

2018/19 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Business, Development & Employment				
Planning Determination (Statutory)	Supplies & Services	5,830	94,170	Estimated planning appeal costs based on past years performance.
AP- Planning Delivery	Net impact on Income	(1,353,985)	(42,316)	Planning fee income over delivery including additional ApT income.
Regeneration & Investments	PIP	(5,446,920)	(617,031)	Early delivery of Growth fund investments, 19/20 saving already approved.
BDE	Contributions to Reserve - approved at 15 November Cabinet		724,000	Contributions to reserve to support future investment proposals
Variations under £50k		5,924,391	(158,823)	
Total Business, Development & Employment		(870,684)	0	
Finance & HR				
Treasury Management		7,559,186	(2,750,000)	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 already been undertaken in 2018/19 to manage the risk of interest rate exposure.
Bank Charges	Supplies & Services	64,250	(54,250)	Reduction in level of bank charges due to revised banking arrangements with lloyds. Charges projected at similar level to 2017/18.
External Audit Fees	Supplies & Services	201,590	(100,000)	Saving from renegotiation of external audit fee with Grant Thornton
Variations under £50,000		1,844,485	(38,790)	
Total Finance & HR		9,669,511	(2,943,040)	
Cooperative Council Team				
Variations under £50,000		1,180,878	(5,754)	
Total Cooperative Council Team		1,180,878	(5,754)	
Children's Safeguarding & Family Support				
CIC Placements		13,079,120	2,773,819	Projected expenditure is running at a significantly higher level than the budget and also 2017/18 expenditure (which was £14.2m). During the course of the year there have been a number of new young people requiring support however the costs of these new entrants have largely been contained within the value of funds released by those leaving Safeguarding. The largest financial pressures therefore arise through changes to the cost of existing placements as a result of more complex and severe behaviours or emotional health needs a number of placements and support packages for young people are requiring. By way of example, since the last financial report to Cabinet the cost for 25 young people whose support needs have changed the most, has added £0.6m additional cost to the overall Safeguarding financial position
Children and Young People aged 16+		391,542	622,890	A small number of children in care aged 16+ continue to have a very high level of need. Five young people account for 44% of the projected expenditure in this area.

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Staffing - salaries		10,396,745	(83,307)	Recruitment of staff continues to be challenging leading to costly delays through appointment of short-term agency staff. There are however significant savings arising from unfilled vacancies elsewhere within Safeguarding
Assessments		367,003	(116,133)	The variation reflects the creation of an in house service offering mother and baby assessments which has reduced the requirement for external assessments to be undertaken
Children in Care Adoption Allowances		144,950	98,339	There has been an increase (from 18 to 23) in young people adopted since the start of the year, with a corresponding increase in adoption allowances. Whilst this has created a budget pressure in this area, an increase in adoptions is likely to be positive for the financial situation of Safeguarding as a whole as, it means that the children and young people are not being placed in more expensive options.
Joint Adoption Service		506,935	78,103	T&W is part of a joint adoption service with Shropshire Council. An increased budget for the service was agreed between the two authorities earlier in the year and a repeat of the underspend against budget in 2017/18 is unlikely to be achieved. See also comment above regarding adoption allowances
Under £50k		2,986,923	481,792	This represents overall costs of items such as Direct Payments, respite etc
TOTAL		27,873,218	3,855,502	
Use of contingency			(500,000)	
Independent Review - Staffing		533,824	120,776	The cost of the agreed staffing numbers currently exceeds the available budget.
Independent Review - Under £50k		314,832	12,511	
Total Children's Safeguarding & Family Support		28,721,874	3,488,789	
Education & Corporate Parenting				
Specialist Services		631,049	159,198	The service has recently restructured but in the context of increasing numbers of children and young people with high needs, the service has not yet been able to reduce costs sufficiently to achieve the savings target. Work is ongoing to increase the amount of traded income generated by the Education Psychology service and to use grant funding flexibly to offset costs where possible.
School Transport (pre 16)		2,545,653	474,513	Expenditure on home to school transport is currently forecast to be at a similar level to 2017/18, but last year and this year's budgets included significant savings targets. There is on going work in this area to deliver these savings, including encouraging parents to transport their children to school where possible and more sharing of taxis. The number of coaches required to transport children to mainstream schools has been reduced from September 2018 and further reductions will be made in future years as denominational transport ceased for new pupils in September 2017. Changes in catchment areas will also reduce the number of coaches required. However, expenditure on transport is being impacted by the increase in the numbers of children and young people with high needs in the area, as the majority of expenditure on education transport is related to high needs. This is offsetting some of the savings that are being delivered.

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Transport (post 16)		195,420	187,808	This area has recently transferred across to Education & Corporate Parenting from Business, Development & Employment. There has been a significant increase in the costs of transporting post 16 high needs pupils from September 2018, with a small number of young people accounting for a significant proportion of the overall variation.
Corporate Parenting		201,892	(132,796)	Looked after Children (LAC) are entitled to a higher rate of Pupil Premium Grant (PPG) and the grant is overseen by each local authority's virtual head. The grant can be used both for the local authority's duties and also allocated to the schools attended by LACs. An increase in the PPG being allocated to T&W has enabled more of the costs of the Corporate Parenting team to be funded by PPG, thus producing a budget saving.
Variations under £50,000		8,386,212	(180,268)	
Total Education & Corporate Parenting		11,960,226	508,454	
Adult Social Care				
Purchasing - all client groups		50,658,955	1,561,020	Although there is some pressure relating to the purchase of block care packages for ALD residential clients, projections for most other client groups are currently showing the benefits of Social Care Interventions. However, the implementation lead time for some of the interventions has resulted in some expected cost reduction in services taking longer to achieve, this is particularly true of the movement of clients to independent living in supported accommodation, and the delivery of reductions to the numbers in the current My Options day care services resulting in residual cost pressures. There are also pressures arising from reablement and hospital discharge interventions which will be offset by the "Winter Funding" grant detailed below.
Income generation:	Client contributions	(5,379,623)	(581,537)	It is difficult to forecast the level of client contributions for the year as they are means tested based on capital wealth and income of the client being cared for. The estimates are based on current known information and it is anticipated that the level of income will be more than the original base estimate.
	Health contributions	(1,074,526)	(171,452)	Continued successful negotiation with the CCG in receiving a contribution to clients with a partial health need or full health funding in a few cases in addition to an increased contribution to reablement activity means that current forecast income is in excess of the budget set.
	Government Grant	(6,848,841)	(751,290)	The variation reflects the "Winter Funding" grant recently announced by Government, the Council's allocation being £774,291 in 2018/19. This will be used to offset the pressure projected within purchasing and operational teams which arises from the need to improve Delayed transfers of care performance, thereby getting patients home quicker and freeing up hospital beds.
Operational teams	Employee and operational expenditure	5,385,832	15,779	Includes pressure offset by the "Winter Funding" grant detailed above.
Variations under £50k		(317,069)	(5,004)	
Total Adult Social Care		42,424,728	67,516	
Governance, Procurement & Commissioning				

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Description		Budget £	Variation £	Comments
Assurance services		72,302	(89,297)	Largely arising from additional income generated from providing advice and support re GDPR/Data protection
Legal Service		1,115,111	67,880	Pressure arising from reduced level of income generated and printing /operational costs
Procurement & Commissioning		2,144,416	(83,548)	Early delivery of savings in employee costs
Budgeted recharges for the above services		(1,187,413)	0	
Variations under £50k		739,592	(78,325)	Largely down to achievement of savings on general operational budgets
Total Governance, Procurement & Commissioning		2,884,008	(183,290)	
Health & Wellbeing				
My Options	Trading Account	467,001	172,494	This projected pressure on the My Options service results from both Adults and Children's service units. The Children's services have transferred to My Options this year and the business aspect of the operation is being reviewed. The traded Adults services are projected to overspend by £85k, the main pressure area being the Community Support Service
Variations under £50k		2,194,555	(26,574)	
Total Health & Wellbeing		2,661,556	145,920	
Customer & Neighbourhood Services				
Concessionary Travel	Supplies & Services	1,653,820	(67,680)	Reduction in costs of concessionary travel as a result of lower take up of service.
Waste Management	Employees	307,900	(51,748)	Post being held vacant to contribute towards future savings targets.
Sweeping	Third Party Payments	276,870	(131,845)	Underspend on waste due to the tonnage for sweepings being significantly lower than budget, this is consistent with reduced tonnages experienced in 2017/18.
Street lighting	Premises Related Expenditure	607,780	(163,259)	Reduction in electricity costs due to the implementation of the LED efficiency programme across the Borough
Highway Lighting	Premises Related Expenditure	779,910	(116,564)	
Trading Standards	Employees	349,510	(74,100)	Early delivery of restructure savings which is being used to offset income pressures in the current year
Transfer to Reserves	Approved at 15 November 2018 Cabinet		225,000	To fund essential play area maintenance in 2019/20
Variations Under £50k		26,822,279	(37,862)	
Total Customer & Neighbourhood Services		30,798,069	(418,058)	
Commercial Services				
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Housing & Nuplace	Temporary Accommodation - Income	(236,510)	120,461	Rental income shortfall in relation to the move from one large refuge to two smaller properties to meet the needs of the client group. This reduction in size has led to an income shortfall. The use of the second property has now been reviewed and the best option is to use as temporary accommodation for larger families, which will help to mitigate this pressure.
	Temporary Accommodation - Contribution from reserves	0	(60,000)	Use of one off reserves in relation to temporary accommodation pressure.
BiT - Architects & Building Fee	Net position	(979,375)	(168,327)	Net over delivery on income arising from additional project work.
Operations	Leisure	1,286,851	357,307	Projected income pressures within Leisure linked to the potential impact of new competitors entering the gym market locally, the full impact of which is currently being reviewed but could significantly increase this pressure. An action plan is in place to mitigate this pressure as far as possible. There is also a projected pressure for the Arthog Outdoor Education Centre which is linked to some periods of closure to carry out improvements to the centre and a reduction in bookings from Shropshire Schools between January-March 2019. An action place is in place to mitigate this pressure as far as possible.
ICT	Supplies & Services	(138,716)	(98,980)	Additional reductions in Printing and Mobile phone devices.
Variations Under £50k		2,421,543	50,000	
Total Commercial Services		2,353,793	200,461	
Corporate				
Business Rates Levy Surplus	Grant Income		(584,818)	Indicative allocation of the National Business Rates Levy Account surplus. Announced in December 2018.
VAT Refund	Income		(2,673,000)	Back-dated refund from HMRC due to a change in VAT regulations resulting in the majority of leisure activities becoming exempt.
Total Corporate		(10,717,478)	(3,257,818)	
Total		121,066,481	(2,396,819)	