

| 2019/20 Revenue Budget Variations over £50,000      |                            |                    |                    |   |
|---|----------------------------|--------------------|--------------------|---|
| Description   |                            | Budget             | Variation          | Comments  |
|   |                            | £                  | £                  |   |
| <b>Business, Development &amp; Employment</b>       |                            |                    |                    |   |
| Regeneration & Investment                           | PIP Income & NNDR          | (5,301,121)        | 208,000            | Income and NNDR pressures arising from a number of void properties including Hollinswood House. A planned refurbishment programme for Hollinswood House was approved in 18/19 is under review. The market for Office space remains challenging.   |
|   | Growth Fund Income         | (2,666,469)        | (183,000)          | Early delivery of Growth fund investments due to improved tenant phasing.   |
|   | Contribution from Reserves | -                  | (25,000)           | One off reserves.   |
| Variations under £50k                               |                            | 6,370,176          | 0                  |   |
| <b>Total Business, Development &amp; Employment</b> |                            | <b>(1,597,414)</b> | <b>0</b>           |   |
| <b>Finance &amp; HR</b>                             |                            |                    |                    |   |
| Treasury Management                                 |                            | 11,193,249         | (3,100,000)        | Savings arising from Treasury Management Activities   |
| External Audit Fee                                  |                            | 201,590            | (102,408)          | Underspend against audit fee due to new contract with Grant Thornton  |
| Bank Charges  | Supplies & Services        | 117,130            | (62,130)           | Underspend against bank charges as a result of the banking arrangements with Lloyds. Consistent with 2018/19.   |
| Revenues  | Income                     | (914,320)          | 52,767             | Shortfall against Court Fees income, in line with amounts received in 2018/19   |
| Variations Under £50k                               |                            | (7,312,975)        | (110,023)          |   |
| <b>Total Finance &amp; HR</b>                       |                            | <b>3,284,674</b>   | <b>(3,321,794)</b> |   |
| <b>Cooperative Council Team</b>                     |                            |                    |                    |   |
| Community Participation                             | Employees                  | 556,980            | (76,824)           | Staffing saving from vacant post, officer on maternity leave and two officers not in the pension scheme.  |
| Organisational Development & Delivery               | Employees                  | 684,495            | (64,546)           | Staffing saving from vacant post, officer on maternity leave and two officers not in the pension scheme.  |
| Variations under £50k                               |                            | (160,051)          | (16,104)           | No variations to report   |
| <b>Total Cooperative Council Team</b>               |                            | <b>1,081,424</b>   | <b>(157,474)</b>   |   |
| <b>Children's Safeguarding &amp; Family Support</b> |                            |                    |                    |   |
| CIC Placements                                      |                            | 15,368,825         | 2,631,759          | The variation reflects an increase in expenditure compared to 2018/19 as well as the impact of a shortfall against the expected cost improvement measures. There have been a number of cases in which a child's placement has become more expensive and two new residential placements and a parent-baby assessment in the last month, which have resulted in the projected expenditure increasing from that forecast earlier in the year. The projection is based on the assumption that the majority of current placements continue until the end of the financial year, unless the child turns 18 over this period. Thus, if the service is able to step-down further children as is planned, particularly children currently in residential placements, then the actual expenditure may be less than that currently forecast. |

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| 16+ Children in Care                                      |  | 730,179           | 369,302          | Costs associated with young people over 16 increased significantly in 2018/19 as a result of a small number of high cost cases, generally children already in residential placements transferring to a post 16 placement. The full-year impact of support for these young people is now included in the projections for 2019/20   |
| Staffing - salaries                                       |  | 10,941,129        | (279,777)        | Recruitment continues to be challenging resulting in vacancies within the service.  |
| Staffing - Agency Costs                                   |  | 0                 | 977,608          | In some cases vacancies will need to be covered by agency appointments which generally cost around one third more than an equivalent substantive LA appointment, resulting in additional pressure to the Safeguarding budget. The extent of the variation as the year progresses will depend upon the balance between the numbers and costs of agency staff and the savings generated by vacancies, not all of which (e.g. short-term vacancies) will be covered by agency staff. In specific areas of the service agency staff are being placed to maintain levels of caseload appropriate to the experience of staff. |
| Children with Disabilities                                |  | 948,932           | 305,699          | The overall cost of direct payments is likely to be in excess of budget provision. However direct payments generally represent good value for money compared to more expensive care packages and so additional expenditure in this area can be cost effective overall.  |
| Children in Care Adoption Allowances                      |  | 181,270           | 64,955           | There is a budget pressure in this area, due to the number of adopted children and the associated costs. However, in principle adoptions are a positive solution for children and for the financial situation of Safeguarding as a whole, as it means that the children and young people concerned are not placed in more expensive options.  |
| Joint Adoption Service                                    |  | 509,609           | 175,380          | T&W is part of a joint adoption service with Shropshire Council. Budget projections from Shropshire Council indicate that the contribution required to support this service is likely to be in excess of the budget for 2019/20. One reason for this is that several children have been placed using external adoption agencies, at additional cost. See also comment above regarding adoption allowances   |
| Contribution from Reserves                                |  | (924,238)         | (217,760)        |   |
| Health Funding  |  | (580,000)         | 180,000          | The service is endeavouring to ensure that appropriate health contributions are received for the health aspects of care costs, but at this stage of the year it does not seem likely that the amount budgeted will be achieved.   |
| Under £50k  |  | 2,882,067         | 474,893          |   |
| <b>TOTAL</b>  |  | <b>30,057,773</b> | <b>4,682,059</b> |   |
| Use of contingency  |  | 0                 | (1,647,000)      |   |
| <b>TOTAL</b>  |  | <b>30,057,773</b> | <b>3,035,059</b> |   |
| Independent Review - Staffing                             |  | 701,940           | 32,517           | Additional post to cover long-term sickness   |
| Independent Review - Under £50k                           |  | 181,615           | 3,973            |   |
| <b>Total Children's Safeguarding &amp; Family Support</b> |  | <b>30,941,328</b> | <b>3,071,549</b> |   |

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| <b>Education &amp; Corporate Parenting</b>       |  |                   |                |  |
| School Transport                                 |  | 2,925,716         | 370,907        | The majority of expenditure on home to school transport is related to the transport of pupils with high needs. Because of this, the increase in the number of pupils with high needs and the complexity of these needs (a national issue, not one confined to T&W) is putting upwards pressure on transport costs. Work to mitigate these cost pressures is on-going, including encouraging parents to transport their children to school where possible and more sharing of taxis. The number of coaches required to transport children to mainstream schools reduced from September 2018 and further reductions will be made in future years as denominational transport ceased for new pupils in September 2017. There may be further opportunities for additional savings once the current review of Home to school transport is completed.  |
| Post 16 Transport                                |  | 176,450           | 132,086        | This area transferred into Education & Corporate Parenting from Business, Education and Employment in September 2018, when decisions had already been made about transport eligibility for academic year 2018/19. A small number of young people with significant transport costs had joined the cohort. In 2019/20, the full year transport costs of these young people will be incurred, further increasing the projected expenditure compared to the previous year. Post 16 transport is impacted by the same high needs issues outlined above, but also has additional pressures arising from the Government's extension of potential entitlement to education for high needs pupils to age 25, as part of the September 2014 SEND reforms. This has led to some pupils in post 16 education extending their education beyond 19, with a continuation of associated transport costs. Dedicated post 16 SEND officers have recently been appointed, with a remit to review the provision of all students to ensure that it is appropriate and provides positive progression. The impact of this is already apparent and has contributed to forecast expenditure reducing compared to previous projections. Independent travel training programmes are now underway and are being offered to students where this is appropriate. |
| Variations under £50,000                         |  | 7,773,733         | -24,622        |  |
| <b>Total Education &amp; Corporate Parenting</b> |  | <b>10,875,899</b> | <b>478,371</b> |  |
| <b>Adult Social Care</b>                         |  |                   |                |  |
| Purchasing - all types of Long term care         | Residential/Residential EMI care, Nursing/Nursing EMI care, Homecare, Direct Payments, Shared Lives, Supported Accommodation and Supported Living, Daycare: Spot and Block contracts | 49,597,639        | 2,723,967      | Difference in forecast net expenditure against five year model which included various transformation strategies. The variation is being investigated and will change as the latest project to cleanse data within the Controcc system progresses and data quality improves   |

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| Purchasing-short term reablement care(through BCF) | Bed based care and Homecare for up to 6 weeks | 2,349,280         | 668,048          | Pressure on the operation managed through Better Care Fund to facilitate the efficient discharge of patients from hospital and hospital avoidance. The Better Care Fund is governed by a Pooled Fund agreement between the CCG and the Council which establishes the services, outcomes and funding etc. of the operation. This agreement includes risk sharing arrangements between the Council and the CCG. The pressure reported here has increased and has been notified to the CCG as part of financial reporting. The anticipated contribution from the CCG is £684k, of which £350k has previously been anticipated. Following the increase in projected expenditure the CCG have been advised that a further £334k contribution is required from both organisations and the Council's contribution (from reserves) is reported below. This will be discussed with a view to agreement at the next BCF Board meeting |
| Income   | Client contributions                          | (5,536,800)       | (1,395,354)      | Impact of the volume of care purchased giving rise to contributions offsetting the Long term care pressure above  |
|  | NHS Contributions                             | (1,376,520)       | (111,280)        | Continued effective working with the CCG generating contributions to offset care package costs including client health needs  |
| Operational Locality Teams                         |   | 5,877,350         | (91,870)         | Vacancies and lead times in recruiting  |
| My Options-Adults & Children's services            | Trading accounts                              | 334,050           | (126,000)        | Projected net underspend against base budget for Adults and Children's services. Adults budgeted net costs of operation was £185k is instead projected to make a surplus of around £14k from a turnover of £5m  |
| Contribution from reserves                         |   | -                 | (334,000)        | One off funding to meet Council share of pressure reported above on short term reablement provision. Discussions are currently taking place with the CCG to match this additional contribution and this will improve the service's overall position if approved by them.  |
| Other  | Variations under £50k                         | (8,507,335)       | (292,211)        |   |
| <b>Total Adult Social Care</b>                     |   | <b>42,737,664</b> | <b>1,041,300</b> |   |
| <b>Governance, Procurement &amp; Commissioning</b> |   |                   |                  |   |
| Legal Services                                     | Employees                                     | 1,173,580         | 182,870          | Includes costs of agency staff to cover the demand. Steps are being taken to reduce the reliance of the team on agency staff over the current financial year so as to achieve a more sustainable position.  |
| Legal Services                                     | Income  | (1,297,690)       | 50,514           | Shortfall against the budget for legal income generated. The budget for income is being reviewed as part of a re-consideration of the business model within Legal ahead of the 20/21 budget   |
| Youth Offending Service                            | Income  | 0                 | (72,862)         | Distribution of reserves held by the PCC who deliver the YOS on behalf of the West mercia authorities   |
| Other  | Variations under £50k                         | 2,884,120         | (6,508)          |   |

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|  | <b>£</b>         | <b>£</b>         |                 |
| <b>Total Governance, Procurement &amp; Commissioning</b> | <b>2,760,010</b> | <b>154,014</b>   |                 |

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| <b>Health &amp; Wellbeing</b>                      |                              |                   |                  |   |
| Community Support Team                             | Employees                    | 266,100           | (53,322)         | Underspend as a result of early delivery of savings for 2020/21 and also part year vacant posts.  |
| Variations under £50k                              |                              | 2,061,630         | (44,598)         |   |
| <b>Total Health &amp; Wellbeing</b>                |                              | <b>2,327,730</b>  | <b>(97,920)</b>  |   |
| <b>Customer &amp; Neighbourhood Services</b>       |                              |                   |                  |   |
| Environmental Maintenance                          | Third Party Payments         | 3,964,870         | (162,007)        | Underspends from the new Grounds & Cleansing Contract with Idverde as a result of the delivery of savings earmarked for 2020/21 early in 2019/20.   |
| TWS Holding Account                                | Third Party Payments         | -                 | (66,778)         | One off refund in relation to pensions as a result of the winding up of the TWS contract.   |
| TWS Holding Account                                | Income                       |                   | (496,215)        | Final payment received from TWS in respect of profit share arrangement.   |
| TWS Holding Account                                | Transfer to Reserves         |                   | 496,215          | Transfer to reserves to cover pressures in 2020/21 regarding the bus subsidy contract   |
| Signs & Signals                                    | Premises Related Expenditure | 197,570           | (50,155)         | Underspend on electricity costs for lit signs and signals as a result of the LED lighting programme.  |
| T & W Footpath Lighting                            | Premises Related Expenditure | 662,670           | (98,927)         | Underspend against electricity for footpath lighting as a result of the roll out of the LED lighting programme across the Borough. This variation has reduced since last reported as additional one off repair costs have been identified as the programme comes to its completion. |
| Highways & Engineering                             | Various                      | 36,730            | (29,117)         | Additional engineers fee income projected to be received.   |
| DAC Team   | Income                       | (689,480)         | (133,272)        | Additional income generated through project work  |
| Highways & Transportation Strategic                | Various                      | -                 | (56,953)         | Underspend arising from part year vacant posts  |
| Variations under £50k                              |                              | 25,573,083        | 348,931          | £40k of this overspend is in relation to costs incurred from the deployment of the Flood Barriers. There is no budget for this ongoing and the barriers have been deployed twice so far in October/November.  |
| <b>Total Customer &amp; Neighbourhood Services</b> |                              | <b>29,745,443</b> | <b>(248,278)</b> |   |
| <b>Commercial Services</b>                         |                              |                   |                  |   |

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| Housing  | Homelessness - Income | (533,730)          | 175,000          | A report was taken to S&FP which identified a number of ongoing pressures with limited mitigating options, short-term action is being taken in 19/20 but leaves an ongoing unsustainable pressure. The pressure relates to rental income shortfall in relation to the move from one large refuge to two smaller properties to meet the needs of the client group and relatively lower occupancy levels at XRoads due to the need to ensure the right mix of clients to minimise safeguarding issues. The Housing team will review options to help mitigate these pressures in 19/20. |
|  |                       | 0                  | (175,000)        | One off use of Reserve created from 18/19 outturn to mitigate the above pressure.  |
| Commercial Projects                            | Income                | (75,000)           | 75,000           | This pressure relates to a target to generate additional income from the solar farm by installing a private wire. However, we have decided it is not prudent to progress this, as there is a risk that this would adversely affect our Feed in Tariff accreditation with Ofgem. Instead, we are investigating alternative energy projects, but these are longer-term projects that will not be delivered in 2019/20.   |
| Leisure Operations                             | Aspirations - Income  | (1,981,944)        | 438,000          | Income pressures within Leisure linked to the impact of new competitors entering the gym market locally. An action plan is in place to mitigate this pressure as far as possible.  |
| BiT  | Premises              | 5,118,680          | 158,000          | Higher than expected levels of R&M and utility costs at operational/admin buildings, including higher levels of R&M spend at Lodge Road Gypsy and Traveller site as a result of fire damage.   |
| Variations under £50k                          |                       | 1,201              | 42,000           |  |
| <b>Total Commercial Services</b>               |                       | <b>2,529,207</b>   | <b>713,000</b>   |  |
| <b>Corporate</b>                               |                       |                    |                  |  |
| Staff Miscellaneous                            |                       | 964,280            | (74,000)         | Reduction in recharges for Pension Benefits from Shropshire County Pension Fund  |
| Purchase Rebates                               | Income                | (252,500)          | 76,656           | Shortfall against budgeted income from WME Dividend  |
| Variations under £50k                          |                       | (3,984,425)        | 40,000           |  |
| <b>Total Corporate</b>                         |                       | <b>(3,272,645)</b> | <b>42,656</b>    |  |
| <b>Total</b>                                   |                       | <b>121,413,320</b> | <b>1,675,424</b> |  |