

| 2012/13 Revenue Budget Variations over £50,000                  |                                |                   |                  |   |
|---|--------------------------------|-------------------|------------------|---|
| Description   |                                | Budget            | Service          | Comments  |
|   |                                | £                 | £                |   |
| <b>Childrens Safeguarding</b>                                   |                                |                   |                  |   |
| Children in Care Placements                                     |                                | 9,812,530         | 1,677,864        | Based on all known CiC placements and projected for expected leave dates where known - this will reflect any change in both periods of care and numbers within residential care and the cost of placements. Figures are based latest CiC numbers at 7 December of 319 (31st March 2012 – 302) |
| Supported Placements(Special Guardianship and Residence Orders) |                                | 375,990           | 108,047          | This overspend has resulted from growth in numbers and placement costs, there are currently 61 supported children, and the majority of the cost results from payments to Carers.  |
| Child Protection and Assessment Staffing                        |                                | 2,079,250         | 560,890          | This is based on the net cost of agency staff, taking their forecast costs and taking off budgets for posts being covered. In total the expenditure is reducing as planned to around 6 fte Agency staff . The cost of agency staff is offset by any vacancies being covered.                  |
| Support for Children in Need/Legal Costs and Assessments        |                                | 224,390           | 341,728          | 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.  |
| Other Variances under £50,000                                   |                                | 5,484,510         | 109,666          |   |
| <b>Total Children's Safeguarding</b>                            |                                | <b>17,976,670</b> | <b>2,798,195</b> |   |
| <b>Education, Culture &amp; Skills</b>                          |                                |                   |                  |   |
| Staffing  |                                |                   | (130,000)        | There are expected to be some impact from vacancies arising in this year and the implementation of the restructure.   |
| Premature Retirement costs                                      |                                |                   | 96,000           | Additional retirement costs are expected to arise after taking into account reductions from expenditure no longer being paid out.   |
| Income  | Education Business Partnership |                   | 250,000          | Impact of loss of grant income  |
| Income  | Lifelong learning and skills   |                   | 251,000          | Impact of loss of grant income  |

| 2012/13 Revenue Budget Variations over £50,000 |  |        |                  |   |
|--|--|--------|------------------|---|
| Description                                    |  | Budget | Service          | Comments  |
|  |  | £      | £                |   |
| Income   | Schools support services traded with schools |        | 0                | This is the first year that income has been generated from extended traded services with schools, and there is an element of volatility in the level of income from trading and the costs associated with generating that income. This first year's experience will inform the 2013/14 budget setting process and realign forecasts in line with actual activity. The forecasts currently project a breakeven position as expenditure is also below budget and offsets any income shortfalls for the year |
| Various  | Oakengates Theatre                           |        | (81,000)         | Increased income projections and staff/non staff savings  |
| DSG funding                                    |  |        | (541,000)        | Monitoring of the overall use of DSG indicates various underspends which will be used to offset the overspend in relation to SEN  |
| Other variations under £50k                    |  |        | (117,000)        |   |
| <b>Total Education, Culture &amp; Skills</b>   |  |        | <b>(272,000)</b> |   |
| <b>Family &amp; Cohesion Services</b>          |  |        |                  |   |
| Statements and Out of County Placements(DSG)   |  |        | 657,000          | Reflects the current projections based on known numbers in the system and a forecast of future statements and is net of DSG funding brought forward from 2011/12. The Education and Skills SDU underspend on DSG mitigates the overpend here by £541k.  |
| DSG  |  |        | (116,000)        | This is the net overpend of DSG which will need to be covered either by further in year savings or rolled forward as first call on DSG in 13/14   |
| Fieldwork Disability                           |  |        | 32,000           | This is as a result of residual staff in place pending completion of recruitment process as part of the service restructure-this should reduce once the alignment of posts and budgets is complete  |
| Family Placements                              |  |        | (65,000)         | This is as a result of delays in recruiting to posts following restructure  |
| Early Years                                    |  |        | (408,000)        | Includes staffing savings on Newdale and generally across Children's and Family Centres   |
| Transport                                      |  |        | (200,000)        | Forecast underspend on Home to School Transport etc. The position is being reviewed to establish the reasons  |

| 2012/13 Revenue Budget Variations over £50,000 |  |            |                  |  |
|--|--|------------|------------------|--|
| Description                                    |  | Budget     | Service          | Comments   |
|  |  | £          | £                |  |
| Teenage Pregnancy                              |  |            | (90,000)         | Reflects staffing savings and changes in level of service pending relaunch via the Health and Well Being Strategy.   |
| TAMHs  |  |            | (50,000)         | Saving following restructuring. Whilst there are plans for some targeted initiatives in future years the expectation is that most of this service has been embedded within the new structures created.   |
| Housing  |  |            | 86,000           | There is a shortfall on the overall income generation against budget on temporary accommodation(leased) properties   |
| Shortbreaks                                    |  |            | (60,000)         | This saving has resulted from a careful review of existing commitments and levels of service.  |
| Variations under £50k                          |  |            | (365,000)        |  |
| <b>Total Family and Cohesion Services</b>      |  |            | <b>(579,000)</b> |  |
| <b>Care &amp; Support</b>                      |  |            |                  |  |
| Purchasing - all client groups                 |  | 32,679,000 | 5,270,000        | In the 2011/12 financial year the financial impact of the PCTs review of eligibility for clients with a Primary Health need had a major impact. The budget was overspent by £4.7m because of the increasing financially supported caseload the Council had inherited. The impact of this course of action continues into 2012/13. The pressure on purchasing budgets is increasing further with an expected increase in expenditure in 2012/13 of £1.3m. This means the total impact of additional spending falling to the Council is around £6m. This pressure was not funded by ongoing budgets in 2011/12 and this has an impact in 2012/13. The Council is relying on funding expected from the PCT(detailed below) to offset the impacts of this additional caseload ongoing.<br><br>The Council has been engaged in productive dialogue with the PCT and in 2012/13 the impact should be mitigated by a re-balancing of the expenditure the PCT incurs(see below). |
| Funding from the PCT                           |  |            | (2,700,000)      | The rebalancing of spending on clients with a Primary Health Need referred to as Continuing Health Care will result in further funding being made available to the Council by the PCT. The expectation is that £2.7m will be made available as a grant to the Council.   |

| 2012/13 Revenue Budget Variations over £50,000     |  |             |                |  |
|--|--|-------------|----------------|--|
| Description  |  | Budget      | Service        | Comments   |
|  |  | £           | £              |  |
| Funding from the PCT(DH funding)                   |  |             | (2,030,000)    | £2.03m of this funding was passed to PCTs by the Department of Health to support Social Care. The funding was first made available in 2011/12. This funding is made available by way of a grant to the Council.  |
| <b>Subtotal</b>                                    |  |             | <b>540,000</b> | The residual budget pressure has arisen mainly from the review of Health Funded clients. There are likely to be continuing pressures on the purchasing budget as client numbers increase with the increasing demand for services and the increasing cost of care packages. There will also be the impact of savings taken out of the budget in 2012/13, where it is difficult to differentiate the impacts of savings initiatives from the demographic changes in client numbers |
| Income -client contributions for all client groups |  | -10,113,000 | 257,000        | Previous reports referred to further work being needed to ascertain the reasons for income shortfalls in the current year. This has now been done and a significant sum of around £0.4m was the result of income no longer received because of the review of CHC eligible clients and this is now the subject of the purchasing variance reported above. The remainder(reported here) is a shortfall on income budgets resulting from lower than expected client contributions.  |
| Care Leavers                                       |  | 684,000     | 549,000        | This is as a result of pressure on supported accommodation budgets. Spend depends on the level of support and accommodation required; work is ongoing with the aim of reducing costs.  |
| Supporting People                                  |  | 3,257,000   | 204,000        | A large part, £124k of this overspend is as a result of the additional savings expected from a claim against Housing Benefit by the WHT. There is a partial reduction in forecast outturn from current expected commitments and this is resulting in overspending the reduced budget.  |
| Commissioning                                      |  |             | (150,000)      | Reduction in staffing following restructure and in costs of operation has resulted in £102k on the pooled budget. The costs associated with SLA's with voluntary organisations is currently under review but some non designated budgets where expenditure has not occurred are being consolidated and offset against pressures  |
| Use of One off Funding                             |  |             | (1,206,000)    | Resulting from a careful review of all available monies and commitments. This funding is only one off and will not be available in future years.   |
| <b>Total Care &amp; Support</b>                    |  |             | <b>194,000</b> |  |

| 2012/13 Revenue Budget Variations over £50,000    |                                  |             |                |   |
|---|----------------------------------|-------------|----------------|---|
| Description                                       |                                  | Budget      | Service        | Comments  |
|   |                                  | £           | £              |   |
| <b>Neighbourhood &amp; Leisure Services</b>       |                                  |             |                |   |
| Public Realm                                      | Winter Maintenance               | 484,890     | 151,000        | Winter Maintenance budget insufficient due to the level of fixed costs.   |
| Public Realm & Waste Enforcement                  | TWS Pension Costs                | 76,589      | 117,000        | TWS Pension costs - impact on Telford and Wrekin of a change in methodology for calculating contributions to Shropshire Pension Fund  |
| Public Realm & Waste Enforcement                  | TWS Pension Costs                | -           | (113,000)      | Mitigation of TWS Pension costs above due to release of one off funds and other small underspends   |
| Waste Enforcement                                 | Domestic Refuse                  | 74,160      | 70,000         | Replacement costs for lost or damaged containers.   |
| Environmental Services                            | Waste Collection and Disposal    |             | (144,000)      | Various net savings in waste collection and disposal costs  |
| Environmental Services                            | Service and Contract development |             | (50,000)       | Savings in the operational costs of Granville depot including the impact of a rent review.  |
| Highways and Transport                            | Fleet Services                   | -           | (266,000)      | Various underspends including BSOG fuel duty rebate, Outside Hire income, Vehicle maintenance with a number of other small underspends.   |
| Highway & Engineering                             | Engineers Fees & Charges         | (2,218,590) | 110,000        | Engineers Fees income shortfall due to impact of procurement process of chargeable hours available.   |
| Leisure   | AFC Telford Learning Centre      |             | 40,000         | Non rechargeable contribution to management costs of AFC Telford Learning Centre.   |
| Leisure   | Ice Rink                         |             | 80,000         | Shortfall in income due to delayed opening date.  |
| Service Wide                                      | Environmental Services Reserve   | 400,000     |                | We are currently assessing the profile of spend against this one off reserve. It seems likely that this reserve will not be fully spent in year due to delays in implementation due to negotiations with TWS. This will generate an in year benefit, although this funding will be required to be slipped into 13/14. This is being quantified and will be reported within future monitoring reports. |
| Arts and Culture                                  | Oakengates Theatre               |             |                | (£67k) understand included within Education, Culture and Skills   |
| <b>Total Neighbourhood &amp; Leisure Services</b> |                                  |             | <b>(5,000)</b> |   |

| 2012/13 Revenue Budget Variations over £50,000   |                                    |             |               |  |
|--|------------------------------------|-------------|---------------|--|
| Description                                      |                                    | Budget      | Service       | Comments   |
|  |                                    | £           | £             |  |
| <b>Development, Business &amp; Housing</b>       |                                    |             |               |  |
| Estates & Investments                            | PIP Rental Income                  | (5,998,332) | 250,000       | Shortfall in PiP rental income against income target due to high levels of   |
| Estates & Investments                            | PiP                                |             | (290,000)     | Use of one off funding of £90k and capitalisation of £200k of landlord R&M works.  |
| Estates & Investments                            | Business Development Centre Income | (250,420)   | 100,000       | Shortfall in income from hire of rooms, catering and recharges for service. A plan is currently being identified.  |
| Development Management                           | Building Control                   | (437,210)   | 100,000       | Shortfall in building control fee income due to a downturn in the economy  |
| Planning   | Fee Income                         | (1,200,810) | 300,000       | Shortfall in planning fee income due to the downturn in the economy  |
| Planning   |                                    |             | (322,000)     | Application of one off funding to mitigate the impact of the downturn in the economy on planning income. Includes underspends from vacancy monitoring and one off reserves and balances                        |
| Planning   | Planning Legal Fees                | 5,830       | 100,000       | Legal planning fees for defending planning applications - this is net of one off reserves and use of contingency   |
| FM and Cleaning Services                         | FM fees and charges                |             | 90,000        | Net impact of the shortfall against income targets from charges to schools and PAT testing.  |
| Strategic Housing                                | Environmental Co-ordination        | 457,310     | (100,000)     | Number of underspends the majority relating to vacant posts  |
| Strategic Housing                                |                                    |             | (257,000)     | Identification of a number of one off underspends, including vacancy management.   |
| Economic Development                             |                                    |             | (35,000)      | Identification of a number of one off underspends, including vacancy management.   |
| Economic Development                             | Newport Noctune                    |             | 10,000        | Contribution to the Newport Noctune. Costs coded to Economic Development, but to be met from the Cooperative Council budgets   |
| Operational Properties                           | NNDR                               | 62,800      | 102,000       | Increase in NNDR rateable values due to revaluations.  |
| Planning   | Planning Legal Fees                |             |               | There is the potential for the projected costs of planning legal fees to be mitigated, should we be successful and receive reimbursement of costs. This is not included at this stage but could be upto £300k. |
| <b>Total Development, Business &amp; Housing</b> |                                    |             | <b>48,000</b> |  |

| 2012/13 Revenue Budget Variations over £50,000           |                     |           |                  |  |
|--|---------------------|-----------|------------------|--|
| Description  |                     | Budget    | Service          | Comments   |
|  |                     | £         | £                |  |
| <b>Customer &amp; People Services</b>                    |                     |           |                  |  |
| ICT  | Various Budgets     | 628,740   | 83,240           | £145k overspend against corporate ICT maintenance contracts, which are being offset by savings on staffing costs and other non staffing budgets. |
| Education Catering Client Account - Free School Meals    | Income              | (795,700) | 193,396          | Shortfall against Free School Meals Income due to schools not buying back into service.  |
| Primary School Meals                                     | Various Budgets     | 5,655     | 101,442          | Overspends against purchases of £57k and shortfalls against paid meals income of £71.5k due to a reduction in take up.                           |
| Secondary School Meals Revenues & Benefits               | Income              | (563,520) | 87,471           | Shortfalls against income targets due to reduced take up.  |
|  | Supplies & Services | 430,600   | 57,909           | Projected overspend against printing.  |
| Organisational Improvement Variations under £50k         | Employees           | 1,708,029 | (152,546)        | Saving arising from vacant posts and restructure of HR & OI.   |
|  |                     |           | (335,301)        |  |
| <b>Total Customer &amp; People Services</b>              |                     |           | <b>35,611</b>    |  |
| <b>Finance, Audit &amp; Information Governance</b>       |                     |           |                  |  |
| Schools & Care Finance                                   | Employees           | 1,008,640 | (67,294)         | Under spends due to vacant posts and backfill arrangements.  |
| Variations under £50k                                    |                     |           | (168,414)        | Under spends mainly from reduced spend projected against supplies & services and additional income generated.                                    |
| <b>Total Finance, Audit &amp; Information Governance</b> |                     |           | <b>(235,708)</b> |  |
| <b>Law, Democracy &amp; Public Protection</b>            |                     |           |                  |  |
| Democratic Services                                      | Supplies & Services | 853,320   | (114,654)        | Under spends on members allowances and subscriptions.  |
| Land Charges   | Income              | (39,570)  | (142,230)        | Additional income projected for searches.  |
| Licensing  | Income              | (380,260) | 152,149          | Shortfall against licensing income mainly arising from taxi licenses.  |
| Variations under £50k                                    |                     |           | 3,857            | Under spends mainly arising against employees due to vacant posts, reduced hours and staff not at the top of salary scales.                      |
| <b>Total Law, Democracy &amp; Public Protection</b>      |                     |           | <b>(100,878)</b> |  |

| 2012/13 Revenue Budget Variations over £50,000  |           |          |                      |  |
|---|-----------|----------|----------------------|--|
| Description                                     |           | Budget   | Service              | Comments   |
|   |           | £        | £                    |  |
| <b>Cooperative Council Delivery Unit</b>        |           |          |                      |  |
| Delivery & Planning<br>Variations under £50k    | Employees | 529,280  | (51,253)<br>(40,442) | Under spend from vacant posts.<br>Under spends mainly arising against employees due to vacant posts,<br>reduced hours and staff not at the top of salary scales. |
| <b>Total Co-Operative Council Delivery Unit</b> |           |          | <b>(91,695)</b>      |  |
| <b>Council Wide</b>                             |           |          |                      |  |
| Treasury Management                             |           |          | (625,000)            | Benefits of low interest rates and less borrowing than anticipated in the<br>early part of the year.   |
| Local Authority funding refund                  |           |          | (351,000)            | One off refund relating to academies funding top slice for 11/12   |
| External Audit Fee                              |           | 254,320  | (90,000)             | Under spend as a result of lower audit fee   |
| Housing/Council Tax Benefit Subsidy             |           | (52,880) | (125,000)            | £20k under spend against audit fee. Remainder is due to additional<br>income received from council tax overpayment recovery.                                     |
| Other   |           |          | (301,000)            | A combination of vacancy savings and one off funds   |
| <b>Total Council Wide</b>                       |           |          | <b>(1,492,000)</b>   |  |
| <b>Total Variations</b>                         |           |          | <b>299,525</b>       |  |