

BUDGET & FINANCE SCRUTINY COMMITTEE

Minutes of a meeting of the Budget & Finance Scrutiny Committee held at 6.30pm on Tuesday, 4th June 2013 in Meeting Room 3, Darby House, Telford.

PRESENT: Councillors S. Reynolds (Chair), K. Austin, R. Evans, K. Guy, A. Lawrence, C. Mollett, G. Reynolds (part), A. Stanton and Co-optee R. Williams.

Also attending: Cllr. Bill McClements, Cabinet Member Finance & Enterprise; Cllr. Paul Watling, Cabinet Member Children, Young People & Families; L. Johnston, Director Children & family Services; S. Jones, Scrutiny Officer.

BFSC-1 MINUTES

RESOLVED – that the minutes of the meetings of the Budget & Finance Scrutiny Committee held on 5th February 2013 be confirmed and signed by the Chairman subject to the correction of typing errors on pages 4 and 8.

BFSC-2 APOLOGIES FOR ABSENCE

Co-optee Fiona Robinson.

BFSC-3 DECLARATIONS OF INTEREST

None

BFSC-4 CABINET RESPONSE TO THE COMMITTEE'S COMMENTS ON THE 2013/14-2015/16 BUDGET PROPOSALS

The Chair welcomed Cllr. Guy to the Committee and Cllr. Austin back to the Committee following their appointment at Annual Council, and thanked Cllrs. Sloan and Smith for their contributions during 2012/13. She then invited Cllr. Bill McClements, Cabinet Member Finance & Enterprise to comment on his response to the Committee's feedback on the budget proposals which had been presented to Cabinet on 28th February. The response had been circulated to the Committee on 11th April and copies were also tabled.

Cllr. McClements said when the Committee's feedback had been presented at Cabinet he had committed to provide a written response for the Committee although one had not been requested. Some minor amendments had been made since the response had been circulated. Cllr. McClements referred members to his written response but commented on the following points:

1. The financial pressures were well understood and the budget had been set with

tighter departmental budgets and a bigger contingency to allow for better planning. The approach required service changes and cuts to be made earlier while having a contingency to allow for slippage. The budget had addressed areas of shortfall such as the PIP rental etc. so these budget pressures would not repeat.

2. He disagreed with the Committee's comment that the Council had taken a "salami slicing" approach to savings and this was not true. The early savings targets of 20% had been set across the board, but then adjusted so that some areas had bigger targets than others. Around 85% of the total budget was spent on 3 key areas of adult, children and environmental services.
3. These points would be discussed in more detail later in the meeting. Unit costs compared favourably with West Midlands authorities.
4. There was a focus on generating income and measures to attract New Homes Bonus and Business Rate Retention income. There were no easy fixes and new ideas to generate income would take time to come to fruition and it may take 5-10 to see a return on investment. The first idea being looked at was housing stock and there were a lot of legal and planning issues to deal with. Cllr. Stanton asked if housing was the only idea and was told that it was not but it was one that was being looked at now.
5. The Council was well aware of the impact of servicing debt on the revenue budget and further capital borrowing was not an option. The Council needed to sell assets to make up the budget gaps to fund the capital programme and there was no choice. The BSF budget had been cut by 30% so the Council needed capital receipts to make up the shortfall. There had been short-term borrowing for Southwater but for long-term gain. The government put less than 20% of road/fuel tax revenue into roads which was not adequate so the Council had to supplement the road programme with capital receipts - roads were a big priority for local people. £5.8m had been raised towards the £8m required to lever in £12m of government funding for stability in Ironbridge Gorge and there was no choice about this because the Gorge could not be allowed to collapse. Front end investment had been made in replacing street head lights with energy efficient lights as an "invest to save". These were all essential projects and there was not scope to cut the capital programme.
6. As discussed above, the sale of assets was essential to fund capital projects. There was less scope now that the HCA had kept ownership of land.
7. and 8. The Committee's comments had been noted and passed to the relevant Cabinet Members.
9. The decision had been taken to increase Council Tax by 1.9% to help support the budget. The decision not to accept the freeze grant meant the Council was more than £2.3m per year on-going better off. More than 40% of Councils had decided to increase Council Tax for 2013/14.
15. There had been many debates about outsourcing. At a recent LGA meeting in

Birmingham it was clear that Telford & Wrekin was ahead of many authorities because it had had outsourced many services many years ago. The written response included a list of services which were already outsourced. The question now was whether there was a case for taking services back in-house, for example adult care provision cost around £16.40 per hour but staff were probably paid minimum wage so there was a big mark-up and the question is whether this is acceptable. The dilemma with outsourcing is that once expertise is outsourced to an external company, as for example proposed in the Shropshire model, the Council loses the expertise and the resources to carry out proper cost evaluations on a range of options. The risk is that the external company becomes profit driven and does not offer value for money.

In relation to 3b) Cllr. Stanton asked whether and what thresholds were built in to trigger corrective action to counteract risk (e.g. higher numbers of children in care, demand for adult services, environmental risks) so service pressures are managed and balanced in-year across the Council's overall budget. Cllr. McClements replied that bigger contingencies had been put in to cover these kinds of risks. Future demand was not built into base budgets because it would mean making cuts elsewhere and once more money had been built in it would stay in, but he recognised the point and that there are pressures. With regard to the cost of children's care placements, he said we need to be realistic about future demands and that financial monitoring was very good - the best it had ever been - and costs were benchmarked against other authorities. Cllr. Stanton accepted the comments about the good financial management but said there was still a need to mitigate big risks. Cllr. McClements repeated that contingencies were built in for the big risks. Cllr. Watling added that it was hard to do because the only wiggle room was around the non-statutory services and children in care was a statutory duty and responsibility for all members. The welfare benefit reforms could put extra pressure on families and it was not possible to foresee the impact, but the service was working to help people as early as possible to relieve potential future pressures – e.g. an increase in homelessness - and would need to react to pressures as they go along. He felt all Councillors needed to be aware of the pressures, such as the welfare benefit reforms, and that providing services to vulnerable children was a priority. Cllr. McClements said that the Managing Director had been given key targets and had to identify savings for the following year which could be delivered early so there was a belt and braces approach but with some wiggle room. Cllr. Stanton said he felt the Council had come a long way in the last 10 years but could still learn from the private sector although the approach was good and had improved over recent years.

BFSC-5 EARLY HELP AND SAFEGUARDING COST IMPORVEMENT PLAN

The Director presented the report on the Cost Improvement Plan circulated as Appendix B1. The report showed the targets, budget figures to date for 2013/14 (to the end of April) and projected cumulative savings by 2014/15. There were four areas for driving out savings: the recruitment and retention of social workers; the placement strategy; the approach to reduce the number of children coming into care; the commissioning strategy.

- The number of social work vacancies had been reduced to 7.5 (against a target of 6). The target had not been met because of sickness cover. Reliance on agency staff had reduced significantly over the year and the Director was confident that the service would meet the target to reduce agency staff to none by April 2014. The number of children in care social workers had to be balanced with the caseload. Five extra posts had been created last year to cope with demand. The Step up to Social Work programme is a government funded Masters programme for graduates with a minimum 2:1 degree and experience, and the Council has had five students on placement. The calibre of the candidates was very good, and the Council had recruited all five candidates.
- High-cost residential placements had been examined to identify those that could be brought back into other care in borough. Two had already been moved and eight more were planned to move by October 2013. This may slip if the needs of the children/young people change. Moves need to be carefully planned – one placement had broken down – but it was possible to move more back into the borough.
- The Resource Allocation Management Panel was in place to interrogate requests to take children into care, and to ensure the lowest cost care option which meets the needs of the child is chosen.
- Pathways had been put in place for missing children and children as victims of domestic abuse so that lower cost early intervention could be put in place.
- The Committee had also been provided with a report on the work of the Securing Permanence Group as Appendix B2. The group was about making sure the right permanence options were in place to move children safely out of care as quickly as possible. There was a range of different options including Kinship Care, Special Guardianship and Adoption which were generally lower cost options with good outcomes.
- There had been an improvement in the timeliness of foster carer assessments (the number of weeks from enquiry to approval was down from 32 to 20 weeks) and the rate of conversion from enquiry to approved carers. These were reported on the Fostering Performance Monitoring Dashboard.
- The CIC Performance Dashboard also showed an upward trend in the number of internal foster care placements and a reducing reliance on external (agency) foster carers. There were other authorities who were within budget but with an opposite trend i.e. the proportion of external placements was increasing.

The above actions were complete.

Other actions were in progress:

- The service would participate in the Step up to Social Work programme again – there was no direct cost to the Council.
- A Contract Carer had been identified and was due to accept a child from residential care and second contract carer would be recruited in due course.
- On top of the eight residential placements planned to move into other care in the borough, residential placements were being looked at to identify the next cohort to move.
- A lot of work was going on to reduce the impact of women with a history of a number of babies being removed. It was difficult for this group of women to

- engage with social workers but through multi-agency working they were being helped in parenting skills to help them keep their babies and break the cycle.
- An out-of-hours edge of care service had been running for two weeks. Experienced family and cohesion staff were on-call to help retain children in their family setting, especially teenagers.
 - Work was being done with partners to agree when a child was at risk, and a step-down approach when social workers could exit and other support be put in place.
 - Improvement & Efficiency West Midlands (IEWM) had done a review of the fostering service and had identified no major flaws. There were a few tips for improvement but nothing radical.
 - Cabinet Member Cllr. Watling added that there was a focus on preventative work and the priority was to keep children safe in their own families and safe in their own communities.

There were then a number of questions and comments.

- Cllr. Lawrence asked whether there was scope to spend more on the marketing campaign to attract more foster carers. The Director said this was a good question because the number of enquiries did not necessarily correlate to a proportionate number of registrations. For example, there had been 153 enquiries in April 2012 which was less than the 226 enquiries in April 2011, but more had reached the foster care stage in 2012 because marketing had been targeted better. Cllr. McClements said that the key is the ability to convert and Cllr. Watling agreed it was not the number of enquiries but the number of conversions that mattered and there was not an easy equation. He had been on the foster care stand in the shopping centre last Friday which reached a broad range of people, but they had to be the right people and there was a need to get this message out and target groups with the right characteristics. Cllr. Lawrence suggested that if this was the case, then more could be spent on marketing targeted groups. The Director said the Fostering Dashboard had more information and could be provided.
- Cllr. Stanton asked whether more could and should be spent on the conversion process. Cllr. Watling said this was something to look at – how to get the right people into the system at the right time. Good quality foster care was the best option for most children in care and he would continue to look at this so the best possible service is offered to foster children. The Director said the IEWM report would also be considered and it was agreed that the report and the Performance Dashboard would be circulated to the Committee after the meeting.
- Cllr. McClements said that he attends the monthly financial monitoring meetings and he extended an invitation to members of the committee to attend on a rota basis. The Chair said she had attended two meetings and from her point of view the process was robust.
- Cllr. McClements said that in terms of children in care costs, demand was the biggest issue. Youth unemployment was high which could impact on service

demands over the long-term, and there was a need to focus on job creation and helping young people into work. One member said he had experience of recruiting young people but they had not stuck at the job, and other members said they felt there was an issue with young people having unrealistic expectations when they enter the work place. Cllr. Watling said it was key to work with young people to improve this.

- Cllr. Stanton noted that there was a target to reduce the number of children in care and a focus on preventative work, while there had been an increase in the number of social workers. He wanted to know if this would send out mixed messages to the work-force, whether staff would worry about the longevity of their jobs and how messages were communicated to staff. The Director said this was a good question. The focus has been on having enough social workers to cope with the workload. The work-force strategy is to pay well, to value staff and to provide development, training and support. There would be no social worker cuts, and this message had been communicated very clearly to staff. If staff reductions were needed in future, it would be done by reducing vacancies and not by cutting staff. There had been five work-force sessions with children's social workers in May and they had been assured that the Council was committed to them and did not want to lose any of them. Cllr. Watling said that children were the first priority and the redesign in safeguarding had been led by the work-force – it was not a top-down approach – based on the Munro report as a starting point and putting children at the centre. The current peer review may also help provide a view. The recruitment of the masters level social workers from the Step up to Social Work programme was a real positive – the graduates had all decided to stay in Telford & Wrekin and wanted to be here. Telford & Wrekin was investing in this work. This would lead to more stability in the work force and more placement stability which was all part of the performance indicators.
- Cllr. Stanton wanted to know how often social workers' pay was benchmarked against the cost of living and against other authorities. The Director said Telford & Wrekin had signed up to Epaycheck (online benchmarking system for the public sector) with 11 other authorities and HR would be carrying out benchmarking checks. It was critical to be aware what other authorities were paying, but retention was about caseload, support and training as much as pay. They were aware of when other authorities were recruiting or who was likely to enter the market and it was important to pitch pay at the right level to keep Telford & Wrekin a good place to work. Cllr. Watling said there was some thinking at regional level with the Directors of Children Services about an inter-corporate approach. The Director agreed it was difficult because there was a limited pool of experienced social workers although there were more newly qualifieds coming through who needed to be nurtured. The move from high to low dependency on agency staff had created flexibility to cover staff sickness and absence better.
- Cllr. Evans asked for clarification about the targets and savings targets presented in the report and whether they were to date or to the end of the year - it was hard to see progress to date against quarterly or annual targets. The Director explained that the description box stated the date that the targets and savings related to. The columns on the left hand side showed the targets for each activity at each

stage, and the “Achieved” column showed what had been achieved to date i.e. to the end of April 2013, and any variation against target. The table on the right hand side showed the savings targets for 2013/14, the forecast savings achieved from performance against target, and any variance. For example, the target to reduce the number of children in residential placements by March 2014 was 32 which would bring a forecast saving of £654 by March 2014, but if the target was under- or over-achieved, the “achieved” saving would vary either way.

- Mr. Williams wanted to know the rationale for reducing agency social workers to 6 by April 2013. The Director said this was a phased reduction target and the intention was to have no agency staff by March 2014 which she was confident would be achieved. The targets had been planned to fit with the recruitment process and the number on caseload. She felt the targets were stretching but not aspirational – caseloads were examined every month to assess how many agency staff were required to ensure delivery of a safe service. Cllr. Watling said that the number of children in care had been set at 300 to calculate unit costs and was not a target.
- Cllr. Stanton noted that the forecast saving to date was £1.2m and wanted to know how the savings would be used or reinvested. The Director said that the savings were a contribution to getting the service back within budget and did not release revenue. The Council benchmarked against regional activity which showed that Telford & Wrekin was not an outlier in terms of spend on children in care. Cllr. Watling said that comparisons were made against national, regional and statistical neighbours and there were a lot with Inadequate Ofsted ratings. Cllr. McClements said the Council had a relatively low level of income from Council Tax because of the housing mix in the borough – many properties were in Band B – and the economic profile of the borough meant proportionately more children come into care than in more affluent areas so the service felt all these pressures and this was why he felt it was important to address youth unemployment. Cllr. Austin said it was good that young people decided to stay in the borough. He said that Telford had been one of the fastest growing towns and with growth there comes change and one family could have a big impact on the budget. Cllr. Watling agreed and as an example, 7-8 children had been taken into care last year from 2 families.
- Cllr. Lawrence said the Committee’s concern was not so much how many children were in care, but how long children spend in care and, looking at the cost against budget graphs in the Dashboard, he expressed some concern about the level of control over costs. The Chair said she had attended two of the monthly financial monitoring meetings and her view was that the monitoring was very robust. Cllr. McClements said that financial monitoring was excellent. Cllr. Watling reminded members that the Children & Young People Scrutiny Committee had done a review of the children in care placement strategy which had found some very clear positives in terms of the strategy and was disappointed that members did not seem to have read the report. He said again that the permanence strategy was being looked at but at the end of the day these were our children and all members as corporate parents were responsible for looking after them. Cllr. Lawrence replied that his concerns were not about the corporate parenting responsibility, but about the financial monitoring and there seemed to be too much emphasis on monitoring

and not on management. Cllr. McClements disagreed and said that the meetings were not just about monitoring, but were about challenging what is going on and how things were being improved and he wanted to know what scrutiny thought should be done differently. The Chair again said she had attended monitoring meetings and was happy with the way they worked and suggested that other members attend to seek assurances.

- Cllr. Stanton wanted to know whether the Council's total spend on children in care as a proportion of the Council's total budget was benchmarked with similar authorities and what percentage of the total budget was spent on children in care. The Director said there may be some CiPFA benchmarks, but it was difficult to make fair comparisons because each authority allocates and codes spending in a different way. The usual benchmark used was unit costs. A saving of £121k was also forecast from the commissioning of the new Jigsaw care contract.
- Cllr. Guy sought assurance from the Director that placement costs were under control and being managed. The Director said she could confidently give assurance that costs were under control. They know that bringing children into care will have a cost, but when this happens the costs are controlled. Costs could be reduced by setting a lower care threshold but a lot of work had been done to look at this and she believed Telford & Wrekin had a fair threshold. Once a child is taken into care, the lowest cost care that meets the child's needs is put in place. Some children need higher cost care and if this is the case, the child is provided with the right care to meet their needs, but the costs are known so that spending is controlled. They know what is happening and why spend is made.
- Cllr. Guy asked that if the budget is perceived to be out of control, how the Committee and members of the public could be convinced that it is not. Cllr. Watling said that the evidence was in the reports provided and in the Dashboard, and that it was the job of all Councillors as corporate parents to get this message over. Cllr. McClements said that the Council could set a higher budget so it could say it was within budget which was what other Councils had done, but Telford & Wrekin would not do this. Telford & Wrekin was a lower wage economy than other authority areas and these conditions correlated to proportionately higher numbers of children coming into care so there was more pressure.
- Cllr. Lawrence said he felt there was scepticism about budget control because there had been a repeating cycle of overspend in recent years and although he understood there may be a connection with current economic conditions the overspend trend had not always related to this. Cllr. Watling said he had asked a Member from Derbyshire how they dealt with increasing costs and had been told that Derbyshire just increase the budget each year. Cllr. Lawrence said he still felt there was a better way and Cllr. Watling replied that he would like to hear it.
- Cllr. Stanton said that in business, if there was a greater than 50% risk of something happening, it should be accounted for in the budget. Because this didn't happen, the budget was continually overspent and drawing on contingencies and this created a mindset of "not doing well". He wanted to know if this could be

reversed so a more realistic budget is set and this would send out a more positive message. Cllr. Watling agreed that a more positive message would be desirable.

There were no further questions and the Cabinet members and Director left the meeting.

BFSC-6 WORK PROGRAMME

Members considered the previous discussion and the work programme circulated as Appendix C.

With regard to the children in care placement budget, members requested:

- A further report on the Cost Improvement Plan later in the year
- Quarterly reports of the Securing Permanence Group
- The Children in Care Performance Dashboard
- The IEWM report on the fostering service
- Cost benchmarking information with statistical neighbours
- Trend data on the budget / forecast / actual spend on care placements and the number of children in care from 2003.

With regard to the next meeting, it was agreed that:

- Ken Clarke would present the 2012/13 Outturn report
- Richard Partington would be invited to report on the Council's approach to outsourcing/shared services including the option of bringing services back in-house, the Council's approach to prioritising services / financial planning in the medium term and the Council's approach to commercial income generation.
- There would be an update on Single Status

The September meeting would be a joint meeting with the Co-operative & Communities Scrutiny Committee to have an update on the impact of the welfare benefit reform policies previously scrutinised. The role of the Co-operative & Communities Scrutiny Committee was to look at the social impacts and the Budget & Finance Scrutiny Committee would look at the financial implications.

The meeting ended at 8.15pm.

Chair:.....

Date:.....

TELFORD & WREKIN COUNCIL

**CABINET – 27 JUNE 2013
COUNCIL – 11 JULY 2013**

**SERVICE & FINANCIAL PLANNING REPORT – 2012/13 OUTTURN AND
2013/14 UPDATE**

**REPORT OF THE ASSISTANT DIRECTOR: FINANCE, AUDIT &
INFORMATION GOVERNANCE (CHIEF FINANCIAL OFFICER.)**

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 2012/13 Financial Outturn

The gross revenue budget for 2012/13 was £411m and the net budget for reporting purposes just over £126m. The revenue outturn position is within budget with a final net underspend of £0.06m (-0.04% of net budget).

Given the context of the Council having to make £19m of budget savings in 2012/13 it is a particularly positive year end position which demonstrates both strong and effective financial management and the ability of Service managers to drive out efficiencies. Within the overall position, provision has also been made to create the £2.5m one-off budget contingency for 2013/14 as approved as part of the Service & Financial Planning Strategy at Council in March 2013.

There were a number of favourable variations during the year which contributed to the overall final position being within budget. These included:

- Pro-active management of employee budgets during the year has given rise to savings totalling £2.1m relating to vacant posts, many linked to service restructures. The majority of these savings are not ongoing as restructures have contributed to the 2013/14 savings package and budgets have therefore been reduced
- A benefit of £0.9m arising from treasury management activities
- Savings arising from reduced fleet/transport costs across a number of services totalling £0.6m
- The budgeted contingency had a balance of £1.7m remaining at year end.

The main pressures experienced during 2012/13 were:

- The cost of Adult Care & Support Services - the majority of the overspend relates to the PCT's withdrawal of funding for some clients with health care needs and the cost to the Council of providing support. The cost of purchasing care packages was £5.5m overspent at year end. This was part-mitigated by one-off funding from the NHS totalling £4.7m towards the overall cost shift of £8.5m pa NHS ongoing costs against which the Council has already allocated £3m budget from its savings programme. The net shortfall of £0.8m on care packages plus other one-off funding and service underspends resulted in a small overspend of £0.014m at year end. The issue of Continuing Health Care costs is an ongoing problem and discussions are underway with the Clinical Commissioning Group about the funding position.
- The cost of Children in Care Placements – an overspend of £2.7m relating to both placements and the use of agency staff. Safeguarding and Family & Cohesion Services have a robust cost improvement plan designed to bring spend back in line with budgets. Further information is included in section 5.3
- The cost of Specialist Education – an overspend of £0.792m relating to stated provision
- Winter maintenance costs have exceeded budget by £0.324m due to the adverse weather conditions experienced. This budget has been increased by £0.15m as part of the 2013/14 budget strategy.
- Income – a shortfall of £1.7m, relating to a number of services including PIP rentals, building control fees, planning fees, licensing fees, Adult Social Care client contributions and school meals income due to historical targets which have become unrealistic in the current economic climate. A strategic review of income budgets was undertaken as part of the Service & Financial Planning process and income budgets have been adjusted to reflect a more realistic position, as appropriate, for 2013/14.

1.2 Capital

Capital spend ended the year at £62.8m against an approved estimate of £79.7m which was in the main due to re-phasing into 2013/14.

1.3 Income Monitoring

Council Tax (£61m), business Rates (£69m) and sales ledger income collection (£37m) were all slightly behind target for the year however this is in line with the national trend and reflect the current economic climate. The Revenues Team are trialling a number of new and innovative ways to collect debt which is being closely monitored for impact on collection rates

1.4 General

The draft formal statement of accounts will be available in July as KPMG begin the external audit and will also be available for public inspection for 20 working days from 1 July.

1.5 Summaries of the outturn on revenue and capital along with major variations are shown as appendices.

1.6 **2013/14 Update**

The Council faces a very challenging year in 2013/14 and a number of key issues are already highlighted in this first high level review of the budget position. Once the final accounts are completed more detailed new year monitoring will take place and a further, more detailed, report will be brought to a future meeting of the Cabinet with an updated position.

2.0 **RECOMMENDATIONS**

2.1 In relation to the 2012/13 Financial Outturn, Members are asked to approve the following recommendations which will go forward to Full Council for approval:

- (i)** The Revenue outturn position and related virements in Appendix 3 for 2012/13 which is subject to audit by the Council's external auditors; also, the transfer to reserves detailed in 6.4.
- (ii)** Approve the Capital outturn position and related supplementary estimates, virements and re-phasing shown in Appendix 4 as summarised in the report.
- (iii)** Note performance against income targets
- (iv)** Note the initial pressure areas identified for 2013/14

3.0 **SUMMARY IMPACT ASSESSMENT**

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources. Financial management ensures best use of resources.
TARGET COMPLETION/DELIVERY DATE	Outturn forms the basis of the formal statement of accounts which are audited during July and will be published by the end of September.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report.

		The S151 Officer has a statutory duty to monitor income and expenditure and take action if overspends /shortfalls emerge. There is a requirement to publish the Statement of Accounts by the end of September.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	Borough Wide

4.0 PREVIOUS MINUTES

01/03/12 – Full Council, Service & Financial Planning Strategy

26/07/12 – Cabinet, Financial Monitoring Report

13/09/12 – Full Council, Financial Monitoring Report

18/10/12 – Cabinet, Financial Monitoring Report

22/11/12 – Full Council, Financial Monitoring Report

10/01/13 – Cabinet, Financial Monitoring Report

24/01/13 – Full Council, Financial Monitoring Report

10/01/13 – Cabinet, Financial Monitoring Report

24/01/13 – Full Council, Financial Monitoring Report

28/02/13 – Cabinet, Financial Monitoring Report

PART B) – ADDITIONAL INFORMATION

5.0 2012/13 REVENUE BUDGET

5.1 The Council had a gross revenue budget of £411m for 2012/13 and the final net revenue outturn position is as follows (a summary is provided in Appendix I):

	£m
Net Budget	126.254
Net Expenditure	126.199
Net Underspend	-0.055
Percentage Net Variance	-0.04

5.2 Variations by Service Delivery Unit are summarised below and further detail is provided in Appendix 2.

Service Area	Budget	Outturn	Variance
	£	£	£
Childrens Safeguarding	18,000,059	21,145,269	3,145,210
Education & Skills	8,449,424	7,868,340	(581,084)
Family & Cohesion Services	14,538,439	13,429,935	(1,108,504)
Customer & People Services	4,374,520	4,656,410	281,890
Neighbourhood & Leisure Services	26,261,974	26,479,089	217,115
Development, Business & Housing	(266,219)	(397,584)	(131,365)
Care & Support	42,616,720	42,630,617	13,897
Law, Democracy & Public Protection	2,341,530	2,177,249	(164,281)
Finance, Audit & Information Governance	0	(411,196)	(411,196)
Treasury	10,374,700	9,451,102	(923,598)
Cooperative Council	1,476,020	1,198,019	(278,001)
Council Wide	4,210,890	3,948,927	(261,963)
Central Provision	2,820,189	1,073,065	(1,747,124)
AMRA & Other Council Wide Items	(8,943,846)	(10,400,752)	(1,456,906)
Total Variation	126,254,400	122,848,490	(3,405,910)
Required for 2013/14 budget contingency- Approved at Full Council in March 2013		2,500,000	2,500,000
Transfer to Budget Strategy Reserve		850,387	850,387
Year End Position	126,254,400	126,198,877	(55,523)

Note: the above figures include both service and corporate variances (such as NNDR discretionary relief) - the detailed analysis is shown in Appendix 2. The figures are also before asset rentals, pensions accounting entries (as required by International Accounting Standard 19) and impairment costs which will be finalised for the production of the Statement of Accounts – these are technical accounting entries which are reversed out in the Income & Expenditure Account and do not impact on the overall outturn position shown above but which are required by accounting regulations that the Council must comply with.

5.3 Variances over £0.100m are highlighted below.

Service Delivery Unit	Variance £m
<u>Children's Safeguarding</u>	
Children in Care – overspend; reflects 321 CiC at 31 March 2013 (302 at 31 March 2012).	+2.101
Supported Placements/Special Guardianship and Residence Orders	+0.114
Child Protection and Assessment Staffing – overspend arising from the use of agency staff employed to cover vacancies.	+0.559

<p>Support for Children in Need and Assessments– costs for support for children in need and specific assessment requests.</p>	+0.182
<p>Legal Costs – the costs associated with court proceedings</p> <p>Safeguarding and Family and Cohesion services have a robust cost improvement plan in place which is beginning to show impact and should come through fully in 2013-14 to bring spend back down to budget (including achieving savings target). This includes a reduction of Agency staff from 14 in Sept 2012 to 8.5 at the end of March, and a stabilising of the numbers of children in care after the rise last autumn, with some planned endings of high cost placements at the end of the financial year. Legal costs budget has been reset at a realistic level taking into account the costs and numbers of care proceedings. Applications for care proceedings have stayed at a consistent level since the rise seen nationally after Baby P in 2008</p>	+0.124
<p><u>Education & Skills</u></p> <p>Employees –impact from the restructure and vacancies.</p> <p>Education Business Partnership/Lifelong Learning & Skills – loss of grant funding</p> <p>Transport – reduced costs due to efficiencies and demographic changes relating to Home to School Transport</p>	<p>-0.193</p> <p>+0.296</p> <p>-0.375</p>
<p><u>Family & Cohesion Services</u></p> <p>Children & Families Location Services – mainly staff savings</p> <p>Early Intervention – Teenage pregnancy; staff savings and changes in the level of service</p> <p>Transport –savings on Home to School Transport costs</p> <p>Youth & Community – additional income and other operational savings</p>	<p>-0.370</p> <p>-0.106</p> <p>-0.240</p> <p>-0.115</p>
<p><u>Care & Support</u></p> <p>Purchasing budgets – cumulative impact of the NHS cost shift resulting from the Continuing Health Care eligibility review carried out by the PCT since 2009 which has transferred £8.5m costs onto the Council. The Council has already funded £3m of this ongoing from savings to other</p>	+5.500

services hence the net ongoing variation of £5.5m.	
NHS/PCT Funding –one off funding only, from the PCT in relation to the shift of ongoing costs for clients previously established to have a Primary Health Need (CHC clients)	-2.700
Other NHS Funding - funds passed to the PCT by the Department of Health to support Social Care in Local Authorities. These should be used for service improvements or to offset the impact on Adult Care of overall direct Government funding cuts to local government, but are having to be used to offset the impact of the PCT's own savings exercise which switches CHC costs onto the Council as well as local people who are 'self funders'.	-2.030
Purchasing – reduction in Homecare costs across all client groups	-0.458
Income – shortfall of client contributions from all client groups.	+0.147
Employee Costs – underspend arising from vacant posts and part year appointments, mainly in the Commissioning and Substance Misuse Teams.	-0.232
Care Leavers – overspend relating to the cost of supporting 16-18 year olds as they leave care.	+0.703
Supporting People – delay in achievement of saving	+0.246
One off Funding – identified following a detailed review of available funds	-1.256
<u>Neighbourhood & Leisure Services</u>	
Winter maintenance costs in excess of budget	+0.324
Highways Maintenance – additional highways maintenance works	+0.295
Engineers – shortfall in fee income	+0.129
Public Realm – a range of underspends on operational budgets following management action.	-0.370
Highways – street lighting and energy costs	-0.121

<u>Development, Business & Housing</u>	
PIP Rental Income – shortfall due to unrealistic income target in current economic climate	+0.228
Building Control & Planning Fees – shortfall due to downturn in the economy and historic unrealistic income target	+0.310
Planning – employee savings arising from vacancy management during restructure process.	-0.130
Business Support – one-off underspends due to vacancies.	-0.193
Property & Design – underspends relating to premises (property rationalisation savings) and supplies and services	-0.255
Employees – including restructure savings and vacancy management savings	-0.293
<u>Customer & People Services</u>	
ICT – overspend relating mainly to increased costs associated with maintenance contracts and the increase in numbers of staff using ICT and needing licences.	+0.346
ICT – shortfall of printing income due to reduced printing volumes resulting in savings being made in local service budgets	+0.131
ICT – capitalisation of ICT revenue spend to support revenue position	-0.307
Education catering client account – shortfall against free school meals income due to reduced take up.	+0.187
School Meals – primary school catering - shortfall in meals income due to reduced take up reflective of the economic climate	+0.106
People Services – staff savings arising from vacant posts and restructure	-0.219
NNDR Discretionary Relief – corporate variance - cost of discretionary reliefs granted (non controllable)	+0.109
Court Fee Income – corporate variance - shortfall against income target (non controllable)	+0.120

<u>Law, Democracy & Public Protection</u>	
Land Charges Income – additional search fees income	-0.146
Licensing Income – shortfall arising mainly from taxi licensing	+0.125
<u>Treasury Management</u>	
Benefit of active treasury management seeking to maximise benefits from low interest rates and lower borrowing than anticipated.	-0.923
<u>Housing & Council Tax Benefit Subsidy</u>	
Benefit arising from reduced audit fee and council tax benefit overpayment recovery	-0.367
<u>Budgeted Contingency</u>	
Balance of budget contingency remaining at year end.	-1.747

6.0 **RESERVES & BALANCES**

- 6.1 The main General and Special Fund balances are £3.121m at 31st March 2013. Subsequent to closedown a full risk based evaluation of all balances will be undertaken to determine an updated view of balances available for the budget strategy.
- 6.2 The position on the main General and Special Fund Balances is:

	£m
Balances at 1 st April 2012	3.686
Budgeted use of Balances	-1.390
Contribution to General Fund Balances i.e. 12/13 underspend	0.055
Transfers from other Balances	0.770
Balances at 31st March 2013	3.121*
*£250k committed to freedoms and flexibilities within Leisure	

The 2012/13 budget included projected use of £1.390m of balances; the actual use of balances was £1.335m which is lower due to in-year work to reduce spend and minimise use of the budget contingency through earlier delivery of savings and other management action. During the year all reserves and balances were reviewed resulting in £0.77m of reserves from reserves that are no longer required being

transferred in to General Fund balances (N.B. as part of the risk assessment of balances these had already been identified as usable balances for budget strategy purposes).

The General/Special Fund balance forms part of the Council's overall reserves and balances.

- 6.3 As agreed at Full Council in March 2013, £2.500m funds have been carried forward to create a one-off contingency for 2013/14 as part of the 2013/14 Service & Financial Planning Strategy.
- 6.4 It is proposed that £1m is transferred from the Budget Strategy Reserve to the Severance Fund. We have also received notification that part of the proceeds from the sale of the Council's interest in the West Mercia Supplies catalogue business, £0.850m, may be treated as a revenue item and it is proposed that this is transferred into the Budget Strategy Reserve.

7.0 2012/13 CAPITAL PROGRAMME

- 7.1 The capital programme for 2012/13 was £79.6m; spend at year end was £62.7m giving a year end variation of £16.9m which is summarised in the table below:

Priority	Budget	Spend		Variance
	£m	£m	%	£m
Protect and Support Our Vulnerable Children & Adults	4.012	1.932	48	-2.080
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	14.769	11.445	77	-3.324
Improve the Health and Well Being of our Communities and Address Health Inequalities	4.435	4.216	95	-0.219
Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	9.174	5.536	60	-3.638
Ensure That Neighbourhoods are Safe, Clean and Well Maintained	10.019	10.791	108	0.772
Improve Local People's Prospects through Education and Skills Training	34.904	26.161	75	-8.743
Managing the Organisation	2.357	2.703	115	0.346
Total	79.670	62.784	79	-16.886

7.2 The main scheme delays/re-phasing to 2012/13 are shown below with detail included in Appendix 4.

	£m
• Education & Skills - Building Schools for the Future: amendments to phasing	-7.247
• Education & Skills – Schools: various schemes most which are grant funded. Currently committed and works to commence shortly.	-0.683
• Vulnerable Children & Adults - Social Care ICT Review: All committed, delays in programme which has resulted in re-phasing	-0.447
• Vulnerable Children & Adults – Delays with Extra Care contract, full scheme designs not yet agreed due to late approval of the schemes which have resulted in rephasing.	-1.839
• Regeneration of Neighbourhoods – delays related to the scheme design phase;, ground works now almost complete.	-0.690
• Business Supporting – Town Centre Rephasing of the Programme and early receipt of income from HCA; projected to be within budget overall.	- 2.238
• Regeneration of Neighbourhoods – delays in remedial works.	-0.235
• Regeneration of Neighbourhoods – Delays in acquisition of some properties in Brookside	-0.993
• Regeneration of Neighbourhoods – delays, delays in third party supply, late remedial works and required approval at cabinet (Housing Investment went 28th March).	-1.205
• Business Supporting – Accommodation Delays in Acquisitions	-1.085

7.3 There are a number of new approvals and virements which are also detailed in Appendix 4 and require formal approval.

7.4 The funding for the capital programme in 2012/13 included £33.139m estimated income from capital receipts. The actual income received in year was lower at £26.353m – the difference was mainly due to a number of receipts delayed until 2013/14. The shortfall in 2012/13 can be accommodated within the overall capital spend slippage and consequently does not result in any additional temporary borrowing. The position for 2013/14 is covered later in this report.

8.0 CORPORATE INCOME MONITORING

8.1 The Council's budget includes significant income streams which are regularly monitored to ensure they are on track to achieve targets that have been set and so that remedial action can be taken at a very early stage. The three main areas are Council Tax, NNDR (business rates) and Sales Ledger. Current monitoring information relating to these is provided below. The Council pursues outstanding debt vigorously, until all possible recovery avenues have been exhausted, but also prudently provides for bad debts in its accounts.

8.2 In summary, the overall position shows collection levels outside the targets set for 2012/13

INCOME COLLECTION – MARCH 2013			
	Actual	Target	Performance
Collection Levels:			
Council Tax Collection	97.2%	97.8%	0.60% behind target
NNDR Collection	97.4%	98.3%	0.90% behind target
Sales Ledger Outstanding Debt	7.45%	5.50%	1.95% behind target

8.3 **Council Tax (£61.2m)**

The percentage of the current year liability for council tax which the authority should have received during the year, as a percentage of annual collectable debit. The measure does not take account of debt that continues to be pursued and collected after the end of the financial year in which it became due. The final collection figure for all financial years exceeds 99%.

Year end performance 2011/12	97.8%
Year End Target for 2012/13	97.8%

Performance is cumulative during the year and expressed against the complete year's debit. Performance at year end is 0.60% behind of the target set for this year and the performance at the same time last year however reflects the national trend due to the current economic climate:

Year End Target	Year End Actual	Last year Actual
97.8%	97.2%	97.8%

The collection rates have out turned at 0.6% behind target and the performance at this point last year. This equates to approx £368k in monetary terms. The collection rate follows the national trend.

8.4 **NNDR-Business Rates (£68.6m)**

The % of business rates for 2012/13 that should have been collected during the year. This target, as for council tax, ignores our continuing collection of earlier years' liabilities.

The measure does not take into account the debt that continues to be pursued and collected after the end of the financial year in which it became due. As a general rule the final collection figure for any financial year exceeds 99%.

Year end performance 2011/12	98.3%
Year End Target for 2012/13	98.3%

Month End Target	Month End Actual	Last year Actual
98.3%	97.40%	98.3%

Collection for NDR out-turned at 0.9% behind target and performance for the previous year. This equates to approx £618k in monetary value. NDR has shown significant challenges as some businesses struggle to pay their liability. There will be significant challenge in 2013/14 for collection of NDR as 50% of all monies collected will be retained by the Council, but more focus is being applied to the collection of NDR from the start of April as 49% of business rates now come directly to the Council.

8.5 **Sales Ledger (£36.7m)**

This includes general debt and Social Care debt. Debt below 2 months is classified as a normal credit period.

The target percent is set relating cumulative debt outstanding from all years to the current annual debit. The targets and performance of income collection for 2012/13 are as follows:

Age of debt	Annual Target %	March 2013	
		£m	%
Total	5.50	2.737	7.45%

Performance for sales ledger outstanding debt is outside target, and has remained so all year. There are still a number of large debts under dispute relating to Social Services which are in the process of being resolved with the PCT/CCG.

9.0 2013/14 UPDATE

The first detailed monitoring report for 2013/14 will be considered at Cabinet in July. However, this section of the report gives an early indication of some emerging issues for the new financial year, informed where relevant, by the closedown position reported above. Inevitably, early focus is on areas of potential pressure and managers are now taking action to seek ways to minimise these pressures and to identify ways to mitigate remaining issues.

9.1 Revenue

Care & Support -

- This budget remains under pressure with additional savings of £2.2m this year plus finding another £1.4m ongoing to cover spend (a mix of previous savings targets still being delivered and service pressures) which was covered last year by the use of one off social care funds. On top of this there is the ongoing pressure of CHC cost switching to resolve with the Clinical Commissioning Group which was offset last year by using one off NHS funds totalling £4.7m. There is an assumption of £4.4m one offs included in the base budget on the same basis following discussions with the CCG but this needs formalising with both them and the NHS England Area Team. 2012/13 outturn identified a significant overspend on transition/care leavers (£703k) which followed on from similar pressures in 2011/12. A review of this service is now starting but is unlikely to start to impact until later in the year.

Safeguarding

- The budget for 2013/14 for Children's Safeguarding has been amended in line with the Cost Improvement Plan and 2013/14 budget strategy. The adjusted budget reflects expected demand for Residential and Foster Care placements and then applies cost reductions associated with the actions proposed in the Plan. The objective is to reduce the expenditure in line with the base budget for 2013/14. The actions taken include reducing the number of Children in "High Cost Placements", reducing the number and cost of Agency staff currently covering vacancies and specialist placements, and some budget realignment. The cost reductions included in the Plan total £2.2m for 2013/14. However, the expected forecast costs arising from demand on the service resulted in a one off contingency budget being set aside as part of the 2013/14 budget strategy. This budget of £1.3m is held Corporately for Safeguarding, and expenditure forecasts arising from the Cost Improvement Plan identified that of this £1.3m Children's Safeguarding requires £0.93m, the remainder being earmarked for Adults.

Initial forecasts for 2013/14 suggest that the outturn expenditure will be in line with the Cost Improvement Plan model and within 2013/14 base

budget plus contingency and therefore in line with the budget strategy for 2013/14.

Neighbourhood and Leisure Services

- Pressure on environmental services which were supplemented by one off additional funding of £400k in 12/13. This includes additional rapid response and pot hole busting gangs. Service expectations will have to be managed to maintain costs within the available budgets
- projected income shortfalls against targets at Oakengates Theatre, currently estimated to be around £150k
- The potential impact on community leisure budgets as a result of the move of secondary schools to academies and trust status is currently being assessed.

Customer & People Services

- ICT – the cost of maintenance contracts relating to corporate systems and the need to increase the number of individual user licences is expected to be around £300k over budget and an ongoing challenge. The use of ICT is a key enabler of a modern and flexible workforce.
- NNDR Discretionary Relief – potentially £110k overspend. Based on overspends in the past few years, this is likely to continue to be a pressure area. Under the new Business Rates Retention Funding model the cost of granting discretionary relief is borne 50% by central government and 50% locally. A review of the policy for reliefs granted is underway.
- Court Fee Income – potentially £120k overspend against income target set although we will continue to collect this debt into the new financial year.

Law, Democracy and Public Protection

- Shortfall in licensing income, projected overspend around £130k
- Capacity/Staffing services in Legal, projected overspend around £100k

Finance, Audit & Information Governance

- Treasury – a benefit of £0.5m is estimated; despite the re-phasing of capital receipts assumptions, this may improve further as the year progresses and projections are updated.

Council Wide

- Education - the RSG settlement for 2011/12 and 2012/13 included a reduction in funding available for the Central Support of maintained schools in order to fund the Central support costs of academies. The formula used has changed too and local authorities who have been disadvantaged by the former mechanism will be refunded. £351k was returned to the Council in 2012/13 (for 2011/12). In 2013/14 we have an indication that £731k will be returned to the Council (for 2012/13).
- Insurance Liability - historically, Municipal Mutual Insurance Limited (MMI) provided the majority of insurance cover to Local Authorities,

including Wrekin DC and Shropshire County Council. MMI ceased trading in 1992 and the company is now in its 20th year of run-off with Zurich Municipal administering outstanding and new claims. After several years of a deteriorating solvency position and an adverse judgement in the Supreme Court, at its meeting in November the MMI Board determined that they would become insolvent and confirmed that an element of claims costs would be charged via a levy to local authorities. In April 2013, the Scheme Administrator announced that the initial rate of the levy would be 15% of the total of claims paid since 1993. Based on latest claims information, the 15% levy gives a total liability for Telford & Wrekin of £0.265m. A provision has been included in the accounts to reflect this known liability which is expected to be payable in 2013/14. There are potential future costs if the MMI situation deteriorates further.

9.2 **Capital**

The 2013/14 capital programme relies on £39.1m of capital receipts as part of its funding. Adjusting this for the receipts deferred from 2012/13, mentioned earlier in this report, brings the total value of receipts required in 2013/14 to £45.1m. Early monitoring indicates that around £30m of these receipts will not now be received until future years and options to bridge this short term issue are currently being investigated. The position may be alleviated once the 2013/14 capital programme is reviewed in light of the outturn position including slippage of expenditure.

9.3 **2013/14 Corporate Income Monitoring**

In summary, the overall position shows collection levels for council tax are ahead of target while NNDR collection and sales ledger debt is outside the target set.

INCOME COLLECTION – APRIL 2013			
	Actual	Target	Performance
Collection Levels:			
Council Tax Collection	10.37%	10.36 %	0.01% ahead of target
Business Rates Collection	12.92%	13.18%	0.26% behind target
Sales Ledger Outstanding Debt	7.45%	5.50%	1.95% behind target

Council Tax

The targets for the forthcoming year have been provisionally set at 0.3% below last years collection rates. This is to reflect the fact that Council Tax Benefit has been abolished and replaced with Council Tax Support which has resulted in 11,000 taxpayers having to pay an increased amount of Council Tax, 8,000 of whom did not pay any Council Tax last year as they were in receipt of full benefit. At this stage it is unknown what collection rates will be for 2013/14, but it is highly likely that there will be challenges in collecting small balances from vulnerable customers. During April, double the number of Reminder Notices were issued in comparison to April 2012, which indicates the scale of non payment as a result of benefit customers

having to pay more Council Tax. The position will be monitored closely as the year progresses however new and innovative ways of collecting debt are being tried including the adoption of nudge principals along with promotions of the direct debit scheme to name just a few.

Business Rates

Collection of Business Rates is of greater importance in 2013/14 as under the new Local Government Funding mechanism an element of rates collected is retained locally and directly forms part of the Council's overall funding. This transfers more risk to the Council from Central Government and it is vital that business rates income and collection is maximised. It is clearly very early in the year to project outturn, however it is concerning that collection is currently behind target and this will be closely monitored as the year progresses. This does, of course, continue the downward trend that was experienced during 2012/13 and which is being reflected across the country.

Sales Ledger

Performance for sales ledger outstanding debt is outside target. There are still a number of debts under dispute relating to local NHS debts with Social Services which are being actively pursued.

10.0 BACKGROUND PAPERS

2012/13 Budget Strategy and Financial Ledger reports
2013/14 Budget Strategy

Report Prepared by:

Ken Clarke, Assistant Director: Finance, Audit & Information Governance – 01952 383100; Pauline Harris, Corporate Finance Manager – 01952 383701

Summary of 2012/13 Variations

Service Area	Budget	Outturn	Variance			
	£	£	£	Corporate	Service	Total
	£	£	£	£	£	£
Childrens Safeguarding	18,000,059	21,145,269	3,145,210	0	3,145,210	3,145,210
Education & Skills	8,449,424	7,868,340	(581,084)	0	(581,084)	(581,084)
Family & Cohesion Services	14,538,439	13,429,935	(1,108,504)	0	(1,108,504)	(1,108,504)
Customer & People Services	4,374,520	4,656,410	281,890	163,314	118,576	281,890
Neighbourhood & Leisure Services	26,261,974	26,479,089	217,115	0	217,115	217,115
Development, Business & Housing	(266,219)	(397,584)	(131,365)	(113,049)	(18,316)	(131,365)
Care & Support	42,616,720	42,630,617	13,897	0	13,897	13,897
Law, Democracy & Public Protection	2,341,530	2,177,249	(164,281)	0	(164,281)	(164,281)
Finance, Audit & Information Governance	0	(411,196)	(411,196)	(92,427)	(318,769)	(411,196)
Treasury	10,374,700	9,451,102	(923,598)	(923,598)		(923,598)
Cooperative Council	1,476,020	1,198,019	(278,001)	7,338	(285,339)	(278,001)
Council Wide	4,210,890	3,948,927	(261,963)	(261,963)		(261,963)
Central Provision	2,820,189	1,073,065	(1,747,124)	(1,747,124)		(1,747,124)
AMRA & Other Council Wide Items	(8,943,846)	(10,400,752)	(1,456,906)	(1,456,906)		(1,456,906)
Total Variation	126,254,400	122,848,490	(3,405,910)	(4,424,415)	1,018,505	(3,405,910)
Required for 2013/14 budget contingency- Approved at Full Council in March 2013		2,500,000	2,500,000			2,500,000
Transfer to Budget Strategy Reserve		850,387	850,387			850,387
Year End Position	126,254,400	126,198,877	(55,523)			(55,523)

2012/13 Revenue Budget Variations							
Description		Budget	Outturn	Variance	Corporate	Service	Comments
		£	£	£	£	£	
Safeguarding							
Children in Care and Fostering	Children in Care Placements	9,813,514	11,914,080	2,100,566		2,100,566	Based on all CiC placements, including Residential and both internal and external Fostering. Children in care numbers as at 31st March 2013 were 321 (31st March 2012 – 302). The numbers appear to have plateaued since the rise in the autumn.
	Supported Placements (Special Guardianship and Residence Orders)	375,992	490,313	114,321		114,321	This overspend has resulted from growth in numbers and placement costs. As at 31st March 2013 there were 61 supported children, and the majority of the cost results from payments to Carers. These are children who have exited care to live with permanent carers who are not their parents
Child Protection & Assessment	Staffing - including agency	2,127,950	2,686,567	558,617		558,617	This overspend is based on the net cost of agency staff, taking their costs and taking off budgets for posts being covered. The cost of agency staff is offset by any vacancies that were being covered. Numbers of Agency staff have reduced from 14 in September to 8.5 at the end of March, a further downward trend is expected in 2013-14.
	Legal Costs	100,000	223,510	123,510		123,510	This overspend reflects the costs associated with court proceedings, both in-house legal fees and the use of barristers. This budget has been reset for 2013-14 to reflect actual costs which have been evident for the last few years.
	Support for Children in Need and Assessments	123,410	305,858	182,448		182,448	This overspend 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.
Asset Rentals		10,260	10,260	0			
Variations under £50,000		5,448,933	5,514,681	65,748		65,748	
Total Safeguarding		18,000,059	21,145,269	3,145,210	0	3,145,210	
Education & Skills							
Education & Skills	Premature retirement and redundancy costs	1,419,131	1,321,953	(97,178)		(97,178)	Lower costs than budgeted in these areas arising from pattern of staffing changes
Education & Skills	Staffing	1,485,556	1,292,497	(193,059)		(193,059)	Impact of vacancies etc.
Education & Skills	Traded Advisory Services	178,513	106,212	(72,301)		(72,301)	Additional income generated from services to schools
School Organisation Services	Home to School Transport	3,127,019	2,751,780	(375,239)		(375,239)	Savings from operational efficiencies and demographic change
Education Partnership/Lifelong Learning	Grant income shortfall	579,210	875,381	296,171		296,171	Impact of loss of Education Business Partnership and Lifelong Learning grant income
Asset Rentals		4,093,193	4,093,193	0		0	
Variations under £50,000		(2,433,198)	(2,572,676)	(139,478)		(139,478)	
				0		0	
Total Education & Skills		8,449,424	7,868,340	(581,084)	0	(581,084)	

2012/13 Revenue Budget Variations							
Description		Budget	Outturn	Variance	Corporate	Service	Comments
		£	£	£	£	£	
Family and Cohesion Services							
	Shortbreaks	72,494	(13,701)	(86,195)		(86,195)	This saving has resulted from a careful review of existing commitments and levels of service.
Early Intervention	Children & Family Locality Services	(69,447)	(439,153)	(369,706)		(369,706)	Includes staffing savings on Newdale and generally across Children's and Family Locality Services
	Teenage Pregnancy	4,142	(102,052)	(106,194)		(106,194)	Reflects staffing savings and changes in level of service pending re-launch via the Health and Well Being Strategy.
Integrated Planning, Placements & Commissioning	Family Placements	301,817	238,976	(62,841)		(62,841)	This is as a result of delays in recruiting to posts following restructure
	Transport	3,696,416	3,456,336	(240,080)		(240,080)	Various underspends including BSOG fuel duty rebate, Outside Hire income, Vehicle maintenance with a number of other small underspends.
	Commissioning Children	159,413	219,193	59,780		59,780	Following the cessation of the joint commissioning arrangements during 2012/13, the PCT did not contribute income as they formerly had. There was an overall saving on joint commissioning across adults and children's service areas
Family Connect		241,880	155,873	(86,007)		(86,007)	This variation has arisen across a number of operational budget heads, the majority from staff vacancies which existed for part of the year(underspent £64k)
Family & Cohesion Services	TAMHS	(22,188)	(72,188)	(50,000)		(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.
Cohesion	Youth & Community Income	171,008	55,648	(115,360)		(115,360)	The budget reported of £271k is the net budget. The variance is on a gross expenditure budget of £990k. Income was generated in excess of target by £61k, and the remaining variance of £54k is the total of various expenditure variations of under £50k.
Asset Rentals		385,556	385,556	0			
Variations under £50000		9,597,348	9,545,447	(51,901)		(51,901)	
Total Family and Cohesion Services		14,538,439	13,429,935	(1,108,504)	0	(1,108,504)	
Customer & People's Services							
ICT	Employees - ICT Gold Staffing	220,930	298,483	77,553		77,553	Increased staffing costs due to switch to provision of Gold Service to schools
ICT	Income - ICT Trading	0	(67,271)	(67,271)		(67,271)	Surplus income received from recharges for VOIP and Orange phones
ICT	Supplies & Services - ICT Corporate	1,073,760	1,419,505	345,745		345,745	Over spend in relation to system maintenance contracts
ICT	Supplies & Services - Print Room	175,520	108,925	(66,595)		(66,595)	Saving arising from revised rental charge for print room machines
ICT	Income - Print Room	(362,740)	(231,919)	130,821		130,821	Shortfall against income target due to reduced printing volumes
ICT	ICT - Capitalisation of PC's	0	(307,143)	(307,143)		(307,143)	Surplus generated from capitalisation of thick/thin client PC's
Revenues & Benefits	NNDR Discretionary Relief	60,560	170,108	109,548	109,548		Relief costs higher than budgeted
Revenues & Benefits	Court Fees income	(914,320)	(794,684)	119,636	119,636		Shortfall against court fees income
Catering	Income - Civic Offices Canteen	(94,510)	(33,167)	61,343		61,343	Shortfalls against income target following move to Addenbrooke House. This has been offset by under spends on provisions of £32.6k.
Catering	Income - Education Catering Free School Meals Account	(795,700)	(608,234)	187,466		187,466	Shortfall against budgeted free school meal funding following the loss of business from several schools in 11/12 and 12/13.
Catering	Income - Lets Cook Together	(56,000)	23,000	79,000		79,000	Shortfall in 2012/13
Catering	Primary School Catering	5,655	112,235	106,580		106,580	Shortfall in income received for paid meals.
Customer Services	Income - Cemeteries	(139,100)	(193,039)	(53,939)		(53,939)	Additional income generated from increased number of burials in year
	Cemeteries - Support Services	16,890	8,670	(8,220)	(8,220)		Variation on support service recharges

2012/13 Revenue Budget Variations							
Description		Budget	Outturn	Variance	Corporate	Service	Comments
		£	£	£	£	£	
People Services	Employees - People Services	1,710,690	1,492,027	(218,663)		(218,663)	Under spend against staffing as a result of the restructure of HR & OI
People Services	Support Services	226,670	169,020	(57,650)	(57,650)		Variation on support service recharges
Variations under £50,000	Asset Rents	3,246,215	3,089,894	(156,321)		(156,321)	
Total Customer & People Services		4,374,520	4,656,410	281,890	163,314	118,576	
Neighbourhood & Leisure Services							
Engineers Services							
Engineers	Salaries	1,174,411	1,102,369	(72,042)		(72,042)	Savings due to vacancy management
	Fees & Charges	(1,784,470)	(1,655,413)	129,057		129,057	Net engineers fee income shortfall after maximisation of capitalisation.
Street Lighting, Signs and Footway Lighting	Energy	1,014,808	893,315	(121,493)		(121,493)	Energy Charges
	Maintenance	257,885	237,578	(20,307)		(20,307)	Ad hoc maintenance
Special Fund - Footway Lighting							
Street Lighting & Signs	Energy and Maintenance Costs	726,160	708,998	(17,162)		(17,162)	
Bridges, Structures & Retaining Walls		217,040	270,671	53,631		53,631	Additional expenditure incurred on retaining walls
Public Realm							
	Winter Maintenance	412,397	736,052	323,655		323,655	Winter Maintenance budget insufficient due to the level of fixed costs, plus Increased pressure due to weather conditions. £150k budget growth received in 13/14.
	Highways Maintenance	899,681	1,194,329	294,648		294,648	Additional teams to address highways maintenance issues (net off teams charged to the £400k environmental works reserve. Includes use of capital funding and use of one off balances to mitigate costs of additional works. This is not available in 2013/2014. Plus underspends on various highways maintenance budgets.
	Environmental Maintenance	4,685,644	4,599,187	(86,457)		(86,457)	Net savings
	Public Realm - range of underspends on operational budgets following management action	9,993,043	9,623,292	(369,751)		(369,751)	Net savings
Highways & Transport	Income	(110,120)	(30,248)	79,872		79,872	Income not achieved due to reduced car park ticket and fine income. Reduced fixed penalty notices (FPN) income from utility companies who are improving their compliance, in addition to companies defaulting on paying FPN's.
Leisure Facilities & Services	Ice Rink	455,580	507,895	52,315		52,315	Delayed reopening, this does not include property related budget. Net of use of one off reserves.
	Mens Health - employees		67,100	67,100		67,100	Salaries & related expenditure to deliver this service, offset by income below.

2012/13 Revenue Budget Variations							
Description		Budget	Outturn	Variance	Corporate	Service	Comments
		£	£	£	£	£	
	Mens Health - income		(67,100)	(67,100)		(67,100)	Income for this service
	Disability Junior Activities - expenditure		80,563	80,563		80,563	Salaries & related expenditure to deliver this service, offset by income below
	Disability Junior Activities - income		(80,563)	(80,563)		(80,563)	Income for this service
Arts & Culture	Schools music service - employees and income	(29,330)	56,926	86,256		86,256	Overspend on music teacher salaries plus £48.5k unachievable income target, growth given in 13/14.
	Oakengates Theatre	331,030	310,899	(20,131)		(20,131)	Additional income at Oakengates Theatre.
Variations under £50,000		8,018,215	7,923,239	(94,976)		(94,976)	
Total Neighbourhood & Leisure Services		26,261,974	26,479,089	217,115	0	217,115	
Development, Business & Housing							
Development Management	Building Regulations Applications income	(437,210)	(336,630)	100,580		100,580	Non sustainable Building control fee income target, budget growth agreed for 13/14.
	Planning Applications - Supplies & Services	5,830	82,374	76,544		76,544	Legal fees net of one off funding.
	Planning Applications - Income	(1,109,480)	(899,970)	209,510		209,510	Non sustainable Planning fee income target, net of one off funding, budget growth agreed in 13/14.
	Planning Business Mgt Account - Employees	1,444,832	1,314,394	(130,438)		(130,438)	One off funding from vacancy management during re-structure process.
Business & Development Planning	Business Support - employees	1,022,158	828,917	(193,241)		(193,241)	Vacancy management during restructure period, one off underspend
Facilities Management & Cleaning Services	School Trading	(150,540)	(55,805)	94,735		94,735	Impact of schools trading
	One off Funding	138,000	30,500	(107,500)		(107,500)	Use of one off funding to mitigate
Regeneration & Investment	Property Investment Portfolio income	(5,969,698)	(5,741,483)	228,215		228,215	Shortfall in PIP rental income against income target due to high level of voids in the current economic climate; budget re-aligned in 2013/14
Property & Design	Operational Premises - NNDR	138,000	234,000	96,000		96,000	Increased NNDR for Abraham Darby & Tennis Centre
	Premises - other costs	853,624	715,624	(138,000)		(138,000)	Early delivery of property rationalisation savings
	Management Account - supplies & services	216,010	98,397	(117,613)		(117,613)	Reduced use of consultants
Assistant Director	Employees	320,473	139,785	(180,688)		(180,688)	Part Year Restructure Savings, vacancy management savings, freeze on additional hours during restructure process and release of top of scale funding
Assistant Director - Economic Development		137,500	24,451	(113,049)	(113,049)		
Asset Rentals				0		0	
Variations under £50,000		3,124,282	3,167,862	43,580		43,580	
Total Development, Business & Housing		(266,219)	(397,584)	(131,365)	(113,049)	(18,316)	

2012/13 Revenue Budget Variations							
Description	Budget	Outturn	Variance	Corporate	Service	Comments	
	£	£	£	£	£		
Care & Support							
Purchasing - all client groups	33,340,000	38,382,000	5,042,000		5,500,000	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 and unfunded ongoing. This 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	(2,700,000)		(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 PCT (Dept. Of Health Funding)	-	(2,030,000)	(2,030,000)		(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.	
Purchasing - all client groups - non-CHC spend					(458,000)	Reduction in forecast Homecare costs across all client groups	
Sub-total			312,000		312,000		
Care Leavers	574,559	1,277,717	703,158		703,158	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.	
Employee Costs	10,998,640	10,766,495	(232,145)		(232,145)	This underspend is a net position across staffing budgets, but the most significant underspends arise in Commissioning and Substance Misuse. The overall underspend arises from vacancies and part year appointments following restructure.	
Supporting People	3,477,720	3,724,146	246,426		246,426	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.	
Use of One Off Funding		(1,256,072)	(1,256,072)		(1,256,072)	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.	

2012/13 Revenue Budget Variations							
Description		Budget	Outturn	Variance	Corporate	Service	Comments
		£	£	£	£	£	
Income - client contributions for all client groups		(6,465,620)	(6,318,638)	146,982		146,982	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.
Asset Rentals				-		0	
Variations under £50,000		691,421	784,969	93,548		93,548	
Total Care & Support		42,616,720	42,630,617	13,897	0	13,897	
Law, Democracy & Public Protection							
Land Charges	Income - Land Charges	(39,570)	(185,234)	(145,664)		(145,664)	Additional income received from Land Charges
Licensing	Income - Licensing	(369,000)	(244,109)	124,891		124,891	Shortfall against income target for licenses mainly due to loss of a number of taxi licenses to Shropshire
Asset Rentals							
Variations under £50,000		2,750,100	2,606,592	(143,508)		(143,508)	
Total Law, Democracy & Public Protection		2,341,530	2,177,249	(164,281)	0	(164,281)	
Finance, Audit & Information Governance							
Finance	Staffing - Schools & Care Finance	1,009,600	929,158	(80,442)		(80,442)	Savings arising from vacant posts for part of the year and staff not at top of grade. Plus saving on training.
External Audit Fee		249,890	157,463	(92,427)	(92,427)		Audit Fee lower than budgeted
	Variations Under £50k	(1,259,490)	(1,497,817)	(238,327)		(238,327)	
Total Finance, Audit & Information Governance		0	(411,196)	(411,196)	(92,427)	(318,769)	

2012/13 Revenue Budget Variations							
Description		Budget	Outturn	Variance	Corporate	Service	Comments
		£	£	£	£	£	
Cooperative Council							
Communications & Marketing	Employees - Communications & Marketing	429,580	372,333	(57,247)		(57,247)	Under spends on staffing arising from maternity leave and backfill arrangements
Delivery & Planning	Employees - Delivery & Planning	592,280	537,899	(54,381)		(54,381)	Under spends on staffing from vacant posts and employees not at top of grade
Sponsorship Income	Income	(54,260)	(46,922)	7,338	7,338		Shortfall of income generated in relation to roundabout advertisements.
Variations under £50,000		508,420	334,709	(173,711)		(173,711)	
Total Cooperative Council		1,476,020	1,198,019	(278,001)	7,338	(285,339)	
Council Wide							
Treasury Management		10,374,700	9,451,102	(923,598)	(923,598)		Benefits of low interest rates and lower than anticipated borrowing
Housing & Council Tax Benefits		(52,880)	(420,261)	(367,381)	(367,381)		Additional income in relation to rebilled rebates and recovery of Housing Benefit overpayments.
Purchase Rebates	West Mercia Supplies	(314,240)	(244,015)	70,225	70,225		Shortfall against budgeted WMS rebate - final dividend prior to sale. The Council is still a member of West Mercia Energy which is the utilities element of the purchasing consortium business which was not part of the sale.
Budgeted Contingency		2,820,189	1,073,065	(1,747,124)	(1,747,124)		Unused element of budgeted contingency (note budget were adjusted for the approved contractual inflation allocations)
Asset Rentals & Other Council Wide Items		(8,943,846)	(10,400,752)	(1,456,906)	(1,456,906)		
Variations under £50,000		4,578,010	4,613,203	35,193	35,193		
Total Council Wide		8,461,933	4,072,342	(4,389,591)	(4,389,591)	0	
Total Variations		126,254,400	122,848,490	(3,405,910)	(4,424,415)	1,018,505	
Required for 2013/14 budget contingency- Approved at Full Council in March 2013			2,500,000	2,500,000	2,500,000		
Transfer to Budget Strategy Reserve			850,387	850,387	850,387		
Overall Variation		126,254,400	126,198,877	(55,523)	(1,074,028)	1,018,505	

2012/13 Revenue Budget Variations							
Description	Budget	Outturn	Variance	Corporate	Service	Comments	
	£	£	£	£	£		

Memoranda Account - Dedicated Schools Grant and Sixth Form Funding

The table below summarises the expenditure defrayed from the DSG and Sixth Form grant allocation within the respective Service Delivery Areas:

	Budget £	Outturn £	Variance £	
Education & Skills	106,106,488	101,832,017	(4,274,471)	
Family & Cohesion	3,724,231	7,998,702	4,274,471	£0.792m relating to Specialist Education Provision
Childrens Safeguarding	25,000	25,000	0	
<p>DSG is allocated as a separate grant by the Department of Education. It is in the main "passported" to Schools and the remainder applied to eligible expenditure on Education elsewhere within Education and Skills, Safeguarding and the Family and Cohesion budget. the grant was fully utilised in 2012/13, either spent or carried forward as part of the 2013/14 budget strategy with no remaining variance from allocation. The amount in the "variance" column reported arises because the grant receipt is most accounted for within Education & Skills but eligible spending occurs within Family & Cohesion which is funded by the grant.</p>				

2012/13 Revenue Virements Required

Virements To:	£	Virements From:	£
Safeguarding			
Children In Care Placements	2,100,566		
Supported Placements	114,321		
Agency Staff	558,617		
Support for Children In Care	182,448		
Legal costs	123,510		
	<u>3,079,462</u>		-
Education & Skills			
Grant Income	296,171	Staffing	193,059
		Home to School Transport - operational	103,112
	<u>296,171</u>		<u>296,171</u>
Family & Cohesion Services			
Integrated Planning, Placements and Commissioning - Commissioning Children	59,780	Integrated Planning, Placements and Commissioning - Family Placements	59,780
	<u>59,780</u>		<u>59,780</u>

2012/13 Revenue Virements Required

<u>Virements To:</u>	£	<u>Virements From:</u>	£
Customer & People Services			
ICT - Employees	77,553	ICT - Trading Income	67,271
ICT - Supplies & Service - Mtce Contracts	345,745	ICT - capitalisation Funding	307,143
ICT - Print Room Income	130,821	ICT - Print Room - Supplies & Services	66,595
NNDR Discretionary Relief	109,548	Cemeteries Income	53,939
Court Fee Income	119,636	People Services - Employees	218,663
Catering Income	434,389	Support Services	65,870
		Variations under £50,000	156,321
	1,217,692		935,802
Neighbourhood & Leisure Services			
Engineers Fees & Charges	129,057	Engineers Employees	72,042
Retaining Walls	53,631	Street Lighting Energy	121,493
Winter Maintenance	323,655	Environmental Maintenance	86,457
Highways Maintenance	294,648	Public Realm	369,751
Highways Income	79,872	The Place - Income	20,131
Mens Health Expenditure	67,100	Mens Health Income	67,100

2012/13 Revenue Virements Required

<u>Virements To:</u>	£	<u>Virements From:</u>	£
Disability Junior Activities - Expenditure	80,563	Disability Junior Activities - Income	80,563
Telford Ice Rink	52,315	Variations under £50,000	132,445
Schools Music Service - employees and income	86,256		
	1,167,097		949,982
Development, Business & Housing			
Bldg Regulations Income	100,580	Planning Business Mgt. Account - Employee	130,438
Planning Applications - Supplies & Services	76,544	Business Support - Employees	193,241
Planning Applications Income	209,510	Property & Design - Other Premises Costs	138,000
Cleaning Services - school trading	94,735	Property & Design - Supplies & Services	117,613
Property Investment Portfolio Income	228,215	Senior Management - Employees	226,292
Property & Design - Operational Premises - NNDR	96,000		
	805,584		805,584
Care & Support			
Purchasing Care - all client groups	5,500,000	Income - Funding from PCT	2,700,000
Care Leavers	703,158	Income - Other DOH Funding	2,030,000

2012/13 Revenue Virements Required

<u>Virements To:</u>	£	<u>Virements From:</u>	£
Supporting People	246,426	Income - Other one off Funding	1256072
Income - Client Contributions	146,982	Employee Costs	232,145
		Purchasing - non CHC Spend	378,349
	6,596,566		6,596,566
Law, Democracy & Public Protection			
Licensing Income	124,891	Land Charges Income	124,891
	124,891		124,891
Council Wide			
West Mercia Supplies Purchasing Rebate	70,225	Treasury Management	923,598
		Housing & Council Tax Benefits	367,381
		Budgeted Contingency	1,747,124
		Other Council Wide Items	610,589
	70,225		3,648,692
Total	13,417,468		13,417,468

Capital - Slippage, Supplementary Estimates & Virements

Slippage - Scheme	Priority	Slippage - £	Funding
Mount Gilbert School - Flooring	Improve Local People's Prospects through Education and Skills Training	-3,657	Borrow App
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-130,019	Borrow App
Highways & Bridges Capital Maintenance	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-134,336	Borrow App
Building Schools for the Future	Improve Local People's Prospects through Education and Skills Training	-1,268,000	Borrow App
Burton Borough Roof	Improve Local People's Prospects through Education and Skills Training	-3,450	Borrow App
Meadows Primary	Improve Local People's Prospects through Education and Skills Training	-44,550	Borrow App
Asbestos Surveys	Improve Local People's Prospects through Education and Skills Training	-15,589	Borrow App
Energy Sustainability Schemes	Improve Local People's Prospects through Education and Skills Training	-37,632	Borrow App
Contingency for Reactive Works	Improve Local People's Prospects through Education and Skills Training	-7,338	Borrow App
Redhill Primary - Toliet	Improve Local People's Prospects through Education and Skills Training	-6,000	Borrow App
Lilleshall Primary - Roofing / Windows Phase 2	Improve Local People's Prospects through Education and Skills Training	-7,353	Borrow App
Old Park Primary - Water Heater	Improve Local People's Prospects through Education and Skills Training	-9,000	Borrow App
Schools Access Initiative	Improve Local People's Prospects through Education and Skills Training	-1,021	Borrow App
Access - Darby House footpaths	Improve Local People's Prospects through Education and Skills Training	-6,221	Borrow App
Lawley Primary - DDA Equipment - Hi/Lo bed	Improve Local People's Prospects through Education and Skills Training	-3,450	Borrow App
Newport Juniors - 2 x Disabled Bays	Improve Local People's Prospects through Education and Skills Training	-1,000	Borrow App
To Reduce Prudential Borrowing	Managing the Organisation	-14,333,000	Cap Receipts
Social Education Centre	Protect and Support Our Vulnerable Children & Adults	-350,000	Cap Receipts
Capital Receipts Site Preparation	Managing the Organisation	61,509	Cap Receipts
Town Centre - Accommodation Strategy	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	17,840,000	Cap Receipts
Teagues Bridge Primary	Improve Local People's Prospects through Education and Skills Training	28,585	Cap Receipts
Madeley Court Demolition	Improve Local People's Prospects through Education and Skills Training	9,756	Cap Receipts
Youth	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-75,000	Cap Receipts
Woodside Local Centre & Project Manag.	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-230,000	Cap Receipts
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-155,000	Cap Receipts
Wellington Civic Works	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-4,604,673	Cap Receipts
Dawley	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-2,000,000	Cap Receipts
Malinslee Local Centre	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	50,740	Cap Receipts
Leegomery Local Centre BTI	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-1,350,000	Cap Receipts
Building Schools for the Future	Improve Local People's Prospects through Education and Skills Training	-850,000	Cap Receipts
Meadows Primary/Burton Borough Roof Works	Improve Local People's Prospects through Education and Skills Training	-420	Cap Receipts
Newdale Primary	Improve Local People's Prospects through Education and Skills Training	-52,440	Cap Receipts
Redhill Demountable	Improve Local People's Prospects through Education and Skills Training	5,000	Cap Receipts
Contingency for Reactive Works	Improve Local People's Prospects through Education and Skills Training	-30,803	Cap Receipts
Brindleyford	Improve the Health and Well Being of our Communities and Address Health Inequalities	-11,575	External
Loan Contingency grant	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-66,074	External
Pathways - New College	Improve Local People's Prospects through Education and Skills Training	-526	External
Box Road	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-205,000	External
Building Schools for the Future	Improve Local People's Prospects through Education and Skills Training	-7,000	External
Muxton Primary - 3 Classbase extension	Improve Local People's Prospects through Education and Skills Training	-75,000	External
Social Care Capital Grant	Protect and Support Our Vulnerable Children & Adults	-246,465	Gov Grant
ICT Social Care Review	Protect and Support Our Vulnerable Children & Adults	-234,999	Gov Grant
Town Centre - Phase 1	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	-2,722,632	Gov Grant
Parks for People	Improve the Health and Well Being of our Communities and Address Health Inequalities	-93,411	Gov Grant
Upgraded Tennis Facilities	Improve the Health and Well Being of our Communities and Address Health Inequalities	-33,137	Gov Grant
Hadley Local Centre Phase 1 & 2	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	515,426	Gov Grant
Mount Gilbert School - Flooring	Improve Local People's Prospects through Education and Skills Training	-19,632	Gov Grant
Haughton Special School - Security	Improve Local People's Prospects through Education and Skills Training	-18,805	Gov Grant
Short Wood - Fall Arrest System	Improve Local People's Prospects through Education and Skills Training	-5,750	Gov Grant
Short Wood Primary - backup boiler / gas pressure works	Improve Local People's Prospects through Education and Skills Training	-3,736	Gov Grant
Dawley	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-50,000	Gov Grant
Ladygrove Distribution Boards & Boiler	Improve Local People's Prospects through Education and Skills Training	-4,182	Gov Grant

Ironbridge Gorge Stability	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-179,285	Gov Grant
Leegomery Local Centre BTI	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-5,000	Gov Grant
Short Breaks for Disabled Children Capital	Improve Local People's Prospects through Education and Skills Training	-277,666	Gov Grant
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-36,537	Gov Grant
Highways & Bridges Capital Maintenance	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-2,000	Gov Grant
Highways & Bridges Capital Maintenance	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-603,861	Gov Grant
Box Road	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-92,000	Gov Grant
Local Sustainable Transport Fund	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-275,398	Gov Grant
Building Schools for the Future	Improve Local People's Prospects through Education and Skills Training	-7,351,492	Gov Grant
Short Wood Primary - Ceiling Track Hoist	Improve Local People's Prospects through Education and Skills Training	-9,521	Gov Grant
Redhill Primary - DDA works including external fencing	Improve Local People's Prospects through Education and Skills Training	-16,910	Gov Grant
2 Year Old Entitlement	Improve Local People's Prospects through Education and Skills Training	-359,053	Gov Grant
Meadows Primary	Improve Local People's Prospects through Education and Skills Training	-93	Gov Grant
Muxton Primary Classbase Extension	Improve Local People's Prospects through Education and Skills Training	31,624	Gov Grant
St Georges - 3 New Classbases	Improve Local People's Prospects through Education and Skills Training	-61,579	Gov Grant
Hadley LC - Notices of Change	Improve Local People's Prospects through Education and Skills Training	-10,000	Gov Grant
Dothill Primary - Infant corridor, kitchen and meeting room	Improve Local People's Prospects through Education and Skills Training	-50,000	Gov Grant
Dothill Primary - Asbestos /Phase 2 Heating	Improve Local People's Prospects through Education and Skills Training	-14,213	Gov Grant
Asbestos Surveys	Improve Local People's Prospects through Education and Skills Training	-24,180	Gov Grant
Various Schools - Asbestos Removals	Improve Local People's Prospects through Education and Skills Training	-37,862	Gov Grant
Schools Tree Works	Improve Local People's Prospects through Education and Skills Training	-31,562	Gov Grant
Various Schools - Asset Management System	Improve Local People's Prospects through Education and Skills Training	-1,616	Gov Grant
Various Schools - Kitchen Planned Works	Improve Local People's Prospects through Education and Skills Training	-11,426	Gov Grant
Contingency for Reactive Works	Improve Local People's Prospects through Education and Skills Training	-37,207	Gov Grant
Donnington Wood Infants Main Block Roof	Improve Local People's Prospects through Education and Skills Training	-16,472	Gov Grant
Hollinswood Infant - Curtain Wall - Final Phase	Improve Local People's Prospects through Education and Skills Training	-14,503	Gov Grant
Newport Infants - Toilet refurbishment	Improve Local People's Prospects through Education and Skills Training	-8,500	Gov Grant
Newport Infants - Heat Exchangers	Improve Local People's Prospects through Education and Skills Training	-2,039	Gov Grant
Hollinswood Junior - Kitchen Works	Improve Local People's Prospects through Education and Skills Training	-58,120	Gov Grant
John Fletcher - Rewiring Phase 1	Improve Local People's Prospects through Education and Skills Training	-4,135	Gov Grant
Meadows Primary - Electrical Installation	Improve Local People's Prospects through Education and Skills Training	-900	Gov Grant
Meadows Primary - Lighting	Improve Local People's Prospects through Education and Skills Training	-4,500	Gov Grant
Newport Junior - Boiler	Improve Local People's Prospects through Education and Skills Training	-18,376	Gov Grant
Redhill Primary - Classroom Doors	Improve Local People's Prospects through Education and Skills Training	-13,800	Gov Grant
Redhill Primary Remodelling	Improve Local People's Prospects through Education and Skills Training	-1,496	Gov Grant
St Patricks - Drainage	Improve Local People's Prospects through Education and Skills Training	-3,653	Gov Grant
Teagues Bridge Primary	Improve Local People's Prospects through Education and Skills Training	-21,954	Gov Grant
Tibberton Primary - Roofing Main Block	Improve Local People's Prospects through Education and Skills Training	-10,758	Gov Grant
Lilleshall Primary - DDA	Improve Local People's Prospects through Education and Skills Training	-4,878	Gov Grant
Use of Additional Capital Receipts	Managing the Organisation	14,483,363	Prudential
Supported Independent Living - Disabled Facilities Grant (estimate)	Protect and Support Our Vulnerable Children & Adults	-15,119	Prudential
Extra Care	Protect and Support Our Vulnerable Children & Adults	-800,000	Prudential
Town Centre - Phase 1	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	447,000	Prudential
Town Centre - Accommodation Strategy	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	-18,929,000	Prudential
Aggresso Project	Managing the Organisation	-50,000	Prudential
Telford Ice Rink	Improve the Health and Well Being of our Communities and Address Health Inequalities	54,359	Prudential
Asset Management Plan - General Works & Surveys	Managing the Organisation	-72,625	Prudential
Parks for People	Improve the Health and Well Being of our Communities and Address Health Inequalities	-68,650	Prudential
Crazy Golf in the Town park	Improve the Health and Well Being of our Communities and Address Health Inequalities	-100,000	Prudential
Newport Fitness facility	Improve the Health and Well Being of our Communities and Address Health Inequalities	369	Prudential
Parks & Play Areas	Improve the Health and Well Being of our Communities and Address Health Inequalities	-42,858	Prudential
ICT/ eGov	Managing the Organisation	-119,630	Prudential
Housing	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-612,400	Prudential
Housing Investment	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-229,086	Prudential
Housing Strategy & Enabling	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-286,435	Prudential
Oakengates	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-690,564	Prudential
Sutton Hill	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-236,443	Prudential

Sutton Hill Local Centre	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-56,428	Prudential
Hadley Local Centre Phase 1 & 2	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-685,189	Prudential
Woodside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-9,824	Prudential
Woodside Local Centre & Project Manag.	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-30,000	Prudential
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-842,785	Prudential
Wellington Civic Works	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	4,566,000	Prudential
Wellington Street Works	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	30,000	Prudential
Dawley Ground works	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-3,470,000	Prudential
Dawley-Town Park Access section 106	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	5,650,000	Prudential
Dawley-Project Management costs	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-200,000	Prudential
BTI Small Grants	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-36,705	Prudential
Malinslee Local Centre	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-56,795	Prudential
Leegomery Local Centre BTI	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	1,350,000	Prudential
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-15,537	Prudential
Street Lighting Energy Programme	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-44,754	Prudential
Highways / Footpaths	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-5,646	Prudential
Box Road	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-78,000	Prudential
Building Schools for the Future	Improve Local People's Prospects through Education and Skills Training	1,275,000	Prudential
Meadows Primary	Improve Local People's Prospects through Education and Skills Training	-16,000	Prudential
Contingency for Reactive Works	Improve Local People's Prospects through Education and Skills Training	-7,760	Prudential
ICT Social Care Review	Protect and Support Our Vulnerable Children & Adults	-212,000	Revenue
Box Road	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-40,000	Revenue
Building Schools for the Future	Improve Local People's Prospects through Education and Skills Training	333,000	Revenue
Pupil Services DDA Access works & Equip	Improve Local People's Prospects through Education and Skills Training	-7,725	Revenue

-20,516,646

New Allocations	Priority	Value - £	Funding
Haughton Special School - Main School Roof and Floor	Improve Local People's Prospects through Education and Skills Training	-500	External
Social Care Capital Grant	Protect and Support Our Vulnerable Children & Adults	-268,447	Gov Grant
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-122,000	Gov Grant
Haughton Special School - Main School Roof and Floor	Improve Local People's Prospects through Education and Skills Training	2,500	Gov Grant
Supported Independent Living - Disabled Facilities Grant (estimate)	Protect and Support Our Vulnerable Children & Adults	51,985	Cap Receipts
- Housing Needs Property Maintenance	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	13,478	Cap Receipts
PIP Reinvestment Programme	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	2,479,806	Cap Receipts
Town Centre - Phase 1	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	7,325	External
Town Centre - Accommodation Strategy	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	3,500	External
Asset Management Plan - General Works & Surveys	Managing the Organisation	16,041	External
Brindleyford	Improve the Health and Well Being of our Communities and Address Health Inequalities	4,000	External
Lightmoor Primary	Improve Local People's Prospects through Education and Skills Training	1,438	External
Loan Contingency grant	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	30,115	External
Wellington Civic Works	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	4,000	External
Malinslee Local Centre	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	4,167	External
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	38,000	External
Holyhead Road Traffic Calming	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	22,256	External
Jiggers Bank Stabilization	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	130,398	External
Teagues Bridge Primary	Improve Local People's Prospects through Education and Skills Training	107,914	External
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	4,906	Gov Grant
Ironbridge CIPS	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	3,811	Gov Grant
Devolved Formula Capital	Improve Local People's Prospects through Education and Skills Training	107	Gov Grant
2 Year Old Entitlement	Improve Local People's Prospects through Education and Skills Training	359,053	Gov Grant
Meadows Primary	Improve Local People's Prospects through Education and Skills Training	-34,793	Gov Grant
Teagues Bridge Primary	Improve Local People's Prospects through Education and Skills Training	-107,914	Gov Grant
Haughton Special School - Main School Roof and Floor	Improve Local People's Prospects through Education and Skills Training	7,500	Gov Grant
Stirchley Library	Managing the Organisation	50,257	Other

Use of Additional Capital Receipts	Managing the Organisation	87	Prudential
Cafe Go Set Up Costs	Managing the Organisation	37,863	Prudential
ICT Capitalised Costs	Managing the Organisation	414,255	Prudential
Stirchley Training Centre	Managing the Organisation	8,506	Prudential
Asset Management Plan - General Works & Surveys	Managing the Organisation	10,000	Prudential
AFC Telford	Improve the Health and Well Being of our Communities and Address Health Inequalities	3,306	Prudential
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	122,000	Prudential
Highways General	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	8,450	Revenue
Burton Borough - Main roof	Improve Local People's Prospects through Education and Skills Training	71,040	Revenue
Dothill Junior - Wall demolition and fencing works	Improve Local People's Prospects through Education and Skills Training	59,897	Revenue
Lilleshall Primary - Flood Damage	Improve Local People's Prospects through Education and Skills Training	1,255	Revenue
Teagues Bridge Primary - Flood Damage	Improve Local People's Prospects through Education and Skills Training	17,475	Revenue
Various Schools - External Painting Year 2	Improve Local People's Prospects through Education and Skills Training	72,000	Revenue

3,635,039

Virements	Priority	Value - £	Funding
Newport Fitness Facility	Health & Well Being	10,000	Prudential
General Works & Surveys	Managing the Organisation	-10,000	Prudential
Re-active Works contingency	Education & Skills Training	-50,000	External
Short Breaks for Disabled Childrens	Education & Skills Training	-90,000	Govt. Grant
Town Centre - Phase 1	Business Supporting, Business Winning	30,000	Govt. Grant
Telford Ice Rink	Health And Well Being	60,000	Govt. Grant
Borough Towns Initiative-Dawley	Neighbourhoods are Safe & Clean	50,000	Govt. Grant
Housing Investment	Regeneration and Housing	3,681	Prudential
Extra-Care Housing	Vulnerable Children & Adults	-3,681	Prudential
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Budget & Finance Scrutiny Committee – 2013/14 Work Programme

Date	Issue for Scrutiny	Type of Meeting	How	Who	Outcome
4 th June 2013 6.30pm MR3, Darby House	<ul style="list-style-type: none"> • Cabinet response to scrutiny comments on the budget • Early Help / Safeguarding Cost Improvement Plan including report on Securing Permanency Group. 	Committee (invite CYP members)		Cllr. Bill McClements Laura Johnston	Further information requested. Report back at future meeting.
2 nd July 2013 6.30pm MR3, Darby House	<ul style="list-style-type: none"> • 2012/13 Financial Outturn • MD response to budget comments in particular: <ul style="list-style-type: none"> – Approach to shared services and outsourcing – Approach to financial planning and setting priorities for 2014/15 and beyond – Opportunities for commercial income • Single Status 	Committee		Cllr. Bill McClements Richard Partington Ken Clarke	
3 rd September (TBC) 6.30pm MR3, Darby House	Welfare benefit policies monitoring: <ul style="list-style-type: none"> • Impact of Council Tax Support Scheme (improvements for 2014/15, other Councils' schemes: the "post-code lottery") • Impact of Local Crisis Assistance / Local Resettlement Assistance Policy • Impact of Discretionary Housing Payment Policy. 	Joint Committee meeting with Co-operative & Communities Scrutiny Committee		TBC	
Dec/Jan/Feb	Budget consultation - dates tbc				
Other items					
Informal briefing on cost of capital borrowing (Fiona Robinson)					
Single Status					
Cost Improvement Plan					
Securing Permanence Group reports - quarterly					