve local housing and environmentally sustainable infrastructure; and
- Improve the well-being of communities and protect the welfare of vulnerable people.

**10.2** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

**Keith Redpath**  
**Director of WD Community Health & Care Partnership**

**Date: 19 July 2013**

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**Appendices:** Appendix 1 - Summary Budgetary Position (Revenue)  
Appendix 2 - Detailed Budgetary Position (Revenue)  
Appendix 3 - Summary Budgetary Position (Capital)

**Background Papers:** None

**Wards Affected:** All