

2011/12 Revenue Budget Variations											
Description		Budget	Outturn	Variance	Analysis of Variances					Comments	Flag for Service Variation
					Accelerated Non-Staff Savings	Accelerated Restructure Savings - VRs & Vacancies	Asset Rents	Corporate	Service		
		£			£	£	£	£	£		
Safeguarding											
Children in Care	Placements	10,688,530	11,750,128	1,061,598					1,061,598	Based on all known CiC placements and projected for expected leave dates where known - this will reflect a change in both periods of care and numbers within residential care. CiC numbers for 31.3.12 were 302	
Staffing	Staffing - Agency	2,044,386	2,506,463	462,077					462,077	This is based on the net cost of agency staff, taking their forecast costs and taking off budgets for posts being covered. There were various different agency staff used throughout the year which in total were in line with the last quarter's usage of around 13.7 FTE Agency staff. The cost of agency staff is offset by any vacancies being covered by such staff.	
Support for Children in Need/Legal Costs and Assessments	Staffing - other	224,390	320,592	96,202					96,202	Reflects the costs associated with court proceedings, specific support for children in need and specific assessment requests. The level of such costs are subject to the individual cases which present during the year.	
Asset Rentals		13,849	30,118	16,269			16,269				
Other Variances under £50,000		4,990,625	4,995,696	5,071					5,071		
Total Safeguarding		17,961,780	19,602,997	1,641,217	0	0	16,269	0	1,624,948		
School Improvement											
Staffing	Premature retirement and redundancy costs for school staff	1,419,130	1,713,535	294,405					294,405	This reflects costs of approved schools' redundancies and premature retirements. These result from a need to reduce costs to mitigate the continuing financial pressure on schools.	
Premises	NNDR	0	69,378	69,378					69,378	A revaluation of school properties has resulted in an additional cost above the budget provided to schools	
Schools Multicultural Development Service	Employees	526,850	361,524	(165,326)					(165,326)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
School Improvement	Employees	1,135,970	799,970	(336,000)		(336,000)				Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Alternative Education Provision		1,537,160	1,431,219	(105,941)					(105,941)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
School Governance Service		119,380	35,271	(84,109)		(84,109)				Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
School Improvement Service		0	(95,000)	(95,000)					(95,000)	Successful negotiation of a tax liability relating to School Improvement Partners has resulted in an underspend against expected costs.	
Behavioural and Learning Support	Income	358,720	438,062	79,342					79,342	Reductions to income across the service.	
Special Contingency		80,530	23,946	(56,584)					(56,584)	flexible use of standards fund grant applied in 2011/12 and reduced expenditure in year	
Behavioural Partnership		143,380	71,807	(71,573)					(71,573)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Delegated Schools Budgets			(263,845)	(263,845)					(263,845)	In line with previous monitoring reports this reduction relates to the impact of the change in Nursery age admissions	
Standards Fund Allocation		0	(463,000)	(463,000)					(463,000)	flexible use of standards fund grant applied in 2011/12	
Asset Rentals		3,043,486	7,351,336	4,307,850			4,307,850				
Other Variances under £50,000		(3,475,196)	(3,523,621)	(48,425)	(90,000)				41,575		
Total School Improvement		4,889,410	7,950,582	3,061,172	(90,000)	(420,109)	4,307,850	0	(736,569)		
Family and Community Services											
Early Intervention	Employees	1,176,722	1,000,106	(176,616)		(176,616)				Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure and early delivery of Phase 1 savings	
Nursery Provision	Third party payments	3,667,000	3,405,385	(261,615)					(261,615)	This underspend reflects the full impact of the effect of the single point of admission to Early Years settings.	
Community Cohesion	Employees	553,655	422,725	(130,930)		(130,930)				Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	

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		£			£	£	£	£	£		
Specialist Education	Placements/Recoupment	2,064,717	2,468,648	403,931					403,931	This reflects a combination of the costs of T&W pupils with SEN placed within other LAs schools and the income derived from other LAs pupils placed in T&W schools. Changes in numbers of pupils placed with us result in a shortfall against income, additional or increased needs in placements outside the Borough to other maintained schools result in additional costs being borne by the Council.	
Specialist Education	Statemented Provision	198,923	459,526	260,603					260,603	Reflects costs of new statements and additional hours required in year.	
Family Placements Service	Employees	228,340	124,172	(104,168)					(104,168)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Extended Services	Employees	204,580	46,112	(158,468)					(158,468)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Parenting Experts	Employees	313,480	158,967	(154,513)					(154,513)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Family Support Team	Employees	102,140	42,754	(59,386)					(59,386)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Play and Activities Services	Employees	262,460	176,089	(86,371)					(86,371)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Pathfinder Short breaks	Employees	204,060	105,029	(99,031)					(99,031)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Children's Centres	Employees	192,159	26,034	(166,125)					(166,125)	Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Youth Services	Employees	1,218,460	962,694	(255,766)		(255,766)				Savings resulting from a number of operational efficiencies and demographic changes	
Transport		3,287,780	2,965,222	(322,558)					(322,558)	Reduced expenditure	
Community Cohesion		121,050	15,328	(105,722)						Reduced expenditure due to vacancies being held pending finalisation of the Phase 2 service restructure	
Edge of Care		240,960	168,161	(72,799)					(72,799)		
Asset Rentals		194,637	352,622	157,985			157,985				
Other Variances under £50,000		1,343,137	803,568	(539,569)	(115,000)				(424,569)		
Total Family and Community Services		15,574,260	13,703,142	(1,871,118)	(115,000)	(669,034)	157,985	0	(1,245,069)		
Dedicated Schools Grant	Net adjustment for DSG carry forward		281,931	281,931					281,931	The variances shown in Families & Communities and School Improvement above include variances against DSG which relate in the main to the impact of single point of admission for Nursery age children which affects both the maintained and independent sector. The underspend against these budgets will be carried forward as unspent DSG and reinvested in the Schools Budget which encompasses both the delegated funding for schools and the Council's central education expenditure. The £282k is the net adjustment to General Fund to carry forward the correct amount of DSG.	
Property & ICT											
Property & ICT	PIP Rental Income	(5,998,232)	(5,799,099)	199,133					199,133	Projected shortfall in PIP rental income (of income target) due to high levels of voids in the current economic climate.	
Property & ICT	Catering - school meal income	(1,559,280)	(1,499,983)	59,297					59,297	Reduction in funding for free school meals as a result of changes in grant funding	
Property & ICT	Catering - other meal income	(1,946,014)	(1,786,044)	159,970					159,970	Fall in income received from paid meals	
Property & ICT	Fee Income	(1,741,860)	(1,354,017)	387,843					387,843	Underachievement of fees on Property & Design	
Property & ICT	Darby House	(27,020)	(97,831)	(70,811)					(70,811)	Underspends on various building related expenses due to building being partially empty during the year - negotiation of rent reduction.	
Property & ICT	Salary savings	7,509,480	6,933,229	(576,251)					(576,251)	Various underspends due to restructures	
Property & ICT	ICT Schools and Corporate Service	3,758,030	3,170,030	(588,000)					(588,000)	Various underspends due to restructures	
Property & ICT	Schools Income	(907,000)	(642,000)	265,000					265,000	ICT - Shortfall in income from schools - sustainable position now secured	
Property & ICT	project income	(749,860)	(267,147)	482,713					482,713	ICT - Shortfall in fees charged for project work - sustainable position now secured	

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					Accelerated Non-Staff Savings	Accelerated Restructure Savings - VRs & Vacancies	Asset Rents	Corporate	Service		
		£			£	£	£	£	£		
Property & ICT	charge to capital		(350,000)	(350,000)					(350,000)	ICT -Capitalisation of project related salary costs to mitigate shortfall in fees - sustainable position now secured	
Property & ICT	ICT leases - over recovery	552,000	158,000	(394,000)				(394,000)		This as a result of the ICT strategy adopted early 2011 which will allow ICT to be managed centrally so as to drive out further efficiencies and improve quality of the service	
Asset Rentals		301,480	1,618,328	1,316,848			1,316,848				
Variances under £50,000		(3,061,914)	(3,159,420)	(97,506)		(6,228)		13,281	(104,559)		
Total Property & ICT		(3,870,190)	(3,075,954)	794,236	0	(6,228)	1,316,848	(380,719)	(135,665)		
Economy & Skills											
Economic Development	Employees	2,069,370	1,687,381	(381,989)					(381,989)	Various underspends due to restructures	
One Telford	Railfreight	233,900	344,347	110,447					110,447	Interim management of Railfreight terminal	
Asset Rentals		178,060	289,318	111,258			111,258				
Variances under £50,000		563,320	563,306	(14)	(34,000)				33,986	Various underspends including vacancy management.	
Total Economy & Skills		3,044,650	2,884,352	(160,298)	(34,000)	0	111,258	0	(237,556)		
Environmental Services											
Environmental Services	Concessionary Transport	1,742,520	1,418,052	(324,468)					(324,468)	Net benefit arising from the change in methodology in the scheme administration	
Environmental Services	Transport operations	90,000	0	(90,000)					(90,000)	Accelerated non-staff savings	
Environmental Services	Transport operations - Income	(27,520)	50,727	78,247					78,247	Net shortfall in operation of ticket sales	
Environmental Services	Transport operations	570,830	503,484	(67,346)					(67,346)	Re-tendered subsidised bus contract	
Environmental Services	Integrated Transport Unit - supplies & services	105,490	24,007	(81,483)					(81,483)	Fuel savings from inflation allowed	
Environmental Services	Integrated Transport Unit - supplies & services	0	64,327	64,327					64,327	Bus Services Operators Grant not budgeted	
Environmental Services	Engineers - fee shortfall	(1,322,130)	(1,266,030)	56,100					56,100	Engineers fees shortfall on income target	
Environmental Services	Engineers - flooding	97,000	2,384	(94,616)					(94,616)	Deployment of flood barriers not required during the year.	
Environmental Services	Engineers - signal maintenance	48,940	100,215	51,275					51,275	Increased maintenance costs on illuminated signs and signals	
Environmental Services	Public Realm - winter maintenance	484,890	636,033	151,143					151,143	Winter Maintenance - costs in excess of available budget.	
Environmental Services	Public Realm - LEAN	0	177,069	177,069					177,069	LEAN project - proactive enhancement/maintenance of road infrastructure. Funded from various service underspends, delivering future efficiencies.	
Environmental Services	Public Realm & Waste Enforcement	0	112,000	112,000					112,000	TWS Pension costs - Shropshire Pension Fund change in methodology which has had a detrimental impact on Telford & Wrekin's contribution.	
Environmental Services	Waste Enforcement - domestic refuse	74,160	292,556	218,396					218,396	Replacement costs for refuse and recycling containers across the Borough	
Environmental Services	Waste Enforcement - community recycling centres	884,350	788,501	(95,849)					(95,849)	Savings arising through recycling initiatives and management changes at the CRCs	
Environmental Services	Waste Disposal	4,116,790	4,047,305	(69,485)					(69,485)	Various recycling initiatives resulting in savings on landfill tax and disposal	
Environmental Services	Employee related savings	4,462,626	3,599,819	(862,807)		(60,084)			(802,723)	Underspends on employee related budgets relating to vacant posts and restructures	
Environmental Services	Highways & Strategic Policy	60,000	0	(60,000)					(60,000)	Car Parking Enforcement - delays in procuring software and appointment of temporary post. Corporate bid to ensure work completed in 12/13.	
Environmental Services	Debt charge	0	(64,000)	(64,000)				(64,000)			
Asset Rentals		567,730	1,171,855	604,125			604,125				
Variances under £50,000		15,651,084	14,993,207	(657,877)	(187,000)				(470,877)		
Total Environmental Services		27,606,760	26,651,511	(955,249)	(187,000)	(60,084)	604,125	(64,000)	(1,248,290)		
Housing & Planning											
Housing & Planning	Employees	4,706,500	3,978,726	(727,774)		(1,119)			(726,655)	Restructure and vacancy savings	

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		£			£	£	£	£	£		
Housing & Planning	Planning	(1,057,340)	(857,377)	199,963					199,963	Shortfall in planning fees due to downturn in economy	
Housing & Planning	Building Control	(437,210)	(248,552)	188,658					188,658	Shortfall in building control fee income due to a downturn in the economy	
Housing & Planning	Public Protection	(352,860)	(260,950)	91,910					91,910	Loss of income from Taxi Licensing fees	
Housing & Planning	Temporary accommodation	(377,690)	(161,497)	216,193					216,193	Loss of housing benefit due to drop in demand of temporary accommodation	
Housing & Planning	Temporary accommodation	293,240	132,697	(160,543)					(160,543)	Savings in leasehold rents on temporary accommodation	
Housing & Planning	Home improvement & renewal	(132,870)	(197,207)	(64,337)					(64,337)	Surplus generated on Home fix facility provided across the Borough.	
Housing & Planning	Planning Appeals Legal Fees	-	60,619	60,619				60,619			
Housing & Planning	Income shortfall	(288,030)	(235,503)	52,527				52,527			
Housing & Planning	Departmental Recharges	804,590	821,840	17,250				17,250			
Asset Rentals		82,260	113,825	31,565			31,565				
Variations under £50,000		1,777,150	1,732,563	(44,587)					(44,587)		
Total Housing & Planning		5,017,740	4,879,184	(138,556)	0	(1,119)	31,565	130,396	(299,398)		
Care & Support											
All adult client groups purchasing, including residential care, home care, day care, adult placements etc		33,816,000	38,564,980	4,748,980					4,748,980	The reported overspend is against the gross purchasing budget of £33.8m and represents the gap in the base budget for funding Social Care purchasing in adults. The pressure has arisen mainly because clients formerly funded by the PCT who were assessed as having a Primary health Need, have had their funding withdrawn. These clients, who were funded from the PCT from Continuing Health Care funding, are now assessed as having a Community Care need and are the funding responsibility of the Council. The reduction in funding and increasing demand for financial support is continuing to add significant financial pressure to Council budgets approved for Social Care purchasing. In addition reported below is the impact of losing reimbursement from the PCT for clients who were formerly funded for services provided by the Council run Community Support and Day Centres etc. This lost income has also putting significant pressure on the funding available for Social Care in 2011/12 and ongoing.	
Transformation budgets		789,520	-	(789,520)					(789,520)	Freeing up of resources formerly used for the funding of transformation now funding services implemented under the Transformation Programme	
Income towards internal services		(542,850)	(68,157)	474,693					474,693	This deficit against income budgets has arisen as client's eligibility for health funding for clients looked after in services run and funded by the Council are no longer eligible for funding following a review of clients funded from PCT "Continuing Health Care" funding for clients with a primary health need	
Funding from one off Government allocations and funding allocated to the PCT for the purpose of funding LA Social Care		-	(2,108,000)	(2,108,000)					(2,108,000)	This funding has arisen from the allocation of one off funds to the Local Authority by the PCT and Government in 2010/11, and further resources announced in the December RSG settlement and passported through the PCT in 2011/12 and 2012/13. of around £2.1m in each year.	
Staff vacancies, phase 1 and accelerated phase 2 savings		12,963,181	12,434,841	(528,340)					(528,340)	The saving has resulted from phase 1 savings, accelerated phase 2 savings and posts vacant where we are not expecting to fill the posts	
Use of one off reserves		-	(723,570)	(723,570)					(723,570)	Following a review of reserves a number of one off funds can be used in 2011/12 to offset the expenditure pressures being faced. These reserves were, in the main, set aside to deal with client purchasing pressures	
One Off Winter Pressure Funds from the Government to invest in Social Care Services		-	(490,376)	(490,376)					(490,376)	One off funds allocated by the Government in recognition of the social care pressures experienced during the winter period. The funds were transferred from the PCT to the Local Authority to invest in Social Care Services.	

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		£			£	£	£	£	£		
Asset & Case Management		24,370	102,660	78,290				78,290			
Asset Rentals		126,605	151,996	25,391			25,391				
Variances under £50,000		(3,368,660)	(3,062,790)	305,870				13,710	292,160		
Total Care & Support (Adults & Children)		43,808,166	44,801,584	993,418	0	0	25,391	92,000	876,027		
Customer, Leisure & Libraries											
Revenues & Benefits	Employees	2,740,470	2,518,219	(222,251)		(166,412)			(55,839)	Savings arising from posts held vacant in preparation for the restructure, including changes in hours,	
Revenues & Benefits	Income	(2,221,380)	(2,157,706)	63,674					63,674	Shortfall against Court Fees income	
Revenues & Benefits	NNDR Relief	60,560	151,751	91,191				91,191			
Wellington Leisure Centre	Various	460,250	541,034	80,784					80,784	Impact of closure of site for 11 months due to capital works.	
Telford Ice Rink	Employees	509,450	453,421	(56,029)					(56,029)	Posts held vacant to part offset income shortfalls	
Telford Ice Rink	Income	(965,010)	(882,710)	82,300					82,300	Shortfall against income targets for events, vending, bar and cafe	
Telford Ice Rink	Other		70,000	70,000					70,000	Contribution to reserves	
Oakengates Leisure Centre	Income	(720,770)	(653,222)	67,548					67,548	Shortfall against income targets for the tennis centre which has been offset by savings in employee costs	
Aspirations	Employees	249,090	165,189	(83,901)					(83,901)	Savings arising from posts held vacant in preparation for the restructure. This is being used to offset service pressures elsewhere.	
Aspirations	Income	(507,240)	(590,920)	(83,680)					(83,680)	Additional income generated at Abraham Darby and Oakengates	
Madeley Court Centre	Joint Financing	294,850	227,369	(67,481)	(67,481)					Early delivery of staffing savings at Telford Trust which has resulted in a saving on the Council contribution to the Trust.	
Arts & Culture	Employees	453,670	504,302	50,632		(10,179)			60,811	Additional staffing costs incurred by the Music Service which are funded from additional income generated	
Restructure Savings - across the whole service area	Employees	6,577,210	5,842,391	(734,819)		(734,819)				Underspends due to vacant posts and restructures	
Asset Rentals		513,750	743,404	229,654			229,654				
Variances under £50,000		1,494,190	1,114,298	(379,892)				53,059	(432,951)		
Total Customer, Leisure & Libraries		8,939,090	8,046,820	(892,270)	(67,481)	(911,410)	229,654	144,250	(287,283)		
Governance											
Land Charges	Income	(89,570)	(177,707)	(88,137)					(88,137)	Additional income generated from searches	
Members Services	Supplies & Services	903,150	829,025	(74,125)					(74,125)	Underspend against member allowances	
Restructure Savings		2,300,690	2,199,709	(100,981)		(100,981)					
Asset Rentals		4,280	4,166	(114)			(114)				
Variances under £50,000		(2,439,200)	(2,570,014)	(130,814)	(39,710)				(91,104)	Savings arising from posts held vacant in preparation for the restructure.	
Total Governance		679,350	285,179	(394,171)	(39,710)	(100,981)	(114)	0	(253,366)		

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		£			£	£	£	£	£		
Finance											
Restructure savings	Employees	4,169,200	3,850,379	(318,821)		(318,821)					Savings arising from vacant posts relating to the restructure.
Variations under £50,000		(4,169,200)	(4,275,149)	(105,949)				(13,185)	(92,764)		
Total Finance		0	(424,770)	(424,770)	0	(318,821)	0	(13,185)	(92,764)		
Core Services											
Restructure Savings	Employees	1,871,440	1,684,192	(187,248)		(187,248)					Savings arising from posts held vacant in preparation for the restructure and restructure savings delivered early.
Variations under £50,000		(695,850)	(878,589)	(182,739)	(42,600)			3,650	(143,789)		Mainly staffing savings due to officers not being at top of grade or officers not in pension scheme.
Total Core Services		1,175,590	805,603	(369,987)	(42,600)	(187,248)	0	3,650	(143,789)		
Council Wide											
Treasury Management		9,099,000	8,603,490	(495,510)					(495,510)		Benefit from slippage on capital programme, interest earned on new investments and the impact of the 100 day budget.
New Homes Bonus Grant		0	(741,159)	(741,159)				(741,159)			Additional grant awarded after the budget for 2011/12 had been set
Coroner	Employees	49,130	102,907	53,777				53,777			Additional costs incurred in respect of the Coroner's Service
Contingency		2,668,450	575,568	(2,092,882)					(2,092,882)		Unused element of budgeted contingency
Asset Rentals & Other Council Wide Items		(12,140,236)	(17,672,582)	(5,532,346)		1,300,000	(6,800,831)	(31,515)			Asset rentals have increased due to changes required by International Financial Reporting Standards relating to how assets are accounted for. They are a notional charge made to individual services which are then reversed out of the accounts and so have no bottom line impact.
Variations under £50,000		4,948,990	4,973,694	24,704				24,704			
Total Council Wide		4,625,334	(4,158,082)	(8,783,416)	0	1,300,000	(6,800,831)	(694,193)	(2,588,392)		
Total Variations		129,451,940	122,234,079	(7,217,861)	(575,791)	(1,375,034)	0	(781,801)	(4,485,235)		
Overall Variation									(7,217,861)		

Key

£0 - £100k

£101 - £250k

£251 - £500k

£501k and above

Underspend

Overspend