

Summary of 2015/16 Projected Variations

Service Area	Previous Variation Cabinet 10 December 2015	Current Variation	Change
	£	£	£
Children's Safeguarding & Specialist Services	1,693,615	1,774,916	81,301
Education & Corporate Parenting	18,944	15,081	(3,863)
Family, Cohesion & Commissioning Services	103,616	103,616	0
Development, Business & Employment	100,000	100,000	0
Leisure, Culture & Facilities Management	0	(61,791)	(61,791)
Adult Social Services	1,577,002	1,577,002	0
Health, Well Being & Public Protection	100,987	100,987	0
Neighbourhood & Customer Services	(191,699)	(191,699)	0
Law, Democracy & People Services	(832,016)	(832,016)	0
Finance, Audit & Information Governance	(1,179,092)	(6,506,092)	(5,327,000)
Cooperative Council & Commercial Delivery Unit	(28,289)	(95,155)	(66,866)
Council Wide	0	0	0
Total Projected Variation	1,363,068	(4,015,150)	(5,378,218)
Use of Uncommitted Corporate Contingencies	(1,363,068)	4,015,150	5,378,218
Total Projected Year End Variation	0	0	0

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Childrens Safeguarding & Specialist Services				
Children in Care Placements		8,104,116	1,349,233	The 2014/15 reported outturn position was £1.558m overspent and at the end of that year there were 293 Children in Care. The budget strategy for 2015/16 included a budget reduction of £0.300m for Children in Care (CIC) placements. The Cost Improvement plan for 2015/16 includes a further target cost reduction of £0.350m across External Residential, External and Internal Fostering. This position reflects a reduction in expenditure compared to 2014/15 of around £0.5m. Work is ongoing to ensure forecasted step downs from high cost residential placements take place as planned to deliver forecasted cost reductions, however other high cost placements have recently been extended. Work also continues to assess the placement costs being incurred, including reviewing unit costs, numbers of children in care and the placement strategy. Looked after Children total was 288 as at 19/11/15.
Care leavers Accommodation costs		599,630	(138,471)	The 2014/15 reported outturn position was £0.135m overspent. A target was set in the Cost Improvement plan to achieve a cost reduction of £0.100m against this area. The current position shows an achievement of this target which will continue to be regularly reviewed as part of monitoring of progress delivering the Cost Improvement Plan. The estimated projection for new Careleavers has been revised based on the activity in the first half of the financial year.
Staffing (Safeguarding)		7,384,869	584,822	The final 2014/15 Safeguarding overspend on staffing was £0.237m. This included £0.819m cost for agency staff. The current agency forecast is for outturn of £0.84m in 2015/16. There are 12.8 agency social workers currently in post. Although it was planned to reduce this number to 6 by the end of November this will now only reduce by 2 due to a additional 4 workers being appointed for a fixed term of 4 months. New temporary agency posts have been agreed in both Business Support and the Educational Psychology service and two additional posts to deliver business critical Social work have been agreed in Child Protection and Family Support.
Income (Specialist Services)		(807,068)	88,758	A reduction in expenditure in the jointly arranged services result in a reduced amount of income being collected from Shropshire.
Internal Foster Carers costs (excluding salaries, fees and allowances)		339,065	140,937	Specific pressures include travel costs £97k, which is a forecast reduction on 2014/15 outturn position of £67k, and Foster Carer training of £21k forecast overspend.
Joint Adoption Service		298,448	159,025	The 2015/16 budget for the service hosted by Shropshire includes savings of £70k which will not be deliverable. The cessation of the Adoption Reform Grant that part-funded this service has created an additional pressure of £90k.
Direct Payments		174,361	86,528	The 2014/15 overspend for direct payments of personal care for children with disabilities was £105k. Work is ongoing both to look for cost reductions in direct payments care packages and towards implementation of Education Health and Care plans from 1st April 2016.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Children not in Care / in Need costs		4,780	234,064	Specific pressure of £124k for 3rd party fees for children placed with adoption agencies and £116k for payments made to carers to support keeping children at home as opposed to in care (Section 17). Both payments are an alternative to higher care related costs. There is a planned reduction in cost of £40k for Section 17 payments in 2015/16, this forms part of the service's Cost Improvement plan.
Contingency			(750,000)	Specific contingency set aside as part of the budget strategy
Variations under £50k		3,560,489	20,020	Childminding, Computer Software & licences overspend offset by underspend in a Short breaks spot contract and continued cost reductions in both Legal fees and Assessments for children in care.
Total Children's Safeguarding & Specialist Services		19,658,690	1,774,916	
Education & Corporate Parenting				
Miscellaneous School Expenditure		7,819,930	90,022	Projected expenditure above budget on remissions for schools is £120k which is currently being partly offset by anticipated savings on the funding of redundancies for schools.
Transport		2,827,316	(15,711)	Although this budget is showing a modest underspend currently, the projection includes the use of one off resources and there are significant areas of budget pressure, notably transport costs to Queensway which are projected to be £114k higher than 2014/15, linked to the significant expansion of provision.
Variations under £50,000		1,187,924	(59,230)	There is an overspend relating to the funding of Shortwood Pool for which no budget is available due to the changes in the Government's school funding of joint use, further work needs to be undertaken across a number of service areas within the Council to solve this ongoing shortfall. However, underspends in other budget areas are currently projected to fully offset this.
Total Education & Corporate Parenting		11,835,170	15,081	
Family, Cohesion & Commissioning				
Early Intervention & Family Connect		3,030,887	61,234	Pressure continuing from 2014/15 on staff costs in Family Connect. The Service is actively looking to find a solution in this financial year.
Cohesion including Homelessness/ Housing Needs		2,624,038	(68,516)	Income projections improving as further anticipated housing income is received together with the changing profile of projected occupancy levels within temporary accommodation.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Transport Contracting & Commissioning	Supporting People Contracting	1,258,589	199,843	The majority of the variation over budget arises from the Supporting People service. The budget has been reduced in line with the Adults Cost Improvement Plan by £425k in 2015/16, and £208k of cost reductions from contract re-tendering have been achieved so far in this year(these savings equate to £417k in a full year). The service continues to be under review to deliver further savings.
Use of One offs Variations under £50k		- 2,736,197	(26,439) (62,506)	Use of one off funding
Total Family, Cohesion & Commissioning		9,649,711	103,616	
Adult Social Services				
Purchasing		42,852,747	4,228,196	The reported position reflects a further significant improvement in the projections for the year of purchased care costs of around £200k. This follows a trend of reductions in expenditure since the early part of the 2015/16 financial year. However, there remains a significant pressure on this budget and overall within Adult Social Care. The Management Team continue to progress the actions within the Cost Improvement Plan(CIP) and to date around £2.4m (over more than one year) of cost savings have been identified and achieved since the Cost Improvement Plan was adopted, but underlying pressures remain and these continue to offset savings being made i.e. increasing rates for residential placements since the start of the year although again progress has been made in stabilising some of these. The Cost Improvement Plan forms part of a strategic approach to managing costs through a programme of transformation. If the plans are delivered in full in 2015/16 then around £0.65m of contingency would be required to eradicate the current years pressure, and further savings planned for 2016/17 would be required then to replace one off funds used in 2015/16 on an ongoing basis and these are proposed in the CIP. The monitoring position reported includes £2.5m of contingency which may be reduced as savings are delivered in year.
Income		(16,933,431)	(41,826)	Income budgets have now been realigned with the above purchased care budget. This is complex to project the final outcome and the forecasts have been revised in line with actual income received to Period 7.
Transport		657,593	171,349	The 14/15 ASS transport budget was reduced by £229k as a result of the recommendations made in the Transport Review and expenditure remains at 2014/15 levels and therefore the pressure on this budget is consistent with that reported during 14/15. 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.
Contingency			(2,500,000)	Specific contingency set aside as part of the budget strategy
Use of one offs		(1,244,000)	(475,000)	Use of one off reserves

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Variations under £50k		9,641,840	194,283	
Total Adult Social Services		34,974,749	1,577,002	
Public Health, Wellbeing & Public Protection				
Public Health				
Staffing and operational budgets		986,565	(31,000)	Underspend relates to various operational budgets in Public Health
Smoking Cessation Contract		562,100	(190,000)	Projection based on forecasted number of quitters continuing to reduce partly due to popularity of e-cigarettes.
Working Age - Healthy Lifestyles & Health trainers		876,940	(114,000)	In year vacancies within Telford & Wrekin Health trainers teams and Healthy lifestyle hubs.
Variations under £50k		6,482,206	(304,205)	Various underspends across Early Help offer and NHS Health checks
Public Health Grant			773,000	Confirmed loss of Public Health Grant announced in the Chancellors budget.
Public Protection & Civil Resilience				
Variations under £50k		1,835,680	(32,808)	
Total Public Health, Wellbeing & Public Protection		10,743,491	100,987	
Leisure, Culture & Facilities Management				
Leisure Services	Service Wide	2,837,590	103,400	The income targets for the Leisure centres are challenging. The BSF building works at Oakengates have impacted on this facility along with new income targets set for the proposed Synthetic Turf pitch.
FM & Cleaning & Catering	Variations Under £50k	547,700	(165,191)	Underspends in FM & Cleaning from vacant posts for part of the year and additional income generated from caretaking and helpdesk calls. Additional income is being projected for paid meals in Primary Schools due to an increase in uptake of meals following the autumn term.
Total Leisure, Culture & Facilities Management		3,385,290	(61,791)	
Development, Business & Employment				

2015/16 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Regeneration & Investment	Property Investment Portfolio Income	(4,862,330)	400,000	This reflects the current projections for income, service charges, MSCP and operational costs, net of one off use of reserves.
Property & Design	Admin Buildings	2,334,884	(100,000)	One off savings as a result of Admin Buildings rationalisations.
Whole Service Area	Vacancy management		(200,000)	One off vacancy management savings across whole Service Area.
Total Development, Business & Employment		(2,527,446)	100,000	
Neighbourhood & Customer Services				
ICT	Various	59,286	220,614	Unavoidable budget pressure from an increase in the number of Microsoft Licenses required across the Council £179.6k. This over spend has been met from ICT budgets over the last 3 years however due to the reduction in ICT budgets during the last 12 months in order to deliver savings there is no longer the capacity to fund these costs going forward.
Waste & Neighbourhood Services	Supplies & Services - Waste Disposal	497,790	61,663	One off pressure from Wood disposal arising from higher unit costs as a result of Moody's site being closed until September 2015.
Waste & Neighbourhood Services	Various		(61,663)	Waste disposal mitigation - variations under £50k
Transport & Highways Development	Employees	3,267,921	(245,000)	One off vacancy management savings across Transport & Highways Development
Variations Under £50k		27,800,162	(167,313)	
Total Neighbourhood & Customer Services			(191,699)	
Finance, Audit & Information Governance				
Treasury Management		10,454,180	(6,327,000)	Savings from Treasury Management activities including £5.327m benefit from rescheduling historic and PFI debt repayments which is following considerable technical analysis and discussions with our external auditors and is prudent in the current exceptionally challenging financial climate.
Variations Under £50k		(143,029)	(179,092)	Variations mainly arising from vacant posts plus £36k underspend on external audit fee with KPMG as a result of a reduction in the main audit fee
Total Finance, Audit & Information Governance			(6,506,092)	
Law, Democracy & People Services				
Single Status		1,045,000	(800,000)	Underspend as single status will not be implemented in 2015/16
Variations Under £50k		331,640	(32,016)	Saving on pension contributions for Members as they are no longer eligible to make pension contributions.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Total Law, Democracy & People Services			(832,016)	
Co-Operative Council & Commercial Delivery Unit				
Delivery & Planning	Employees	761,450	(68,296)	Underspends from vacant posts, maternity leave and staff not at top of grade
Variations Under £50k		108,630	(26,859)	
Total Co-Operative Council & Commercial Delivery Unit			(95,155)	
Total Variations			(4,015,150)	

Capital Approvals - by Service Area

Appendix 3

Slippage						Funding / Comment
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
Dawley Regeneration	Development Business & Employment	(170,000)	170,000			Prudential
Highways & Bridges Capital Maintenance	Neighbourhood & Customer Services	(50,000)	50,000			Grant
Commercial Investment Project	Development Business & Employment	50,000	(50,000)			Prudential
Capital Receipts Site Preparation	Development Business & Employment	(253,684)	53,684		200,000	Capital Receipts
Housing	Development Business & Employment	(500,000)	500,000			Grant
Total		(923,684)	723,684		0	200,000