

2020/21 Revenue Budget Variations over £50,000

| Description | | Budget | Total Variation | Comments |
|--|----------------------------|--------------------|--------------------|---|
| | | £ | £ | |
| Prosperity & Investment | | | | |
| Property & Investment | Income - PIP | (8,240,260) | 1,028,928 | Estimated impact of rent reductions and potential bad debt as a result of Covid implications. Service area has received some specific requests for rent reductions and will continue to monitor the position. |
| | Income - Car Parks | (510,180) | 351,906 | Southwater and Hall Court Car Park reduced income, assumes no income April - August and November closure, with 50% take up for the remaining months. |
| BiT | Income - FM Fees | (440,830) | 65,000 | Social isolating impacting on ability to work on sites along with reduced requests for work due to site closures. |
| | Premises | (194,000) | 194,000 | Undeliverable saving, alternative options to be considered but has been stalled due to Covid pressures. |
| | Property - Utilities | 675,910 | (149,000) | Estimated Property Utility underspends April - July, (excludes Social Care properties & Energy Centre). This projection will be reviewed in line with office closures and receipt of supplier invoices for the latest period. |
| | Premises | - | 288,000 | Property costs associated with ensuring buildings comply with COVID safe requirements. |
| Development Management | Planning fees | (1,515,240) | 200,000 | Estimated slow down in Planning applications due to Covid. |
| | Other variances under £50k | 5,801,780 | 41,560 | |
| Total Prosperity & Investment | | (4,422,820) | 2,020,394 | |
| Finance & Resources | | | | |
| Loss of Court Fees Income | | (495,570) | 283,471 | Assumes 6 months impact |
| Revenues | Supplies & Services | 311,970 | (84,188) | Projected underspends on printing, postage, IT services and fees. |
| Treasury Management | | 12,353,069 | (3,000,000) | A combination of continued borrowing at low short term interest rates together with projected long term rates also being estimated at lower than budgeted rates. |
| Variations Under £50k | | 2,352,655 | (137,169) | £77k from vacant posts in Finance and PA's and underspends from supplies & services budgets across Finance & Resources including bank charges. |
| Total Finance & Resources | | 14,522,124 | (2,937,886) | |
| Policy & Governance | | | | |
| Legal services & Land charges | Income | (235,410) | 120,000 | Reduced income anticipated |
| Legal Services | Employees | 1,150,940 | 39,000 | Demands on certain Legal posts-requirement for fixed term posts |
| Variations under £50k | | (201,936) | 26,000 | |
| Total Policy & Governance | | 713,594 | 185,000 | |

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| Children's Safeguarding & Family Support | | | | |
| CIC Placements | | 19,176,231 | 1,031,989 | The number of children and young people in residential placements has fallen over the past year, although the average cost of such placements has risen. A comparatively large number of young people in residential placements will turn 18 over the next 2 years and this should also have an impact upon reducing costs. The numbers and costs of children in external foster placements has also fallen as the strategy of investing in internal foster carers has begun to change the balance of placements towards internal carers. Overall there are some positive trends concerning the cost of placements, but there is also a significant risk that this progress is more than offset by additional placement costs connected to CV19, such as additional children with complex needs coming into care as a result of the additional pressure on families, together with associated increases in court fees and potential premiums on placement fees. |
| Post 18 Staying Put & Leaving Care Support | | 317,895 | 124,991 | This expenditure comprises Post 18 Staying Put and Leaving Care payments, both of which have been under pressure as a result of Covid-related statutory guidance, with all looked after children turning 18 being offered staying put arrangements to continue in their current placement for an extended period of time. Leaving care payments have also been increased to accommodate the vulnerability of this cohort of young people during the pandemic. The projected CV19 additional costs are based on the assumption that there will be three months delay in stepping down young people turning 18 from their existing placement. |
| Staffing - salaries | | 11,945,153 | (181,419) | The current projection reflects the impact of vacancies and staff appointments at below the top of scale. The CV19 costs are based on assumed additional costs related to the Emergency Duties Team. |
| Staffing - Agency Costs | | 0 | 767,210 | In some cases vacancies will need to be covered by agency appointments which generally cost around one-third more than an equivalent substantive LA appointment, resulting in additional pressure to the Safeguarding budget. In addition in specific areas of the service agency staff are being placed to maintain levels of caseload appropriate to the experience of staff. However as these staff, such as newly qualified social workers, gain experience and the progression framework now in place in the service assists retention of staff, the need for additional agency staff should reduce and, excluding the impact of CV19 current levels of expected expenditure on agency staff in 2020/21 are significantly less than incurred in 2019/20. The projected additional costs related to CV19 reflect the cost of additional agency staff to meet an anticipated surge in demand as a result of the impact upon families of social and economic pressures. |
| Children with Disabilities | | 1,319,142 | (153,860) | Current projections suggest that the costs of direct payments to carers will be at a similar level of 2019/20 and that the increases in costs in this area in recent years have begun to level off. |

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| Children in Care Adoption Allowances & Adoption Agency fees | 391,050 | (157,680) | When children are adopted through external agencies (rather than by carers recruited by the joint adoption service) a significant fee is payable. In 2019/20 an unusually high number of children were placed via agencies and so significant costs were incurred, leading to the 2020/21 budget being significantly increased. Although it is difficult to predict accurately at this point in the year, the current expectation is that number of external placements could be somewhat lower in 2020/21. |
| Joint Adoption Service | 609,847 | 76,421 | There have been some increases in staff to support increasing numbers of families wishing to adopt coming through. In addition there had been additional staffing appointments made on the basis of the costs being covered by additional Adoption Support Fund income, but the planned income has yet to materialise. |
| Health Funding | -400,000 | 153,194 | The projected income from Health is currently based on that received in 2019/20. The service continues to liaise with health colleagues regarding funding contributions for children in care with health issues and the likely income from Health will become clearer as the year progresses. |
| Under £50k | 2,005,109 | 648,361 | Significant contributors to this variance include the costs of equipment for children, S17 payments for children in need, payments to families that have no recourse to public funds, childminders fees and interpreters fees. Some of these costs are expected to increase beyond normal levels as a result of the social impact of CV19. |
| Total | 35,364,426 | 2,309,206 | |
| Independent Review - Staffing | 769,580 | 2,913 | |
| Independent Review - Under £50k | 183,545 | 11,394 | |
| Total Children's Safeguarding & Family Support | 36,317,551 | 2,323,513 | |
| Education & Skills | | | |
| Specialist Services | 1,124,320 | 5,755 | There was some loss of income from schools over the summer term due to the impact of CV19. In addition there are projected legal costs arising from tribunals. However most of these additional costs have been offset by savings from vacancies, etc. |
| Traded Advisory Service | 102,875 | 47,929 | There was some loss of income from schools over the summer term due to the impact of CV19. However much of this has been offset due to savings from vacancies, etc. |
| School Transport | 2,896,951 | 196,879 | There is an existing budget pressure for home to school transport and the CV19 requirements are adding further costs. However the Council will be able to apply for a government grant to cover the additional costs associated with CV19's impact upon home to school transport, i.e. the need to commission additional transport to meet social distancing requirements. At this stage, the monitoring variance therefore reflects the existing transport budget pressure. |
| Post 16 Transport | 288,911 | 107,254 | As with pre 16 transport costs, there is an existing budget pressure in this area. The comments above concerning the impact of CV19 and government funding also apply to post 16 transport. |

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| Arthog | | 307,619 | 825,912 | Arthog already had challenging income targets and the impact of CV19 has been to prevent income generation during the summer term. Given the current national situation with regard to CV19, the intention earlier in the year to return to more normal levels of activity in the Autumn and Spring terms does not seem likely. The full year loss of income now projected is therefore considerably higher than previously reported. |
| Music Service | | 65,468 | (49,789) | Significant income has been lost as a result of CV19 restrictions but these have been offset by salary and other savings as tutors are employed on a flexible basis. |
| Skills Service Delivery | | (75,162) | 73,996 | This represents a savings target that has yet to be achieved. The service continues to look for opportunities to achieve this saving, although this has been made more challenging by the impact of CV19 on income generation. |
| Job Box | | (105,939) | 87,271 | The removal of opportunities to meet clients face to face due to CV19 has potential to reduce the income generated from 'Prospect Services (the National Careers Service). Prospect are however redefining the outcomes against which payments will be made, so the extent to which the potential loss identified occurs is currently unclear. |
| Work Ready, Life Ready | | 757,709 | 70,056 | The projected loss of income connected to CV19 has been compensated by savings on staffing (e.g. casual staff costs) leaving a small net variance. |
| Variations under £50,000 | | 7,317,617 | 2,024 | |
| Total Education & Skills | | 12,680,369 | 1,367,287 | |
| Adult Social Care | | | | |
| Purchasing - all types of Long term care | Residential/Residential EMI care, Nursing/Nursing EMI care, Homecare, Direct Payments, Shared Lives, Supported Accommodation and Supported Living, Daycare: Spot and Block contracts | 52,948,380 | 2,871,175 | CV19 variations relates to various actions to support providers and clients, these include an additional 10% payment to providers in the first quarter. It also reflects anticipated pressure on levels of care needed throughout the year as a result of the pandemic. There is still a level of uncertainty on the projected costs in this area due to the increased levels of Covid especially as we start to see the impacts of the winter period. |
| Purchasing-short term reablement care(through BCF) | Bed based care and Homecare for up to 6 weeks | 1,999,270 | 4,849,597 | £2.8m relates to Contracts procured by TWC and reimbursed by the CCG for block beds for Covid discharges -see NHS income below |
| Income | Client contributions | (6,549,250) | (257,986) | Covid impact of suspending charging, overachievement of client contributions based on level of charges for 2019/20 |
| | NHS Contributions | (1,362,510) | (3,844,379) | Continued positive outcomes from working closely with CCG identifying health contributions towards care. Includes CCG funding of Covid costs above. |
| | Oher income-grants etc. | (11,163,920) | (955,723) | Includes CCG contribution to pressures in short term care-reablement. This is based on a risk share agreement. The remainder is mostly NHS England funding towards Transforming Care Partnership client costs |

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| My Options-Adults & Children's services | Trading accounts | 508,100 | 1,206,906 | Reduced income from charges mainly for Adult Social Care clients, and this is reflected as a reduced pressure on Long Term Care above. Lost external income due to restrictions required in Day Services since March to meet Covid guidance is included on the next line as a Covid cost |
| | Trading accounts Contribution from reserves | | 360,441 (54,441) | Estimated losses to external income |
| Other | Variations under £50k | 9,244,716 | 67,703 | |
| Total Adult Social Care | | 45,624,786 | 4,243,293 | |
| Health, Wellbeing & Commissioning | | | | |
| Purchase of PPE | | - | 520,886 | Net cost of the purchase of PPE including hand sanitiser, aprons, glasses, gloves, wipes etc. |
| Supporting People & Extra Care | | - | 120,000 | Impact of loss of saving as a result of COVID19, 4 months assumed |
| Variations Under £50k | | 3,967,608 | (52,824) | Underspends from staffing and supplies & services |
| Total Health, Wellbeing & Commissioning | | 3,967,608 | 588,062 | |
| Neighbourhood & Enforcement Services | | | | |
| Offstreet Parking | Various | 56,990 | 230,828 | Loss of income from Ironbridge car parks assumed income is 50% less than 2019/20. Projections based on income levels as in 2019/20. Service variations relate to additional NNDR costs of £20k plus shortfalls against income targets for remainder of the year. Includes the impact of free parking for November and December. |
| Licensing | Income | (227,870) | 78,793 | Licensing income shortfall from license renewal process being suspended for 6 months for taxi licenses, premises licenses etc. This pressure could increase should companies face further financial hardships through lower levels of trading income as a result of social distancing. |
| Highways & Transportation | Employees | 68,970 | (68,970) | Vacant post projected all year |
| Waste Collection | Various | 5,356,530 | 111,407 | Additional collection costs as a result of COVID have reduced significantly. Service variation relates to shortfall on bulk collection costs and shortfall on new build admin fees |
| Waste Transport, Treatment and Disposal payment | Various | 5,125,605 | 58,487 | Increased tonnage levels for residual waste which has been offset by underspends on food waste savings and landfill tax. Service underspend due to penalty income to be received in respect of 2019/20 of £190k, TUPE refund of £77k and additional income from recyclates of £76k due to inflationary increase in prices, this has been offset by £150k pressure from increase in waste tonnages above waste model. |
| Transport Policy | Employees | 187,015 | (76,016) | Underspend projected on staffing as a result of vacant posts for part of the year. |

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| Neighbourhood & Environmental Services | Employees | 389,480 | (51,604) | Vacant post projected for remainder of the year. |
| Granville House | Various | 52,610 | 59,620 | Costs associated with vacant space, which is being reviewed, and one off cost of flooding |
| Variations Under £50k | | 19,523,219 | 17,317 | CV19 Variations due to income shortfalls from Environmental Health, Civil Parking Enforcement, road safety and departure charges. |
| Total Neighbourhood & Enforcement Services | | 30,532,549 | 359,862 | |
| Communities, Customer & Commercial Services | | | | |
| Leisure | Income | (5,164,085) | 3,273,878 | Reflects the impact of the loss income from Leisure/Ice Rink closures in April - July and also November. Leisure projections for the remainder of the year have been based upon a percentage of profiled income targets being achieved, this ranges from as low as 10% of income due up to 100%. Income profiles will be reviewed with Leisure Managers on a monthly basis and revised as appropriate. Subject to Government guidance, we plan to unfreeze direct debits for Aspirations members, and implement a small price increase in January 2021, which has been agreed in consultation with the lead Cabinet member, which should have a positive impact on income moving forward. |
| Education Catering | Income - net of food costs | (3,220,753) | 641,373 | Net impact on School catering after charging FSM & UIFSM less budgeted food costs to Schools. Includes costs associated with FSM deliveries 2 weeks end of Spring Term. Income projections have been significantly reduced since period 5 due to the reduced level of meal numbers served during the first autumn term. |
| Commercial Catering | Income - net of food costs | (208,420) | 211,371 | Income net of provisions Café go and TIR café. Café Go It has been assumed that TIR Cafe will be closed for the remainder of the year as the space is currently being used for boot hire to enable social distancing in the Ice Rink. As a result of staff continuing to work from home it has also been assumed that Cafe Go will remain closed for the rest of the year |
| Commercial Projects | Additional savings targets | (140,500) | 187,579 | Staff from team have been and are still partially redeployed during Covid response which has impacted on progress on identifying alternative savings and new model now being developed to better support Council-wide income generation (to be discussed at SMT - 7 July). Existing pressure linked to income targets, including £75k energy saving target. Original plan to install a private wire at the solar farm was not progressed after Ofgem decision that this would result in loss of Feed in Tariff income. Option of major expansion of District Heat Network in progress (BEIS funding secured for feasibility study) but not a short-term option and biT lead. This pressure also includes advertising income saving of £41k - part year saving linked to bus shelter procurement will be delivered so this will be updated in July (contract award June 2020). Shortfall of £43.5k against advertising income target, contract commenced Sept 2020. £20.8k shortfall against roundabout sponsorship income |

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| Communities, Customer & Commercial Services | Saving to be identified | (84,280) | 78,006 | Non delivery of planned savings - not able to progress/scope due to Covid pressures. |
| Theatre | Various | 192,480 | 433,164 | Assumed Theatre closed all year, loss of income from Theatre offset by reductions in Supplies & Services spend. |
| Theatre Bar | Various | (28,030) | 103,241 | Loss of income from Theatre Bar as a result of closure all year. As above. |
| Housing Benefit/Council Tax Support Team | Employees | 653,440 | 142,503 | Savings target of £160k which will not be fully delivered as a result of COVID19, offset by grants received in respect of Welfare Reform. |
| Housing Benefit/Council Tax Support Team | Income | (832,035) | (198,107) | Additional government grants received in respect of Welfare Reform |
| Housing Benefit Subsidy | Various | (190,000) | 190,928 | Impact of suspending the recovery of overpayments from ongoing benefit and a reduction in recovery of overpayments in the debtors system. This projection has improved as a result of overpayments recovery being re-instated from August onwards, however the projection does include costs of £90k in relation to emergency bed & breakfast accommodation for homeless people as a result of COVID which is ineligible for subsidy. |
| Registration Services | Various | 10,040 | 167,307 | Income shortfalls as a result of reduction in number of ceremonies offset by reduction in staffing costs. This assumes a 50% reduction in income this year, however some weddings may be rescheduled for later in 2020/1, so position may improve. |
| Cemeteries | Various | (8,330) | (53,498) | Additional income received as a result of an increase in burials. This assumes that burials return to normal levels from July 2020 onwards. |
| ICT - Corporate Supplies & Services | Supplies & Services | 1,363,540 | 159,241 | Overspend arising from additional license costs, Capita & Brightcloud |
| ICT - Corporate Staffing | Income | (332,345) | 233,880 | Shortfall projected against project income |
| Cleaning | Supplies & Services | 167,383 | (50,403) | Contingency for shortfalls against income targets, this can now be released to assist the bottom line pressure |
| | Other variations under £50k | 10,985,192 | 468,272 | |
| Total Communities, Customer & Commercial Services | | 3,163,297 | 5,988,735 | |
| Housing, Employment & Infrastructure | | | | |
| Housing | Homelessness - Prevention & Bed & Breakfast | 70,000 | 651,000 | Homelessness gross pressure £651k. Estimated ongoing cost from October assumed at current levels of support is £29k per month. Emerging pressures from load now requiring temporary additional resources offset with reserve funding shown within variances under £50k. |

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| | Other under £50k | 0 | (504,000) | MHCLG grant £12k, NSAP funding £174k and £22k use of RSI Grant Rent bonds. Housing benefit income £296k estimated collection rate projected at 87% after allowing for the impact of not being able to claim for clients with No Recourse to Public Funds. |
| | | 1,796,918 | (15,612) | Covid income pressures under £50k relating to HMO licenses, Civil penalties, Immigration certificates and rental income, offset by underspends on mileage, printing and postage. Use of reserves to support additional Homelessness resource costs included in gross pressure above. |
| Total Housing, Employment & Infrastructure | | 1,866,918 | 131,388 | |
| Corporate Communications | | | | |
| Graphic Design | Income shortfall | 111,325 | 111,325 | Change to internal charging mechanism |
| Corporate Communications | Supplies & Services | 35,130 | 100,072 | Printing and postage cost of letters to residents re COVID 19 |
| Variations under £50k | | (125,615) | 1,230 | |
| Total Corporate Communications | | 20,840 | 212,627 | |
| Corporate | | | | |
| Pensions | Employees | | (220,000) | One off discount received on prepayment of pension contribution to Shropshire County Pension Fund |
| WME Dividend | | | (79,000) | |
| Variations under £50k | | (16,011,935) | 0 | |
| Total Corporate | | (16,011,935) | (299,000) | |
| Total | | 128,974,881 | 14,183,275 | |