

Summary of 2016/17 Projected Variations

Service Area	Current Variation
	£
Business, Development & Employment	0
Finance & HR	(1,375,000)
Cooperative Council Team	0
Children's Safeguarding	1,091,994
Education & Corporate Parenting	340,817
Early Help & Support	4,002,947
Legal, Procurement & Commissioning	(74,989)
Health & Wellbeing	89,877
Customer & Neighbourhood Services	(336,720)
Commercial Services	280,000
Council Wide	(649,000)
Total Projected Variation	3,369,926
Use of Contingency	(3,369,926)
Total Projected Underspend	0

2016/17 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Business, Development & Employment				
Total Business, Development & Employment		0	0	
Finance & HR				
Treasury Management		8,508,460	(1,500,000)	Benefits arising from current low interest rates and lower borrowing than anticipated in the earlier part of the year.
Staffing Costs			125,000	Shortfall in delivery of saving target due to the retention of some essential user allowances and phasing-in of reductions to mileage rates resulting in a part-year impact in 2016/17.
Total Finance & HR			(1,375,000)	
Cooperative Council Team				
Total Cooperative Council Team		0	0	
Childrens Safeguarding & Independent Review				
Children in Care Placements		9,502,127	1,374,821	The 2015/16 reported outturn position was £1.7m overspent. The budget strategy for 2016/17 included a budget increase of £1.4m for Children in Care (CIC) placements. The service is developing a Cost Improvement plan for 2016/17 to assess the placement costs being incurred, including reviewing unit costs, numbers of children in care and the placement strategy with the objective of targeting cost reductions against placements.
Care leavers Accommodation costs		379,789	(167,034)	The 2015/16 reported outturn position was £0.135m overspent. The outturn projection reflects a significant reduction in placement costs.
Staffing		7,100,101	220,647	The final 2015/16 Safeguarding overspend on staffing was £0.9m. This included £0.69m overspend for agency staff. The budget strategy for 2016/17 included a budget increase of £0.6m. The projected outturn variance in 2016/17 for agency staff is an overspend of £0.28m. There were 10 agency staff at the end of May. The projected variance includes £0.07m relating to salary savings which have yet to be achieved.

2016/17 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Internal Foster Carers costs (excluding salaries, fees and allowances)		301,457	142,946	Specific pressures include travel costs £85k and Foster Carer training of £21k overspend.
Joint Adoption Service		437,160	36,841	This Service is hosted by Shropshire County Council
Children not in Care / in Need costs		54,780	0	
One off Balances			(500,000)	One off service balances identified to support Safeguarding pressures
Variations under £50,000		3,725,194	(1,631)	
Independent Review		833,902	(14,596)	
Total Children's Safeguarding & Independent Review		22,334,510	1,091,994	
Education & Corporate Parenting				
Miscellaneous School Expenditure		7,605,254	39,447	A forecast over spend on remissions is being partly offset by lower forecast premature retirement contributions.
Education Psychology Service		197,795	105,199	The overspend in this area is due to the savings target not currently forecast to be fully achieved in 2016/17
Early Years & Childcare		220,965	104,868	Only part year salary savings target achieved in 2016/17 as restructure takes effect from September 2016. Further savings will be achieved in 2017/18 due to full year impact.
Joint/Community Use		125,255	52,000	A shortfall in income relating to Shortwood is being partly offset by a forecast reduction in net costs for other joint use areas
School improvement traded Advisory Service		(71,710)	98,486	Additional income target currently forecast not to be achieved in the context of the service's reorganisation, including part of the area moving to the Severn Teaching Alliance Teaching School from September 2016. The position of the service will be kept under review during the year as the impact of the new arrangements becomes clearer.
Variations under £50,000		3,417,449	(59,183)	
Total Education & Corporate Parenting		11,495,008	340,817	
Early Help & Support				

2016/17 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Purchasing	Provision of all types of care to eligible clients	42,768,396	6,211,470	Continued pressure on the budgets determined for the delivery of care to adults, these budgets have been adjusted for the relevant savings and pressures approved within the 2016/17 budget strategy. The projections reflect actual expenditure to the end of May and projections based on care orders in place at the end of May. This significant pressure is the subject of a revised Cost Improvement Plan(CIP) which is currently being completed. This includes a number of strategies to both reduce demand and transform the provision of care from traditional Community based support and placements to support packages based wherever possible on Direct Payments with care being delivered by Personal Assistants and other innovative personalised solutions to care. At the end of May there was limited progress against targets although reductions in demand achieved in 2015/16 are generally being maintained. There is a mixed picture on average prices with some areas still experiencing upward pressures, and others looking on average as though they have stabilised or fallen. Further work will be done as part of the CIP to identify the types of care and providers in order to determine further actions.
Contingency		2,500,000	(2,500,000)	The Budget Strategy included this contingency as budgetary growth for 2016-18, the next two years. This contingency budget is a "Safety net" and is part of the strategy to transform the delivery of services.
Income		45,268,396 (17,019,770)	3,711,470 134,834	This shortfall in income is less than 1% of the overall income target. It largely arises from a shortfall against target income generated from the CCG arising from an agreement to Joint Fund Packages of Care. The agreement was born out of the overall review of Learning Disability clients who have a Health Care need, but includes other care groups as well.
Transport		666,406	115,099	Transport is a continued area of scrutiny. It is considered within the aforementioned Cost Improvement Plan and is an integral part of the strategy around the transformation of the delivery of care in the future. It is intrinsically linked to the future delivery of care discussed above in the paragraph on Purchasing care
Social Work prevention & Support		5,297,343	300,613	Staff savings removed from budget, estimated savings being reported below as "Restructure savings"
Children & Family Locality Services	Staff & Staff related	1,762,763	369,853	Staff savings removed from budget, estimated savings being reported below as "Restructure savings"
Cohesion		2,366,041	(100,923)	Vacancies arising within the business and forms part of the restructure calculations referred below
Housing Properties		(539,435)	(115,572)	Expectations of additional income over the target due to service charges and higher than expected occupation rates
Youth & Innovation		434,354	85,043	Staff savings removed from budget, estimated savings being reported below as "Restructure savings"

2016/17 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Business Support & Management		1,371,393	(88,037)	Vacancies arising within the business and forms part of the restructure calculations referred below
Restructure Savings			(400,000)	Estimated savings over and above current vacancy savings already included above in Social Work, Cohesion and Children's and Families services. These savings arise from initial work done to evaluate the future costs of the latest proposed structure. This saving is based on a September 2016 launch and is modelled on a January 2017 implementation.
Variations under £50,000		3,398,355	(9,433)	
Total Early Help & Support		43,005,846	4,002,947	
Legal, Procurement & Commissioning				
Strategic Procurement		744,626	0	
Commissioning		2,504,651	(76,690)	Savings from vacancies following restructure
Internal Audit, Information Governance & Insurance		117,470	0	
Democratic & Legal Services		322,401	1,701	
Total Legal, Procurement & Commissioning		3,689,148	(74,989)	
Health & Wellbeing				
Public Health				
Variations under £50,000		10,053,691	0	
Culture & Wellbeing				
Variations under £50,000		1,178,030	40,000	
Civil Resilience & Coroners Service				
Variations under £50,000		517,798	-	
My Options				
Variations under £50,000		260,947	49,877	
Total Health & Wellbeing		12,010,466	89,877	

2016/17 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Customer & Neighbourhood Services				
Waste & Neighbourhood Services	Employees	834,440	(55,570)	Vacant posts which will not be recruited to due to forthcoming restructure
T & W Footpath Special Fund	Premises	1,186,500	(72,008)	Reduction in spend against planned maintenance due to the forthcoming upgrade of street lights pending the outcome of the tender process currently being undertaken.
Concessionary Travel	Various	1,677,030	(168,076)	Saving from the main Arriva bus service. This is over and above the £100k saving put forward for 2016/17.
Variations Under £50k			(41,066)	Underspends due to vacant posts within Libraries which are being held vacant pending Library opening hours consultation
Total Customer & Neighbourhood Services			(336,720)	
Commercial Services				
ICT	Various	75,566	280,000	There are a number of pressures currently highlighted in ICT including: growth in the cost and number of Microsoft licenses, due to more employees using ICT to do their jobs effectively and the move to digitally enabled and mobile technology; network contract costs and software support costs (storage area network and back-up environment) are also higher than anticipated. Costs relating to the purchase of thick/thin/laptop client devices are also likely to create a pressure throughout the year.
Total Commercial Services			280,000	
Council wide				
Transforming Telford Balance	One off Balance		(649,000)	Transforming Telford residual balance following closure of the company
Total Council wide			(649,000)	
Total Variations			3,369,926	

Capital Approvals - by Service Area

Appendix 3

Virements						
Scheme	Service Area	Funding Source	16/17 £	17/18 £	Later Yrs £	Comment
Building Schools for the Future	Education and Corporate Parenting	Gov Grant	300,000.00			Contribution to Charlton School
All Other School Schemes	Development Business & Employment	Gov Grant	(300,000.00)			Contribution to Charlton School
Telford Growth Package	Neighbourhood & Customer Services	Gov Grant	98,000.00			LTP match funding contribution
Integrated Transport	Neighbourhood & Customer Services	Gov Grant	(98,000.00)			LTP match funding contribution
Highways & Bridges Capital Maintenance	Neighbourhood & Customer Services	Gov Grant	84,300.00			Highways Grant from Ironbridge Gorge Stability
			(84,300.00)			Surplus Highways Grant returned back to Bridges
Ironbridge Gorge Stability	Neighbourhood & Customer Services	Gov Grant				Programme
			(35,000.00)			
Asset Management Plan - General Works and Surveys	Commercial Services	Pru				Additional funding for development of Carwood
Housing	Commercial Services	Pru	35,000.00			Additional funding for development of Carwood
			(100,000.00)			
Asset Management Plan - General Works and Surveys	Commercial Services	Pru				Development of scheme at Wellington Civic
Wellington Fitness	Commercial Services	Pru	100,000.00			Development of scheme at Wellington Civic
			-	-	-	

Slippage						
Scheme	Service Area	Funding Source	16/17 £	17/18 £	18/19 £	Later Yrs £
Housing Company - Housing	Development Business & Employment	External	(916,000.00)	916,000.00		
Housing Company - Housing	Development Business & Employment	Prudential	(11,884,000.00)	4,860,000.00	7,024,000.00	
Commercial investment project	Development Business & Employment	Prudential	(1,835,755.11)	1,229,755.11	606,000.00	
Property investment programme	Development Business & Employment	Prudential	(4,208,969.06)	4,208,969.06		
Housing	Development Business & Employment	Prudential	(475,000.00)	475,000.00		
HCA Land Deals	Development Business & Employment	External	(112,140.00)	112,140.00		
HCA Land Deals	Development Business & Employment	External	0.00	(623,720.00)	623,720.00	
Land Deal Board Schemes	Development Business & Employment	External	(518,148.00)	518,148.00		
St Georges Regeneration	Commercial Services	Prudential	(300,000.00)	300,000.00		
Wellington Fitness Suite	Commercial Services	Prudential	(300,000.00)	300,000.00		
Housing	Commercial Services	Capital receipts			110,000.00	(110,000.00)
All other school schemes	Education and Corporate Parenting	Capital receipts			700,000.00	(700,000.00)
Total			(20,550,012.17)	12,296,292.17	9,063,720.00	(810,000.00)

New Allocations						
Scheme	Service Area		16/17 £	17/18 £	Later Yrs £	Comment
All Other School Schemes	Education and Corporate Parenting	External	283,134.52			
Accommodation	Commercial Services	Revenue	165,000.00			
Total			448,134.52	-	-	