

Summary of 2017/18 Projected Variations

Service Area	Variation Cabinet 13 July 2017	Change	Current Variation
	£	£	£
Business, Development & Employment	0	(318,557)	(318,557)
Finance & HR	(2,300,000)	(434,657)	(2,734,657)
Cooperative Council Team	0	(147,704)	(147,704)
Children's Safeguarding	1,016,192	1,403,885	2,420,077
Education & Corporate Parenting	493,540	35,921	529,461
Early Help & Support	(0)	944,710	944,710
Governance, Procurement & Commissioning	210,020	(291,540)	(81,520)
Health & Wellbeing	36,079	(26,167)	9,912
Customer & Neighbourhood Services	0	28,887	28,887
Commercial Services	25,000	(129,506)	(104,506)
Council Wide	0	0	0
Total Projected Variation	(519,170)	1,065,272	546,103
Use of Contingency			(546,103)
Total Projected Underspend			0

2017/18 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Business, Development & Employment				
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)	(404,727)	Net position of PIP & Service charges. Includes early delivery of income arising from PIP Growth Fund.
Development Management	Supplies & Services	5,830	94,170	Estimated Planning appeal costs, £36k incurred to date.
Variations Under £50k		-	(68,000)	One off vacancy management across Development Management.
Total Business, Development & Employment		(5,227,350)	(318,557)	
Finance & HR				
Treasury Management			(2,500,000)	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	(982,240)	56,361	Shortfall in Legal Fees income, this is being projected in line with 2016/17 income levels.
Human Resources	Income	(1,274,870)	(67,055)	Additional income generated from external clients
Variations Under £50k			(223,963)	Mainly staffing underspends due to posts being held vacant pending restructure
Total Finance & HR			(2,734,657)	
Cooperative Council Team				
Community Engagement	Employees	584,582	(72,034)	Under spend from vacant post, pension and national insurance savings
Organisational Delivery & Planning	Employees	537,895	(98,270)	Under spends from reduced hours, staff not at top of grade, national insurance and pension savings
Variations Under £50k			22,600	
Total Cooperative Council Team		1,122,477	(147,704)	
Children's Safeguarding				

2017/18 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Children in Care Placements		11,680,722	1,424,819	At the end of August, the Looked After Children number was 381. This is an increase of 6 children in the reporting period. 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 profile of the delivery of these targets for 2017/18. The increased projected variation on placements is because this assumption has been adjusted to reflect those savings with more certainty of delivery.
Staffing - Salaries		7,651,573	245,093	The variation includes a projected overspend of £0.9m against agency budgets which has been netted down by vacancies being carried across the service. The variation reflects a reduction in agency workers throughout the year in line with the Cost Improvement Plan which has been developed and implemented by the service. At the end of August there were 9 agency social workers in the CPFS Service, 1 within the Family Connect Service and 1 within the Fostering Service. A further 5 have been included in the projection to start in September for a period of 3 months to cover arising vacancies. The service has targeted to remove all agency workers by the end of the calendar year.
Foster Care expenses		7,382	74,406	The variation reflects an overspend against travel claims submitted by foster carers carrying out required duties.
Legal		243,193	153,000	The variation reflects an increase volume in activity (no. children on CIN and CP Plans) which has led to an increase in court fees and an increase in the use of external barristers.
Assessments		515,758	(100,000)	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		4,397,795	504,845	
Independent Review				
Staffing		488,364	112,323	The variation includes an overspend of £135k on agency. The service have experienced difficulties in recruiting to key posts and have employed 2 agency workers since April although they have recently recruited and the requirement for agency workers will end by mid December.
Variations under £50,000		348,960	5,591	
Total Children's Safeguarding		25,333,747	2,420,077	
Education & Corporate Parenting				

2017/18 Revenue Budget Variations over £50,000				
Description		Budget	Variation	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 which will take place now 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	176,765	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 underachievement of income. This has, in part, been offset by the use of a one off in year grant.
School Transport		2,583,361	404,312	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	(119,016)	
Total Education & Corporate Parenting		12,563,801	529,461	
Early Help & Support				
Purchasing	Provision of all types of care to eligible clients	44,453,400	5,129,301	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)	(1,148,633)	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

2017/18 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Net Purchasing		34,723,346	1,462,142	
Community Safeguarding & Social Work	Employee or Employee related	2,633,806	(66,856)	Projections based on the current known structure costs and operating costs of the various operational teams the majority being Social/front line Workers
Service Improvement & Efficiency	Employee or Employee related	2,146,623	(90,347)	Projections based on the current known structure costs and operating costs of the Business Support team
Community Early Help	Employee or Employee related	989,588	(318,210)	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
Variations under £50,000		3,605,971	(42,019)	
Total Early Help & Support		44,099,334	944,710	
Governance, Procurement & Commissioning				
Strategic Procurement	Employee or Employee related	664,218	(93,430)	Vacant posts and a number of staff are not at the top of their payscale
Variations under £50,000		2,244,053	11,910	
Total Governance, Procurement & Commissioning		2,908,271	(81,520)	
Health & Wellbeing				
Coroners and Mortuary Services		256,450	54,555	Mortuary pricing schedule revision, inquest cost projected
Variations under £50,000		1,063,403	(44,643)	Variation due to a £31k underspend against Public Health grant. Consideration will need to be given as to where this grant is applied.
Total Health & Wellbeing		1,319,853	9,912	
Customer & Neighbourhood Services		Budget	Variation	

2017/18 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Public Protection		343,269	(96,032)	Saving arising from Public Protection changes implemented in 2016/17. This saving is being taken as part of the 2018/19 budget and is being held in 2017/18 to support the transition to new ways of working e.g. agile working and better use of technology.
Highways & Engineering Service	Employees	965,540	(211,145)	Vacant posts. See comments below.
Highways & Engineering Service	Income	(1,630,300)	424,082	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. This area was subject to a service review in 2016/17 which is currently being finalised and will be implemented during the year. £150k was set aside in 2016/17 and is being used to support this, to allow time to make the transition to a new way of working and an opportunity to review alternative ways of achieving the income target.
Public Realm	Employees	534,420	(77,619)	Under spend from vacant posts which are currently being recruited to.
Variations Under £50k			(10,399)	
Total Customer & Neighbourhood Services			28,887	
Commercial Services				
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 a few other Operational properties.
Commercial Operations	Leisure Services	2,215,000	76,000	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.
Variations Under £50k	Commercial Services	420,637	(76,000)	Other variations under £50k across other Commercial Service areas.
Total Commercial Services		3,784,747	(104,506)	
Council wide				
Total Council wide			0	

<u>2017/18 Revenue Budget Variations over £50,000</u>				
Description		Budget	Variation	Comments
		£	£	
Total Variations			546,103	

Capital Approvals - by Service Area

Appendix 3

Virements							
Scheme	Service Area	Funding Source	17/18 £	18/19 £	19/20 £	Later Yrs £	Comment
Small scale regeneration projects	Development, Business & Employment	Pru	(150,000.00)				
Housing	Commercial Services	Pru	150,000.00				
HCA Land Deal	Development, Business & Employment	External	(850,000.00)	(150,000.00)			
Newport Innovation & Enterprise Package	Customer & Neighbourhood Services	External	850,000.00	150,000.00			
Total			0.00	0.00	0.00	0.00	

Slippage							
Scheme	Service Area	Funding Source	17/18 £	18/19 £	19/20 £	Later Yrs £	Comment
LED Lighting Invest to Save	Customer & Neighbourhood Services	Pru	(685,389.40)	685,389.40			
Housing	Commercial Services	Pru	(709,027.25)	709,027.25			
Housing	Development Business & Employment	Pru	(2,000,000.00)	2,000,000.00			
Housing Company - Housing	Development Business & Employment	Pru		(5,600,000.00)	5,600,000.00		
HCA Liability Sites	Development Business & Employment	External	(4,000,000.00)	2,000,000.00	2,000,000.00		
Capital Receipts Site Prep	Development Business & Employment	Capital Receipts	(200,000.00)			200,000.00	
Managing the funding of the capital programme	Development Business & Employment	Capital Receipts	(300,000.00)	(200,000.00)	500,000.00		
Managing the funding of the capital programme	Development Business & Employment	Prudential	300,000.00	200,000.00	(500,000.00)		
Telford Growth package	Customer & Neighbourhood Services	External	(1,950,000.00)	1,950,000.00			
Town Centre Connectivity	Customer & Neighbourhood Services	External	(1,407,666.00)	1,407,666.00			
Highways & Bridges Capital Maintenance	Customer & Neighbourhood Services	Pru	(435,675.00)	435,675.00			
Integrated Transport	Customer & Neighbourhood Services	Grant	(70,000.00)	70,000.00			
Highways / Footpaths	Customer & Neighbourhood Services	Pru		3,000,000.00	(1,000,000.00)	(2,000,000.00)	
Newport Innovation & Enterprise Package	Customer & Neighbourhood Services	External	(850,000.00)	850,000.00			
Total			(12,307,757.65)	6,657,757.65	6,600,000.00	(1,800,000.00)	

New Allocations							
Scheme	Service Area	Funding Source	17/18 £	18/19 £	19/20 £	Later Yrs £	Comment
Highways & Bridges Capital Maintenance	Customer & Neighbourhood Services	External	1,695.00				
Intergrated Transport	Customer & Neighbourhood Services	Grant	1,205.87				
Freshwater First	Customer & Neighbourhood Services	Grant	12,930.00				
Freshwater First	Customer & Neighbourhood Services	Revenue	8,400.00				
Freshwater First	Customer & Neighbourhood Services	External	1,060.00				
Solar Farm	Commercial Services	Prudential	180,000.00				
All other School Schemes	Education & Corporate Parenting	External	1,253,562.75				
All other School Schemes	Education & Corporate Parenting	Grant	454,228.84				
Leisure - Capital Schemes	Commercial Services	Prudential	185,000.00				
All other School Schemes	Education & Corporate Parenting	External	583,594.55				
Land Deal Board Schemes	Development Business & Employment	External		1,000,000.00			
HCA Liability Sites	Development Business & Employment	External	4,000,000.00				
ICT/ eGov	Commercial Services	Revenue	45,000.00				
Asset Management Plan-General Works & Surveys	Commercial Services	External	79,526.05				
Newport Innovation & Enterprise Package	Customer & Neighbourhood Services	Grant	600,000.00	3,900,000.00	714,000.00	1,150,000.00	
Newport Innovation & Enterprise Package	Customer & Neighbourhood Services	External			1,493,000.00	407,000.00	
Total			7,406,203.06	4,900,000.00	2,207,000.00	1,557,000.00	