

2012/13 Revenue Budget Variations over £50,000				
Description		Budget	Service	Comments
		£	£	
Childrens Safeguarding				
Children in Care Placements		9,813,510	1,914,114	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 for mid January were 320 (31st March 2012 – 302)
Supported Placements(Special Guardianship and Residence Orders)		375,990	107,022	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		2,127,950	515,260	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.
Legal Costs		100,000	143,000	Reflects the costs associated with court proceedings,
Support for Children in Need and Assessments		123,410	185,213	Reflects the costs associated with 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		5,459,190	199,690	
Total Children's Safeguarding		18,000,050	3,064,299	
Education & Skills				
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			(52,000)	Review of all costs and future costs expected in year has resulted in an identified underspend
Income	Education Business Partnership		250,000	Impact of loss of grant income
Income	Lifelong learning and skills		191,225	Impact of loss of grant income
Transport	Fleet Services		(300,000)	Forecast underspend on Home to School Transport etc. The position is being reviewed to establish the reasons

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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
DSG funding			(538,916)	Monitoring of the overall use of DSG indicates various underspends which will be used to offset the overspend in relation to SEN (see Family and Cohesion Services)
Other variations under £50k			(142,722)	
Total Education & Skills			(722,413)	
<u>Family & Cohesion Services</u>				
Statements and Out of County Placements (DSG)			538,916	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 overspend here by £538k.
Fieldwork Disability			61,000	This is as a result of residual staff in place pending completion of recruitment process as part of the service restructure
Family Placements			(65,000)	This is as a result of delays in recruiting to posts following restructure
Children & Family Location Services			(462,000)	Includes staffing savings on Newdale and generally across Children's and Family Centres
Transport			(323,000)	Various underspends including BSOG fuel duty rebate, Outside Hire income, Vehicle maintenance with a number of other small underspends.
Teenage Pregnancy			(90,000)	Reflects staffing savings and changes in level of service pending relaunch via the Health and Well Being Strategy.

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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.
Shortbreaks			(75,000)	This saving has resulted from a careful review of existing commitments and levels of service.
Variations under £50k			(116,000)	
Total Family and Cohesion Services			(581,084)	
Care & Support				
Purchasing - all client groups		37,845,000	5,448,000	The change in the interpretation and application of national CHC guidelines by the local PCT in 2009/10 led to a 75% cut in their financial support for vulnerable people with long term health conditions and placed an increased burden of over £8m pa on the Council's Adult Care budget, which is in the process of being cut by 30% as a result of Government grant cuts. Since then this changed approach has led to new cases also falling on the adult care budget which would previously have been NHS funded on top of the cases where existing NHS funding was taken away, leaving a net position of around £8.5-9.0m additional spending pressure ongoing. The Council's ongoing Adult Care budget has been increased by around £3m to offset some of this pressure by cutting other service budgets, leaving a net £5.5m+ unfunded ongoing which is currently being met by £4.7m one off national and local NHS funding leaving a net shortfall of £0.8m falling on one off Adult Care funds this year. Discussions around this unresolved problem passed on by the PCT to the new Clinical Commissioning Group continue.
Funding from the PCT			(2,700,000)	One off PCT contribution towards displaced CHC costs in order to prevent further cuts to Adult Care services impacting on the NHS..
Funding from the PCT(DH funding)			(2,030,000)	£2.03m one off National NHS grant towards protecting Adult Care services which impact on the NHS: This is being used to delay further cuts to Adult Care services which would otherwise follow from the withdrawal of PCT funding for CHC cases causing increased council budget pressures.

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Subtotal			718,000	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)	280,000	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.
Employee Costs		11,577,000	(240,000)	This is a result of vacancies and reduced hours in the structure. This is unlikely to be ongoing as it is the result of the recruitment process which was ongoing during the first quarter of 2012/13
Care Leavers		1,317,170	601,000	When the service was transferred from Children's services into adults the pressure was around £480k. Pressure on budgets has continued to increase due to increasing costs of supported accommodation. 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 agreed with WHT expected to result from a claim against Housing Benefit by the WHT. This saving has not been realised as suggested by WHT and this has resulted in a significant proportion of the overspend. There is a partial reduction in forecast outturn from current expected commitments and this is resulting in overspending the reduced budget.
Commissioning		1,025,000	(150,000)	Reduction in staffing following restructure and in costs of operation has resulted in £102k underspend on the pooled budget. The costs associated with SLA's with voluntary organisations is currently under review but some budgets which were to be allocated in 2012/13, but have not been allocated and where expenditure has not occurred are being consolidated and offset against pressures
Transport		1,350,000	97,000	Forecast overspend on Transport etc. The position is being reviewed to establish the reasons

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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.
Total Care & Support			304,000	
Neighbourhood & Leisure Services				
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	76,000	Replacement costs for lost or damaged containers.
Environmental Services	Waste Collection and Disposal		(140,000)	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.
Highway & Engineering	Engineers Fees & Charges	(2,218,590)	110,000	Engineers Fees income shortfall due to impact of procurement process of chargeable hours available.
Service Wide	Environmental Services Reserve	400,000		Projected spend for this year is £250k, this is due to delays in implementation due to negotiations with TWS. This will generate a projected in year benefit, although this funding will be required to be slipped into 13/14 due to commitments.
Service Wide	Variations under £50k		110,000	Various small overspends across a number of areas.
Arts and Culture	Oakengates Theatre			(£67k) understand included within Education, Culture and Skills
Total Neighbourhood & Leisure Services			261,000	
Development, Business & Housing				

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Estates & Investments	PIP Rental Income	(5,998,332)	262,000	Shortfall in PiP rental income against income target due to high levels of voids in the current economic climate and knock on affect on Service Charges & NNDR for void properties.
Estates & Investments	PiP		(145,000)	Use of one off funding of £45k and capitalisation of £100k of landlord R&M works.
Estates & Investments	Business Development Centre Income	(250,420)	52,000	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			(55,000)	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.
Variations under £50k			(88,000)	
Total Development, Business & Housing			49,000	
Customer & People Services				
ICT	Various Budgets	628,740	197,409	£163k overspend against corporate ICT maintenance contracts.

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Education Catering Client Account - Free School Meals	Income	(795,700)	229,396	Shortfall against Free School Meals Income due to schools not buying back into service.
Primary School Meals	Various Budgets	5,655	91,132	Overspends against purchases of £69k due to increased food costs.
Secondary School Meals	Income	(563,520)	82,040	Shortfalls against income targets due to reduced take up.
Revenues & Benefits	Supplies & Services	442,630	69,975	Projected overspend against printing.
People Services	Employees	1,710,690	(153,966)	Saving arising from vacant posts and restructure of HR & OI.
Variations under £50k			(417,571)	
Total Customer & People Services			98,415	
Finance, Audit & Information Governance				
Schools & Care Finance	Employees	1,009,600	(68,012)	Under spends due to vacant posts and backfill arrangements.
Variations under £50k			(216,766)	Under spends mainly from reduced spend projected against supplies & services, vacant posts and additional income generated.
Total Finance, Audit & Information Governance			(284,778)	
Law, Democracy & Public Protection				
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.
Total Law, Democracy & Public Protection			(100,878)	

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Cooperative Council Delivery Unit				
Delivery & Planning Variations under £50k	Employees	529,280	(50,716) (110,780)	Under spend from vacant posts. Under spends mainly arising against employees due to vacant posts, reduced hours and staff not at the top of salary scales.
Total Co-Operative Council Delivery Unit			(161,496)	
Council Wide				
Treasury Management			(625,000)	Benefits of low interest rates and less borrowing than anticipated in the 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 income received from council tax overpayment recovery.
Other			(301,000)	A combination of vacancy savings and one off funds
Total Council Wide			(1,492,000)	
Total Variations			434,065	