

2016/17 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
<b>Business, Development &amp; Employment</b>				
Development Management & Planning Policy	Income	(2,359,323)	(100,000)	Additional Planning application income projected based upon current phasing of applications, however the phasing is subject to change throughout the year. This is offset by costs associated with Planning Enquiries anticipated in 2017.
Inward Investment & Business Support	Employees	868,250	(75,000)	Early delivery of restructure saving.
Estates & Investment	Income	(6,519,620)	175,000	This reflects the net current projections for Service charge voids.
<b>Total Business, Development &amp; Employment</b>			<b>0</b>	
<b>Finance &amp; HR</b>				
Treasury Management		8,508,460	(2,500,000)	Benefits arising from current low interest rates and lower borrowing than anticipated in the earlier part of the year.
Staffing Costs			125,000	Shortfall in delivery of saving target due to the retention of some essential user allowances and phasing-in of reductions to mileage rates resulting in a part-year impact in 2016/17.
Customer & Corporate Finance	Employees	873,025	(82,600)	Underspend from vacant posts which are being held vacant to contribute towards 2017/18 savings targets.
Variations Under £50k			(95,784)	
<b>Total Finance &amp; HR</b>			<b>(2,553,384)</b>	
<b>Cooperative Council Team</b>				
Delivery & Planning	Employees	657,145	(77,121)	Underspend from vacant posts not being recruited to pending restructure launched in September 2016.
Variations Under £50k			(8,121)	
<b>Total Cooperative Council Team</b>		<b>657,145</b>	<b>(85,242)</b>	
<b>Childrens Safeguarding</b>				
Children in Care Placements		9,502,127	2,651,842	Children in Care Placements continues to add pressure to the Children's Safeguarding budget. Looked after Children total was 352 as at 29/08/2016 and increase of 3 within the reporting period. The 2015/16 reported outturn position was £1.7m overspent and at the end of the year there were 299 Children in Care. The budget strategy for 2016/17 included a budget increase of £1.4m for Children in Care (CIC) placements. The service is developing a Cost Improvement plan for 2016/17 to assess the placement costs being incurred, including reviewing unit costs, numbers of children in care and the placement strategy with the objective of targeting cost reductions against placements.

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Care leavers Accommodation costs		379,789	(118,291)	The 2015/16 reported outturn position was £0.135m overspent. The outturn projection reflects a significant reduction in placement costs.
Staffing		7,100,101	266,126	The final 2015/16 Safeguarding overspend on staffing was £0.9m. This included £0.69m overspend for agency staff. The budget strategy for 2016/17 included a budget increase of £0.6m. The projected outturn variance in 2016/17 for agency staff is an overspend of £0.32m. There were 13 agency staff at the end of July including 4 within the Family Connect Service. The budget includes £0.07m relating to salary savings which have yet to be achieved.
Internal Foster Carers costs (excluding salaries, fees and allowances)		301,457	168,160	Specific pressures include travel costs £93k; Foster Carer training £21k; Legal expenses & License fees £17k and Subscriptions £13k.
Joint Adoption Service		437,160	50,974	This position is based on the latest financial information made available by Shropshire County Council who host this service. Discussions are ongoing with them to seek to reduce this position.
Children not in Care / in Need costs		54,780	0	
One off Balances			(500,000)	One off service balances identified to support Safeguarding pressures
Assessment		250,565	228,000	The 2015/16 reported outturn position was £0.12m over spent. The outturn projection reflects a significant increase in Parenting Assessments placed externally. The service are currently undertaking a project to enable more assessments to be undertaken internally within existing resources
Variations under £50,000		3,474,629	23,625	
Independent Review		833,902	69,714	Net variance against salaries is £11k over. The significant pressure in this area is the cost of agency staff. Current projection for Agency staff is £55k against a budget of £0
<b>Total Children's Safeguarding</b>		<b>22,334,510</b>	<b>2,840,150</b>	
<b>Education &amp; Corporate Parenting</b>				
Miscellaneous School Expenditure		7,605,254	35,650	A forecast over spend on remissions is being partly offset by lower forecast premature retirement contributions.
Specialist Services		592,643	266,188	The overspend in this area is due to savings targets not currently forecast to be achieved in 2016/17. Current monitoring indicates this will not be offset elsewhere.
Early Years & Childcare		270,427	85,962	Only part year salary savings target achieved in 2016/17 as restructure takes effect from September 2016. Further savings will be achieved in 2017/18 due to full year impact.
Joint/Community Use		125,255	51,557	A shortfall in income relating to Shortwood is being partly offset by a forecast reduction in net costs for other joint use areas.

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Advisory management and school improvement traded Advisory Service		304,225	183,460	Additional income target currently forecast not to be achieved in the context of the service's reorganisation, including part of the area moving to the Severn Teaching Alliance Teaching School from September 2016. The position of the service will be kept under review during the year as the impact of the new arrangements becomes clearer.
School Transport		2,755,093	157,970	The overspend in this area is due to the savings target not currently forecast to be achieved in 2016/17. Also reflects an increase in the number of students requiring transport, e.g. at Queensway
Education Services Grant		(1,820,185)	(160,039)	Fewer academy conversions now appear likely to take place in 2016/17 than forecast and one school's conversion has been delayed until later in the year.
Contribution from Reserves			(200,000)	One off application of Reserves
Variations under £50,000		1,662,296	(47,877)	
<b>Total Education &amp; Corporate Parenting</b>		<b>11,495,008</b>	<b>372,871</b>	
<b>Early Help &amp; Support</b>				
				Narrative to be revised
Purchasing	Provision of all types of care to eligible clients	42,188,894	5,336,828	The overall pressure has reduced by £875k since the last reported position, however £600k of this relates to a reduced payment (re ALD contracts) to the CCG following notice by them to reduce CHC related payments to the Council by £1.2m, which is reported within income below. There is continued pressure on the budgets determined for the delivery of care to adults. The projections reflect actual expenditure to the end of August and projections based on care orders in place at the end of August. This significant pressure is the subject of a Cost Improvement Plan(CIP) which is currently being reviewed and is likely to be revised. This includes a number of strategies to both reduce demand and transform the provision of care from traditional Community based support and placements to support packages based wherever possible on Direct Payments with care being delivered by Personal Assistants and other innovative personalised solutions to care. At the end of August there was limited progress against targets although reductions in demand achieved in 2015/16 are generally being maintained. There is a mixed picture on average prices with some areas still experiencing upward pressures, and others looking on average as though they have stabilised or fallen. Further work will be done as part of the CIP to identify the types of care and providers where pressures are arising in order to determine further actions.
Contingency		2,500,000	(2,500,000)	The Budget Strategy included this contingency as budgetary growth for 2016-18, the next two years. This contingency budget is a "Safety net" and is part of the strategy to transform the delivery of services.
		44,688,894	2,836,828	

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Income		(16,376,986)	1,080,080	This shortfall in income includes a reduced CHC related payment from the CCG, historically, this has been an annual payment of £2.4m but the CCG have notified the Council that they intend to reduce this payment to £1.2m. The variation on client contributions is £98k above target.
Transport		666,406	155,905	Transport is a continued area of scrutiny. It is considered within the aforementioned Cost Improvement Plan and is an integral part of the strategy around the transformation of the delivery of care in the future. It is intrinsically linked to the future delivery of care discussed above in the paragraph on Purchasing care
Social Work prevention & Support	Staff & Staff related	5,247,101	(263,948)	Staff savings have been removed from budget, this variation is as a result of vacancies within the structure and these will potentially be realised as restructure savings once the final structure is determined following consultation
Children & Family Locality Services		1,746,073	318,499	Staff savings have been removed from budget, this variation is as a result of savings not yet realised but these will potentially be realised as restructure savings once the final structure is determined following consultation
Cohesion		2,366,041	(172,466)	Staff savings have been removed from budget, this variation is as a result of vacancies within the structure and these will potentially be realised as restructure savings once the final structure is determined following consultation
Housing Properties		(543,562)	(93,660)	Expectations of additional income over the target due to service charges and higher than expected occupation rates
Youth & Innovation		434,354	76,028	Staff savings have been removed from budget, this variation is as a result of savings not yet realised but these will potentially be realised as restructure savings once the final structure is determined following consultation
Business Support & Management		1,371,393	(36,110)	Staff savings have been removed from budget, this variation is as a result of vacancies within the structure and these will potentially be realised as restructure savings once the final structure is determined following consultation
Restructure Savings			(167,000)	Estimated savings over and above current vacancy savings already included above in Social Work, Cohesion and Children's and Families services. These savings arise from initial work done to evaluate the future costs of the latest proposed structure. This saving is based on a September 2016 launch and is modelled on a December 2016 implementation.
Variations under £50,000		3,366,132	(43,800)	
<b>Total Early Help &amp; Support</b>		<b>42,965,846</b>	<b>3,690,356</b>	
<b>Legal, Procurement &amp; Commissioning</b>				

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Strategic Procurement		744,626	(97,096)	Vacancies within the Procurement and contracts team have resulted from Voluntary redundancies and are delivering savings in year. There are future savings proposals based on restructure in this area and these will potentially be realised as budget reductions if approved
Commissioning		2,444,870	(84,521)	Vacancies within the Procurement and contracts team have resulted from Voluntary redundancies and are delivering savings in year. There are future savings proposals based on restructure in this area and these will potentially be realised as budget reductions if approved
Legal Services		0	30,337	A number of posts are being covered in Legal by locum staff and temporary arrangements and this is resulting in financial pressure on the service. The longer term prognosis is that the staffing structure will settle and will be met from within budgeted resources (net budget is zero as this is a recharged support service)
Variations under £50,000		440,865	(27,335)	
<b>Total Legal, Procurement &amp; Commissioning</b>		<b>3,630,361</b>	<b>(178,615)</b>	
<b>Health &amp; Wellbeing</b>				
<b>Public Health</b>				
Variations under £50,000		10,053,691	0	
<b>Culture &amp; Wellbeing</b>				
Variations under £50,000		1,178,030	14,244	
<b>Civil Resilience &amp; Coroners Service</b>				
Variations under £50,000		517,798	-	
<b>My Options</b>				
Variations under £50,000		260,947	(5,555)	
<b>Total Health &amp; Wellbeing</b>		<b>12,010,466</b>	<b>8,689</b>	
<b>Customer &amp; Neighbourhood Services</b>				
Service & Contract Development	Employees	641,540	(61,883)	Vacant posts which will not be recruited to due to forthcoming restructure
T & W Footpath Special Fund	Premises	1,186,500	(72,008)	Reduction in spend against planned maintenance due to the forthcoming upgrade of street lights pending the outcome of the tender process currently being undertaken.

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Concessionary Travel	Various	1,677,030	(128,106)	Saving from the main Arriva bus service. This is over and above the £100k saving put forward for 2016/17.
Waste & Neighbourhood Services	Various	3,761,157	303,363	Additional recycling costs due to increased tonnage from waste. Recyclates and landfill tonnages are projecting higher than anticipated based on current recycling levels.
Variations Under £50k	Various		(280,761)	Underspends due to vacant posts within Libraries which are being held vacant pending Library opening hours consultation
<b>Total Customer &amp; Neighbourhood Services</b>			<b>(239,395)</b>	
<b>Commercial Services</b>				
ICT	Various	75,566	272,000	There are a number of pressures currently highlighted in ICT including: growth in the cost and number of Microsoft licenses, due to more employees using ICT to do their jobs effectively and the move to digitally enabled and mobile technology; network contract costs and software support costs (storage area network and back-up environment) are also higher than anticipated. Costs relating to the purchase of thick/thin/laptop client devices are also likely to create a pressure throughout the year.
Property & Design	Operational & Admin Buildings	7,667,403	(94,000)	Early closure of a number of properties in addition to one off reduced spend on R&M and Utilities.
Variations under £50,000			(178,000)	A number of one off savings across whole service area.
<b>Total Commercial Services</b>			<b>0</b>	
<b>Council wide</b>				
Transforming Telford Balance	One off Balance		(649,000)	Transforming Telford residual balance following closure of the company
<b>Total Council wide</b>			<b>(649,000)</b>	
<b>Total Variations</b>			<b>3,206,430</b>	