

Summary of 2015/16 Projected Variations

Service Area	Previous Variation - Cabinet 23 July 2015	Current Variation	Change
	£	£	£
Children's Safeguarding & Specialist Services	1,169,347	1,590,182	420,835
Education & Corporate Parenting	118,892	90,178	(28,714)
Family, Cohesion & Commissioning Services	306,118	296,130	(9,988)
Development, Business & Employment	200,000	200,000	0
Leisure, Culture & Facilities Management	4,670	10,000	5,330
Adult Social Services	3,057,725	1,937,143	(1,120,582)
Health, Well Being & Public Protection	(299,000)	204,000	503,000
Neighbourhood & Customer Services	107,268	0	(107,268)
Law, Democracy & People Services	(800,000)	(850,551)	(50,551)
Finance, Audit & Information Governance	(284,419)	(784,419)	(500,000)
Cooperative Council & Commercial Delivery Unit	0	(28,289)	(28,289)
Council Wide	0	0	0
Total Projected Variation	3,580,601	2,664,374	(916,227)
Use of Uncommitted Corporate Contingencies	(3,580,601)	(2,664,374)	916,227
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		8,107,239	1,248,450	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 £0.7m. 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 289 as at 10/09/15.
Care leavers Accommodation costs		599,630	29,806	The 2014/15 reported outturn position was £0.135m overspent. A target has been set in the Cost Improvement plan to achieve a cost reduction of £0.100m against this area. Ongoing review of care packages in the service will continue to enable savings in this area for remainder of the year, progress of which will be regularly reviewed as part of monitoring of progress delivering the Cost Improvement Plan.
Staffing (Safeguarding)		7,364,016	396,630	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 £0.745m in 2015/16. There are 9.5 agency social workers currently in post, it is planned to reduce this number to 6 by the end of November. 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 Services.
Income (Specialist Services)		(807,068)	72,246	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	148,714	Specific pressures include travel costs £97k and Foster Carer training of £21k forecast overspend. The 2014/15 reported outturn position for travel costs was £164k overspend and a target has been set in the Cost Improvement plan for cost reduction of £40k.
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. Work has commenced within the service to develop proposals to bring spend back within budget for all Adoption services.
Direct Payments		174,361	103,608	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	240,465	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		3,607,608	(58,762)	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		19,688,079	1,590,182	
Education & Corporate Parenting				
Miscellaneous School Expenditure		5,958,548	98,735	Projected expenditure above budget on remissions for schools is £120k which is currently being offset by anticipated savings on the funding of redundancies for schools.
Variations under £50,000		4,110,054	(8,557)	There is an overspend relating to the funding of Shortwood Pool, for which no budget is available due to changes in the Government's funding rules for joint use schools. 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		10,068,602	90,178	
Family, Cohesion & Commissioning				
Early Intervention & Family Connect		3,026,948	91,543	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		2,594,146	0	the forecast underspend formerly reported here is now below £50k and reported in variations under £50k
Transport Contracting & Commissioning	Supporting People Contracting	1,258,589	209,707	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 and there may be further cost reductions achieved in 2015/16.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Variations under £50k		2,757,139	(5,120)	
Total Family, Cohesion & Commissioning		9,636,822	296,130	
Adult Social Services				
Purchasing		42,039,427	4,843,832	The reported position reflects a significant change from the last monitoring report but the majority of this is a realignment of the budget for purchasing care and income expected to be realised in this year. The significant pressure which was reported throughout the 2014/15 financial year and previous continues into 2015/16. Although significant pressure remains on the ASS budget, Management Team have developed a Cost Improvement Plan(CIP) and to date around £1.7m(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 are offsetting these i.e.increasing rates for residential placements. The reduction in costs of purchased care since the last report is £608k and the overall bottom line cost base has reduced by £1,120k, this is the result of anticipated savings in year of £720(£608k purchasing reductions) and additional use of one off reserves of £400k. 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 £.065m 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		(16,116,682)	(141,397)	Income budgets have now been realigned with the above purchased care budget. The service is expected to realise £201k of additional income over the estimated income for the year reflected in the previous report..
Transport		657,593	181,162	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.
Equipment		427,416	(76,907)	Current forecasts report an underspend on equipment purchasing budgets. The expenditure is likely to increase as the year progresses as delivery of integrated prevention services is stepped up
Contingency			(2,500,000)	Specific contingency set aside as part of the budget strategy
Use of one offs		(1,244,000)	(400,000)	Use of one off reserves
Variations under £50k		9,171,358	30,453	

2015/16 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Total Adult Social Services				
		34,935,112	1,937,143	
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	(70,000)	In year vacancies within Telford & Wrekin Health trainers teams and Healthy lifestyle hubs.
Variations under £50k		6,482,206	(277,000)	Various underspends across Early Help offer and NHS Health checks
Public Health Grant			772,000	Anticipated loss of Public Health Grant announced in the Chancellors budget.
Public Protection & Civil Resilience				
Variations under £50k		1,835,680	0	Detailed Monitoring has not yet been undertaken for this Service Area in accordance with the risk based monitoring approach being adopted
Total Public Health, Wellbeing & Public Protection		10,743,491	204,000	
Leisure, Culture & Facilities Management				
Leisure Services	Service Wide	2,837,590	70,000	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, this is net of one off funding from reserves.
FM & Cleaning & Catering	Variations Under £50k	539,370	(60,000)	Underspends mainly as a result of additional caretaking and helpdesk income and vacant posts for part of the year.
Total Leisure, Culture & Facilities Management		3,376,960	10,000	

2015/16 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Development, Business & Employment				
Regeneration & Investment	Property Investment Portfolio Income	(4,862,330)	300,000	This reflects the current projections for income, service charges, MSCP and operational costs, net of one off use of reserves.
Variations Under £50k			(100,000)	One off vacancy management savings across whole Service Area.
Total Development, Business & Employment		(4,862,330)	200,000	
Neighbourhood & Customer Services				
ICT	Various	59,286	189,289	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.
Variations Under £50k		30,329,181	(250,952)	
Total Neighbourhood & Customer Services			0	
Finance, Audit & Information Governance				
Treasury Management		10,454,180	(700,000)	Savings from Treasury Management activities
Variations Under £50k		(143,029)	(84,419)	Variations mainly arising from vacant posts
Total Finance, Audit & Information Governance			(784,419)	
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		351,750	(50,551)	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			(850,551)	
Co-Operative Council & Commercial Delivery Unit				
Delivery & Planning	Employees	761,450	(56,891)	Underspends from vacant posts, maternity leave and staff not at top of grade
Variations Under £50k		108,630	28,602	
Total Co-Operative Council & Commercial Delivery Unit			(28,289)	
Total Variations			2,664,374	

Capital Approvals - by Service Area

Appendix 3

Virements						Funding / Comment
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
Housing	Development Business & Employment	20,000				Prudential
Asset Management Plan-General Works & Surveys	Development Business & Employment	(20,000)				Prudential
ICT/ eGov	Customer Services	30,000				Grant
Building Schools For The Future	Education & Corporate Parenting	(30,000)				Grant
Total		-	-	-	-	
Slippage						Funding / Comment
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
ICT Social Care Review	Adult Social Services	(150,000)	150,000			Prudential
ICT/ eGov	Customer Services	(1,060,000)	280,000	780,000		Prudential
Commercial investment project	Development Business & Employment	(1,763,000)	1,763,000			Prudential
Ironbridge Gorge Stability	Neighbourhood & Leisure Services	(1,236,144)	1,236,144			Prudential
Housing	Development Business & Employment	(2,425,000)	2,425,000			Prudential
Total		(6,634,144)	5,854,144	780,000	-	
New Allocations						
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
All Other School Schemes	Development Business & Employment	200,001				External Funding
All Other School Schemes	Development Business & Employment	(450)	1,764,513	1,764,513		Grant
All Other School Schemes	Development Business & Employment	12,000				Revenue
ICT/ eGov	Customer Services	70,000				Revenue
Property investment programme	Development Business & Employment	1,751,000	270,000			Prudential
Total		2,032,551	2,034,513	1,764,513	-	