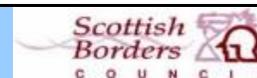


MONTHLY REVENUE MANAGEMENT REPORT
SCOTTISH BORDERS COUNCIL **2014/15**
PEOPLE

AT END OF MONTH: Jan-15

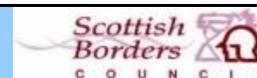


People	Base Budget (£'000)	Actual to Date (£'000)	Revised Budget (£'000)	Projected Outturn (£'000)	Outturn Variance (£'000)	Proposed Virement (£'000)	Projected (over)/under spend	Summary Financial Commentary
Children & Young People								
Early Years	5,965	4,520	5,917	5,565	352	(153)	199	Transfer £375k to Transportation and ICS due to lower than anticipated implementation costs relating to 600 hours nursery provision and also 2 year old nursery provision. Includes RSG Funding (£222k) for additional two year olds and Workforce Development funding (£52k). Saving of £199k relating to fund 2015-16 600 hours provision and the £52k Workforce Development budget
Primary Schools	31,503	26,137	32,307	31,811	496	(496)	0	Earmark projected DSM carry forward into 2015/16 (£656k). Long term absence costs and under-achieved savings of £155k. £9k received from Central Schools following a bidding process relating to a language initiative. £5k transfer of budget to Capital in line with expenditure (CFCR).
Secondary Schools	39,404	33,247	40,358	39,813	545	(545)	0	Earmark projected DSM carry forward into 2015/16 (£466k). Net savings of £70k in Premises costs (from lower than anticipated utility spends) being transferred to Transportation and ICS to support projected pressures. £9k transfer of budget to Capital in line with expenditure (CFCR)
Central Schools	4,047	2,106	2,739	2,574	165	(165)	0	£117k savings from various areas including unfilled vacancies, being transferred to Primary Schools and Transportation to support projected pressures in these services. £9k transferred to Primary Schools in relation to a language initiative. £38k Curriculum for Excellence budget being earmarked into 2015-16 in relation to Modern Language and Standardised Testing initiatives.
Transportation	3,202	2,447	3,202	3,533	(331)	331	0	Home to School transport pressure (£331k) being addressed by savings from reduced implementation costs of Early Years and also savings in Central Schools, utility costs and also in Performance & Improvement.
School Meals	1,057	976	1,438	1,338	100	(100)	0	Projected savings in free school meals for Primary 1- 3 children due to lower than anticipated uptake (£100k) being transferred to ICS.
Community Learning & Development	1,078	815	1,063	1,063	0	0	0	
Integrated Children's Services (ICS)	24,323	21,371	25,108	25,418	(310)	310	0	Transfer of budget into ICS per June Action Plan to address Out of Authority Placement costs (£100k from School Meals and £96k from Loans Charges within "Other"). Projected pressure has increased by £117k from November due to extended placements, being addressed by savings in Early Years and reduced utility costs.
Sub-total Children & Young People	110,579	91,619	112,132	111,115	1,017	(818)	199	

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Chief Social Work Officer								
Services in the Criminal Justice System								
Gross Expenditure	1,228	875	1,357	1,357	0	0	0	
Income	(1,228)	(720)	(1,357)	(1,357)	0	0	0	
	0	155	0	0	0	0	0	
Adult Services								
Older People	23,032	18,145	23,695	23,877	(182)	0	(182)	External Bed and Homecare packages now being evaluated by a Panel. with this additional challenge resulting in a reduction in the pressure and demand for services being met. Financial plan savings of £181k are expected to be delivered by year end to achieve this position together with the delivery of £40k in other in-year targeted efficiencies. Pressure from a shortfall in client contribution income.
Adults with Learning Disabilities (AWLD)	13,904	10,888	13,859	13,857	2	0	2	A managed reduction in the use of overtime has reduced projected pressures to a breakeven position. This is dependent on £59k financial plan savings and £40k in in-year package reductions being also delivered by the year end.
People with Physical Disabilities (PWPD)	2,817	2,660	2,836	3,087	(251)	0	(251)	Increase on last month due to large new packages of care. £53k financial plan savings still to be achieved by end of Financial Year and £60k package reductions are also requiring delivery as part of in-year remedial action plan in order to achieve reported position at outturn. Pressure from a shortfall in client contribution income.
People with Mental Health Needs	2,239	1,606	2,231	2,238	(7)	0	(7)	No change from last month, small financial plan saving of £12k still requiring delivery to achieve outturn result by year end.
Generic Services & Staff Teams	5,724	4,110	5,592	5,353	239	0	239	Additional work carried out this month on reviewing vacancies and staff transfers resulting in a reduction of £100k, a temporary saving, but able to contribute this year to meeting budget pressures. £27k in financial plan savings still to be delivered along with £60k of management actions to achieve reported outturn position.
Adult Services	47,716	37,410	48,213	48,412	(199)	0	(199)	
Business Support								
SW Performance & Improvement	3,061	2,630	3,256	3,231	25	(25)	0	Transfer of budget to Transportation to support projected pressure as well as general projected savings in various areas (£9k) to support under-achieved saving in Primary Schools .
E&LL Strategic Support	1,668	1,033	1,901	1,685	216	(216)	0	Earmark £200k into 2015/16 for phased openings of Early Learning Centres. Transfer of additionally generated evening lets income (£19k).
Sub-total Business Support	4,729	3,663	5,157	4,916	241	(241)	0	
Total - People	163,024	132,847	165,502	164,443	1,059	(1,059)	0	

Key Highlights

Additional pressures have been addressed in Out of Authority children's placements (£117k) and additional Transportation pressure of £51k (total pressure now totalling £331k) being addressed though monitoring with savings being made in other services as detailed above. Budget available in Early Years due to a phased introduction of a more flexible early learning and childcare service being used to fund pressures elsewhere in the department and also being earmarked into 2015-16 to fund increased business transformation costs and implement school property improvements linked to HMIe inspections.

Schools indicative DSM carry forwards are £656k in Primary and £466k in Secondary schools.

Utility cost projections are reducing in relation to the milder than anticipated winter to the end of December. Savings are being transferred to support pressures elsewhere in the department as detailed above.

Significant savings are being delivered within Adult Services in order to address projected pressures. In particular, rigorous management within Older People and AWLD is having a significant impact in ensuring the delivery of a balanced outturn position for the department.

Key Challenges

A key and immediate challenge is the management of variable demand for Out of Authority placements. Overall, projected costs across the Children & Young People's service have increased in December by £117k and have increased by £223k since June. This position will require close management but may be exacerbated before the end of the year by the need for further placements which currently are being considered.

Managing long term teachers absences continues to be a challenge for the department.

Containing the costs of increasing client numbers across Older People, AWLD and PWPD continues to be a further key challenge. A range of measures have been identified and implemented to address the pressures and enable a balanced outturn to be delivered. With action plans to deliver efficiencies in the region of £200k remaining, their delivery during the remainder of the financial year is paramount, in order to ensure the above outturn position is achieved. Additionally, there is a shortfall income from client contributions towards the cost of their care in Older People and PWPD which is contributing considerably to the residual pressure within Adults.

Key Risks

There is a risk to the department in relation to the number of and costs relating to Out of Authority Placements and also the, as yet, unknown uptake of free school meals for P1-3. Increasing long term absence costs in schools also cause a risk of budget pressures if they continue to rise significantly between now and the year end.

An additional risk to the Schools service is the number of emerging schools budget pressures that have an impact on central budgets. Although these are currently being absorbed, if further additional budget is allocated to schools, there is a risk that the service will pressure at the year end.

Within Adult Services, ongoing increased demand for services may put further pressure on the department. The key challenge currently is in relation to the delivery of an extensive list of remedial savings actions during the remainder of the year, in the region of £200k. Over the last 2 months however, £400k of savings have already been delivered and work continues to deliver the remainder in order to provide assurance over the delivery of the above projected breakeven position. £330k of savings profiled within the 2014/15 Financial Plan also require delivery before the end of the financial year.

Should the projected saving in Children & Young People be required to meet the additional pressures within Adults, this will have an impact on the level of ERVS budget available in 2015/16 as there will no longer be provision for c/f.