

### Summary of 2017/18 Projected Variations

| Service Area                            | Variation<br>Cabinet 7 Dec | Change           | Variation<br>Cabinet 4 Jan |
|---|----------------------------|------------------|----------------------------|
|   | £                          | £                | £                          |
| Business, Development & Employment      | (318,557)                  | (99,668)         | (418,225)                  |
| Finance & HR                            | (2,947,581)                | 0                | (2,947,581)                |
| Cooperative Council Team                | (147,704)                  | 503              | (147,201)                  |
| Children's Safeguarding & Early Help    | 3,057,890                  | 392,528          | 3,450,418                  |
| Education & Corporate Parenting         | 529,461                    | 26,663           | 556,124                    |
| Adult Social Care                       | 1,005,765                  | 29,786           | 1,035,551                  |
| Governance, Procurement & Commissioning | (63,381)                   | 0                | (63,381)                   |
| Health & Wellbeing                      | 25,112                     | (28,781)         | (3,669)                    |
| Customer & Neighbourhood Services       | (140,548)                  | 0                | (140,548)                  |
| Commercial Services                     | (104,506)                  | 104,506          | 0                          |
| Council Wide                            | 0                          | 0                | 0                          |
| <b>Total Projected Variation</b>        | <b>895,950</b>             | <b>425,538</b>   | <b>1,321,488</b>           |
| <b>Use of Contingency</b>               | <b>(895,950)</b>           | <b>(425,538)</b> | <b>(1,321,488)</b>         |
| <b>Final Projected Variance</b>         | <b>0</b>                   | <b>0</b>         | <b>0</b>                   |

| 2017/18 Revenue Budget Variations over £50,000      |                                   |                    |                    |   |
|---|-----------------------------------|--------------------|--------------------|---|
| Description   |                                   | Budget             | Variation          | Comments  |
|   |                                   | £                  | £                  |   |
| <b>Business, Development &amp; Employment</b>       |                                   |                    |                    |   |
| Skills  | Post 16 Transport Income          | (72,500)           | 60,000             | Ongoing pressure from lost contribution from TCAT & New College. Pressure built into 18/19 savings proposals.   |
| Regeneration & Investment                           | PIP & Service Charge net position | (5,160,680)        | (426,042)          | Net position of PIP & Service charges. Includes early delivery of income arising from PIP Growth Fund.  |
|   | Variations Under £50k             | 394,630            | (78,353)           |   |
| Development Management                              | Supplies & Services               | 5,830              | 94,170             | Estimated Planning appeal costs, £56k incurred to date.   |
|   | Variations Under £50k             | -                  | (68,000)           | One off vacancy management across Development Management.   |
| Inward Investment & Business Support                | ERDF Grant funding                | (100,000)          | 50,000             | One off funding from Growth Hub (ERDF) programme slipped into 18/19 which will provide additional income in that year pending phasing with partners.  |
|   | Variations Under £50k             |                    | (50,000)           |   |
| <b>Total Business, Development &amp; Employment</b> |                                   | <b>(4,932,720)</b> | <b>(418,225)</b>   |   |
| <b>Finance &amp; HR</b>                             |                                   |                    |                    |   |
| Treasury Management                                 |                                   |                    | (2,610,000)        | Reduced borrowing costs due to low short-term interest rates. The position is regularly monitored by senior finance staff and the Council's external treasury management advisors and some longer term borrowing has been undertaken in 2017/18 to manage the risk of interest rate exposure. |
| Revenues  | Income                            | (984,530)          | 56,396             | Shortfall in Legal Fees income, this is being projected in line with 2016/17 income levels.   |
| Human Resources                                     | Income                            | (1,187,460)        | (42,924)           | Additional income generated from external clients net of additional staff costs   |
| Variations Under £50k                               |                                   |                    | (351,053)          | Mainly staffing underspends due to posts being held vacant pending restructure  |
| <b>Total Finance &amp; HR</b>                       |                                   |                    | <b>(2,947,581)</b> |   |
| <b>Cooperative Council Team</b>                     |                                   |                    |                    |   |
| Community Engagement                                | Employees                         | 583,522            | (70,125)           | Under spend from vacant post, pension and national insurance savings  |
| Organisational Delivery & Planning                  | Employees                         | 536,875            | (78,554)           | Under spends from reduced hours, staff not at top of grade, national insurance and pension savings  |
| Variations Under £50k                               |                                   |                    | 1,478              |   |
| <b>Total Cooperative Council Team</b>               |                                   | <b>1,120,397</b>   | <b>(147,201)</b>   |   |
| <b>Children's Safeguarding &amp; Early Help</b>     |                                   |                    |                    |   |

| 2017/18 Revenue Budget Variations over £50,000  |  |                   |                  |   |
|---|--|-------------------|------------------|---|
| Description                                     |  | Budget            | Variation        | Comments  |
|   |  | £                 | £                |   |
| Children in Care Placements                     |  | 11,680,722        | 2,377,103        | At the end of period 7, 30th October 2017, the Looked After Children figure was 374. This is a decrease of 10 children in the reporting period, however the variation has increased due to the extension of some places and also moves to a more costly provision.<br>The total number of Looked after Children total at the end of 2016/17 was 381. Considerable investment has been made in this area as part of the 2017/18 budget strategy and the Service has developed a 4 year placement model with the outcome to reduce the total number of placements. The monitoring position in previous reports has included a forecast saving based on the delivery of these targets for 2017/18. The increased projected variation on placements is because this adjustment has been removed for 2017/18 based on the realisation that the delivery of the targets will not be delivered in full in 2017/18. |
| Staffing - salaries                             |  | 7,843,860         | 365,221          | The variation includes a projected overspend of £0.75m against agency budgets which has been netted down by vacancies being carried across the service. The variation reflects a reduction in agency workers through out the year in line with the Cost Improvement Plan which has been developed and implemented by the service. At the end of September there were 10 agency social workers in the CPFS Service, 1 within the Family Connect Service and 1 within the Children in Care Service. A further 4 have been included in the projection to start in October to cover arising vacancies. The service had targeted to remove all agency workers by the end of the calendar year, but due to issues with recruitment this has not been possible and therefore the projection includes the extended use of agency staff to the end of the financial year.  |
| Foster Care expenses                            |  | 7,382             | 65,710           |   |
| Legal   |  | 243,193           | 152,000          | The variation reflects an increase volume in activity (no. children on CIN and CP Plans) and complexity which has lead to an increase in court fees and use of barristers in court proceedings.   |
| Assessments                                     |  | 515,758           | (99,813)         | The variation reflects the creation of an in house service offering mother and baby assessments which has reduced the requirement for residential placements  |
| Variations under £50,000                        |  | 4,201,195         | 474,879          |   |
| <b>Independent Review</b>                       |  |                   |                  |   |
| Staffing  |  | 488,364           | 109,107          | The variation includes an overspend of £128k on agency. The service have experienced difficulties in recruiting to key posts and have employed 2 agency workers since April, although both workers will have left the Council by mid December.  |
| Variations under £50,000                        |  | 347,986           | 6,211            |   |
| <b>Total Children's Safeguarding &amp; E.H.</b> |  | <b>25,328,460</b> | <b>3,450,418</b> |   |
| <b>Education &amp; Corporate Parenting</b>      |  |                   |                  |   |

| 2017/18 Revenue Budget Variations over £50,000                     |  |                   |                |   |
|--|--|-------------------|----------------|---|
| Description  |  | Budget<br>£       | Variation<br>£ | Comments  |
| Specialist Services  |  | 581,885           | 132,720        | In 2017/18 there is an additional savings target on salaries of £100k. An interim deletion of vacancies and the acceptance of specific voluntary redundancies (VRs) has reduced the salary budgets in 2017/18 and the full year impact of VRs will produce further savings in 2018/19. It is intended that the remaining savings to be made will be achieved as part of a full restructure once the new AD is in post.  |
| Joint/Community Use  |  | 125,557           | (65,320)       | Additional income £20k and a reduction in general expenditure of £50k   |
| Advisory management and school improvement traded Advisory Service |  | 39,418            | 169,972        | Following the movement of School Improvement consultants/advisors to the Teaching School alliance in 2016/17 there has been a material reduction in income for this service. This coupled with the increased income target (part of savings) has resulted in an over spend on income. This over spend has, in part, been offset by the use of a one off in year grant.  |
| School Transport   |  | 2,583,361         | 450,000        | The current year budget includes a £300k savings target - there is on going work in this area to meet this target.  |
| Variations under £50,000   |  | 9,233,580         | (131,248)      |   |
| <b>Total Education &amp; Corporate Parenting</b>                   |  | <b>12,563,801</b> | <b>556,124</b> |   |
| <b>Adult Social Care</b>   |  |                   |                |   |
| Purchasing   | Provision of all types of care to eligible clients | 44,453,400        | 5,514,900      | The continued development of a cost improvement strategy for the next three financial years aimed at reducing expenditure by managing prices and demand, has led to a firm commitment to deliver to agreed activity targets. The monitoring position in previous reports has included a forecast saving based on the delivery of these targets for 2017/18. The increased projected variation on purchasing is because this assumption has been adjusted to reflect those savings with more certainty of delivery. A model is being developed with Senior Managers to forecast 5 year spending and income in comparison with anticipated resource. The model will include long term strategies and revise targets based on the latest intelligence available, and link to other strategic documents including forecasting demographic changes and interventions by the service to control demand and prices and deliver change. |
| Purchasing Income  | income part/fully funding the above expenditure    | (9,730,054)       | (1,275,711)    | Increased income projected due to higher levels of people being supported than previously modelled, this is linked to the increased costs above and is deducted to give a projected net variation   |
| Grant income   |  |                   | (2,518,526)    | This is the agreed application of ibcf funding  |
| Net Purchasing   |  | 34,723,346        | 1,720,663      |   |

| 2017/18 Revenue Budget Variations over £50,000           |                              |                   |                  |  |
|--|------------------------------|-------------------|------------------|--|
| Description  |                              | Budget            | Variation        | Comments   |
|  |                              | £                 | £                |  |
| Community Safeguarding & Social Work                     | Employee or Employee related | 2,633,806         | (170,954)        | Projections based on the current known structure costs and operating costs of the various operational teams giving an underspend in the Social/front line Workers  |
| Service Improvement & Efficiency                         | Employee or Employee related | 2,158,623         | (100,540)        | Projections based on the current known structure costs and operating costs of the SI&E Team with most of the underspend being in the Business Support team due to  |
| Community Early Help                                     | Employee or Employee related | 989,588           | (359,994)        | Projections based on the current known structure costs and operating costs of the various operational teams and Children's Centres mainly Early Help/Family Practitioners. £264k of the underspend relates to Family Teams and Children's Centres. |
| Variations under £50,000                                 |                              | 3,586,055         | (53,624)         |  |
| <b>Total Adult Social Care</b>                           |                              | <b>44,091,418</b> | <b>1,035,551</b> |  |
| <b>Governance, Procurement &amp; Commissioning</b>       |                              |                   |                  |  |
| Strategic Procurement                                    | Employee or Employee related | 664,218           | (65,957)         | Vacant posts and a number of staff are not at the top of their pay scale   |
| Democratic & Legal Services                              |                              | 414,619           | 66,888           | Use of Agency Staff to cover vacancies   |
| Variations under £50,000                                 |                              | 1,873,794         | (64,313)         |  |
| <b>Total Governance, Procurement &amp; Commissioning</b> |                              | <b>2,952,631</b>  | <b>(63,381)</b>  |  |
| <b>Health &amp; Wellbeing</b>                            |                              |                   |                  |  |
| Variations under £50,000                                 |                              | 1,319,853         | (3,669)          | Variation due to a £31k underspend against Public Health grant. Consideration will need to be given as to where this grant is applied.   |
| <b>Total Health &amp; Wellbeing</b>                      |                              | <b>1,319,853</b>  | <b>(3,669)</b>   |  |
| <b>Customer &amp; Neighbourhood Services</b>             |                              |                   |                  |  |
|  |                              | Budget            | Variation        |  |
| Public Protection  |                              | 372,579           | (132,340)        | Saving arising from Public Protection changes implemented in 2016/17. This saving is being taken as part of the 2018/19 budget.  |
| Highways & Engineering Service                           | Employees                    | 987,560           | (192,729)        | Vacant posts. See comments below.  |

| 2017/18 Revenue Budget Variations over £50,000     |                     |                  |                  |   |
|--|---------------------|------------------|------------------|---|
| Description  |                     | Budget           | Variation        | Comments  |
|  |                     | £                | £                |   |
| Highways & Engineering Service                     | Income              | (1,653,880)      | 438,542          | Income shortfall from Engineers fees due to a number of vacant posts within the service which has reduced the capacity to charge to various schemes. Following an independent service review of our Engineering Services Team a new structure with a reduced number of posts is currently being consulted on. The new structure will be recruited to in the new year which will reduce our operating costs and a revised income target has been agreed which will redress this in year budget challenge.                                    |
| Contact Centre                                     | Employees           | 915,195          | (52,714)         | Under spend from vacant posts.  |
| Variations Under £50k                              |                     |                  | (201,307)        |   |
| <b>Total Customer &amp; Neighbourhood Services</b> |                     |                  | <b>(140,548)</b> |   |
| <b>Commercial Services</b>                         |                     |                  |                  |   |
| BiT - Variations Under £50k                        | BiT - NNDR          | 1,149,110        | (104,506)        | NNDR net saving across all Admin Building & Operational properties, this is after applying the cost associated with NNDR reviews. This position could change pending final notifications for other Operational properties.  |
| Commercial Operations                              | Leisure Services    | 2,215,000        | 112,549          | There are a number of Leisure sites which are performing better than anticipated. However, that is offset by an ongoing pressure at the Ice Rink, which continues to experience an ongoing downturn. Further work will be completed with customer engagement to understand the factors driving the downturn. We have also reviewed the marketing plan for the Ice Rink with the aim of increasing the frequency of visits by existing/past customers and developing the range of events and activities on offer to widen our customer base. |
|  | Catering Services   | 512,100          | 182,900          | Inflation on Food cost has created a pressure particularly at Primary Schools, CPI from July 2016 - October 2017 was 4.3% as per indices. The Service area have taken steps to mitigate where possible with product switches whilst maintaining menu choices. Menus will need to be reviewed and revised in 18/19 to mitigate this ongoing pressure. In addition, sickness levels have been high during this time of year and are being monitored closely.  |
| Variations Under £50k                              | Commercial Services | (86,323)         | (190,943)        | Other variations under £50k across Commercial Service areas.  |
| <b>Total Commercial Services</b>                   |                     | <b>3,789,887</b> | <b>0</b>         |   |
| <b>Council wide</b>                                |                     |                  |                  |   |
| <b>Total Council wide</b>                          |                     |                  |                  |   |
|  |                     |                  | <b>0</b>         |   |
| <b>Total Variations</b>                            |                     |                  | <b>1,321,488</b> |   |

**Capital Approvals - by Service Area**

**Appendix 3**

| <b>Slippage</b>   |                                   |                |             |                   |                     |                     |         |
|-------------------|-----------------------------------|----------------|-------------|-------------------|---------------------|---------------------|---------|
| Scheme            | Service Area                      | Funding Source | 17/18<br>£  | 18/19<br>£        | 19/20<br>£          | Later Yrs<br>£      | Comment |
| Highway/Footpaths | Customer & Neighbourhood Services | Prudential     |             | 415,000.00        | (343,000)           | (72,000)            |         |
| Highway/Footpaths | Customer & Neighbourhood Services | Prudential     |             | 450,000.00        |                     | (450,000)           |         |
| <b>Total</b>      |                                   |                | <b>0.00</b> | <b>865,000.00</b> | <b>(343,000.00)</b> | <b>(522,000.00)</b> |         |

| <b>New Allocations</b>   |                                   |                |                  |             |             |             |         |
|--------------------------|-----------------------------------|----------------|------------------|-------------|-------------|-------------|---------|
| Scheme                   | Service Area                      | Funding Source | 17/18            | 18/19       | 19/20       | Later Yrs   | Comment |
| Integrated Transport     | Customer & Neighbourhood Services | External       | 1,117.17         |             |             |             |         |
| All other School Schemes | Education & Corporate Parenting   | External       | 73,595.00        |             |             |             |         |
| <b>Total</b>             |                                   |                | <b>74,712.17</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |         |