

Date of issue: 19th November, 2008

MEETING	OVERVIEW & SCRUTINY COMMITTEE (Councillors Grewal (Chair), Basharat, Coad, Davis, Dodds, Haines, Matloob, Munkley and Walsh.)
DATE AND TIME:	MONDAY, 24TH NOVEMBER, 2008 AT 6.30 PM
VENUE:	COUNCIL CHAMBER, TOWN HALL, BATH ROAD, SLOUGH
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	KEVIN BARRETT (01753) 875014

SUPPLEMENTARY PAPERS

The following papers have been added to the agenda for the above meeting:-

Items 5, 7, 8, 12 7 13, along with Appendices A & B to item 6, were not available for publication with the rest of the agenda.

PART I

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
5.	Revenue Budget Strategy - 2009/10 and Future Years.	67 - 72	
6.	Performance, Financial & HR Reporting for 2008/09.	73 - 100	
7.	Shared Services for Transactional Back Office Functions.	101 - 104	
8.	Heart of Slough - Update on Scheme Progress and Approval of Bus Station Scheme and Key Terms with Development Partner.	105 - 116	

EXCLUSION OF THE PRESS AND PUBLIC

It is recommended that the press and public be excluded from the meeting during consideration of the items in Part II of the agenda as they involve the likely disclosure of exempt information relating to the financial and business affairs of any particular person (including the authority) as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

PART II

- | | | |
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| 12. | Shared Services for Transactional Back Office Functions - Business Case. | 117 - 148 |
| 13. | Heart of Slough - Update on Scheme Progress and Approval of Bus Station Scheme and Key Terms with Development Partner. | 149 - 158 |

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny Committee

DATE: 24th November, 2008

CONTACT OFFICER: Andrew Blake-Herbert
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WARD(S): All

PART I
FOR CONSIDERATION & COMMENT

REVENUE BUDGET STRATEGY - 2009/10 AND FUTURE YEARS

1 Purpose of Report

This paper sets out the latest assessment of the Council's budget projection for 2009/10 and future years and considers the opportunities and threats facing the Council in the short and medium term.

2 Recommendations

The Committee is invited to comment on the following recommendations to Cabinet:

- a) That the Council's projected budget for 2009/10 and future years be noted.
- b) That the assumptions underlying the budget strategy be noted.
- c) That the growth and capital items be noted
- d) That the early savings items presented be agreed and implemented with immediate effect.

3 Key Policy Priority Implications

The budget is the financial plan of the authority and as such will underpin the delivery of the Council's Key Policy Priorities throughout the forthcoming year, through the individual departmental and service plans. It therefore reflects the Council's assessment of service priorities, but within the financial constraints it finds itself in.

4 Other Implications

4.1 Financial Implications

These are contained within the body of the report.

4.2 Human Rights Act & Other Legal Implications

The Council has various legal responsibilities around financial matters but it is most important that it does not plan to spend more than the resources available to it in any one year. The budget strategy presents the projected financial position of the Council for 2009/10 and future years and suggests actions to be considered by Members in order to deliver a balanced budget by the time the Council Tax is set in February 2009.

The 2003 Local Government Act places a duty on the Council to consider the robustness of budget estimates, the adequacy of reserves and the affordability of its capital programme in preparing its budget for the year.

There are no other legal or Human Rights Act implications.

4.3 Workforce

Some of the budget reduction options ultimately considered may involve both the deletion of vacant posts and potential redundancies. If this is the case the Council will ensure that HR policies are applied to minimise the impact of redundancies and to look for redeployment opportunities.

5 Supporting Information

Executive Summary

- 5.1 Without action there is a significant budget gap for 2009/10 and beyond. Therefore early discussions and decisions are needed so a full year's financial effect can be achieved.
- 5.2 The objective of a financial strategy is "to work out how the Council wants to structure and manage its finances (typically for 3, 5 years) and to ensure this fits with and supports the direction of Council objectives". There are in effect two elements to this:
- Setting a balanced budget, responding to year-on-year changes and supporting business continuity
 - Using the budget strategy to support and enable the transformation of services so that they match the Council's objectives and priorities
- 5.3 The scope of the financial strategy covers:
- Revenue and capital – capital investment strategy needs to be linked. What are the revenue implications of the capital programme? Are there options for delivering objectives from revenue or capital?
 - Sets a medium term outlook and agrees the budget strategy for the coming year (2009/10).
- 5.4 The detailed budget process was presented to Members on a previous agenda entitled, Policy, Prioritisation and Resources Group (PPRG).

- 5.5 Being in the middle of three year budgets the level of resources available to the Council is clear and based on Slough being at the floor, the cashable growth from government funding for each of the next two years is only £914k and £820k respectively.
- 5.6 To meet ongoing commitments and continue to deliver business continuity of current services, whilst investing funds into the Council's new priorities will require departments to identify savings. Indicative pro-rata savings targets of 4, 6, 8 and 10% were set.
- 5.7 The 2008/09 monitoring position is reported separately on this agenda. It is crucial that the Council continues its downward trend on the outturn projection and that overall it breaks even by the end of the financial year, otherwise this will not only impact on the level of balances, but also the budget requirement for the coming year.

Initial Growth and Savings Plan Options

- 5.8 The Policy, Priority and Resources Guidance within Slough is the budget challenge process used by the Council to bring the financial and policy cycles together and ensure that when budgets are being allocated and set, that they fit with the Council's statutory requirements, the Sustainable Communities Strategy, the LAA and the Leadership's manifesto.
- 5.9 Members of the Overview and Scrutiny Committee are asked:
- To consider the various options put forward as part of the Budget Review process and decide whether they believe them to be feasible; and
 - To decide if there are any other areas they believe the administration should be examining in order to achieve a balanced Revenue Budget in 2009/10 and beyond.

The Effect of the Decisions

- 5.10 Some of the savings proposed within the presentation will result in a number of posts being deleted, and within these there is the potential for redundancies. The Council will undertake its redeployment process to try to minimise the impact. In light of the level of savings required Officers will consider whether there is potential scope to apply for a direction to capitalise all redundancy costs incurred from the Department of Communities and Local Government (DCLG).
- 5.11 It is recommended that the savings options proposed within the presentation are approved now, rather than waiting for the final Council Tax setting meeting in February, so the savings can be delivered at the earliest opportunity for three reasons.
- Firstly to demonstrate that the Council is making best use of public funds and delivering value for money through efficiency savings throughout the financial year.

- Secondly by taking these savings early it is estimated that some partial savings can be delivered within this financial year helping to have an impact on the 2008/09 outturn position.
- Thirdly to ensure that where possible any required consultations are carried out with sufficient time to ensure that full year's savings will be delivered in 2009/10.

5.12 Further options to bridge the budget gap are being worked up by Officers; these options will come back in the January committee cycle.

Risks

5.13 When budgets are set they are build on assumptions about what will happen during the next financial year. The assumptions are obviously a best estimate at a point in time and are therefore subject to risk that they could be wrong.

5.14 The budget will be at risk if the proposed savings are not delivered.

5.15 Overall the budget situation will be very tight for the next few financial years.

5.16 The budget will therefore be closely monitored via the monthly financial management reports and reported to Cabinet throughout the financial year.

Budget Consultation

5.34 The Council is under a statutory obligation to consult residents and local businesses on its budget each year.

5.35 Slough Borough Council has a strong history of consulting on the budget and recognises the benefits this brings. The benefits of consulting (some of which are listed below) are particularly important when there are significant budget pressures:

- Provide Members with information to support decision making
- Promote public involvement in decision making
- Identify priorities for spending
- Identify areas in which spending reductions are seen as most acceptable
- Raise awareness about how finances are spent
- Raise awareness of the Council's sources and levels of funding
- Raise awareness of the impact of the calculation of population statistics on funding

5.36 Consultation methods range in cost and methods have been chosen which will provide a sufficient level of engagement whilst providing good value for money.

2009/10 Consultation Methods

5.37 The Council will consult on the Revenue Budget with the following groups:

- Local residents
- Members
- Stakeholders

- Business community
- SBC staff

5.38 Consulting internal staff will encourage staff to feel that they are well informed about Council issues and give them an outlet to express opinions.

5.39 Table 1 below sets out the methodologies the Council intends to use to consult with each group:

Table 1 Methods of Consultation

Target Group	Methodology	Comments
Local Residents	Article in The Citizen newspaper	Educational focus, to inform residents of current funding gap as a result of Government settlement and population estimates.
	Budget Simulator	This provides residents with an opportunity to see what the effects of raising or lowering spending in various areas would be both on services and on council tax levels. It also provides an opportunity to make general comments and to sign up to receive further information about the budget. The budget simulator after the consultation to raise awareness about the budget.
	Website	To provide information about the budget and efforts to challenge use of flawed population estimates.
	Press Releases	To raise awareness of the consultation and issues raised.
Members	Presentation and Budget report to Overview and Scrutiny	To enable members to discuss the budget and show preferences for spending by using 'ppvote' an electronic voting system. This will enable statistical data to be collected from Members present at this meeting.
	Briefings with Commissioners	These fall outside of the formal consultation process.
Stakeholders	Presentation to Slough Focus	Consulting the local strategic partnership (which includes representatives from partners agencies such as Police, NHS as well as voluntary sector and business) will encourage dialogue on improving local services.
Business community	Email presentation to business representatives	Businesses have identified a preference to receive information and submit comments by email.

SBC staff	Budget Simulator	Staff will be invited to use the budget simulator to promote awareness of the budget and gain feedback
	Internal Communications	A range of communication methods have been used and will continue to be used to raise awareness about the budget and keep staff informed.

- 5.40 Communications methods will be used to ensure that the findings of the consultation are publicised. This will ensure that those who took part in the consultation are able to find out about the range of issues raised and how the feedback was taken into account when finalising the budget.
- 5.41 Feedback from these consultation exercises will be reported to the meeting of the Cabinet in January, allowing Members sufficient time to take any feedback into account, before the Council's Revenue Budget is finally agreed in February 2009.

6 Conclusion

This paper sets out the latest assessment of the Council's budget projection for 2009/10 and future years and considers the opportunities and threats facing the Council in the short and medium term. There is a substantial funding gap that will require closing before the Council is able to set a balanced budget for 2009/10.

7 Appendices

None.

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD: QUARTER TWO REPORT 2008/9

The Balanced Scorecard concept gives a rounded view of the Council's performance as it focuses on five perspectives to achieve our strategic priorities :-

- Performance and Risk - How effective are our systems and processes?
- Financial Perspective - How well do we manage our finances?
- Citizens Perspective - How well are we meeting our customers' needs and expectations?
- Partnership Perspective - How well are we working with our partners?
- People(staff) Perspective - How well are we managing our workforce?

There should be a reasonable balance of performance indicators across these five perspectives. An initial attempt has been made to identify the appropriate Balanced Scorecard headings for these indicators. Further discussion is required to confirm that the correct headings have been used and that an appropriate range of indicators has been selected.

Balance of Perspectives	No. of PIs
Performance and Risk	9
Financial Perspective	10
Citizens Perspective	34
Partnership Perspective	0
People Perspective	6
Total	59

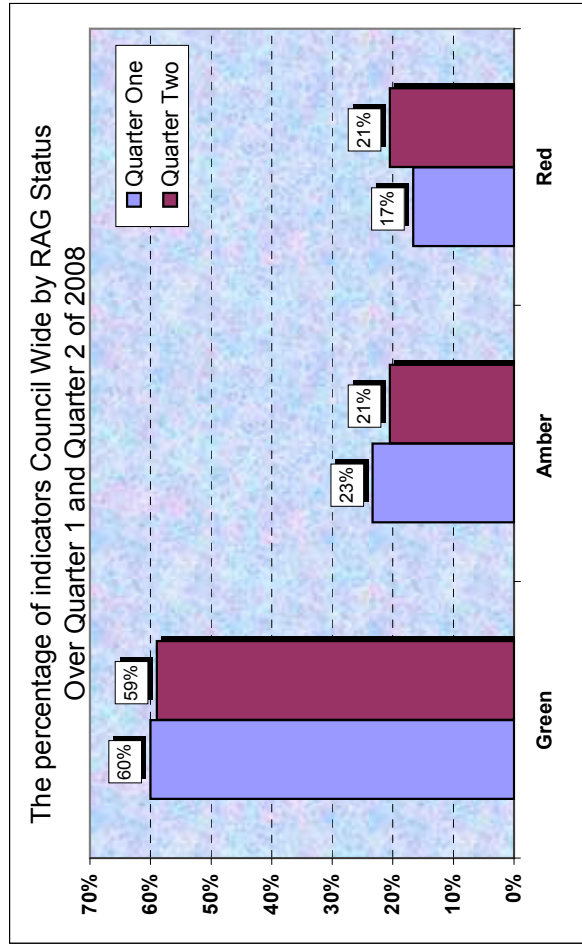
SUMMARY STATUS REPORT

Below is summary of the status of the indicators by Service Area. It represents quarter two performance unless otherwise stated. It has not been possible to collect data for all of the indicators; please refer to the commentary boxes for further information.

Directorate Wide	Rag Status			Baseline/ Target data to be established	Total
	Green	Amber	Red		
Community and Well Being	2	2	0	7	11
Green and Built	8*	0	2	0	10
Education and Children's Services	3	2	1	3	9
Resources	8	3	4	8	23
Human Resources plus Equalities	2	1	1	2	6
Total	23	8	8	20	59

*NB one indicator is a compound indicator of which two components are green and one component is red

The chart shows the percentages of total indicators Council wide for each RAG status across the first two quarters of this financial year. The proportion of indicators categorised as Green and Amber have fallen slightly since the first quarter whilst those classified as Red have increased by 4% since the first quarter. Please note that the percentages are out of those indicators which have complete data. The proportion of indicators where the RAG status could not be given due to incomplete data has fallen from 32 in the first quarter to 21 indicators in the second quarter.



The LAA target set comprises 54 indicators:

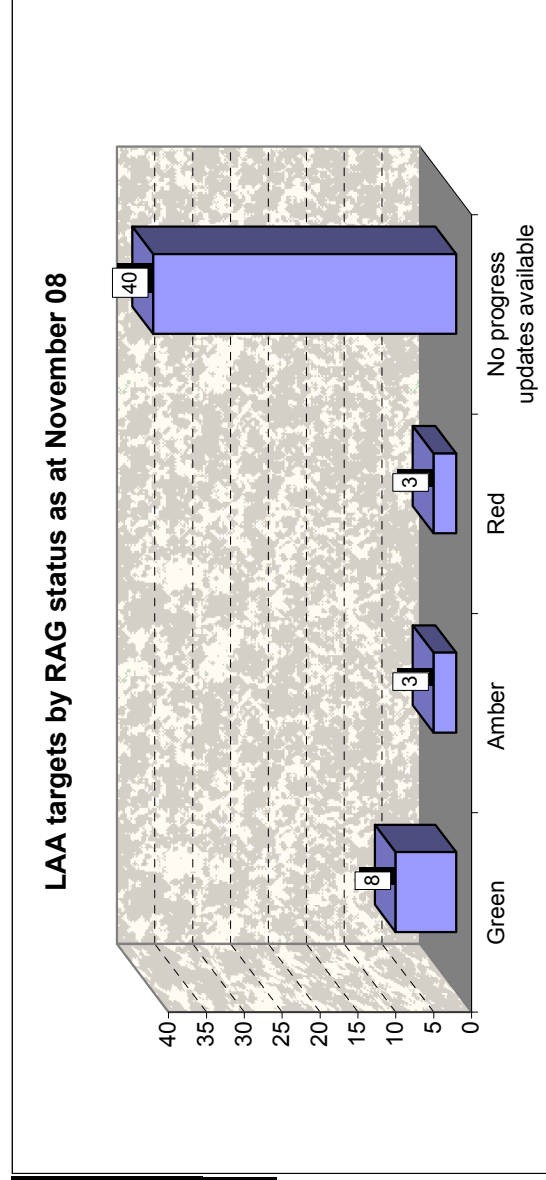
This includes 34 targets selected as priorities for Slough from the National Indicator Set plus 4 local targets on priority areas (based on NI's 124, 59, 32 and 187) plus 16 statutory targets focusing on children and young people. These indicators are generally calculated and submitted annually at the end of the academic year and therefore there will be no progress updates against these.

SUMMARY STATUS REPORT

Below is a summary of the RAG status of the indicators. It represents quarter two performance unless otherwise stated. It has not been possible to collect data for all of the indicators; please refer to the commentary boxes for further information.

LSP wide	Green	Amber	Red	No progress updates available	Total
Quarter Two Position	8	3	3	40	54

There are three targets which have a status of RED against performance and therefore are at risk of reaching end of year target. Remedial action has been put in place to improve performance.



PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [C

Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
COMMUNITY AND WELLBEING											
Environment: A place to live, work and play	Citizen experience	NI 9	Use of Public Libraries. The percentage of the adult population in a local area who say they have used a public library service at least once in the last 12 months.	Active People Survey - collected for the first time	No baseline available	Establish Baseline in year 1	n/a	n/a	n/a		New
		Local	Proxy indicator for NI 9: Use of Public Libraries. The number of physical visits per 1000 population.		07/08 4451 visits per 1000 pop	tbc	4971 visits per thousand population	5084 visits per thousand population			Below the Public Library Standard of 6300 visits per 1000
Environment: A place to live, work and play	Citizen experience	NI 8	Adult participation(16+) in sport. Participation in moderate intensity (includes some light intensity for 65+) sport/recreation for 30 minutes three or more days a week	Active People Survey	19.4% 2005/06	20.40%	n/a	n/a	n/a		performance sat in the lowest quartile in the 05/06 survey
			Proxy indicator for NI 8: The number of adult attendances at all local Leisure Centres combined with participation in all sports development activities from SBC and Slough Community Leisure.			No Baseline available					
Environment: A place to live, work and play	Citizen experience	NI 11	Engagements in the arts. The percentage of the population(16+) that has engaged at least 3 times in the past 12 months	Active People Survey - collected for the first time	No baseline available	Establish Baseline in year 1	n/a	n/a	n/a		New
Economy and Skills: Prosperity for all	Citizen experience	NI 13	Migrants English language skills and knowledge . The % of non-English speaking third country nationals applying for ESOL Courses who successfully complete the courses		Baseline to be set in year 1	Targets to be set at refresh for years 2 and 3	n/a	n/a	n/a		New

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q											
Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
Health and Well Being - adding years to life and life to years:	Citizen experience	NI 130 LAA	Social Care clients receiving Self Directed Support (Direct Payments and Individual Budgets) during the year plus carers on direct payments	RAP	172 Service users 2007/08	250 service users	193 service users	282 services users accumulative	GREEN	↑	
Health and Well Being - adding years to life and life to years:	Citizen experience	N 135 LAA	Carers receiving needs assessment or review and a specific carer's service or advice and information as a proportion of clients receiving community based services.	RAP plus annual Grant Funded Return	21%	23%	not available	not available	AMBER		changed
Health and Well Being - adding years to life and life to years:	Citizen experience	NI 141	Number of vulnerable people achieving independent living - Supporting People clients moved on from supported accommodation to independent living in a planned way as a proportion of total clients moved on.	Supporting People Local System	2007 59.73%	60%	50.15%	not available	AMBER		
Health and Well Being - adding years to life and life to years:	Citizen experience	NI 142	Of those receiving Supporting People services the "number of vulnerable people who are supported to maintain independent living"	Supporting People Local System	2007 99.28%	99%	98.01%	not yet available	GREEN	→	
Health and Well Being - adding years to life and life to years:	Citizen experience	NI 146	Adults with learning disabilities in employment	KS1	No baseline available	tbc	not yet available	not yet available			
Economy and Skills: Prosperity for all	Citizen experience	local	Percentage of learners enrolled declaring a disability		No baseline available	tbc	not yet available	not yet available			new
Economy and Skills: Prosperity	Citizen experience	local	Numbers of learners gaining a qualification		No baseline available	tbc	not yet available	not yet available			new

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q

Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
GREEN AND BUILT											
Safer Communities: Being Safe, feeling safe	Citizen experience	NI 16 LAA	Serious acquisitive crime rate	Police Crimesec 3	39.88 per 1000 pop in 2007/8 = 4766 crimes 2007/08	37.33 per 1000	45.24 per 1000 projection (based on 11.31 for the first qtr)	42.68 per 1000 projection (based on 21.34 at Sept)	RED	↓	
Safer Communities: Being Safe, feeling safe	Citizen Experience	NI 20 LAA	Assault with injury crime rate	Police Crimesec 3 based on 2006 mid-year population estimate	9.36 crimes per 1000 pop in 2007/08 (1119 offences)	9.08 crimes per 1000 based on mid-2007 pop estimates	10.64 crimes per 1000 projection at year end (based on 2.66 at 1st qtr)	10.76 crimes per 1000 at year end (based on 5.40 at September end)	RED	↓	
Safer Communities: Being Safe, feeling safe	Citizen experience	NI 40	Percentage change in the number of Drug users in effective treatment between current year and previous year	NDTME	tbc	220	89	Not available	GREEN		
Safer Communities: Being Safe, feeling safe	Citizen experience	NI 49 LAA	Number of primary fires and related fatalities and non-fatal casualties, excluding precautionary checks	Fire and Rescue service	Primary fires 304 per year (including 101 Dwelling fires)	298 fires (including 98 dwelling fires)	73	134 accumulative	GREEN	↑	
					a. Casualties 30 per year	a. 29	2	2 accumulative	GREEN	↑	

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q											
Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↑ ↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
					b. Fatalities 1 per year	b. 1	1	1	RED	↑	
								accumulative			

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q											
Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
Environment: A place to live, work and play	Citizen experience	NI 155 LAA	Number of affordable homes delivered (gross)	Housing Corporation and Housing Department	171 dwellings (3 year average 04/05 – 06/07)	152 dwellings	28	52 accumulative	GREEN		
Environment: A place to live, work and play	Citizen experience	NI 157	Processing of planning applications as measured against targets for 'major', 'minor' and 'other' application types: Major Planning - % decided within 13 weeks, Minor Planning - % decided within 8 weeks, Other Planning - % decided within 8 weeks	CLG/PS2	Major 78% Minor 82% Other 91%	Major 80% Minor 90% Other 90%	Major 77% Minor 92% Other 93%	Major 80% Minor 86% Other 94%	GREEN		
Environment: A place to live, work and play	citizen experience	NI 175 LAA	Access to services and facilities by public transport, walking and cycling (SBC - to LHR) LAA : a) Proportion of the population within a 45 minute journey to Heathrow door to door via public transport . Week day period between 7am and 9am. b) Bus passenger journeys to Heathrow commencing Slough	Local LA System	a) 61% 2006/7 b) 1,770,818 2006/07	a)63% b) 1,883,793	77%	77% b)1,295,406 accumulative	GREEN	↑	
Environment: A place to live, work and play	Citizen experience	NI 177 LAA	Local bus passenger journeys originating in the authority area	Local LA System	4,326,200 trips 2006/07	4,506,087 trips	1,118,000 trips	2,275,222 accumulative	GREEN		
Environment: A place to live, work and play	Citizen experience	NI 192 LAA	Household waste reused, recycled and composted	Local LA System	22% 2006/07	26%	27.51	being finalised	GREEN		
Environment: A place to live, work and play	Citizen experience	NI 193	Municipal waste land filled	Local LA System		74%	74.96	being finalised	AMBER		Below national average

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q

Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
EDUCATION AND CHILDREN'S SERVICES											
Safer Communities: Being Safe, feeling safe	Citizen experience	NI 45 LAA	Young offenders engagement in suitable education, employment or training MoJ DSO	YOT Data	67% 2007/08	76.20%	58.54%	being finalised	RED		
Health and Well Being - adding years to life and life to years:	Performance and risk	NI 59 LAA	Initial assessments for children's social care carried out within 7 working days of referral DCSF DSO	CPR3	78.2% 2007/08	80%	75.6%	73.4%	AMBER		national average 71%, SE average 69%
Health and Well Being - adding years to life and life to years:	Performance and risk	NI 62	Stability of placements of looked after children: number of moves DCSF DSO	SSDA903 return	7.5% 2007/08	<16%	8.7% August 08	9.09%	GREEN		
Health and Well Being - adding years to life and life to years:	Performance and risk	NI 65	Children becoming the subject of a Child Protection Plan for a second or subsequent time DCSF DSO	CPR3	8.3%	<15%	14.2% August 08	14.6%	GREEN		

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q											
Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
Economy and Skills: Prosperity for all	Citizen experience	NI 102	Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stages 2 and 4 PSA 11	DCFS based on data reported by LA's(ECS) and schools	tbc	2% reduction	n/a	n/a	n/a		
Economy and Skills: Prosperity for all	Performance and risk	NI 103	Special Educational Needs – statements issued within 26 weeks DCSF DSO	Local Authority	a)100% b)80% 2007/08	a)100% b)83%	a)100% b)94.87%	a)100% b)100%	GREEN		
Environment: A place to live, work and play	Citizen experience	NI 110	Young people's participation in positive activities PSA 14	Tell Us Survey (Ofsted)	Provisional 63% 2008 survey (Tell Us 3)	n/a	n/a	n/a			
Economy and Skills: Prosperity for all	Citizen experience	NI 114	Rate of permanent exclusions from school DCSF DSO	Education	0.08% 2007	to be set in light of baseline and comparative performance data	n/a	n/a			

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q											
Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT	Latest Comparator/ Benchmark e.g PWC benchmark tool
Economy and Skills: Prosperity for all	Citizen experience	NI 117 LAA	16 to 18 year olds who are not in education, training or employment (NEET) PSA 14	Connexions	07/08 5.8%	4.7%	Apr 5.7% May 6% June 6%	July 8.3% Aug 10.3% Sept 5.4%	AMBER		
RESOURCES											
Economy and Skills: Prosperity for all	Financial performance	Local	% of capital schemes being delivered within the budget	Capital Monitoring reports, monthly & Yearly	82%	100%	15%	22%	AMBER		
Economy and Skills: Prosperity for all	Financial performance	NI 175	Value for money - total net value of on-going cash releasing value for money gains that have impacted since the start of the 08/09 financial year		tbc	tbc	N/A	7746K	GREEN		
Economy and Skills: Prosperity for all	Financial performance	Local	% of revenue over/under spent by Department	Finance report	-0.13%	0%	2.20%	2.40%	AMBER		
Economy and Skills: Prosperity for all	Financial performance	Local	% of revenue over/under spent by Department	Finance report	-0.05%	0%	2.77%	1.55%	AMBER		
Economy and Skills: Prosperity for all	Financial performance	Local	% of funding raised from external services	Finance report	tbc	tbc	not available	not available			

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q

Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT	Latest Comparator/ Benchmark e.g PWC benchmark tool
Economy and Skills: Prosperity for all	Financial performance	Local	% of savings in budget strategy being delivered	Finance report	tbc	100%	not available	not available			
Economy and Skills: Prosperity for all	Financial performance	Local	% Rate of return on treasury investments	tbc	tbc	tbc	n/a	n/a			
Economy and Skills: Prosperity for all	Financial performance	Local	% of Council Tax collected within the year	Finance report	95%	96%	30.60%	57.40%	GREEN	↑	
Economy and Skills: Prosperity for all	Financial performance	Local	% of undisputed invoices paid within 30 days	Finance report	81.25%	90%	88.27%	85.40%	RED		
Environment: A place to live, work and play	Citizens experience	Local	Average queue time at My Council	Seibel/Qmatic	58mins	30mins	54mins	52mins	RED	→	
Environment: A place to live, work and play	Citizens experience	Local	Issues resolved Live at My Council	Seibel	85%	80%	85%	86%	GREEN	↑	
Environment: A place to live, work and play	Citizens experience	Local	Average queue time for general enquiries (Call Centre - by phone)	Seibel/Apropo	3.43mins	1.5mins	48secs	2.43mins	RED	→	
Environment: A place to live, work and play	Citizens experience	Local	Average queue time for Council Tax enquiries (Call Centre - by phone)	Seibel/Apropo	6.15mins	7mins	4.5mins	5.23mins	GREEN	↑	
Environment: A place to live, work and play	Citizens experience	Local	Average queue time for Benefits enquiries (Call Centre - by phone)	Seibel/Apropo	5.33mins	7mins	5.0mins	5.32mins	GREEN	↑	
Environment: A place to live, work and play	Citizens experience	Local	Average queue time for Social Care enquiries (Call Centre - by phone)	Seibel/Apropo	40secs	45secs	18secs	44secs	GREEN		
Environment: A place to live, work and play	Citizens experience	Local	Issues resolved Live by phone	Seibel	76%	75%	85%	85%	GREEN	↑	

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q

Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↑	Latest Comparator/ Benchmark e.g PWC benchmark tool
Economy and Skills: Prosperity for all	Citizens experience or Financial	Local	% of Housing Benefit claims determined within 14 days of all necessary information being received		98.20%	98%	not available	not available			
Environment: A place to live, work and play	Citizens experience	Local	% of complaints responded to within 10 working days	Respond	not available	tbc	not available	89.50%			
Environment: A place to live, work and play	Performance and risk	Local	% of Annual Governance Statement action plan implemented		not available	tbc	not available	not available			
Environment: A place to live, work and play	Performance and risk	Local	% of legionella/asbestos checks in place		not available	tbc	not available	not available			
Environment: A place to live, work and play	Performance and risk	Local	% of business continuity plans in place		not available	10	1	1	RED	↓	
Economy and Skills: Prosperity for all	Performance and risk	Local	Number of reservations raised by external auditors in Data Quality Audit		not available	tbc	n/a	0	GREEN		
Environment: A place to live, work and play	Performance and risk	Local	% down time of key IT systems (which ones and why?)		not available	tbc	not available	not available			

PERFORMANCE STATUS AND IMPROVEMENT REPORT: BALANCED SCORECARD [Q

Links to Key Priorities/ LAA themes	Perspective	PI No.	Description of indicator	Data Source	2007/08 outturn or agreed baseline	2008/09 Target	Quarter 1 Results unless stated otherwise	Quarter 2 Results unless stated otherwise	Status against Target RAG	DOT ↑↓	Latest Comparator/ Benchmark e.g PWC benchmark tool
RESOURCES (HUMAN RESOURCES AND EQUALITIES)											
Cohesive communities	People (Staff)	Local	EIAS completed to timescales		not available	185 revised target		67%	AMBER		
Environment: A place to live, work and play	People (Staff)	Local	% of staff with appraisal in place all SBC	HR Stats	not available	75%	23.0%	Data being finalised	RED		
Environment: A place to live, work and play	People (Staff)	Local	% of days sick leave per member of staff	HR Stats	11.1	10days	2.2	Data being finalised	GREEN	↑	
Environment: A place to live, work and play	People (Staff)	Local	stage 1 disciplinary/grievances	HR Stats	not available	tbc	not available	not available			
Environment: A place to live, work and play	People (Staff)	Local	Staff turnover all SBC	HR Stats	11.0%	10.06%	1.7%	Data being finalised	GREEN	↑	
Environment: A place to live, work and play	People (Staff)	Local	% of agency staff placed through Per Temps contract	HR Stats	not available	tbc	not available	not available			

Quarter Two Comments/Possible corrective action if red Status	
<p>GOOD TO BE HIGH: The source - Active People Survey is set up from October 2007 as a continuous survey - a contract is in place until October 2010. Data for reporting year April 2008 to March 2009 will be reported in November 2009, based on Active People data collected between October 2007 and October 2009. We are developing a proxy indicator in the interim period which will count number of physical visits, outreach services and use of online resources. Refer below.</p>	<p>GOOD TO BE HIGH: Performance has improved since the last quarter. Please note that this figure represents a projected performance figure for the year and does not take into account seasonal fluctuations. Target to be confirmed once data is available on outreach activities and virtual visits.</p>
<p>GOOD TO BE HIGH: The source - Active People Survey is set up from October 2007 as a continuous survey - a contract is in place until October 2010. Data for reporting year April 2008 to March 2009 will be reported in November 2009, based on Active People data collected between October 2007 and October 2009.</p> <p>In the interim period a proxy indicator has been set up capturing the number of adult attendances at all local Leisure Centres combined with participation in all sports development activities from SBC and Slough Community Leisure. First report will be available in January covering the period April to December 08/09.</p>	<p>GOOD TO BE HIGH: Data source as above. We are unable to replace with an appropriate proxy indicator.</p>
<p>GOOD TO BE HIGH: Annual reporting. Baseline will be established at the end of reporting year 08/09. Targets will be set after the collation of the first year of management information. Further liaison taking place with other ESOL providers on collecting this data.</p>	

Quarter Two Comments/Possible corrective action if red Status	
<p>GOOD TO BE HIGH: There are 282 service users in receipt of direct payments including 81 carers on one off payments. Although we have exceeded our target it has been proposed but not yet confirmed that national targets may be revised upwards on this indicator if included in the LAA.</p>	<p>GOOD TO BE HIGH: reporting is dependent on the new Adult Social Care IT reporting tool. A manual audit of records suggests that remedial action is required. An action plan is being put in place.</p>
<p>GOOD TO BE HIGH: The First quarter's figures represents 40 clients moved on in a planned way. Data for the second quarter will be available at the end of November in line with regulatory reporting deadlines and submissions.</p>	<p>GOOD TO BE HIGH: Performance remains high in the first quarter. Data for the second quarter will be available at the end of November in line with regulatory reporting deadlines and submissions</p>
<p>GOOD TO BE HIGH: The data will be collected for the period 1st October 08 to 31st March 09 and grossed up for a full year. Discussions on target setting and collections systems currently taking place. Reporting dependent on new Adult Social Care reporting tool.</p>	<p>Systems for reporting this indicator are being developed.</p>
<p>GOOD TO BE HIGH: Systems for reporting this indicator are being developed</p>	

Quarter Two Comments/Possible corrective action if red Status	
<p>GOOD TO BE LOW: The projected annual outturn is 42.68 which falls the year end target of 37.33, however please note that this projection does not take account of seasonal fluctuations. Activities such as Day of Action and Crew Week have taken place. Increase in 1st quarter was due to rise in vehicle crime. Activities planned for Q2 include Alley gating in Lenwick Drive and Ronaldsday Spur to prevent fly tipping, drug taking and ASBO's and a Gating Order for Mildenhall Road. The 2nd Quarter shows</p> <ul style="list-style-type: none"> - 8.5% increase from last year same period - Inquisitive crime steering group being reestablished - had done previous good work - key area vehicle crime - Ongoing alley gating - consultation with residents 	<p>GOOD TO BE LOW : The projected annual outturn is 110.76 which falls the target but please note that this projection does not take account of seasonal fluctuations. Actions in Q2 included : Provision of a youth bus service as a way to reduce ASB and C&D. CCTV in Upton Lea and Dispersal Order 7th August - 6th November 2008 in Wexham and Upton Lea. The 2nd Quarter showed a 9% increase in the crime rate from the same period last year</p> <ul style="list-style-type: none"> - Establishing new violent crime steering group. Have just completed an action plan and are meeting soon.
<p>On target to meet overall annual increase of 31% of people in effective drug treatment. Data due Mid November.</p>	<p>GOOD TO BE LOW: There were 134 incidences between April to September 08 which suggests we are on track in terms of year end target. The Arson audits in high risk areas have been completed. Good information exchange between partners has curtailed the incidence of arson in two hot spot areas of Slough. At least two hot streets per month have been delivered in the Slough area (testing of electrical appliances in homes, installation of smoke alarms etc). The number of home fire risk checks completed is increasing. RBFRS working with partners to increase referrals for home fire risk checks. Safety education delivered to schools via Junior citizen etc.</p>

Quarter Two	
Comments/Possible corrective action if red Status	
	<p>GOOD TO BE HIGH: In the first quarter there were 28 completions and in the second quarter there have been 24 totalling 52 - The scheme on Farnburn Avenue which had originally been intended for 18 flats has, in agreement with the RSL, been extended to include an additional 6 flats. All 24 are now available for intermediate rent. We are on track to achieve 152 completions by year end as it is envisaged that the majority of completions will take place in quarter 2.</p> <p>Continued High performance, with targets exceeded or on track. The current Government Targets are as follows: Major (80%), Minor(80%), Other (80%) so SBC targets exceed these.</p>
	<p>The performance (part b) for the second quarter reached 638,830 journeys totalling 1,295,406 journeys for first half of the year which represents good performance. Part A) will only change if there are any major changes in the routing strategy of the operator. B) is based on returns from operators but is likely to change once information is validated further. (Figures are estimates based on previous year's results, plus figures from First Group's spot surveys done each month. Data also from TfI annual report).</p> <p>The latest figure represents 1,118,000 trips in the first quarter combined with 1,157,222 trips in the second quarter which suggests we are on track to reach target. Data from local bus companies is dependent on bus drivers recording accurate passenger numbers.</p> <p>GOOD TO BE HIGH: Quarter One performance shows we are on track. Quarter two data will be available for the next report.</p> <p>GOOD TO BE LOW. We need to ensure we do not go beyond target of 74%. Quarter two data will be available for next report. Planned incinerator will reduce proportion of waste land filled and improve performance.</p>

Quarter Two	
Comments/Possible corrective action if red Status	
<p>Note that this indicator has strong seasonal fluctuations (e.g. tying in with end of school year, or start / end of autumn term with college courses). As such, quarterly updates may well mislead with regard to the official annual outturn.</p>	<p>ood to be High: This indicator is currently beneath mid-year targets, and resolute actions have been identified to rectify the situation and increase the percentage completed to timescales. The slight slippage on completion RATE should be viewed against a context in which we have seen a marked increase in the overall NUMBER of initial assessments being completed.</p>
<p>GOOD TO BE LOW: Some placement change is inevitable, and beneficial, in meeting individual children's particular needs and best interests. However, we would begin to voice concerns if this figure were to exceed the target value. It is theoretically possible to exceed the target threshold yet still evidence best practice performance, since the individual needs of children and young people are what really matter here. August result remains in nationally recognised "best practice" zone.</p>	<p>Performance between 10 <15% represents best practice. This indicator aims to measure the effectiveness with which original child protection plans are implemented, and the quality of support services provided after CP plans end. CP plans should be terminated once risks have reduced to a level where the child's needs are best met through case closure or alternative, lower level interventions. However, there remain valid reasons for subsequent CP episodes which may or may not reflect poorly on the initial period. As such, each subsequent CP plan is quality monitored to ensure no inadequacies in original intervention(s).</p>
<p>Analysis of results obtained in 2007/08 academic year will follow from finalised DCSF data releases. This process will then inform target setting for subsequent years.</p>	

Quarter Two Comments/Possible corrective action if red Status	
<p>GOOD TO BE HIGH: Indicator comprises two parts:</p> <p>(a) Percentage of final statements of special education need issued within 26 weeks excluding exception cases as a proportion of all such statements issued in the financial year.</p> <p>(b) Percentage of final statements of special education need issued within 26 weeks as a proportion of all such statements issued in the financial year.</p> <p>Numbers are small (fewer than 100 per year).</p>	<p>Derives from new set of questions asked on Ofsted's annual Tellus survey. Survey has been conducted in summer 2008. Individual council results have just been released in September 2008, with comparator data to follow. This information will be used to identify and set targets for future years.</p> <p>Note that the data collection process will not permit results to be separated to reflect the views of pupils attending Slough schools but residing elsewhere from Slough pupils who also live here, so the extent to which this judges the LOCAL provision of activities is unclear.</p>
	<p>Exclusion rate based on combined primary, secondary and special school pupils. Whilst the data is collected from individual schools on a termly basis (two terms in arrears), seasonal fluctuations mean that the results are only meaningfully published annually providing figures for a full academic year.</p> <p>Data has previously been separated by primary and secondary phase - Slough performs in line with national average in primary schools, and performance is rated by Ofsted as significantly better than comparators at secondary phase.</p>

<p>Quarter Two Comments/Possible corrective action if red Status</p>	<p>This indicator uses an annual result which is based on a standardised three one month snapshots at the end of November, December and January each year. This avoids pitfalls caused by expected seasonal variation in NEET levels. As such, quarterly updates may mislead with regard to the official annual outcome value (hence reason for populating "monthly results" column with a time series of data). Q2 Unknowns: July 1.5%, Aug 1.6%, Sept 4.6%</p> <p>All NEET goes up dramatically over the summer as the market is flooded with school and college leavers. Also some of those between years of a college course come into the centres looking for a temporary job and their</p>
<p>These results will provide an overall council position, it might be best to target a few large schemes within each directorate. In terms of this years performance up to September, the trend is in line with previous years. Initial capital costs tend to be low and will generally rise as the year progresses. Most of the spend tends to be between December to March.</p>	<p>This represents estimates and will be updated with actuals in July 09 in line with Government deadlines. Reporting frequency is bi-annual.</p>
<p>Definition requires further clarification</p>	<p>Process being developed</p>
<p>Currently annual reporting available only</p>	

Quarter Two	
Comments/Possible corrective action if red Status	
	This indicator is cumulative and, therefore, will increase as the year progresses. This position shows an improved position in comparison with previous years
	Performance for the second quarter shows a slight drop when compared to the first quarter.
	Improvement on last quarter. Below target but moving in right direction. Transaction time for majority of visits is high due to being benefits (new) claims. With individual visits taking up to 2-3hours (with an advisor) this continues to impact on waiting time.
	GOOD TO BE HIGH: Exceeding target
	Performance has dropped this quarter compared to the last quarter.
	Performance is exceeding target
	Performance is exceeding target
	Although performance has dropped due to issues with customers using incorrect lines, it is still within target-
	Performance has remained static since the last quarter
	IT problems have delayed reporting.
	This represents the number of complaints received between June and August council wide of departments who have logged and completed Stage 1 complaints on the councils Respond system excluding People 1st and Social care who have their own monitoring figures
	Data awaited

Quarter Two Comments/Possible corrective action if red Status	
<p>Data will be provided for the next report</p> <p>GOOD TO BE HIGH: A strategy was suggested to CMT on 30th July. 20 high risk areas were suggested and confirmation requested from Directors. By the end of 2008/09 15 of the suggested key areas should be actively preparing Business Continuity Plans. It is proposed to run 2 hour workshops which will provide a framework for BC for each of the high risk areas. There has been no progress since the first quarter.</p> <p>There were no reservations against 07/08 performance indicators audited.</p> <p>Data awaited</p>	<p>123 of the 185 required assessments have been completed i.e. 67% i.e. approved or in draft. There is still an ongoing issue of consistency in quality of Impact assessments. We have arranged half day sessions of Impact Assessment Training with the Equality Foundation, commencing in October 2008 and dedicated training to further assist departments.</p> <p>The figure represents performance for the first quarter. There are continued efforts to raise awareness by reminding managers of this requirement. HR Business Partners advise senior managers of status on a quarterly basis and the need to return confirmation that an appraisal has been completed. The quality of performance data is being reviewed by Yvonne Harris and Sandra Storey as there is concern that the number of completed appraisals has been under reported to HR.</p> <p>This represents performance for the first quarter. An annual projection indicates we are on track to reach target. Continued efforts by HR Business Partners working closely with managers has helped to reduce this figure.</p>

Quarter Two
Comments/Possible corrective action if red Status
Data awaited
The figure represents performance for the first quarter. An annual projection indicates we are on track to reach target. Bench marking with other authorities has given a turnover figure of 11%. English Unitaries for 2005/2006 show a 16.18% turnover. A healthy organisation should have a small amount of turnover.
Data awaited

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Indicators..... at-a-glance (July - September 2008)

Workforce Profile as at 30th September 2008

Headcount	1749	FTE*	1372.3
Vacancies#	706	Disability	5.9%
BME**	39.7%	Non BME	60.3%
Female	70.9%	Male	29.1%

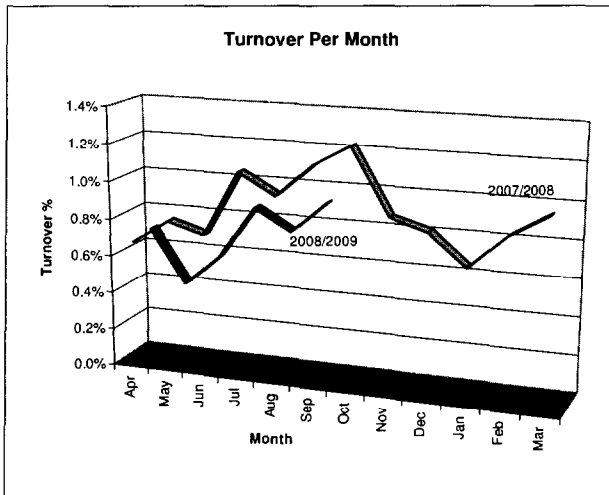
* FTE = Full Time Equivalent

** BME = Black and Ethnic Minorities (of those declaring)

Vacancies = Posts Vacant

The workforce profile continues to show an increase in its percentage of staff from BME groups, up again from last quarter to 39.7% having risen by 2.8% in the last 2 years (September 2006 36.9%). The Asian or Asian British ethnic category saw the largest percentage increase in staff. Staff declaring themselves to have a disability has risen again to 5.9%, up 1.6% from September 2006 (4.3%). There have been no significant changes to the age and service profiles, with 27.2% of staff in the 40-49 age category and 27.3% of staff working for the council between 6 and 10 years, both the highest percentage totals in their respective categories. See page 4 for further information.

Turnover

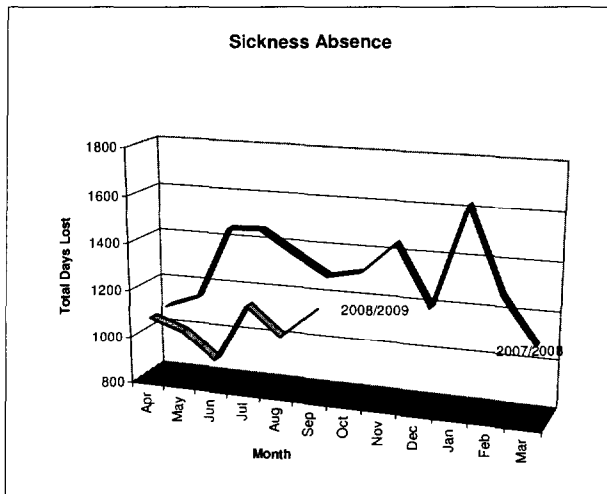


*2008/2009 9.8%
 Quarter 2 2008 2.5%
 2007/2008 10.8%
 Quarter 2 2007 3.2%

The chart opposite is showing a similar pattern to last year, however currently the projected yearly turnover is down on last years result by 1.0%. The turnover rate is calculated using the 'resignation' reason only in line with other local authorities. The quarter 2 result for 2008/2009 is 0.7% lower than the same period last year. Further details are given on page 2.

* Projection

Sickness

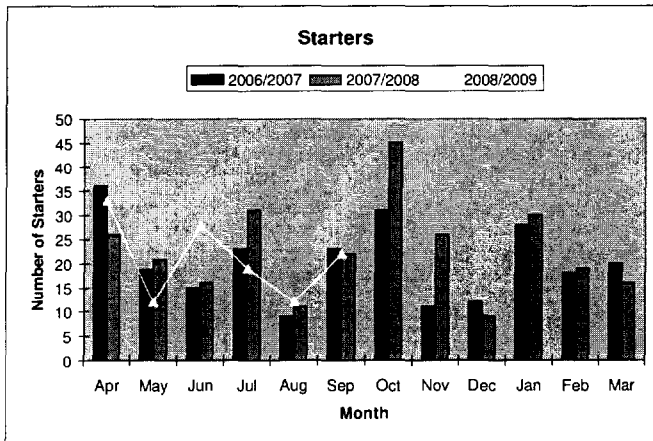


*2008/2009 10.6
 Quarter 2 2008 2.5
 2007/2008 12.0
 Quarter 2 2007 3.1

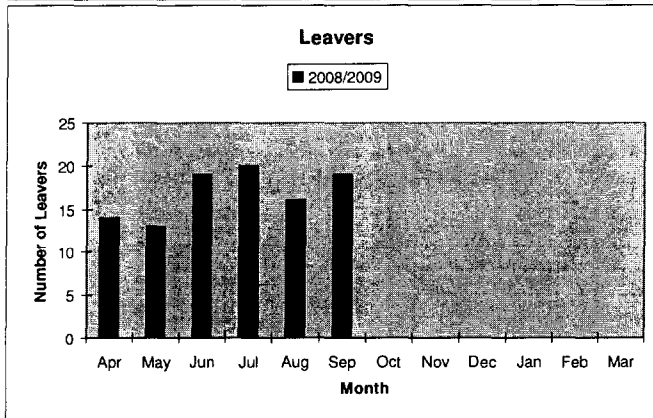
The chart opposite, shows the overall council sickness below the total sickness recorded for the same period last year, with the projected days lost per FTE currently showing 10.6, 1.4 days less than last years actual figure. The total cost of sickness this quarter was £256,825 with 3403.0 days lost. Sickness taken as 'stress' had the highest absence this quarter, losing the council £39,109 in salary costs. 26.2% of the total sickness was taken by staff earning less than £15,000. Further details of sickness are given on page 3.

* Projection

Starters & Leavers (July - September 2008)



The chart opposite shows the number of starters in August and September on a par with previous years, however there was a slight downturn of starters in July, making the quarterly total slightly down on previous years. In total there were 53 starters, with the majority of starters in September (22). Most starters were in Education with 23.



There were 55 leavers in quarter 2, evenly spread amongst the 3 months, with 44 leaving through resignation. Education lost the most staff at 23, with 42% of them leaving in September. Community & Wellbeing had the next highest number of leavers with 19, 78.9% citing resignation as their reason for leaving.

Termination Reason	Total
Resigned	44
Retirement (Ill Health)	0
Retirement (Age)	1
Other*	10

The table shows the majority of leavers were due to resignation, however 18% stated other reasons for leaving. Of these reasons, the most notable were: 4 end of contract and 3 dismissals.

* Other consists of the following reasons: Compromise Agreement, Death in Service, Dismissed, Early Retirement, End of Contract, Left without notice, Redundancy (Voluntary and Compulsory) and TUPE transfers.

Workforce by Directorate & Vacancy Level - September 2008

Directorate	FTE	Full Time	Part Time	Vacancy Level (Posts)
Chief Executive	3.0	2.0	1.0	3
Community & Wellbeing	221.0	190.9	31.1	230
Education & Children's Services	231.2	171.9	59.3	250
Green & Built Environment	101.5	97.8	3.7	102
Improvement & Development	20.2	18.0	2.2	21
Resources	94.8	89.3	5.5	100
TOTAL	671.7	569.9	102.8	706

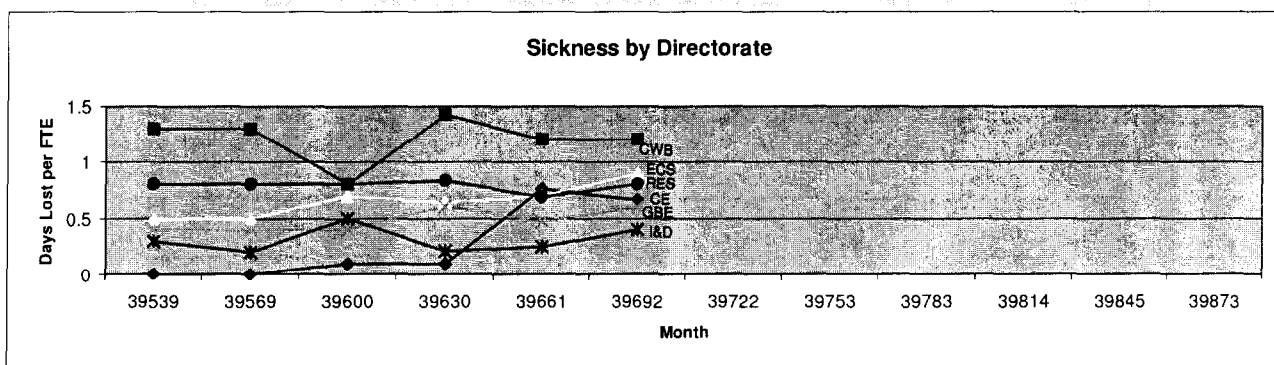
The vacancies recorded above are as reported to Human Resources by each directorate, and reflect the re-structure that took effect on 1st September 2008.

Sickness (July - September 2008)

Quarter 2

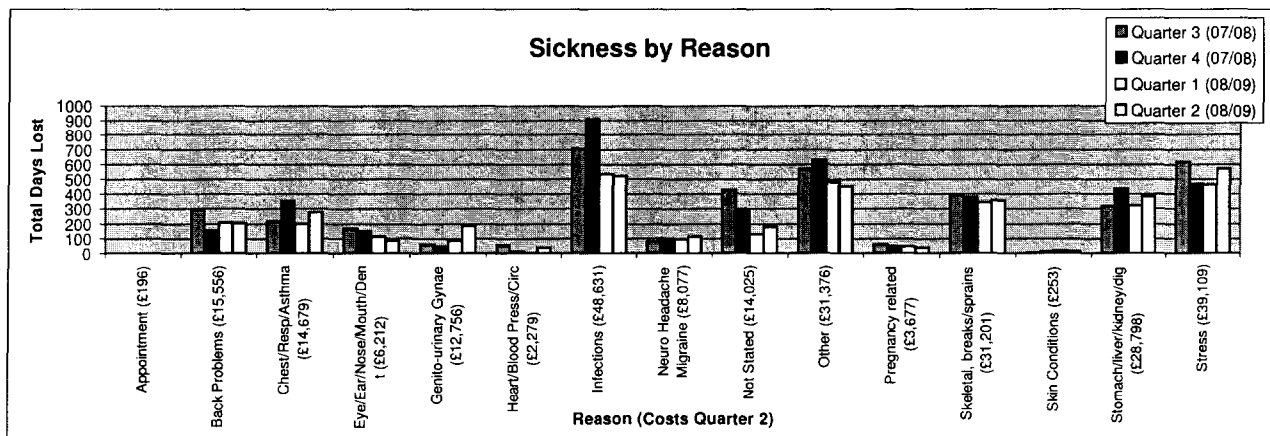
Directorate	Headcount	FTE	% of Workforce	Days Lost due to sickness	% of total days Lost	Days lost per FTE	Salary Cost of sickness
Chief Executive	26	25.0	1.8%	38.0	1.1%	1.5	£3,408
Community & Wellbeing	576	334.4	24.4%	1258.5	37.0%	3.8	£63,511
Education & Children's Services	463	377.2	27.5%	829.5	24.4%	2.2	£75,507
Green & Built Environment	239	226.1	16.5%	381.0	11.2%	1.7	£34,233
Improvement & Development	54	47.9	3.5%	39.0	1.1%	0.8	£4,550
Resources	391	361.7	26.4%	857.0	25.2%	2.4	£75,616
TOTAL	1749	1372.3	100%	3403.0	100.0%	2.5	£256,825

The number of days lost to sickness has increased by 379.0 days this quarter, increasing the number of days lost per FTE to 2.5 days, up from 2.2 in quarter 1. The salary costs lost to sickness has also risen by £34,208. Community and Wellbeing have the highest percentage share of days lost at 37.0%, and the most days lost per FTE at 3.8 up from 3.4. However the highest salary costs can be attributed to resources at £75,616 and Education & Children's Services with costs of £75,507. Overall, the Chief Executive's directorate has seen the largest increase in sickness in days lost per FTE up from 0.2 to 1.5.



Salary Band	Total Days Lost	%
<£15,000	891.5	26.2%
£15,000 to £19,999	990.5	29.1%
£20,000 to £24,999	409.5	12.0%
£25,000 to £29,999	637.5	18.7%
£30,000 to £34,999	235	6.9%
£35,000 to £39,999	177.5	5.2%
£40,000 to £44,999	39	1.1%
£45,000+	25.5	0.7%

Sickness by salary band shows more than half the sickness taken this quarter was by staff earning less than £20,000 (55.3%). There was also a rise in sickness taken by staff in the salary band £25,000 to £29,999, up 6.3% on last quarter. 25.4% of the sickness taken in the <£15,000 salary band was for stress, 39.7% of the total absence taken for stress. In the salary band £25,000 to £29,999, 28.5% of the sickness taken was for stress, with 21.5% of sickness recorded as other or not stated. 44.6% of the sickness taken for salary bands between £35,000 to £45,000+ was for Infections.



Stress was the highest cause of absence in Quarter 2 losing 571 days at a cost of £39,109, up again on last quarter. 34 people accounted for the total stress days taken, Community & Wellbeing losing the most days with 260.5. Infections still remains the sickness reason with the highest loss of salary costs at £48,631. Genito-urinary has seen a rise in sickness this quarter up more than 100% over the quarter from 83.0 days to 187.5. 19 people accounted for this sickness total. There were also significant increases in sickness reported as 'chest/respiratory' up 39.7%, and 'heart/blood pressure' up from 3 days to 36.

Workforce Profile - Ethnicity, Disability, Gender, Age Group & Service Length

Profile as at 30th September 2008

Total Workforce (excluding schools)

Ethnicity Breakdown	30-Sep-08		Slough Census Comparator
	Total	%	
(a) White		59.2	63.7 (-4.5)
British	906	51.8	58.3 (-6.5)
Irish	26	1.5	2.1 (-0.6)
Any Other White Background	103	5.9	3.3 (+2.6)
(b) Mixed		2.3	2.3 (0)
White & Black Caribbean	13	0.7	0.9 (-0.2)
White & Black African	8	0.5	0.2 (+0.3)
White & Asian	11	0.6	0.7 (-0.1)
Any Other Mixed Background	9	0.5	0.5 (0)
(c) Asian or Asian British		26.4	27.9 (-1.5)
Indian	237	13.6	14.0 (-0.4)
Pakistani	168	9.6	12.1 (-2.5)
Bangladeshi	4	0.2	0.1 (+0.1)
Any Other Asian Background	53	3.0	1.7 (+1.3)
(d) Black or Black British		9.1	5.1 (+4.0)
Caribbean	72	4.1	2.9 (+1.2)
African	75	4.3	1.9 (+2.4)
Any Other Black Background	13	0.7	0.2 (+0.5)
(e) Chinese or Other ethnic Group		1.1	1.0 (+0.1)
Chinese	10	0.6	0.3 (+0.3)
Other Ethnic Group	9	0.5	0.7 (-0.2)
Non Disclosure	25	1.4	
Blanks	7	0.4	
Ethnic Minority employees (Headcount)	682		
Total Headcount (Full time and Part time permanent staff and staff on temporary contracts of >12 months as per BVPI guidance)	1749		

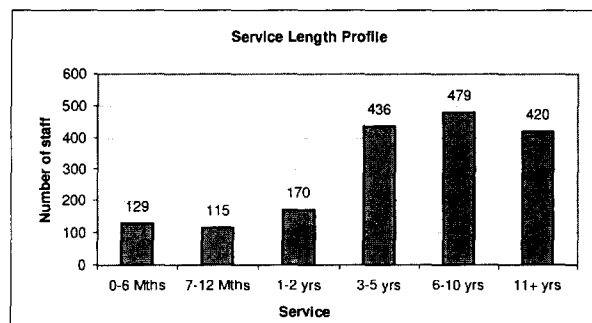
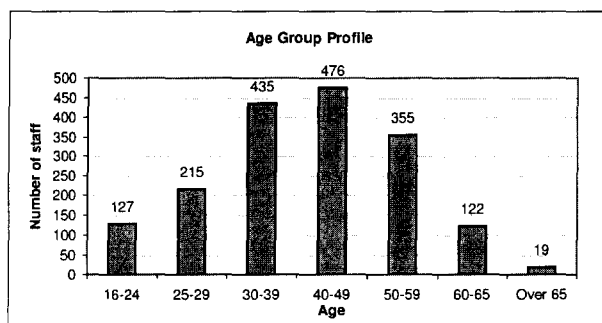
Ethnic Minorities represent 39.7% of those declaring ethnicity,
39.0% of total headcount

White represent 60.3% of those declaring ethnicity, 59.2% of
total headcount

Total non-disclosure of ethnic background 1.8% of total
headcount.

Gender Breakdown	30-Sep-08		Slough Census
	Total	%	
Female	1240	70.9	50.2 (+20.7)
Male	509	29.1	49.8 (-20.7)

Disability Breakdown	30-Sep-08	
	Total	%
Yes	103	5.9
No	1528	87.4
Non Disclosure	72	4.1
Blanks	46	2.6



The ethnic profile for the council has shown a further increase this quarter in staff from ethnic backgrounds, up from 39.1% in Quarter 1 to 39.7% in Quarter 2 (+0.6%). The most significant rises were in the Asian or Asian British group, up from 25.6% to 26.4% (+0.8%), with Indian, Pakistani and Other Asian group all showing rises in percentage share. Both White and Mixed ethnic groups saw losses in all categories this quarter. The number of staff not disclosing an ethnicity has dropped again, down from 2.6% in quarter 2 2007/2008 to 1.8% in the same quarter 2008/2009 (-0.8%).

Although the number of staff has changed, the gender breakdown has shown no changes in the percentage spread of male and female staff over the quarter. The number of staff declaring a disability has increased this quarter, up by 0.2% to 5.7% of the workforce, continuing the upward trend.

The age profile shows 27.2% of the workforce are aged between 40 and 49, whilst 8% are aged over 60 years. The service profile shows 76.3% of staff have worked for the council more than 3 years, with 24.0% of staff working more than 11 years.

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny Committee **DATE:** 24th November 2008
CONTACT OFFICER: Andrew Blake-Herbert, Strategic Director Resources
(For all enquiries) (01753) 875300
WARD(S): All

PART I
FOR CONSIDERATION & COMMENT

SHARED SERVICES FOR TRANSACTIONAL BACK OFFICE FUNCTIONS

1 Purpose of Report

To note the recommendation to Cabinet to approve the programme business case and, as a consequence, to commence a joint procurement with two other Councils on behalf of other local authorities and select a private sector partner to enable the creation of the Local Government Shared Service joint venture. Neither partner is named in this document so it can remain in Part I of the meeting. The consideration is about the business case not the partner organisations.

2 Recommendation(s)/Proposed Action

To comment on the following recommendations to the Cabinet:-

- a) Subject to final discussions with the potential partners, that if those discussions do not raise any unmanageable obstacles, officers be empowered to enter into a Shared Services partnership arrangement with the two Councils to commence a joint procurement on behalf of other local authorities, to confirm the project business case and select a private sector partner for the Local Government Shared Service joint venture.
- b) Delegate responsibility to the Strategic Director of Resources, in consultation with the Leader of the Council, along with equivalent representatives from the other two Councils, to proceed with the procurement up to the selection of a preferred bidder. At this stage a report will be brought back to Cabinet for decision.
- c) Approve the expenditure of up to £1 million from capital programme to fund the procurement project, to be spent and repaid as set out in the report.

3 Community Strategy Priorities

Shared service arrangements link to the effective and efficient running of the transactional functions of the Council. The aim is to deliver top quartile performance and lowest quartile costs. Some of the transactional function, including benefits and customer services, will support some of the more vulnerable members of the community, but by driving out costs will overall will enable other front line services to continue to meet the needs of the Borough, hence supporting all of the beneath.

- Celebrating Diversity, Enabling Inclusion
- Adding Years to Life and Life to Years
- Being Safe, Feeling Safe
- A Cleaner, Greener place to live, Work and Play
- Prosperity for All

4 **Other Implications**

1. Financial

The financial implications are contained within the body of the report. However, based on prudent assumptions the investment required to deliver the shared services arrangements has a four year pay back period, and the ongoing savings are over £500k a year for the remainder of the proposed ten year contract. There are also a number of non cashable benefits and efficiencies as outlined in the business case.

2. Risk Management

There are significant risks as well as opportunities of entering into this joint venture arrangement. These are contained within the body of the report.

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>From section 2 above</i>	<i>Threats or opportunities as a result of approving or otherwise the recommendations in section 2 above</i>	<i>Actions taken to address threats</i>

(a) Human Rights Act and Other Legal Implications

The Council will obviously be jointly tendering to enter into a Joint Venture arrangement for the provision of services. Specialist external legal advice will be brought in where necessary to ensure the process and arrangement entered into protect Slough's interests.

(b) Equalities Impact Assessment

As details of the proposal become clear these will be checked again, but it is not envisaged that there will be any concerns arising.

(c) Workforce

With the setting up of a joint venture organisation there will be TUPE transfer issues of staff in the affected areas moving into the JV. More detail of these will be provided as the proposals are progressed.

5 **Supporting Information**

- 5.1 Shared services is not a new practice, in fact Slough already has a number of shared service arrangement with other Berkshire authorities going back to the disaggregation of the former County. However recent government initiatives linked back to the Gershon efficiency review have been pushing local authorities to consider shared services, particularly for back office functions as a way of driving out costs.

- 5.2 Slough has been keen to be at the forefront of the shared services arrangements, if they are right for Slough, to enable it to have maximum influence over what they are like, rather than be pushed into an arrangement that may not suit our needs.
- 5.3 As Members will be aware from earlier reports, officers had been looking into options for shared services arrangements and had been closely working with another Berkshire unitary. However we have also kept other opportunities under review and it is these opportunities that this report relates to.
- 5.4 Officers have had a very short turn round to develop and produce a detailed business case for consideration at this Committee. We wish to enter into the proposed shared services arrangement under consideration, as there is a deadline of December for issue of an OJEU for a Joint Venture partner.
- 5.5 The full business case is attached at Appendix A (**Part II agenda**). The high level aim is to achieve top quartile performance for low quartile cost.
- 5.6 This is a very exciting opportunity for Slough to be at the forefront of shared services arrangements, but there are significant risks involved and it is important that Members take the time to understand what is being proposed and challenge the assumptions before considering whether to approving the shared services arrangement.
- 5.7 With such tight timescales having been involved, officers are still completing all the elements of the due diligence, with a number of visits to both of the potential Councils to conclude this before the date of the Cabinet meeting.

Next Steps – Assuming Cabinet Approval

- 5.8 If Members approve the commencement of this arrangement the next stage of the programme will include all the work necessary for the procurement to set up the Local Government Shared Service with a private sector partner up to the selection of a preferred bidder. The other two Councils have been supported by 4Ps, the programme and procurement specialist body that provides support to local authorities, and following discussion with other authorities the programme team is recommending the use of the Competitive Dialogue procedure.
- 5.9 This will involve Slough releasing key staff across the organisation to input into the arrangements to ensure they we have the right governance arrangements in place. Key tasks which will need to be completed to enable this approach include:
- Further refinement of the business case and financial model (including scope definition, costs and affordability modelling, and risk and investment modelling)
 - Defining and agreeing the governance of the joint project (including budget and resource management, roles and approvals, milestone tracking, risk management, and joint and several legal advice and sign-off, exit strategies)
 - Developing the procurement strategy and evaluation criteria, specifying adviser needs and procuring external advisers, preparing for the competitive dialogue, and preparing documentation
 - Preparing the service definition, collecting data and developing specifications
 - Confirming the commercials and operating model for the joint venture (including joining routes, costs and risks, financials / commercials / payments mechanism, contract and contract management, Memorandum and Articles of Association,

shareholding agreement, local authority powers, legal structures, indemnities, policies, governance, employment issues, contract and framework, risk, and branding)

- Defining the requirements of the retained organisation, including contract management/client arrangements.
- As outlined in the EU Directive up to the selection of a preferred bidder.

5.10 Assuming Cabinet agrees to the recommendations made in this paper the timescale of the programme would see a proposal for a preferred supplier brought to Cabinet in January 2010, and the Joint Venture being set up by 1st April 2010.

Risk Management

5.11 The risk register for joining the arrangement is contained with the attached business case. Assuming approval, SBC will work with the other two Councils on the Strategic and high probability risks and ensure they are addressed on a monthly basis as part of the programme board meetings. That the entire register is reviewed in a workshop of key stakeholders, including members of Internal Audit, every six months where the probability and impact of each risk is considered and new risks identified.

5.12 The strategic risks of this programme are currently identified as:

- Inability to broker a good deal because the proposal is unattractive to potential private sector partners. The soft market test was designed to mitigate this risk by engaging with potential private sector partners before committing to the procurement.
- Other Local Authorities who may be future partners or customers are not attracted to the proposition.
- The Councils lack the specific commercial expertise to develop a new organisation that can trade in the market. The business case allows for the appointment of a number of advisors to assist us in the programme, and 4Ps are supporting the programme.

5.13 Work has commenced to further develop a joint risk log for the programme and joint working arrangements for risk management as this progresses.

6 Conclusion

This report outlines the opportunity Slough has to commence a joint procurement with two other Councils on behalf of other local authorities and select a private sector partner to enable the creation of the Local Government Shared Service joint venture.

7 Appendices Attached (if any)

'A' - Detailed Shared Service Business Case (**Part II agenda**).

8 Background Papers

None.

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny Committee **DATE:** 24th November, 2008
CONTACT OFFICER: Andrew Blake-Herbert, Strategic Director of Resources
(For all enquiries) (01753 875300)
WARD(S): All

PART I
FOR CONSIDERATION & COMMENT

HEART OF SLOUGH – UPDATE ON SCHEME PROGRESS & APPROVAL OF BUS STATION DESIGN & KEY TERMS WITH DEVELOPMENT PARTNER

1 Purpose of Report

This report provides an update on the current position with the Heart of Slough project and in particular the “Bus Station” Quadrant and discussions with Development Securities. Cabinet are asked to consider a number of financial options for progressing this element of the project.

2 Recommendation(s)/Proposed Action

The Committee is invited to comment on the following recommendations to Cabinet :

- (a) That the overall progress on the scheme since the submission of the master plan be noted.
- (b) That the options around the proposed sale/transfer of land to Development Securities be considered and recommendations around the preferred option be approved (following further discussions, officers will submit a recommended way forward on the night).
- (c) That the outline design of the new bus station be approved and that the appointment of the contractor in relation to the bus station redevelopment be progressed with Gardner & Theobald through the existing OGC framework arrangements in place for the Library.
- (d) That the previous delegation to the Assistant Director, Property Services be transferred to the Strategic Director of Resources to progress the scheme as required.
- (e) That Officers be instructed to investigate using compulsory purchase powers as a fall back position in the event of terms not being agreed with First Bus by negotiation.
- (f) That the current risk register be noted.

3 **Community Strategy Priorities**

At the centre of the town's regeneration it is believed that the Heart of Slough, either through its construction or the services and activities provided from it, will support all of the following:

- Celebrating Diversity, Enabling Inclusion
- Adding Years to Life and Life to Years
- Being Safe, Feeling Safe
- A Cleaner, Greener place to Live, Work and Play
- Prosperity for All

4 **Other Implications**

(a) Financial

The Heart of Slough proposal is a complex project with a number of significant financial implications for the Council. In summary:

- Funding of library.
- The possibility of undertaking road works on EP's behalf any risks that may arise from this.
- Sale of land to facilitate development.
- Transfer of funds to English Partnerships.
- Current and future capital receipts.

The full financial implications will be finalised once the detailed terms are agreed with the development partners. This is expected within the next two months at which time a further report will be brought outlining the precise terms and financial implications.

It should be noted that there is currently provision of £12m in the capital programme (2006-2011) to cover this scheme. The significant changes in the library building will mean that additional funding will be required, probably towards 2010/11. However, the full extent of this funding will not be known until the financial terms are agreed with the development partners. In light of the current market circumstances there will also be need for pump priming arrangements if the Council wishes the scheme to progress. These have been included in Budget Strategy item.

(b) Human Rights Act and Other Legal Implications

None

5 **Supporting Information**

Background

5.1 The Heart of Slough is a major regeneration project covering four sites immediately adjoining the Wellington Street/William Street Roundabout. These are the Thames Valley University site, the Brunel Bus station, land adjoining St Ethelbert's Church and the existing central library site.

5.2 The Heart of Slough is a joint arrangement between:

Party	Principal role
Slough Borough Council	Principal landowner and local authority
English Partnerships	Central Government's regeneration agency – key funder who will deliver new road layout and bus station
Thames Valley University	To bring forward their element of their site along with the Council to dispose of to a Residential developer with responsibility for developing the whole or phases of the TVU site.
Development Securities	Commercial office developer with responsibility for developing the existing Brunel Bus Station site.

5.3 In January 2006 the ODPM confirmed its gross funding of £17.52m (£13.5m net) for the costs of infrastructure works (road works, bus station, creation of new church square and environmental works). EP's funding and their calculations were broken down as follows;

5.4 In July 2008 the masterplan was submitted.

Overview of scheme

5.5 The Heart of Slough development aims to create:

- A new road layout by replacing the existing roundabout with a crossroads and ensuring pedestrians cross at street level rather than via underpasses.
- 1,300 new homes.
- 350,000 sq ft of new offices.
- A new bus station
- A new library/civic building
- New restaurants/cafes/shops
- New open spaces/squares.

Objectives of the scheme

5.6 The scheme has a number of objectives

- (a) The physical regeneration of the area
- (b) To challenge and change the perception of Slough
- (c) A commitment to high quality design to support objective (b)
- (d) All development to meet high levels of sustainability and energy efficiency
- (e) The creation of new open spaces
- (f) Improvement in public transport and the creation of an improved transport hub.
- (g) Draw people back into the central areas of the town and the library would provide a real community focus.

5.7 Members also felt that the proposed road scheme gave redundant space back to the town and provided a much better use of space generally. The highway scheme conformed to the local transport plan and would increase public transport patronage, reduce traffic and reduce congestion which would in turn reduce air quality issues.

THAMES VALLEY UNIVERSITY SITE

- 5.8 As members are aware Berkley homes withdrew from the Heart of Slough before the master plan was submitted. Negotiations have continued with Thames Valley University (TVU) since to negotiate that their element of the TVU site is brought forward with the Council's part of the site to deliver the whole site as part of the master plan.
- 5.9 Berkley homes had no commitment to build out the site until the market conditions were appropriate, so in the current circumstance there is no delay to the delivery of the scheme and gives time to tender for a developer.
- 5.10 Discussions with TVU continue and are going positively, but there is obviously a risk that TVU will not bring the site forward due to current market circumstances or not until the value of the site has risen again.
- 5.11 This in itself may delay English Partnerships (EP) commitment to commence the highway infrastructure.

BUS STATION / COMPAIR HOUSE SITE

Negotiations with First Bus Group

- 5.12 First Bus Group currently has an occupational licence to use the bus station and a lease of space within the building which provides staff accommodation, shop and travel centre. These agreements expire in 2018. To ensure the development proceeds, the Council needs to negotiate a surrender of these agreements.
- 5.13 Some detailed negotiations have been commenced with First Bus, around the design and layout of the bus station and around offering them a new lease and licence of the bus station on similar terms to those that currently exist.
- 5.14 To date, terms have not been agreed but negotiations are ongoing. In order to protect the Council's position it is suggested that officers investigate using compulsory purchase powers to acquire First Bus's interest as a "fall back" position in the event of negotiations failing.

Negotiations with Development Securities Background

- 5.15 This element of the project includes, the site of Compair House (owned by Development Securities) and the existing Brunel bus station car park (owned by the Council).
- 5.16 Development Securities have verbally confirmed that they remain committed to Heart of Slough. Maintaining the support of a key commercial partner in the current market is considered key to maintaining momentum and confidence in Heart of Slough; so their continued support for the scheme is to be welcomed.
- 5.17 The Cabinet report of 21st January 2008 outlined the agreed Heads of Terms with Development Securities the Council's preferred developer for this element of the scheme. This transaction, which had been negotiated over quite a considerable time

period, was conditional on a number of events occurring. The main ones are the English Partnership monies being made available and the Council being in a position to deliver vacant possession of existing bus station either through agreement or using their compulsory purchase powers.

5.18 Once these happened :-

- Development Securities would transfer the cleared Compair House site to the Council. The intention was that the new bus station would be constructed on the Compair House site and the cost of this would be funded by the Council and English Partnerships.
- The Council would grant a long lease of the Brunel Bus Station and car park to Development Securities, who propose to redevelop this site in a number of phases for a high quality office scheme of approximately 48,000 sq m.
- Development Securities would also make a payment to the Council for the site. This was an advanced payment, for what they then estimated the Brunel bus station site to be worth as an office redevelopment opportunity.
- There were also overage arrangements (mechanisms through which the Council would share in super profits arising from the development once Development Securities had reached their required profit returns.
- The land value was calculated by valuing what the scheme would be worth when completed and then deducting all the development costs incurred, (construction, fees, predevelopment costs, finance, tenant's incentives, developer's profit etc). As part of this calculation Development Securities were also assuming they would include as a Development Cost their costs of acquiring Compair House.
- Development Securities were only obliged to develop out the Brunel site once they were satisfied that they would reach their profit returns for each phase.

Current position

5.19 Since agreeing these terms the property market, like the rest of the economy, has been through and is still in some very turbulent times. End values have fallen considerably, finance for schemes is very difficult and expensive to secure, especially where there is no end tenant. Where tenants are considering taking space they are demanding much greater incentives and build costs have continued to rise although it is predicted this could well change shortly.

5.20 Reductions in the value of property have been seen across all sectors and many proposed development schemes have been placed on ice or completely abandoned. Not surprisingly Development Securities have had to reappraise the scheme, this has included looking at ways of reducing costs – whilst maintaining the design standards required by English Partnerships. They have also, as part of their bid for the Council's office requirement, been redesigning the scheme to enable parts of this to come forward before the major Heart of Slough infrastructure works are completed. (This redesign culminated in their recent detailed planning application for Phase 1 of the development).

5.21 The fall in values has also affected Development Securities landholding – Compair House. Originally Development Securities expected to recover their purchase costs from any redevelopment. They have had to now accept that they are only likely to recover part and take a write down on the original purchase price.

5.22 If today's values and inputs are utilised to achieve the developer's profit return, the land value is in effect a negative figure i.e. the costs are higher than the end value of the scheme. In order to provide the Council with positive land receipts, there will need to be improvement in the end value assumptions which means relying on an improvement in market conditions and /or a reduction in costs. Any costs reduction is likely to come from changes in design rather than a significant reduction in the construction prices. The higher the land premium required, the greater the improvements in value required and potentially the time period in which the development will take to be viable.

Initial Financial Proposal and Other Options

5.23 Whilst Development Securities are at this stage still committed to the scheme, for the reasons set out above, the structure and quantum of any offer they can now make to the Council are substantially different to their previous proposal.

5.24 The Council's advisors DTZ and Drivers Jonas have met with Development Securities on a number of occasions in recent months to review, in the light of market circumstances, how we could both work towards an early development of this element of the project. In particular they have been considering mechanisms which would improve viability but still deliver the Council some receipts.

5.25 This has meant considering issues such as delaying payments to the Council until practical completion of the phases, rather than an upfront payment when the development agreement goes unconditional.

5.26 The exact amount of a revised offer is still being considered by the Development Securities Board with an update anticipated to be available by the date this report will be discussed.

5.27 The terms set out in Part II of the report have been provisionally proposed by Development Securities. As before they will not be committed to carrying out development until they are relatively confident they can achieve their required profit margins. Once they however start on site they will guarantee the fixed payments plus profit share arrangements for each Phase once they have completed the scheme.

5.28 To compensate for the reduced premium, Development Securities have offered a more preferential overage to the Council which both raises the Council's percentage share of any additional profit which is derived from the scheme, as well as lowers the threshold when it becomes payable.

5.29 They have also made similar proposals for a pre-Heart of Slough arrangement i.e. they would proceed with the scheme, assuming it became viable, without the certainty that the English Partnerships funds were available. This would involve a somewhat smaller scheme so a reduced fixed premium.

5.30 These are also outlined in Part II so members can consider the various routes which could be available, and a further verbal update will be provided on the night as discussions progress.

New Bus Station

- 5.31 Detailed designs for the new bus station have now been submitted along side the master plan. These have been worked up in consultation with First Bus Group to provide a safe and secure working bus station.
- 5.32 Details of the plan have been placed in the Members' Room and will be available on the night for inspection, some of the outline drawings are shown in the attached **Appendix A**.
- 5.33 There are a number of elements to the bus station and building of it that can be taken in phases. These are:
- Acquisition of free hold of this site and release of current bus station site
 - Construction of the main Bus Station
 - Construction of Ancillary Building
- 5.34 The costs of bus station are contained in **Part II** report and assume a worst case scenario.

NEW LIBRARY/CIVIC BUILDING SITE **Outline of scheme and key benefits**

- 5.35 The proposals plan a new building of around 65,000 square feet that will accommodate the new library and life long learning centre and has the capacity to accommodate other complementary users. Officers are reviewing the scope for what else the building could be used for.
- 5.36 The vision for the building is for the principal use to be a library but accommodating a number of complementary uses.
- 5.37 The plans proposes two new public spaces; a private, "green" space adjoining the library for its users and a hard landscaped public square to the north that could be used (for example) for street markets and entertainment.
- 5.38 A new church hall would be provided replacing the existing "portakabin". The proposal will vastly improve the setting of St Ethelbert's Church, a Grade II listed building. The design of the new library building will be sensitive to the need to enhance the setting of the church.

Negotiations with Church

- 5.39 The proposed development is dependent on an agreement with the church due to the need to create a new space on church land and relocate the existing church hall.
- 5.40 Negotiations with the Diocese to date have been positive and they have welcomed the change in emphasis in this area from a commercial area to a "civic" one. The proposals will require the Council to construct a replacement church hall and landscaping, in exchange for the land necessary to facilitate this development.

EXISTING LIBRARY SITE

Outline of scheme and key benefits

5.41 EP have acquired the rights the current library site and are proposing to bring it forward for cafes and shops on the ground floor, with some residential and a possible high class hotel above.

INFRASTRUCTURE

5.42 English Partnerships have indicated they wish the Council to let the contract for the infrastructure works on their behalf. Officers believe this request appears reasonable, in principle, provided the Council is not exposed to any contractual or financial risk as a result. The procurement route needs to follow EP's requirements and EP and the Council are working jointly to deliver this.

Key risks

5.43 A scheme of this size and complexity contains risks. These are being minimised through good management, effective project management and review procedures.

Risk	Mitigation	Owner
Loss of EP funding	EP has confirmed its commitment to the scheme and how shown flexibility of the time of the expenditure. The risk is considered low provided the scheme progresses to the current programme.	EP/SBC
Receipt of planning permission	EP's team is in extensive discussions with the Council's Planning and Highways Officers to ensure the scheme meets their requirements. There will also be extensive public consultation. All steps are being taken to minimise the risk to try and ensure the application is recommended for approval.	EP
Application is "called in" by Government Office for the South East (GOSE)	Informal discussions have been held with GOSE. A robust approach to the planning process will minimise the prospect of the application being "called in" but due to the scale of the scheme there is an inherent risk that this could occur. This would cause a delay in granting planning and also cause a period of uncertainty.	EP
Infrastructure works being over budget	The nature of the scheme has expanded and works have not commence as soon as EP assumed.	All

	<p>This has added pressure to the predicted infrastructure costs of approximately £3.5m.</p> <p>The planning department have been working with EP looking at the option of applying a tarriff to other new planning applications that come forward. Ultimately the final risk will sit with the Council.</p> <p>The Council may need to put contingency arrangements in place to fund any shortfall, although in the current market constructions costs are falling.</p>	
Stopping up order	<p>The highway land around the round about needs to be “stopped up” (i.e. removed from the highway). There is a legal process to achieve this which includes the possibility of a public enquiry being called.</p> <p>The planning and highways work will help support the case and good consultation with affected stakeholders will minimise the risk of an enquiry</p>	EP
World Economic Climate	<p>There was no obligation on either the developer of the Residential or commercial properties to build until market conditions were viable. This does not change the situation but may delay commenced of these aspects of the scheme.</p>	All
TVU site	<p>The commitment of TVU to bring forward their site, within reasonable time scales for EP to release the funds to start the infrastructure works.</p> <p>The Council could acquire part of the TVU site to add to its land to bring forward at the earliest opportunity to give EP the commitment they wish to see, with the later phases coming after.</p>	All

6 **Conclusion**

The Heart of Slough represents a significant opportunity to both regenerate Slough town centre and improve the town's image.

The dramatic slowdown of the commercial property market since the "credit crunch" of August 2007, has inevitably had a significant impact upon the viability of new speculative development. Development Securities whilst still committed to the project are no longer able to proceed on the previously agreed financial terms.

The Heart of Slough like many complex regeneration schemes requires a medium view to be taken on returns and values. In addition Development Securities are still some way off being able to commence development on the Brunel site as this depends on the relocation of the bus station. Whilst it is clear no speculative development is likely to commence in the immediate short term and commentary is mixed on when activity will return within the property sector, it is important that steps are taken to enable early development of the site once the market conditions start to improve.

Progress is being made with the scheme generally. We are hoping that planning permission for the new bus station and Phase 1 of the Development Securities scheme will be granted early in the New Year with a resolution to grant planning permission for the masterplan soon after this.

Discussions are proceeding with other landowners and stakeholders including First Bus.

Obtaining control of the Compair House site will enable the Council to commence on site with the new bus station in 2009 which would reflect positively upon Slough's image in a time of national down turn.

Maintaining the commitment and support of Development Securities will also maintain confidence in the project.

There are a number of ways of doing this depending on the Council's priorities in terms of how members view certainty of receipts against trying to encourage this phase of the project.

7 **Appendices Attached**

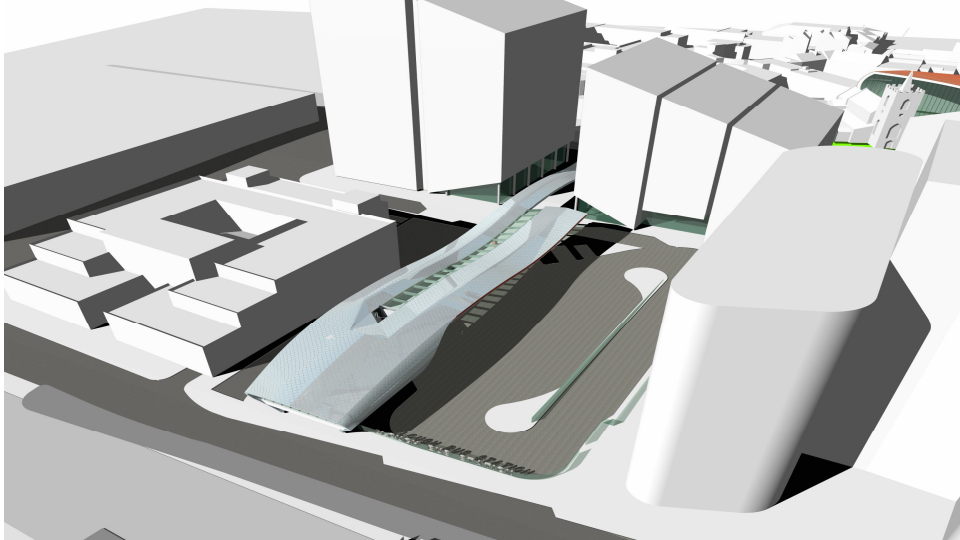
Appendix A – Bus Station – Detailed designs.

See further report in the Part II agenda.

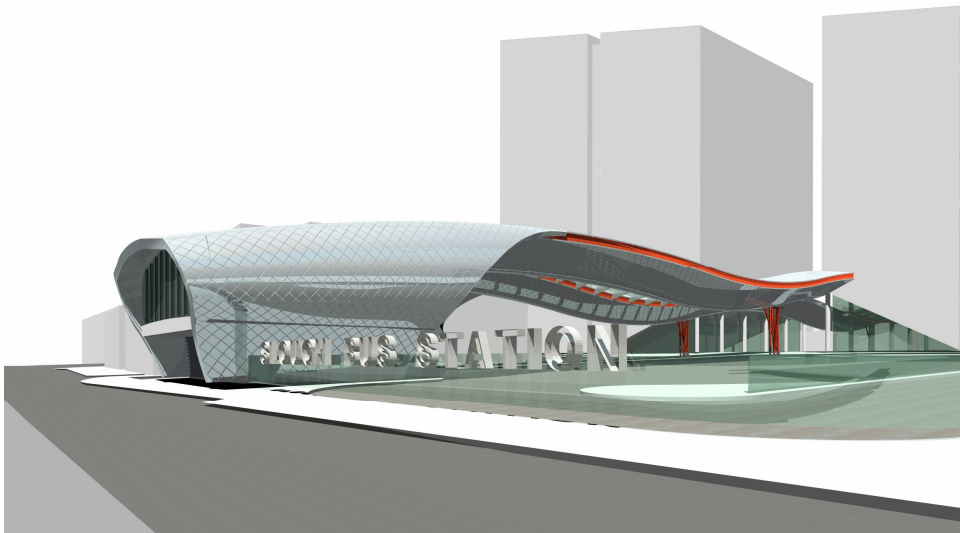
8 **Background Papers**

Agenda and minutes of previous Cabinet meetings.

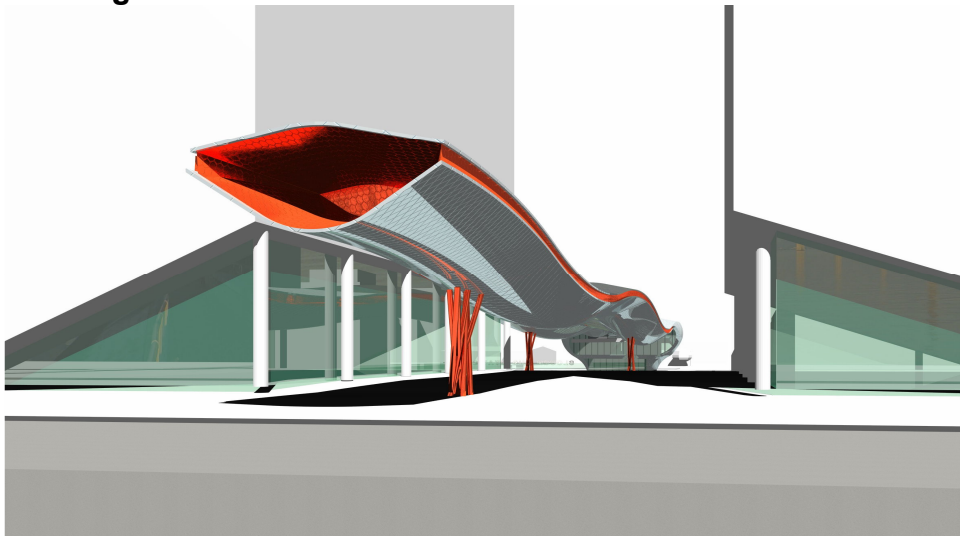
Drawing 1 – Arial View looking towards the Town Centre



Drawing 2 – Ground level view



Drawing 3 – View from A4 towards train station



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of the Local Government Act 1972.

AGENDA ITEM 12

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of the Local Government Act 1972.

AGENDA ITEM 13

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