

Summary of 2014/15 Projected Variations

Service Area	Cabinet 08 01 15	Analysis of Current Variation				Total Current Variation	Change
		Variation	One Off Savs	Ongoing Savs	Pressures		
	£	£	£	£	£	£	
Children's Safeguarding & Specialist Services	692,749	1,013,876	(30,000)	(50,000)	0	933,876	241,127
Education & Corporate Parenting	(186,817)	(163,518)	(130,000)	0	0	(293,518)	(106,701)
Family & Cohesion & Commissioning Services	(533,900)	278,222	(751,000)	(158,000)	0	(630,778)	(96,878)
Development, Business & Employment	32,700	472,583	(344,754)	(95,129)	0	32,700	0
Neighbourhood & Leisure Services	43,500	228,500	(170,000)	(15,000)	0	43,500	0
Adult Social Services	1,932,796	1,545,580	0	0	0	1,545,580	(387,216)
Public Health, Well Being & Public Protection	(282,125)	(494,306)	(200,000)	0	0	(694,306)	(412,181)
Customer Services	(625,713)	(508,477)	(160,000)	(480,925)	255,000	(894,402)	(268,689)
Law, Democracy & People Services	(2,009,949)	(71,893)	(1,513,000)	(403,650)	0	(1,988,543)	21,406
Finance, Audit & Information Governance	(1,734,684)	(267,135)	(1,150,000)	(321,100)	0	(1,738,235)	(3,551)
Cooperative Council Delivery Unit	(224,936)	(58,616)	0	(163,000)	0	(221,616)	3,320
Council Wide	105,078	346,074	0	(142,574)	0	203,500	98,422
Total Projected Variation	(2,791,301)	2,320,890	(4,448,754)	(1,829,378)	255,000	(3,702,242)	(910,941)
Use of uncommitted balance in Corporate Contingencies						0	0
Total Projected Variation after use of contingency	(2,791,301)					(3,702,242)	(910,941)
Transfer to Capacity Fund	750,000					750,000	0
Transfer to Community Pride Fund	260,000					260,000	0
Total Projected Variation after transfers	(1,781,301)					(2,692,242)	(910,941)
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2014/15 Revenue Budget Variations over £50,000							
Description	Budget	Variation	Additional Savings		Pressures	Total Variation	Comments
			£	£			
Childrens Safeguarding & Specialist Services							
Children in Care Placements	8,495,852	1,397,702				1,397,702	The 2013/14 reported outturn position was £2.089m overspent. The budget strategy included a budget reduction of £1.200m for CiC Placements. A review of costs resulted in 2014/15 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 and reduction of high cost placements. Work is ongoing to ensure forecasted step downs from high cost residential placements take place as planned to deliver forecasted cost reductions. Work also continues to assess the placement costs being incurred, including reviewing unit costs, numbers of children in care and the placement strategy. This review has identified an increase in residential placements of £10k. Corporate contingency is held to meet demand from new admissions. Looked after Children- total was 295 as at 8/1/15.
Care leavers Accommodation costs	599,630	150,317				150,317	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 which this current projection now shows as being achieved. Ongoing review of care packages in the service will continue to enable savings in this area for remainder of the year, progress of which will be regularly reviewed in the Cost Improvement Plan .
Staffing (Safeguarding)	4,899,383	193,851				193,851	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 outturn of £691k in 2014/15, which is offset by vacancies held in the service area. Current number of agency staff 9 (Cost improvement plan target 5 until September 2014 and then none to March 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. Safeguarding concerns around Child Protection workloads means a short term recovery plan has been put in place costing £100k to the end of the year to deliver improvements.
Staffing (Specialist Services)	3,748,891	(262,678)				(262,678)	This underspend relates to a number of vacancies within Specialist services. £148k of this figure arising within services jointly arranged with Shropshire Council.
Income (Specialist Services)	-1,279,951	83,332				83,332	A reduction in expenditure in the jointly arranged services result in a reduced amount of income being collected from Shropshire. Any underspend in these areas impacts on both T&W and Shropshire's budget.
Internal Foster Carers costs (excluding salaries, fees and allowances)	327,742	168,678				168,678	Specific pressures include travel costs £94k and Disclosure and Barring Service of £10k forecast overspend . The 2013/14 reported outturn position for travel costs was £92k overspend and a target has been set in the Cost Improvement plan for the Fostering service to achieve a reduction of £10k from this amount.
Joint Adoption Service	328,725	58,147				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. A West Mercia Adoption Service project is currently being undertaken but early indications are that this will not achieve any savings in the short term.
Direct Payments	185,428	111,887				111,887	Current projections are for a £112k overspend against Direct Payments, which pays for direct payment personal care for Children with disabilities. On-going review is being undertaken by the service area to understand and control costs.
Variations under £50k	3,192,722	312,640	(30,000)	(50,000)		232,640	Adoption Fees, Section 17 , Childminding and Computer Software & licences.

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
			(1,200,000)			(1,200,000)	Corporate Contingency is held as part of the budget strategy for 2014/15 and was set at £1.200m for possible use across CIC Placements budget lines.
Total Children's Safeguarding & Specialist Services	20,498,422	1,013,876	(30,000)	(50,000)	0	933,876	
Education & Corporate Parenting							
Miscellaneous Secondary School Expenditure	3,214,789	87,484				87,484	Redundancy costs at secondary schools, arising from staffing changes in response to falling pupil numbers, resulting in higher costs than budgeted
Joint/Community Use	135,585	61,124				61,124	Joint use costs at Shortwood Primary no longer able to be financed by Dedicated Schools Grant (DSG) since introduction of new DfE funding rules.
Education Services Grant	(2,680,000)	(62,057)				(62,057)	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 has been adjusted downwards by £20,000 to take account of the possible impact of academy conversions towards the end of 2014/15. A much lower level of ESG per pupil is paid for academies.
School Improvement Advisory Service - Income	(515,890)	(106,565)				(106,565)	Additional income forecast from trading following restructure creating more traded posts. The budget for this area is now shown as the sum of the budgets in three cost centres, School Improvement Advisors, Traded Advisory Service and Secondary Advisory Service as although the income is coded to one area, it arises from staff in all three cost centres.
School Improvement Advisory Service - Employees and Other	770,301	(97,344)				(97,344)	There has been a net salary saving as a result of staff commencing in post later than expected.
Corporate Parenting	118,856	(54,358)				(54,358)	Additional funding for Looked After Children education provision has offset some costs. Further savings have come from an underspend on salaries relating to vacancies for part of the year.
Variations under £50,000	9,938,739	8,198	(130,000)			(121,802)	Rationalisation of Education funding
Total Education & Corporate Parenting	10,982,380	(163,518)	(130,000)	0	0	(293,518)	
Family, Cohesion & Commissioning							
Transport	421,444	(45,494)				(45,494)	Transport Services provided by the Team Managed within Family, Cohesion and Commissioning continue to work with service areas, predominately Adult Social Services and School Support Services to reduce costs. The saving identified here relates to staffing savings accruing this year following restructure. The current financial forecasts for Adult's and Children's Services and Public Transport are reported within their respective sections within this report.
Cohesion	2,472,907	(131,063)	(100,000)			(231,063)	Supplies and services and salary savings across Cohesion. Monitoring has improved from P8-P9 by £72k due to the following developments: Increased temporary accommodation rent for two new properties occupied from December. Increased Housing Benefit Income for Service Charges @ Willow court. Bad debt provision reviewed identifying new payment plans in place reducing our provision for debt write off. Reduced forecasts of spending budgets held to deliver services within localities.
Youth Services			(100,000)			(100,000)	Contribution from reserves for supporting Positive Activities for vulnerable youth and for one off projects

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
Youth Offending Service	348,096	(55,504)	(136,000)			(191,504)	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 surplus is being returned to the funding partners in accordance with the level of contribution made in year. Therefore, a one off sum of £107k will be returned to the Council this year and this is unbudgeted. The 2014/15 contribution from funding authorities is also reduced resulting in further cost reductions to this service.
Youth Offending Service			(92,000)			(92,000)	Contribution from reserves
Early Intervention and Family Connect	3,549,490	146,392	(176,000)	(100,000)	0	(129,608)	Maintaining spending at 2013/14 levels in Children and Family Locality Centres and restructure savings in Early Intervention have resulted in an underspend which is partly offset by staffing pressures in Family Connect. Additional Public Health funding has been allocated.
Contracting & Commissioning	2,737,307	364,711	(147,000)	(53,000)	0	164,711	There is a significant underspend which has resulted from the Contracting and Commissioning restructure including a savings for CAMHS. Much of this saving was reported as one off as it resulted from the lead in time required to populate the new structure. In addition there are some savings from a change in existing SLAs. These savings are offset by pressures resulting from the movement of Supporting People from Adult Social Services which is forecast to overspend by £384k. This pressure is identified and being managed in the Adult Social Services Cost Improvement Plan.
Other variations under £50k	151,068	(820)		(5,000)		(5,820)	Realignment of Savings within management & support.
Total Family, Cohesion & Commissioning	9,680,312	278,222	(751,000)	(158,000)	0	(630,778)	
Adult Social Services							
Purchasing-all types of care for all client groups including purchase of in house services	39,581,056	5,495,254				5,495,254	Latest forecasts continue to reveal pressure on the Adult Social Services budget with a purchasing outturn overspend projected to be £5.5m, this is an improvement from Period 8 with a reduction in forecast pressure on purchasing of £244k. Included in the reduced expenditure forecast is a reduction of £76k which can be attributable to the management of client costs. The remainder has resulted from amended and reduced forecasts of costs for the year in a number of areas. Plans to reduce costs and therefore reduce the overspend are in place, being subject to rigorous monitoring, management and review. The total Adult Social Services overspend is the net after savings already achieved of around £2.0m have been reflected.
Purchasing		(183,000)				(183,000)	CHC Funding of £165k to be received from T&W CCG following client appeal and drawdown of funding in reserves to meet winter pressures spend.
Net Purchasing pressure		5,312,254				5,312,254	
Adult Social Services - NHS England Funded	133,000	(133,000)				(133,000)	Additional funding from Government to protect Social Care Services

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
Transport	651,746	162,337				162,337	The 14/15 ASS transport budget was reduced by £229k as a result of the recommendations made in the Transport Review. No further savings have been identified following the £54k reduction in the recharge included in the period 8 position. A Transport Review Project Group has been set up to look at ways to reduce Adult Social Services expenditure on Transport and identify a more robust transport policy in a bid to reduce the remaining overspend.
Employees	6,074,100	(265,832)				(265,832)	This underspend has resulted from such as vacancies and the lead times in recruitment to posts etc. The anticipated underspend on employees has increased overall by £26k.
Employees		(42,000)				(42,000)	Contribution from reserve which offsets employee expenditure augmenting the underspend in year
Net Employee underspend		(307,832)				(307,832)	
Other variations under £50k	(8,911,584)	(126,179)				(126,179)	
Use of one off ASS funding	0	(1,122,000)				(1,122,000)	Use of One Off reserves held within Adult Social Services
Adult Social Services draw-down budget		(2,240,000)				(2,240,000)	Set aside as a specific draw-down budget for Adult Social Services as part of 2013/14 year end
Total Adult Social Services	37,528,318	1,545,580	0	0	0	1,545,580	
Public Health, Wellbeing & Public Protection							
Public Health							
Staffing and operational budgets	1,093,953	(13,826)	(109,408)			(123,234)	Part year vacancies and underspends on other staffing budgets (£73k).
Smoking Cessation Contract	603,600	(218,000)				(218,000)	The number of quitters fell in 2014/15 with the result that the contract underperformed. The popularity of e-cigarettes has reduced demand for this service similarly to other areas. Target activity levels have not been reduced in the new contract as increasing uptake will clearly have public health impact. It is anticipated that this will be a one off saving relating to 2014/15 only. The impact of e-cigarettes on services in going forward is unclear particularly if they become regulated e.g. prescribing cost implications.
Drugs & Alcohol Support Services	2,745,942	(200,000)				(200,000)	The 2015/16 planned saving from the drugs and alcohol service have been realised during 2014/15 with DARs and inpatient detox in particular contributing to this underspend.
Variations under £50k	3,192,316	(19,355)	(74,592)			(93,947)	Savings relating to IT costs and in-house services within Working Age services.
Public Protection & Civil Resilience							
Variations under £50k	1,805,521	(43,125)	(16,000)			(59,125)	A review of staffing budgets with the Service has identified savings arising from posts which are to remain vacant longer than originally anticipated.
Total Public Health, Wellbeing & Public Protection	9,441,332	(494,306)	(200,000)	0	0	(694,306)	

2014/15 Revenue Budget Variations over £50,000								
Description		Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
				One Off £	On-going £			
Neighbourhood & Leisure Services								
Transport & Highway Development	Public Transport & Concessionary Travel	1,959,675	50,000				50,000	Service transferred from Family & Cohesion - savings to mitigate this are shown below
			(50,000)				(50,000)	Management action to find efficiencies related to current Subsidised Bus services.
Variations under £50k	Transport & Highway Development		(146,000)		(15,000)		(161,000)	One off savings arising from vacancy management prior to restructure.
Leisure Facilities & Services	Income - Oakengates Leisure Centre	225,490	69,500				69,500	Impact on Income as a result of the construction of new school and subsequent closure of Leisure facilities during key building works.
	Income - Horsehay Golf Complex	(270,890)	72,000				72,000	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.
	One off savings		0	(105,000)			(105,000)	Use of one off funding included within current savings proposals.
	Variations under £50k		67,000				67,000	A number of small overspends across a number of areas.
Highways & Neighbourhood Management	Income - Highways & Engineers	(1,339,480)	170,000				170,000	Income pressure associated with Engineers income target caused through imbalance from previous Portfolio restructuring.
	Supplies & Services		(77,000)				(77,000)	Street Lighting energy savings.
Waste & Neighbourhood Services Performance Management	Waste Disposal - TWS contract	757,670	169,000				169,000	The existing TWS contract pressures for disposal of Wood & Hazardous at CRC's; Green Waste at Kerbside, along with bin replacement costs.
	Supplies & Services		(70,000)	(50,000)			(120,000)	One off savings from Green waste disposal.
	Variations under £50k		(96,000)	(15,000)			(111,000)	A number of small one off savings across a number of areas.
Neighbourhood & Leisure Services	Variations under £50k		70,000				70,000	
Total Neighbourhood & Leisure Services		1,332,465	228,500	(170,000)	(15,000)	0	43,500	
Development, Business & Employment								
Regeneration & Investment	Southwater Car Park - Income	(348,000)	200,000				200,000	As anticipated, delays to the opening date and the current road-work disruption have impacted on the usage of the multi storey car park. Business is rapidly growing as a result of the Southwater development with a range of new restaurants and facilities opening. As the economy continues to develop in the area so will the requirement for parking and income levels should therefore increase. This is net of mitigations.
	PIP & Service Charges		325,000				325,000	Ongoing rationalisation of the PIP resulting in an in year pressure on Income and Service Charge voids, net of mitigations.
	Premises				(16,490)		(16,490)	NNDR savings within Railfreight
	Employees			(2,267)	(28,639)		(30,906)	VR saving within Investment Specialist team plus small one off savings.
Property & Design	Employees		(54,300)				(54,300)	One off savings from vacancy management.
	Administration Buildings	3,119,450	60,000				60,000	Increase in Darby House rent due to higher levels of occupancy and other Premises costs.
Business & Development Planning	Employees	497,760	0	(133,566)	(10,000)		(143,566)	One off savings from vacancy management in addition to service redesign.

2014/15 Revenue Budget Variations over £50,000								
Description		Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
				One Off £	On-going £			
Skills	Employees			(75,000)			(75,000)	Use of Green Deal to fund posts.
	Post 16 Transport		(79)	(73,921)			(74,000)	Post 16 Transport savings one off in 14/15.
	Income				(40,000)		(40,000)	Connexions for Youth - Overachievement on income over expenditure resulting in net benefit for the service. Assumed ongoing whilst service continues to be provided
	Development Management	Income		(165,000)	(60,000)			(225,000)
	Other variations under £50k		106,962				106,962	
Total Development, Business & Employment		3,269,210	472,583	(344,754)	(95,129)	0	32,700	
Customer Services								
Care & Enablement	Various	1,410,726	14,415	(50,000)	184,395	255,000	403,810	Reprofiling of the Care & Enablement Savings Between 2014/15 and 2015/16 with £184k of the overall saving being met from additional Business Rates income.
Care & Enablement under £50ks			(19,390)				(19,390)	
Business Rates - Funding					(439,000)		(439,000)	
Social Services draw-down budget			(260,000)				(260,000)	Use of one-off funds
ICT	Various	276	(167,925)		238,000		70,075	Additional savings realised from the restructure of ICT, a number of posts have not yet been appointed to. This position includes the reallocation of ICT savings proposals totalling £238k which will be met from alternative savings achieved through increased Council Tax and Business Rates income.
Commercial Catering Under £50ks	Various	(560,268)	107,462				107,462	Shortfall projected against Commercial income across Haughmond Hill Cafe, Cafe Go, Ice Rink Cafe, Food Truck and The Place. A management action plan is being developed to address these issues.
Revenues & Benefits	Income	(390,570)			(100,000)		(100,000)	Additional income generated from Court Fees as a result of increased taxpayers being taken to Court.
Revenues & Benefits	Supplies & Services			(30,000)			(30,000)	Under spend arising from the cost of Bailiffs projected in line with 2013/14. This
Cleaning	Employees	806,566	(70,783)				(70,783)	Under spend from staff not being at top of grade.
Cleaning	Carbon Reduction Commitment	-		(43,000)			(43,000)	One off benefit from the final year of the Carbon Reduction Commitment scheme in 2013/14.
Cleaning	PFI Insurance	(60,000)		(37,000)			(37,000)	One off benefit from reduced insurance costs linked to the PFI contract.
Council Tax - Funding					(291,000)		(291,000)	
Variations Under £50k			(112,256)		(73,320)		(185,576)	
Total Customer Services			(508,477)	(160,000)	(480,925)	255,000	(894,402)	Customer Services overall position relies on £730k additional funding achieved through increased council tax and business rates. Due to accounting regulations this is not available to the Council in 2014/15 and will be met from one-off funds until 2015/16.

2014/15 Revenue Budget Variations over £50,000							
Description	Budget £	Variation £	Additional Savings		Pressures £	Total Variation £	Comments
			One Off £	On-going £			
Finance, Audit & Information Governance							
Treasury Management	9,615,330	(125,000)	(1,150,000)	(242,000)		(1,517,000)	Active treasury management including an 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 (£1.1m) and ongoing element. It is also net of the impact of deferred capital receipts.
Variations Under £50k	0	(142,135)		(79,100)		(221,235)	Underspend arising from a number of temporary vacant posts plus one voluntary redundancy.
Total Finance, Audit & Information Governance		(267,135)	(1,150,000)	(321,100)	0	(1,738,235)	
Law, Democracy & People Services							
Land Charges	(104,560)	(61,430)				(61,430)	Projected additional income to be achieved from Land Charges
Single Status	1,950,000		(1,500,000)	(450,000)		(1,950,000)	One off saving as Single Status not due to be implemented in 2014/15
Variations Under £50k		(10,463)	(13,000)	46,350		22,887	Pressures relate to support for Procurement and the Individual Electoral Register implementation.
Total Law, Democracy & People Services		(71,893)	(1,513,000)	(403,650)	0	(1,988,543)	
Cooperative Delivery Unit							
Delivery & Planning	745,520	(71,651)				(71,651)	Majority relates to vacant posts within structure.
Cooperative Council and Commercial Delivery Team	0			(125,000)		(125,000)	Includes income that is expected to be delivered by the solar farm, which is scheduled to be completed by end November 2014 and all testing/commissioning completed by end December 2014. The figure for 2014/15 assumes income will be delivered from January-March 2015. The associated debt charges have been included in the treasury projections.
Variations Under £50k	0	13,035		(38,000)		(24,965)	
Total Cooperative Delivery Unit		(58,616)	0	(163,000)	0	(221,616)	
Council Wide							
West Mercia Energy Purchasing Consortium		(2,348)		(131,652)		(134,000)	Estimated dividend from WME exceeds the budget set (final to be confirmed following the WME audit, so subject to change).
Litigation costs		250,000				250,000	As previously reported, there is an ongoing legal process underway in relation to a group of Property Search Companies who are seeking to claim refunds of land charges fees paid. This is now likely to be settled in 2014/15.
Housing Benefit Subsidy	(143,029)	98,422				98,422	Impact of increased overpayments of Housing Benefit in 2014/15 due to the reviews of benefit cases undertaken by the Benefits Team. Housing Benefit Subsidy is not paid in full for overpayment of benefit.
NHB - overachievement				(10,922)		(10,922)	Saving included within DBE schedule
Total Council Wide		346,074	0	(142,574)	0	203,500	
Total Variations		2,320,890	(4,448,754)	(1,829,378)	255,000	(3,702,242)	

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