

SOCIAL SERVICES AND STRATEGIC HOUSING BUDGET MONITORING 2003/04 – 4 MONTHLY REPORT

Report By: Head of Business Services

Wards Affected

County-wide

Purpose

1. To inform the Committee of the budget monitoring position for Social Care and Strategic Housing for the first four months of the financial year 2003/04.

Financial Implications

2. As detailed within the report.

Background

3. Following the Council's Performance Management Framework, budget monitoring reports should be made at 4, 6, 9 and 12 months. This is the first budget monitoring report for the financial year 2003/04 to the Social Care and Strategic Housing Scrutiny Committee, and takes into account expenditure incurred up to the end of July 2003.
4. Although this is the first report to this Scrutiny Committee, monthly budget monitoring reports are presented to the Chairman and Vice-Chairman of this Committee. This is in addition to monthly reports made to the Cabinet Member (Social Care and Strategic Housing), the County Treasurer and the directorate management team.

Social Services Budget 2003/04

5. The budget for the financial year 2003/04 was set by Council on 7th March 2003. Additional resources of £1.3million were allocated to Social Care programme area, with £300,000 of the £1.3million for 2003/2004 only specifically to be used for the purpose of addressing difficulties with delayed discharges.

6. In summary, after allowing for inflation the total budget available for Social care in 2003/04 is as follows:

	£
Base budget (after inflation)	30,962,950
Growth allocated	<u>1,300,300</u>
Total budget Social Care	33,262,950

7. On 10th July, 2003 Cabinet noted the final revenue outturn report for the financial year 2002/03. Cabinet endorsed the recommendation that the overspend on Social Care in excess of the 2% permitted under the Council's Financial Standing Orders would be met from reserves. This then meant that the overspend carried forward to the 2003/04 budget was £582,000.
8. At the end of July 2003, the projected year end position for Social Care is £466,000 overspend. This figure *includes* the £582,000 carried forward from 2002/03. Key risk areas have been identified within the budget, which include assumptions made about residential and family placements for children, fairer charging income projections and grants income. Initial budget planning included some limited contingency provision to meet unquantified but likely pressures during the year.

Strategic Housing Budget 2003/04

9. The 2003/04 budget for Strategic Housing is £1,247,000. In addition, an underspend of £191,000 has been carried forward from 2002/03.
10. At the end of July 2003, the projected year end position for Strategic Housing is a small underspend of £5,000. This includes the underspend brought forward from 2002/03. Once again key risk areas have been identified within the budget projections, including homelessness expenditure where currently spend is projected as being on target.

Summary

11. In summary, whilst the budget settlement for 2003/04 was positive, it must be viewed in the context of continuing service pressures. The Directorate has put in place measures designed to manage expenditure for 2003/04 within budget. It is essential that the risk areas identified be continually reviewed to ensure that this target is delivered.

RECOMMENDATION

THAT the budget monitoring report for the first 4 months of the financial year be noted.

BACKGROUND PAPERS

- None