

APPENDIX A

2023/24 Revenue Budget Variations

Service Area	Budget	Total Variation - 4 Jan 2024	Movement	Total Current Variation
	£	£	£	£
Prosperity & Investment	(5,389,064)	238,005	0	238,005
Finance & HR	14,529,407	(797,567)	0	(797,567)
Policy & Governance	1,071,038	0	0	0
Children's Safeguarding & Family Support	46,105,125	3,909,907	177,898	4,087,805
Education & Skills	15,118,212	(279,793)	90,366	(189,427)
Adult Social Care	65,706,265	5,847,742	2,154,383	8,002,125
Health & Wellbeing	2,099,550	60,006	(1,034)	58,972
Neighbourhood & Enforcement Services	34,356,273	(484,619)	(290,130)	(774,749)
Communities, Customer & Commercial Services	5,514,481	555,291	(34,036)	521,255
Housing, Employment & Infrastructure	2,378,375	(50,000)	(284,000)	(334,000)
Corporate Communications	0	(20,000)	0	(20,000)
Council Wide	(34,715,262)	(1,354,596)	0	(1,354,596)
Total	146,774,400	7,624,377	1,813,447	9,437,824
	0			0

2023/24 Revenue Budget Variations over £50,000

Description		Budget	Total Variation	Comments
		£	£	
Prosperity & Investment				
Regeneration & Investment	PIP - Income	(9,123,090)	195,389	PIP void pressure and Growth fund slippage.
	Income	(406,180)	110,454	MSCP income pressure from reduced footfall, same trend as 22/23.
P&I	Employees - 2% vacancy saving	(86,000)	0	Underspends shown within each SDM area.
Development & Planning	Employees	3,319,320	(169,918)	One off vacancy underspends net of agency costs of £275k.
	AP - Planning Delivery - Supplies & Services	50,640	74,000	Play pitch and Play strategy review required this year, no funding available and estimated Planning appeals net of one off reserve..
	Income	(2,173,489)	(87,703)	Slight over delivery on income.
BiT	Accommodation savings target	(278,290)	0	
	Income	(3,763,730)	552,000	Fee income shortfall.
	Premises	-	(497,000)	One off refunds in respect of Addenbrooke House & Darby House relating to previous years valuations and 3 month empty allowance for Addenbrooke.
	Variations under £50k	7,071,755	85,783	
Variations Under £50k			(25,000)	
Total Prosperity & Investment		(5,389,064)	238,005	

Description		Budget	Total Variation	Comments
		£	£	
Finance & HR				
Treasury		12,086,539	(500,000)	The impact of capital spend being re-profiled into future years together with positive cash flow.
Revenues	Employees	1,182,560	(84,925)	Part year vacant posts
Corporate & Capital Finance	Employees	758,125	(61,292)	Part year vacant posts
Housing, Community & Prosperity Finance	Employees	741,795	(127,563)	Part year vacant posts
Care & Education Finance	Employees	1,095,630	(65,750)	Part year vacant posts
Finance & HR	Employees	(77,000)	77,000	Vacancy Factor - covered from vacancies above
External Audit	External Audit Fee	380,590	(50,280)	Estimated underspend based on scale fee - currently subject to consultation, therefore may alter
Variations Under £50k		(1,638,832)	15,243	
Total Finance & HR		14,529,407	(797,567)	
Policy & Governance				
	Variations under £50k	1,071,038	0	
Total Policy & Governance		1,071,038	0	
Children's Safeguarding & Family Support				
	CIC Placements	24,721,829	5,482,223	There are a number of pressures in this area. There are several very expensive post 16 placements, in some cases where young people are in semi-independent care arrangements but still requiring 2 or 3:1 support. There have also been a number of new residential placements since the start of the year. As part of the 2023/24 programme of savings, budgets were reduced by £550,000 for external fostering and £204,000 for Special Guardianship Orders (SGOs) but in each case a substantial overspend is forecast, of £488,000 and £536,000 respectively. External providers of placements are pushing for significant increases in the charges for care on the basis of the inflationary pressures on costs that they are experiencing.
	Health Funding	(3,000,000)	(2,902,076)	Part of the pressure on placements reported above is offset by a substantial increase in the health contribution expected by the service, primarily towards the costs of residential and semi-independent placements.

Description		Budget	Total Variation	Comments
		£	£	
Children in Care, Leaving Care Team & Speciality Services, Family Solutions	Children with Disabilities	1,520,258	426,079	This budget was supported with £500k in-year growth, to reflect the level of ongoing expenditure, but the projections have been impacted by further increased costs as a result of increased complexity of need and the support packages required to meet children's needs arising from their disabilities and to support them to continue living safely at home.
	Staffing expenditure	3,333,103	225,054	Some team structures are in excess of budget available. Restructures are planned but involve a lead-in time before cost savings will take effect.
	Operational expenditure	889,530	698,622	The main contributor to the forecast position is costs for unaccompanied asylum seeking children (UASC) but this is covered by additional grant income from the government (see line below). Other areas of financial pressure include Section 17 costs (for children in need), taxi costs, and interpreters costs.
	Income	(694,087)	(691,348)	Most of this variance is due to additional UASC income, which is received from the government based on the numbers of UASCs received in the local authority and goes towards placement costs, internal staffing costs etc. Additional income has also been received from government grants relating to care leavers, etc.
Child Protection & Family Support, Parenting Assessment & Contact Teams	Staffing expenditure	2,179,397	(126,896)	Staffing vacancies have contributed to this variance.
Family Connect, EDT & Early Help Children & Families (Strengthening Families)	Staffing expenditure	3,866,486	245,849	Expenditure on the Emergency Duties Team is forecast to be £113,000 in excess of budget, mainly due to two posts for which one-off funding was awarded last year. A new business case is being prepared for additional funding. In addition, staffing budgets have been reduced by £150,000 pending restructure, details of which are yet to be finalised. The Family Connect restructure has been finalised but there is a lead-in time until full savings can be achieved
	Operational expenditure	1,041,712	171,728	There are a large number of small individual variances contributing to this figure, offset by the additional income in this area, reported below.
	Income	(1,536,612)	(207,210)	Most of this variance (£152K) is due to family hubs grant being utilised in this area.
Fostering Adoption & Permanence	Operational expenditure	464,532	266,735	Travel costs and other costs associated with placements are significant contributors to this expenditure.

Description		Budget	Total Variation	Comments
		£	£	
Family Safeguarding	Staffing expenditure	3,592,674	(88,058)	There are a number of vacancies in the teams in this area, which have been covered by agency staff. Savings from vacancies are now forecast to more than cover the costs of these agency staff.
	Operational expenditure	1,945,191	735,616	Relating to costs which generally increase in line with complexity of children's needs and care planning, for example legal fees and assessment costs.
	Income	(150,512)	(314,347)	Additional grant / reserves have been drawn down to support the costs of the family safeguarding initiative.
Safeguarding Management & Partnerships	Staffing expenditure	2,414,169	199,970	The forecast overspend arises from the vacancy factor saving of £224,000 being applied to this area.
	Operational expenditure	1,092,089	62,390	
	Income	(1,145,831)	(134,391)	Additional draw down of reserves
Variations Under £50k		4,683,901	29,429	
Total		45,217,831	4,079,369	
Independent review	Staffing expenditure	741,955	(17,323)	
	Operational expenditure	145,339	25,760	
Total Children's Safeguarding & Family Support		46,105,125	4,087,805	
Education & Skills				
Transport		4,060,938	(273,194)	There has been a significant increase in families choosing enabling modes of school travel assistance including an uptake of personal budgets that are funded via a separate grant.

Description		Budget	Total Variation	Comments
		£	£	
Arthog		104,935	150,000	Pressure in this area arises mainly from a projected shortfall in budgeted income. In particular, achieving the targeted income from social impact contributions from local businesses is proving to be challenging in the current economic climate.
Insurance		32,455	75,000	Contributions from schools towards insurance costs have reduced as more schools have converted to academies and thus don't buy into council insurance cover.
Under £50K		10,919,884	128,767	
Variations Under £50k			(20,000)	
Use of Reserves			(250,000)	Rationalisation of education reserves
Total Education & Skills		15,118,212	(189,427)	
Adult Social Care				
All long term care purchasing- Spot & block for all ages	Spot & block purchasing	71,959,946	12,272,336	Latest forecast pressure from modelled demand and rates for 23/24. Recent significant work has identified the potential for further growth in care expenditure, and period 8/9 has indeed seen growth in care expenditure as predicted. On further investigation reasons include increased numbers and care activity being purchased due to demand and impacted by increasing length of stay in those packages. Also rates paid for care continue to grow. Further close monitoring of the position continues to ascertain whether the current demand will continue to increase. This projected care expenditure is in some part offset by the additional grant shown below and the forecasted growth in Health funding where this accrues from eligible clients.
Health funding contributions-all ages and care types	Joint Funding	(3,536,218)	(2,963,782)	Latest forecast income from the NHS from latest identified projections of care for clients with some health needs
Prevention & independence - Older People & Disability	Staffing & Operational expenditure	2,386,335	(525,224)	Mainly from vacancies in structure due to delays in recruiting
	Income - reimbursed Direct Payments	(216,452)	(377,548)	Income not required recovered from Direct Payment clients
Autism, Learning Disability & mental health	Staffing & Operational expenditure	1,523,858	(114,280)	Mainly from vacancies in structure due to delays in recruiting net of agency costs
	Income - reimbursed Direct Payments	(393,548)	(292,452)	Income not required recovered from Direct Payment clients

Description		Budget	Total Variation	Comments
		£	£	
	Transforming Care Partnership income	(564,004)	284,000	Reserves funding estimate to be offset against long term care will now be used on additional care costs within TCP.
Community Social Work-Principal Social Worker	My Options-Adults & Children's services	1,128,856	827,958	Pressure from agency staffing costs and £320k of savings which are unlikely to be delivered in 23/24. The service continue to look for opportunities for additional income/expenditure savings to offset this pressure.
	In House purchasing (from My Options)	6,991,654	(180,487)	Underspend against estimate of care expenditure
Community Social Work & Adult Safeguarding	Staffing & Operational expenditure	958,816	100,602	Mainly pressure from Agency cover
Prevention & enablement	Intermediate Care	4,476,509	235,000	The demand for reablement services and services to facilitate discharge from hospital continue at an unprecedented level. The pressure on the base budget held within the BCF is likely to be around £4m in 2023/24, with expenditure likely to be around £12m. Partner organisations are undertaking work programmes to look at alternative service delivery strategies to deal with the demand in the medium to longer term. Alongside this discussions with Shropshire, Telford & Wrekin ICB are being held on a regular basis to determine the funding strategy for the current financial year and this may result in a share of the pressure being funded by the Council to facilitate service delivery.
	Staffing & Operational expenditure	1,062,684	309,129	Mainly pressure from Agency cover
Income	Client Contributions	(10,665,430)	(334,570)	Based on current expectations of in year income.
Market Sustainability grant		(1,681,500)	(1,177,000)	Additional Government grant announced at the end of July
	Variations under £50k	(7,725,241)	(61,557)	
Total Adult Social Care		65,706,265	8,002,125	
Health & Wellbeing				
Coroners Court	Contracted services	266,450	68,840	Pressure on budget from services being delivered by the Coroner and associated services. Demand for Post Mortems and body conveyancing is increasing costs

Description		Budget	Total Variation	Comments
		£	£	
Sexual Health	Contracted services	0	(59,693)	Savings identified within consumables supply contracts and initiatives
Public Health Grant	Underspend to Reserve	0	89,651	Underspends against public health funded budgets transferred to Public Health reserve.
	Variations under £50k	1,833,100	(39,826)	
Total Health & Wellbeing		2,099,550	58,972	
Neighbourhood & Enforcement Services				
Highways, Engineering & Project Delivery	Income - Accidental Damage	(16,500)	(61,498)	Overachievement in income/cost recovery
	Winter Maintenance - flooding	0	114,000	Additional spend to support deployment of flood barriers
	Various - Street Lighting (special fund)	603,270	141,184	Net overspend on special fund street lighting due to increased maintenance and energy costs
	Various - Street Lighting (special fund)	0	(141,184)	Allocation of special fund reserves to fund overspend on Street lighting
Strategic Transport & Highway Network Management	Income - NRSWA – New Roads & Streetworks Act			Overachievement in street works permitting income.
	Concessionary Travel	1,791,980	(145,857)	Reduction in Operating Costs
Waste & Neighbourhood Services	Various	16,376,650	(270,323)	Recycling penalty deduction relating to recycling performance for 2022/23
	Business Support	(26,790)	(79,227)	Vacancy management and use of grant funding for the administration of resettlement/Refugee grants
Safer & Stronger Communities	Syrian Refugee Programme	0	(150,000)	Release of grant monies held in reserves
Highways, Engineering & Project Delivery	Income	0	(288,000)	Income due as a result of fire at Overdale in 2021/22
	Other variations under £50k	15,627,663	106,157	
Total Neighbourhood & Enforcement Services		34,356,273	(774,749)	
Communities, Customer & Commercial Services				
IDT Corporate	Employees	3,195,235	(136,466)	Vacancy management.
IDT Telephone Recharges	Various	(175,280)	98,840	Income shortfalls.

Description		Budget	Total Variation	Comments
		£	£	
Customer Relationships & Welfare Services	HB Subsidy	(190,000)	518,787	A combination of reduced recovery of overpayments and B&B spend where no subsidy can be claimed. The latest position includes an adjustment to reflect the impact of the bad debt provision. The service is continuing to work with providers to find long-term solutions to reduce subsidy loss on an ongoing basis including minimising B& B use
Housing Benefit/Council Tax Support Team: Communities, Customer & Commercial Services Director	Supplies & Services	158,888	(61,227)	Projected savings on Print and Postage costs.
	Employees	(241,000)	241,000	2% Vacancy target - being met from underspends reported in areas across the service, some of which is contained within the variations below £50k
	Other variations under £50k	873,533	(30,679)	
Use of Reserves	Income		(109,000)	Release of On Your Side Funding not required in 23/24
Total Communities, Customer & Commercial Services		5,514,481	521,255	
Housing, Employment & Infrastructure				
Strategic Housing & Regeneration	Income	(324,000)	245,000	£245k pressure arising from HIF cost of borrowing due to phasing of schemes offset by unallocated cost of borrowing from B&B business case.
	Employees		(102,000)	Capitalisation of posts
	Income		(262,000)	Maximisation of grant income
	Variations under £50k	2,702,375	(215,000)	Through one off underspends across a number of areas a further £100k has been released for period 8, however close monitoring will be required to assess the impact of cold weather triggering severe weather emergency protocol (SWEP) and increase in B&B use along with prevention support, impacting this position
Total Housing, Employment & Infrastructure		2,378,375	(334,000)	
Corporate Communications				
	Variations under £50k	0	(20,000)	Underspend on staffing
Total Corporate Communications		0	(20,000)	
Corporate				
Council Wide		(34,425,262)	(940,000)	Council Wide benefits including inflation contingency and pensions
WME Dividend		(290,000)	(294,000)	Dividend payment due October 2023 higher than budgeted together with a one off benefit relating to a successful challenge in relation to electricity charges by WME.

Description		Budget £	Total Variation £	Comments
Pension Pre-payment discount	Variations under £50k		(140,000)	Discount higher than budgeted
Total Corporate		(34,715,262)	(1,354,596)	
Total		146,774,400	9,437,824	