

Summary of 2014/15 Projected Variations

Service Area	Total Current Variation
	£
Children's Safeguarding & Specialist Services	1,005,112
Education & Corporate Parenting	257,531
Family & Cohesion & Commissioning Services	(190,000)
Development, Business & Employment	118,000
Neighbourhood & Leisure Services	209,162
Adult Social Services	3,356,982
Public Health, Well Being & Public Protection	(73,037)
Customer Services	365,436
Law, Democracy & People Services	0
Finance, Audit & Information Governance	(1,146,334)
Cooperative Council Delivery Unit	0
Council Wide	(134,000)
Total Projected Variation	3,768,852
Use of uncommitted balance in Corporate Contingencies	(3,286,077)
Total Projected Variation after use of contingency	482,775
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2014/15 Revenue Budget Variations over £50,000				
Description	Budget	Variation	Comments	
	£	£		
Childrens Safeguarding & Specialist Services				
Children in Care Placements	8,560,341	1,028,693	The 2013/14 reported outturn position was £2.089m overspent. The budget strategy included a budget reduction of £1.2m for CiC Placements. A review of costs resulted in Cost Improvement Plan targets being set for both External Residential & External Fostering (£0.870m cost reduction in total). New arrangements are having an impact particularly on admissions for reasons of children's behaviour. A draw-down budget is held to meet demand from new admissions which results in unplanned placement costs.	
Care leavers Accommodation costs	597,650	480,351	The 2013/14 reported outturn position was £0.344m overspent and a target has been set in the Cost Improvement plan to achieve a reduction of £0.160m from this amount. Work is underway to review care packages and develop a wider range of cost effective options to deliver savings in this area for remainder of the year. Progress will be monitored as part of the placement cost improvement plan	
External Provision for Children with Statements of Educational Needs	1,816,100	112,230	The 2013/14 reported outturn position was £0.344m overspent. A target has been set for the service area to achieve a balanced budget for 2014/15, using the cost improvement model of action planning and review as per the placement budget	
Staffing	3,525,303	(132,132)	The 2014/15 Cost Improvement Plan includes a target to reduce the use of Agency Social Workers. The final 2013/14 Safeguarding overspend included £465k for the net cost of agency staff. The current agency forecast is for an outturn of around £551k in 2013/14, this is offset by vacancies held in the service area. Current number of agency staff 9 (Cost improvement plan target 5 until September 2014). One of the key drivers for the use of Agency SWs is the level of demand for SW services which remains high; this is being tackled in a number of ways both Strategic and Operational.	
Foster Carer - Transport Costs	25,649	111,851	Relates to transport costs paid to Foster Carers which is largely to support children's contact arrangements with their parents. This is partly the consequence of increase in numbers of children placed with internal foster carers rather than in external placements. The 2013/14 reported outturn position was £0.092m overspent and a target has been set in the Cost Improvement plan for the Fostering service to achieve a reduction of £0.010m from this amount. Managers are currently analysing the budget in detail with a view to identifying options to make savings	

2014/15 Revenue Budget Variations over £50,000				
Description	Budget	Variation	Comments	
	£	£		
Joint Adoption Service	328,725	58,147	This overspend relates to the Joint Adoption Service hosted by Shropshire Council. Savings of £0.040m have been taken from this budget which are currently not forecast to be delivered.	
Variations under £50k	5,520,895	259,895		
Childrens Safeguarding draw-down budget		(913,923)	A draw-down budget is available as part of the budget strategy for 2014/15 and was set at £1.200m for possible use across CiC Placements budget lines. Residential Placements is forecast not to use £0.286m of this, this is due to the exceeding of the Cost improvement plan target for this budget line in 2014/15. Both other budget lines (External & Internal Fostering) are forecast to fully utilise the draw-down allocation.	
Total Children's Safeguarding & Specialist Services	20,374,663	1,005,112		
Education & Corporate Parenting				
Miscellaneous Special	34,338	66,470	Some additional premature retirement costs and remissions expenditure forecast compared to budget	
Education Services Grant	(2,680,000)	(62,477)	ESG is primarily determined by the number of pupils in schools, particularly maintained schools, which is somewhat higher than budgeted. The notified allocation from the Education Funding Agency of £2,792,477 would deliver £112,477 more than budgeted, but this has been adjusted downwards by £50,000 to take account of the possible impact of academy conversions during 2014/15. A much lower level of ESG per pupil is paid for academies	
Multicultural Development Team	21,205	84,572	Lower expected buy-in by schools and lack of agreed de-delegation from schools have led to a significant shortfall against budgeted income.	
Transport		110,000	Pressure arising on School Transport following budget reductions in 2014/15-see comment included in Family, Cohesion and Commissioning Services below.	
Other	13,770,097	58,966		
Total Education & Corporate Parenting	11,145,640	257,531		

2014/15 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Family, Cohesion & Commissioning				
Transport		373,869	(65,000)	The commissioning of Transport Services provided to Adult Social Services and Education and Corporate Parenting is delivered by the Commissioning Unit of Family, Cohesion and Commissioning. Public Transport is managed within Neighbourhood & Leisure Services. The respective transport budgets are held by Adult Social Services, Education & Corporate Parenting and Neighbourhood & Leisure, with Management and staffing budgets held by FCC. A transport review was undertaken in response to the requirement to deliver significant savings targets. The review has recommended actions to deliver savings which have been adopted by the Council in a range of between £644k and £784k. The respective Transport users are undertaking to deliver these actions to reduce the costs of transport in line with the recommendations. The Period 2 monitoring report includes the impact of the budget reduction and reports spending pressures in the respective service areas therefore, pressures are reported within Adult Social Services, Education and Corporate Parenting and Neighbourhood & Leisure. The underspend reported within FCC has arisen from a restructure of the service resulting in staff savings which is part of the agreed package of savings referred above. This saving offsets pressures reported on Transport elsewhere in this report. As the year progresses, and savings are achieved the reported pressures across all areas should reduce.
Family Connect		846,206	66,467	Pressures arising on funding sources in 2014/15
Cohesion		2,672,184	(76,000)	Savings already being delivered following recent restructure within Cohesion and Housing from vacant posts etc
Youth Offending Service	One off savings		(73,000)	The Council contributes to the Regional Youth Offending Service, and the 2013/14 outturn for that service has just been reported as a surplus of income over expenditure. The income includes contributions made by Regional Authorities. The surplus is being returned to the funding partners in accordance with the level of contribution made in year. Therefore, a one off sum of £73k will be returned to the Council this year and this is unbudgeted
Variations under £50k		4,947,011	(42,467)	
Total Family, Cohesion & Commissioning		8,839,270	(190,000)	

2014/15 Revenue Budget Variations over £50,000				
Description	Budget	Variation	Comments	
	£	£		
Adult Social Services				
Purchasing-all types of care for all client groups including purchase of in house services	39,659,041	6,292,020	an overspend of £6.3m is currently being projected. Included in the total savings target of £7.7m for all Adult Social Care Services (including ALD) is £4.051m targeted at purchasing budgets which have been reduced. Plans to mitigate the overspend are in place: including an additional savings target of £500K as a result of remodelling how vulnerable adults are accommodated and supported, introduction of robust financial and community care processes (1% efficiencies equates to £500k). Capita have been commissioned to provide a review of the robustness of the recovery plan and the capacity and capability of the current management structures to deliver. A PA register has been commissioned to support the increase in the use of PA's, continued progress is being made on reviews, assistive technology and direct payments, to deliver further savings. We are also reviewing high cost placements with our providers and examining contracts in detail to identify further savings and are also in the process of establishing a framework contract for domiciliary care which should improve quality of provision whilst reducing costs significantly. These savings initiatives total £2.4m and are currently in progress, close monitoring of their delivery will continue to identify any change in the figures expected.	
Use of one off ASS funding	0	(800,000)	Use of One Off reserves held within Adult Social Services	
Adult Social Services draw-down budget		(2,500,000)	Set aside as a specific draw-down budget for Adult Social Services as part of 2013/14 year end	
Supporting People	1,962,050	473,880	This overspend is a direct result of the additional savings agreed with WHT in 2012 and taken from budgets in 2013/14. These savings were expected to result from a claim against Housing Benefit by the WHT for eligible services reducing the call on the Council funding support for vulnerable adults in WHT accommodation. However, success has been limited and a significant balance of savings expected remains unachieved. Plans are in place to effect further savings but the majority of this spending pressure will remain in 2014/15.	
Transport	632,637	240,287	The 14/15 ASS transport budget was reduced by £229k as a result of the recommendations made in the recently concluded transport review. A number of proposals have been agreed to be delivered in 2014/15, and where achieved these will reduce overspends such as this and those reported elsewhere in this report. However, it is unlikely that the impact will fully achieve the target because a full years savings will now not be achieved. See Comment included in FCC.	
Other variations under £50k	(2,181,404)	(349,205)	Vacant posts make up £220k of this underspend. Any recruitment to these vacancies will reduce this underspend.	
Total Adult Social Services	40,072,324	3,356,982		

2014/15 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Public Health, Wellbeing & Public Protection				
Public Health				
Staffing and operational budgets		1,093,953	(73,037)	Vacancies and underspends re staff not at top of scale.
Variations under £50k		6,541,858	-	
Wellbeing & Public Protection				
Variations under £50k		1,850,090	-	
Total Public Health, Wellbeing & Public Protection		9,485,901	(73,037)	
Neighbourhood & Leisure Services				
Transport & Highway Development	Public Transport & Concessionary Travel	1,959,675	70,000	Service transferred from Family & Cohesion - savings to mitigate this are shown below
			(70,000)	Management action to withdraw subsidy on evening & weekend bus services.
Leisure Facilities & Services	Oakengates Leisure	228,070	106,000	Impact on Income as a result of the construction of new school and subsequent closure of Leisure facilities during key building works.
	Horsehay Golf	165,070	53,443	There has been a national downturn in the use of Golf courses which has impacted on this shortfall of income in addition to competition from other courses.
Waste & Neighbourhood Services Performance Management	Waste Disposal - TWS contract	757,670	249,719	The existing TWS contract pressures for disposal of Wood & Hazardous at CRC's; Green Waste at Kerbside, along with bin replacement costs.
			(200,000)	One off use of waste reserves set aside at closedown.
Total Neighbourhood & Leisure Services		3,110,485	209,162	
Development, Business & Employment				
Regeneration & Investment	Southwater Car Park - Income PIP & Service Charges	(348,000)	58,000	Delayed opening of Southwater Car Park.
			200,000	Ongoing rationalisation of the PIP resulting in an in year pressure on Income and Service Charge voids.

2014/15 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Business & Development Planning	Employees	497,760	(75,000)	Vacancy Management savings.
Property & Design	Administration Buildings	3,119,450	60,000	Increase in Darby House rent due to higher levels of occupancy and other Premises costs.
Other Variations < £50k	Other variations		(125,000)	Planned use of one off reserves.
Total Development, Business & Employment		3,269,210	118,000	
Customer Services				
Carwood	Employees	420,998	163,794	Overspend on staffing due to additional hours worked by staff
Community Support	Employees	989,728	259,126	Overspend on staffing due to additional hours worked by staff
Shared Lives	Supplies & Services	424,260	54,781	Projected over spend on Adult Placements
ALD Services & Enablement	Savings Target	(550,000)	181,938	Shortfall against savings target which will be met from other savings made across Customer Services.
Variations Under £50k		4,721,676	(294,203)	
Total Customer Services			365,436	
Finance, Audit & Information Governance				
Treasury Management		9,615,330	(931,000)	Active treasury management including an early estimate of the benefit from extending the change in the calculation of Minimum Revenue Provision applied to prudential borrowing in 2013/14 to include supported debt (government allocations) - this figure includes a back-dated and ongoing element and will be refined as further work is undertaken over the next few months.
Variations Under £50k		0	(215,334)	Underspend arising from a number of temporary vacant posts plus one voluntary redundancy.
Total Finance, Audit & Information Governance			(1,146,334)	

2014/15 Revenue Budget Variations over £50,000				
Description	Budget	Variation	Comments	
	£	£		
Law, Democracy & People Services				
Detailed Monitoring has not yet been undertaken for this Service Area in accordance with the risk based monitoring approach being adopted				
Total Law, Democracy & People Services		0		
Cooperative Delivery Unit				
Detailed Monitoring has not yet been undertaken for this Service Area in accordance with the risk based monitoring approach being adopted				
Total Cooperative Delivery Unit		0		
Council Wide				
West Mercia Energy Purchasing Consortium		(134,000)	Estimated dividend from WME exceeds the budget set (final to be confirmed following the WME audit, so subject to change).	
Total Council Wide		(134,000)		
Total Variations		3,768,852		

Capital Approvals - by Service Area

Virements	Service Area	2014/15			Comment/Funding
		£			
Brookside	Development Business & Employment		100,000		Agreed Funding Top Up for Brookside Regeneration
Asset Management Plan - General Works & Survey	Development Business & Employment	-	100,000		Agreed Funding Top Up for Brookside Regeneration
Newport Fitness Facility	Neighbourhood & Leisure Services		75,000		Agreed Funding Top Up for Newport Fitness Facility
Asset Management Plan - General Works & Survey	Development Business & Employment	-	75,000		Agreed Funding Top Up for Newport Fitness Facility
Brookside	Development Business & Employment	-	6,000		Brindleyford Play Scheme
Brindleyford	Neighbourhood & Leisure Services		6,000		Brindleyford Play Scheme
Every Day Telford-Pride in your community	Neighbourhood & Leisure Services	-	1,000,000		Virement for Hollinswood Local Centre to KC AD area
Every Day Telford- Pride Hollinswood Centre	Regenerate those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing		1,000,000		Virement for Hollinswood Local Centre to KC AD area
Building Schools for Future	Education and Corporate Parenting		300,000		Contribution to Charlton School
All Other School Schemes	Development Business & Employment	-	300,000		Contribution to Charlton School
Building Schools for Future	Education and Corporate Parenting		36,000		Oakengates Leisure Centre Refurbishment
Asset Management Plan - General Works & Survey	Development Business & Employment	-	36,000		Agreed funding to deliver refurbishment works at Oakengates Leisure Centre
Total			0		
New Allocations					
Scheme	Service Area	14/15	15/16	16/17	
		£	£	£	
Housing	Development Business & Employment	4,752,900.00			Green Deal Communities Fund
Housing	Development Business & Employment	100,000.00			Public Health Funding for Fuel Poverty
Loan Contingency Grant	Development Business & Employment	-	7,754.74		Reduction in funding due to early indemnity of loans
Social Care Capital Grant	Adult Care & Support		424,782.00		14/15 Government Allocation
Brindleyford	Neighbourhood & Leisure Services		41,664.32		Additional s106 funding for Brindleyford play area
Youth	Development Business & Employment	-	75,000.00		Funding write off, scheme no longer to be delivered from this funding
All Other School Schemes	Development Business & Employment		19,063.00		Various school grants
All Other School Schemes	Development Business & Employment		732,785.25		External school contributions
Building Schools for Future	Education and Corporate Parenting		350,000.00		Funding to deliver refurbishment works at Oakengates Leisure Centre
Building Schools for Future	Education and Corporate Parenting		-245,043.00		Funding write off, facilities no longer required at two schemes (PCT)
Total		6,093,396.83	0	0	