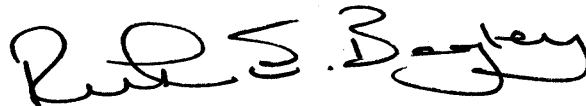


Date of issue: 2nd November 2010

MEETING	OVERVIEW & SCRUTINY COMMITTEE (Councillors M S Mann (Chair), Haines, Bains, Bal, Basharat, Coad, Shine, O'Connor and Walsh)
DATE AND TIME:	WEDNESDAY, 10TH NOVEMBER, 2010 AT 6.30 PM
VENUE:	COUNCIL CHAMBER, TOWN HALL, BATH ROAD, SLOUGH
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	TERESA CLARK (01753) 875018

NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.



RUTH BAGLEY
Chief Executive

AGENDA

PART 1

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
	Apologies for absence.		
CONSTITUTIONAL MATTERS			
1.	Declarations of Interest		

AGENDA
ITEM

REPORT TITLE

PAGE

WARD

(Members are reminded of their duty to declare personal and personal prejudicial interests in matters coming before this meeting as set out in the Local Code of Conduct).

2. Minutes of the Last Meeting held on 7th October, 2010 1 - 8

SCRUTINY ISSUES

3. Financial and Performance Monitoring Reporting for 2010/11 9 - 48
4. Medium Term Financial Strategy- (A) Medium Term Financial Plan 2011/12 to 2014/15- Officer Report and Presentation on Impact of Comprehensive Spending Review by Ruth Bagley, Chief Executive and Cllr Anderson, Leader of the Council 49 - 62
5. Medium Term Financial Strategy - (B) Future Provision of Transactional Services for Slough Borough Council 63 - 68
6. Effect of Economic Downturn on the Economy of Slough 69 - 70
7. Attendance Record 71 - 72
8. Executive Forward Plan 73 - 80
9. Forward Work Programme 81 - 82
10. Date of Next Meeting- Thursday, 2nd December, 2010

Press and Public

You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before the Committee considers any items in the Part II agenda. Special facilities may be made available for disabled or non-English speaking persons. Please contact the Democratic Services Officer shown above for further details.



Overview & Scrutiny Committee – Meeting held on Thursday, 7th October, 2010.

Present:- Councillors M S Mann (Chair), Bains, Bal, Basharat, Haines, O'Connor, Shine and Walsh.

Apologies for Absence:- Councillor Coad

PART 1

23. Declaration of Interest

Councillor Bal and Basharat declared a personal interest in that members of their family work for Slough Borough Council.

24. Minutes of the Last Meeting held on 9th September, 2010

The Minutes of the last meeting held on 9th September, 2010 were approved as a correct record.

Matters Arising

A member questioned whether the ONS had responded to the point raised and recommendations made by the Committee at the last meeting. Andrew Millard, Scrutiny Officer advised that, as far as he was aware, no response had been received. The Committee requested that the Scrutiny Officer seek a response from the ONS.

Resolved- That the Scrutiny Officer contact the ONS to obtain a response to recommendations from the last meeting.

25. Performance and Financial Reporting 2010 and Staff Appraisals

Roger Parkin, Strategic Director of Improvement and Development, outlined a report to update the Committee on the Council's overall performance from delivery of service to financial management, covering the period up to and including August 2010.

The Committee noted the performance monitoring update which highlighted areas of exception, areas of improved performance, and provided an assessment of where improvement actions were needed for performance to achieve end of year targets. It was highlighted that a dedicated presentation on appraisal completion would be provided later in the meeting and this had been requested following concerns raised at the previous Committee.

The Director highlighted that the report comprised exceptions from the Balanced Score Card, which related to performance indicators selected by CMT members, and the Local Area Agreement Score Card. The Director discussed the indicators with red rag status where there was an area of

Overview & Scrutiny Committee - 07.10.10

concern, being NI 73 (achievements at level 4 or above in both English and Maths at key stage 2), NI 130 (clients and carers receiving self directed support/direct payments), NI 135 (carers receiving a specific carers services/information) and NI 157A (the processing of planning application).

The Committee noted the areas of significant improvement which included a number of indicators relating to Thames Valley Police. The Officer highlighted that NI 59 (percentage of initial assessments completed in year within 7 working days of referral) had improved significantly following staff training and the implementation of a new IT system. Members raised a number of questions/comments relating to the national indicators as follows (response shown in italics) :-

- A Member asked for further clarification on NI 73.
The Director advised that this year's provisional performance was 4% below the national average and stood at 70%, i.e. a 3% increase on the previous year's figure. The result showed a marked improvement but it was acknowledged that there was still some way to go.
- A Member asked for further clarification on NI 130.
The Officer advised that the Government had set targets to measure the number of clients and carers receiving direct payments. At present 391 individuals received direct payments but this was below the approximate target of 1255 clients. Measures were in place to increase the numbers and this would include monthly monitoring against targets and team worker reporting. It was highlighted that the new system was very challenging and presented a massive change to the previous system.
- Could further information be provided on NI 135?
It was explained that there were 285 carers services recorded, to the end of August and this indicator was below target. It had been expected that 430 carers services would have been provided by August 2010. It was highlighted that this indicator covered a large number of people and there had been a change in the way that the statistics were counted. It was suggested that the indicator be scrutinised further by the Health Scrutiny Panel.
- A Member commented that NI 73 had been looked at in some detail previously by the Raising Achievement Team. It was felt that the stage must have been reached where the Committee could receive more feedback on this item?
The Director advised that it could take eighteen months to see an improvement in the results of some indicators. It was suggested that the results of this indicator be considered further by the Education and Children Services Scrutiny Panel.
- Had any action been taken to improve the indicator for the processing of planning applications, NI 157A?

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There had been a significant drop in the number of major applications received in the previous year together with pressures on staff caused by a reduced number of employees. It was felt that this was not a significantly poor performance but there was an area of concern. It was suggested that the Director discussed this issue with the Strategic Director of Green and Built Environment and report back to the Committee. The Committee was also advised that the Council's income from fees reduced when less applications were received and it was possible that new regulations would be implemented to simplify the application process.

Finance

The Director advised that the Council's net Revenue Budget for 2010/11 was £103.9m and the agreed net operating budget for Housing Services 2010/11 was a surplus of £213K. The Committee noted that there was a projected underspend position of £206K which compared to a reported overspend at this stage in the previous year of £893K. The Housing Revenue Account had a current projected overspend position of £538K from the budgeted surplus position of £213K agreed at the beginning of the year and this showed an adverse variance of £101K from the position reported last month.

The Committee noted the month-on-month movement in variances and emerging issues and risks. It was highlighted that although the headline position indicated a projected underspend of £206K, it was important to note that a significant level of gross savings had had to be achieved incorporating the £3.3m of in year reductions that had been necessary following government cuts. The Committee noted the risks specific to each Directorate and the detail of opportunities that could emerge to mitigate any adverse financial occurrences.

The Director discussed the detail of efficiency savings, agreed base savings and in year savings for 2010/11.

In the ensuing debate Members raised a number of questions/comments as follows (response shown in italics):-

- What were the cost implications for the provision of a new independent residential facility where clients were placed. (Councillor Walsh)
It was agreed that the Director would provide a written response for the Member.
- It was anticipated that the outcome of two ongoing Employment Tribunal claims within the Adult Social Care division could result in legal costs which would escalate above budget provision. What was the detail of these cases? (Councillor Walsh).
It was agreed that the officer would provide a response to the Member directly.

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- When would the Committee be provided with an analysis of the implications of the comprehensive spending review on 20th October, 2010?
It was suggested that the Leader of the Council and the Chief Executive attend the next meeting of the Committee to present on the findings of the CPR.
- In respect of the Decent Homes Programme, what was the spend and had all of the homes been completed? (Councillor O'Connor).
It was agreed that the Strategic Director would respond to the Member directly on this matter.
- A Member commented that the actual figures were never provided – what was the actual spend?
There was no evidence of underspends occurring and all variances were shown in the report.
- What was the position of the Housing Revenues Account regarding Decent Homes relating to the ALMO. (Councillor Haines).
It was agreed that the Director would respond directly to the Member.
- Did each department prepare an audit/way forward on strategy and did they work in conjunction with each other?
This was the case and a meeting had been held in the previous week. It was reported that a Paper would be considered by Cabinet on the Council's strategy etc. A high level Paper would address the number of Directors and Assistant Directors in post and consultation would be held from now to December 2010.
- How many companies was the Council negotiating with and why did they not select smaller companies?
All companies where the contract was for more than £25,000 had been contacted recently and the Council was requesting a reduction in the licences. It was accepted that it would be helpful if the Council engaged more with smaller companies.
- Did the Council actively look at local companies?
A business conference was held every year at the Marriot Hotel when businesses were invited to learn more about the contracts process and tendering for work.
- Why was the Housing Subsidy rising whilst the stock was declining and the proportion had increased?
It was agreed that the Director would respond to this.

Appraisals

Kevin Gordon, Assistant Director, Transformational Change, outlined a presentation on the measures that were being taken to improve the appraisal system. This had been requested by the Committee at its previous meeting

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when the concern was expressed in particular that Managerial staff were not meeting their appraisal objectives.

The Officer acknowledged that it was important to ensure that managers took responsibility for appraisals and feedback received from the attitude survey had indicated that staff had not previously fully appreciated the value of appraisals and some staff had never had one. The key message was that everyone was entitled to an appraisal, the development of staff was a priority, and it was important to simplify the link between what the council was trying to achieve and their work objectives.

The Committee was advised that briefings had been held for staff to discuss the new appraisal forms and process and an e-learning module had been launched as a tool available to everyone. Also a giving and receiving feedback course had been arranged to give managers more confidence in the process.

The revised appraisal format was simpler to understand and less bureaucratic. Both staff and unions had been consulted on the changes and clearer competencies had been identified to indicate areas for development.

Members raised a number of comments/questions in the ensuing debate including the following (response in italics):

- Did Managers go through all the competencies with staff during the appraisal process?
Yes this was the case – it was felt that there should be an overarching document to get the process on its feet.
- It was felt that the document should include a section where the areas in which a person was required to improve were identified.
- The concern was expressed that some individuals had a problem with managers who were unable to provide adequate feedback.
- Were staff provided with training to enable them to develop skills?
This was the case but in future this area could be challenging as there would be limits on spending in this area.
- It was felt that some particular sections of the community should be given more opportunities to gain employment.
The Officer advised that this was a matter for the Assistant Director, Human Resources to consider, and would perhaps be more suitably addressed by the Employment and Appeals Committee.
- Had the new Appraisal form been compared with those used by neighbouring boroughs?
The form had been developed through comparisons with those used by top performing local authorities and top organisations such as Marks and Spencer.

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- Were staff worried about the appraisal process?
The individual's manager's manager had been requested to sign off appraisals and it there was some evidence that many staff were nervous about the prospect of this person viewing their appraisal.
- What was the completion date for appraisals and when would 100% be completed?
It was hoped that Appraisals would be completed by March 2011.

Resolved –

- (a) That a report on NI 135 be submitted to the Health Scrutiny Panel.
- (b) That the results of NI 73 be considered and investigated further by the Education & Children Services Scrutiny Panel.
- (c) That the Strategic Director (I&D) check with the Strategic Director (G&B) about the performance of NI 157(a) and report back to the Committee.
- (d) That a report be submitted to the Overview and Scrutiny Committee on 10th November, 2010 regarding the £10.8m HRA Capital Programme.
- (e) That the Leader and the Chief Executive be invited to attend Overview & Scrutiny Committee on 10th November 2010 to outline the likely impact of the Comprehensive Spending Review (20th October 2010).
- (f) That the Strategic Director (I&D) respond directly to Cllr Haines on an outstanding query Cllr Haines has relating to the ALMO/Decent Homes funding.
- (g) That the Strategic Director (G&B) respond to a further question by Cllr Haines questioning why the housing subsidy is rising whilst the stock is declining and the proportion has increased.
- (h) That future reports indicate how Managers are meeting the Council's appraisal objectives and targets.
- (i) That future reports show appraisal completion rates, particularly at 31st March, 2011.

26. Annual Attitude Survey - 2010

Naveed Mohammed, LSP Manager, Improvement and Development, outlined a report and presentation to inform the Committee of the results of the Slough Attitude Survey. It was noted that the survey was based on 1511 face to face interviews conducted between the 8th and 29th March, 2010 and the report compared the results with the last attitude survey that was held in 2007. The

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Committee noted the background and methodology to the survey and it was highlighted that the survey was now carried out on a bi-annual basis and the next one would be conducted in 2012.

The Committee was advised that satisfaction with SBC had reduced from 61% in 2007 to 57% in 2010 but the number of people who were neither satisfied or dissatisfied had increased by 4%. There was little change to the question "has the way the Council runs things got better or worse" and residents had indicated 76% satisfaction with "Slough as a place to live".

The Committee noted the results to other survey questions including aspects that required the most improvement and residents' views of the most important services.

The Committee thanked the Officer for the comprehensive presentation.

In the ensuing debate, Members raised a number of comments/questions including the following (response shown in italics):-

- A Member commented that he would have liked to have seen the format of the form that was used and also to have details in future of how many individuals were interviewed at ward level.
- Why was the figure of 1150 people chosen for the survey?
The figure was set in conjunction with the company who did the research and it was likely that the starting figure was 1500.
- Who would act on the findings of the survey?
The results were presented to the Local Strategic Partnership and the sustainable community strategy would be assessed to decide whether it needed reviewing following the results of the survey.
- Was there any merit in repeating the survey?
The officer responded that this was a matter for Members to decide.
- It was highlighted that the sample was very small and therefore this did not necessarily give an accurate account.
- It was felt that it would have been useful to include responses from the residents and tenants association to provide a more balanced report.

Resolved-

- (a) That both the subject matter of the data provided and the overall response figure be broken-down by Ward and supplied to the Committee.
- (b) That the survey figure of 1511 be broken-down by Ward and supplied to the Committee.

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- (c) That the Committee be informed of the extent to which the survey sample influenced the Primary School results which showed that (apparently) the importance attached to schooling is relatively low.

27. Member's Attendance Statistics

Resolved – That the report be noted.

28. Forward Agenda Plan

Resolved-

- (a) That it be noted that a report on the Accommodation Strategy will be considered by the Committee at its meeting on 2nd December.
- (b) That a report on the policy and cost of advertising space (billboards, bus station etc) be considered by the Committee at its next meeting on 10th November, 2010.
- (c) That a report on the Housing Revenue Account Capital Programme be considered by the Committee at its next meeting on 10th November, 2010.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.40 pm)

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny Committee **DATE:** 10th November 2010

CONTACT OFFICER: Julie Evans, Strategic Director of Resources (01753 875300)
(For all enquiries) Roger Parkin, Strategic Director of Improvement & Development
(017553 875207)

WARD(S): All

PART I
FOR COMMENT AND CONSIDERATION

FINANCIAL AND PERFORMANCE MONITORING REPORTING FOR 2010/11

1. Purpose of Report

The report covers the revenue and capital monitoring position to September 2010.

This report highlights the Council's overall performance from delivery of service to financial management covering the period up to and including September 2010 against the following key areas:

- i. Revenue and capital monitoring position to September 2010 (Appendices A, B, C)
- ii. Performance monitoring against the Corporate Balanced Scored Card and the LAA Balanced Score Card to September 2010 (Appendix D)

2. Recommendation(s) / Proposed Action

The Committee is requested to resolve:

- a) That the following aspects of the report be noted:
 - i. Performance and Project management
 - ii. Financial performance – revenue and capital

3. Key Priorities – Taking Pride in Slough and Making a Difference to Communities

The budget is the financial plan of the authority and as such underpins the delivery of the Council's key priorities through the financial year.

Budget monitoring throughout the financial year reflects on whether those priorities are being met and, if not, the reasons why, so Members can make informed decisions to ensure the Council remains within its available resources.

4. Community Strategy Priorities

This report indirectly supports the community strategy priorities. The maintenance of excellent governance within the council to ensure it is efficient, effective and economic in everything it does is achieved through the improvement of corporate governance and democracy and by ensuring good people and management practices are in place.

5. Other Implications

(a) Financial

These are contained within the body of the report.

(b) Risk Management

Supporting Information

6. Performance Monitoring Update

6.1 The attached **SBC Corporate Scorecard** (Appendix D) provides Members with an update on performance during the period from 1st April to 30th September 2010, drawing attention to:

- I. areas of exception
- II. areas of improved performance; and
- III. an assessment of where improvement actions are needed for performance to achieve end of year targets.

6.2 The report comprises of exceptions from both:

- a) the **Balanced Score Card**– which relates to performance indicators selected by CMT members to determine the organisation health of the Councils, and
- b) the **LAA Score card** - which relates to indicators in the LAA.

6.3 Future of Performance Reporting to Government

In a written statement to the House of Commons dated 13th October 2010, it was announced that the LAA Targets have come to an end and furthermore no payments will be made for Performance Reward

Grants for the 2008-11 LAA Targets. The minister also said that National Indicators used to monitor council performance will be replaced with an agreed single list of Whitehall data requirements for local government. New transparency arrangements will make sure councils remain accountable to local people.

While no detailed guidance has been released as of yet (as central government data requirements are under review), the increased activity of some regulatory bodies, like Ofsted, CQC and Defra, will mean we anticipate that the completion of statutory statistical returns will still be required of Local Government.

6.4 Gold Project Update

The summary below provides Members with an update on Councils Gold Project as at October 2010.

Period Summary

- Six highlight reports have been received.
- Two projects are Green across all status indicators, three projects have an overall Amber status, one has red status and four are unknown.
- No information has yet been received in regards to the Corporate Business Continuity project.

- It is recommended that the Planning for the Future programme is added as a gold project.

Council's Gold Project Highlight Reports

Culture, Learning & Library Service Transformation Programme
(including Library Services Transformation, Cultural Offer and Olympic, Sports & Leisure Offer)

**PROJECT
MANAGER**

Jackie Menniss, (C&W)

ALL WARDS

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	GREEN	GREEN	16/09/10

Key Points:

- Projects are delivered, on track or have been revised to more realistic timescales and the overall status is now green.

Adult Social Transformation Programme

**PROJECT
MANAGER**

Tracy Cartmell, (C&W)

ALL WARDS

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
AMBER	GREEN	AMBER	AMBER	10/10/10

Key Points:

Overall the project is moving well, however, these areas are amber:

- Mental Health pilot
- Enhanced ICS & Reablement - revised project outline/timeline being written
- The Information & Advice Strategy for the interim service directory and public information campaign.

Consultation papers for the new structure are due out w/c 25th October.

RECOMMENDATIONS:

- CMT agree to delegate corrective action to Project Board who are already taking steps to mitigate amber issues.

School Places in Slough

**PROJECT
MANAGER** (ECS)

ALL WARDS

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
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Key Points:

There are currently still 2 Project initiation documents (PIDs) behind this update (Primary Places and BSF); Now that the BSF programme has been officially cancelled, a combined PID will be created.

The current identified risks are:

- Funding at risk of claw back if not spent by Aug 11
- Demand rises further than anticipated before Sep 11
- Likely more than 4 new infant annexes required by Sep 11. However, all pupils were offered a place for Sept 10.

RECOMMENDATIONS:

- That the PMO is advised of the new Project Manager.
- That CMT give a deadline for the revised paperwork to be submitted.

Neighbourhoods & Community Facilities

**PROJECT
MANAGER** Keren Bailey (GBE)

OF PARTICULAR INTEREST TO CHALVEY, MANOR PARK AND COLNBROOK & POYLE

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	GREEN	GREEN	

Key Points:

- CMT have now agreed that the project should continue with the 3 pilot projects pending the wider council restructure. The project board will now meet (12/10) to agree deliverables for this.

Housing Futures (ALMO move)

**PROJECT
MANAGER**

Vijay McGuire (GBE)

ALL WARDS

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
AMBER	GREEN	AMBER	AMBER	01/08/10

Key Points:

- Draft Consultation Document developed for Housing Services Re-structuring - job Evaluation and matching completed with the Unions and Consultation document sent to CMT week commencing 27th September for sign off
- Document presented to CMT week commencing 4th October for final comment
- Housing Services Staff informed of consultation commencing 11th October; presentation being prepared
- Scheduled staff briefings set for 11th and 13th October - open to all Housing Staff
- 1:1's scheduled to ensure staff are given the opportunity to meet individually with AD of Housing/Head of Services
- Meeting held with Tenant Representative and advised of underlying principles relating to Housing Services Re-structuring; copy to be circulated 8th October 2010 as part of board approval
- Staff questions and concerns are beginning to appear - since the consultation announcement – system introduced to monitor and respond to all queries within a 24 hour turn around
- Expressions of Interest for staff have been agreed and finalised - due to be circulated to staff on 11th October
- Letters currently being prepared for all affected staff – will be hand delivered on Monday 11th October ahead of the document release
- Corporate Communications have been made aware of the Consultation Document Release on Monday 11th to avoid any possible adverse press coverage from staff resulting from changes to the Housing service
- Labour group has been notified of Consultation Document Release

2011 Census

**PROJECT
MANAGER**

Rob Wood (CE)

ALL WARDS

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	AMBER	AMBER	AMBER	05/10/10

Key Points:

- Budget parameter still to be set. Awaiting for PCT contribution to determine global figure
- ONS approach to engagement only at high level – concerns that the plans from ONS are not as thorough as we would like. Two options include a) RW to double up with Census Area Manager on key meetings, particularly with key groups identified in the Community Plans; b) SBC get agreement from ONS if they can ‘go in’ after ONS have made contact and/or chase up ONS non-responses to contact.
- Identification of HMO list to improve the address register has become a significant area of work.

REGENERATION: Britwell & Haymill

**PROJECT
MANAGER**

Neil Aves (GBE)

OF PARTICULAR INTEREST TO BRITWELL & HAYMILL

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Red	Green	Red	Red	30/09/10

Key Points:

The project cannot be progressed in its current form prior to Comprehensive Spending Review, therefore no new expenditure is being committed until clarification on future funding options is received. Lack of funding from the HCA would prove fatal to delivery of the project for the foreseeable future. At present nothing can be done to mitigate this until the Review is announced and the implications understood.

RECOMMENDATIONS:

- That CMT review this project by the end of November once the outcome of the Review is known.

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
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Key Points:

CMT should maintain a comprehensive overview of the projects which make up the Planning for the Future Programme. These include:

- Accommodation
- Duty Desk Review
- Workforce Planning
- Income and Debt Management (incorporating RIO)
- Values and Leadership
- Staff engagement and communications

RECOMMENDATIONS:

That regular Gold Project updates be considered on the inter-related projects which come under the Planning for the Future umbrella in order to:

- Facilitate communication and identify overlaps
- Maintain a progress check on timelines
- Keep a clear focus on benefits realisation for the whole Council
- Provide a clear and direct channel for CMT members to give guidance on any overlapping responsibilities and conflicting priorities
- Identify and deal with blockages that cross boundaries between the projects

7. Financial Reporting

7.1 The Council's net revenue budget for 2010/11 is £103.9m.

7.2 The Housing Services agreed net operating budget for 2010/11 is a surplus of £213k.

8. Projected Outturn Position as at 30th September 2010

8.1 There is currently a projected under spend position for the 2010/11 General Fund of £840k. This compares to a reported overspend at this stage last year of £860k reported as at end September 2009. Members should also note the possible emerging issues and opportunities in sections 6 and 7 respectively.

8.2 For the Housing revenue account there is currently a projected under spend position of £175k from the budgeted surplus position of £213k agreed at the start of the year. This shows a favourable movement of £713k from that reported last month.

8.3 The position is summarised in Table 1, overleaf, and detailed in Appendix A.

Table 1 - Projected as at 30th September 2010

Directorate	Gross Budget pre-Govt reduction	Govt Reduction	Gross Budget post-Govt reduction	Current Net Budget	Projected Outturn	Variance Over/(Under) Spend C = B - A	Change	Previously Reported
	£'M	£'M	£'M	£'M	£'M	£'M	£'M	£'M
Community and Wellbeing	51.504	(0.605)	50.899	36.990	36.915	(0.075)	(0.268)	0.193
Education and Childrens Services	180.555	(0.891)	179.664	24.533	24.225	(0.308)	(0.119)	(0.189)
Green and Built Environment	39.370	(0.646)	38.724	26.263	26.263	0.000	0.000	0.000
Central Directorates	87.857	(0.633)	87.224	22.396	22.278	(0.118)	0.022	(0.140)
Corporate	0.279	(0.140)	0.139	0.074	0.074	0.000	0.000	0.000
Total Cost of Services	359.565	(2.915)	356.650	110.256	109.755	(0.501)	(0.365)	(0.136)
% of revenue budget over/(under) spent by Services						-0.45%	-0.33%	-0.12%
Treasury Management	3.334	0.000	3.334	3.334	2.995	(0.339)	(0.269)	(0.070)
Contingencies & earmarked reserves	2.274	0.000	2.274	1.443	1.443	0.000	0.000	0.000
Area Based grant *	(12.663)	1.609	(11.054)	(11.054)	(11.054)	0.000	0.000	0.000
Total General Fund	352.510	(1.306)	351.204	103.979	103.139	(0.840)	(0.634)	(0.206)
% of revenue budget over/(under) spent in total						-0.81%	-0.61%	-0.20%
Capital Reductions		(0.407)						
Add back ABG income adj		(1.609)						
Total Govt Reductions		(3.322)						
Housing Services				(0.213)	(0.388)	(0.175)	(0.713)	0.538

9. Month on Month Movement in Variances

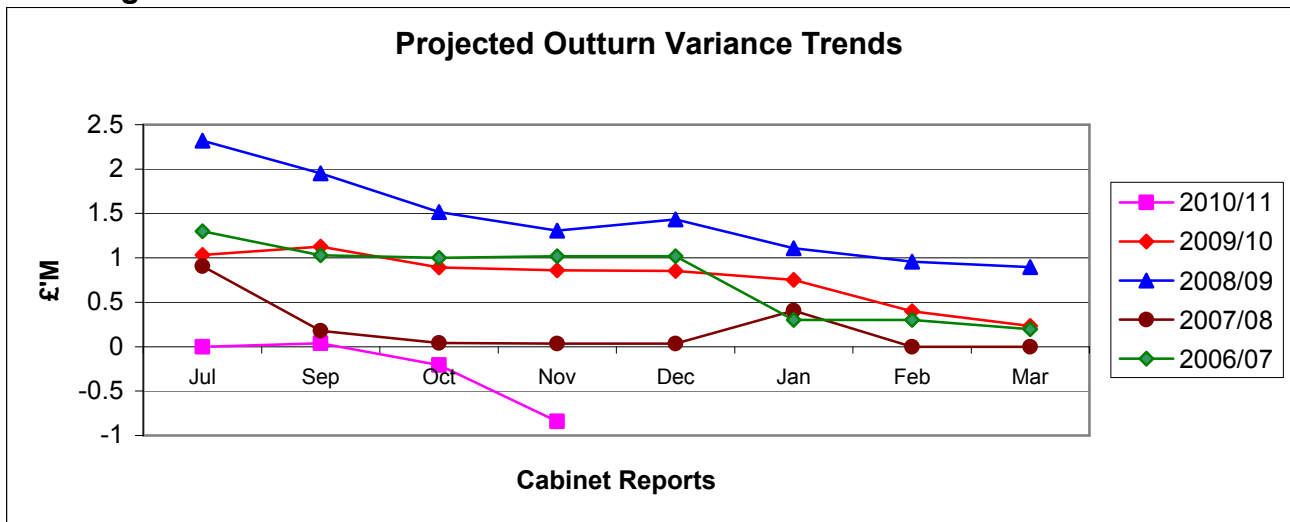
9.1 Community and Wellbeing are reporting an under spend position of £75k which is a favourable movement of £268k on the position reported last month. This change is mainly as a result of a change in reporting in respect of the implementation of Job Evaluation. Following the initial JE exercise a subsequent identification of a budget shortfall arising from the omission of some allowances and the outcome of successful reviews has up until now been included in the reported outturn as a budget pressure. However in order to be consistent with other departments budget reporting the variance in respect of this has now been removed. This accounts for a favourable movement of £253k. Other variances include savings arising reduced client activity saving £13k within Mental Health.

9.2 Education and Children's Services are reporting an overall under spend position of £308k which is a favourable movement of £119k on last months reported position. This fundamentally comprises a saving identified against contracts for the provision of Home to School Transport of £64k following a change in the cohort of children's journey requirements for the autumn term and a one-off saving of £43k against the Excellence in Clusters co-ordinator post following a secondment of the

post holder to the Head of Standards until the end of the year. There is continuing pressure on the budget in Children and Families due to the number of looked after children which has begun to stabilise, but is still subject to volatility. The budget pressure is due to a combination of placement costs, court fees, and contact visits. Work has already been undertaken to make savings to bring down the overspend in Children and Families, and use one-off savings in other areas of the Education and Children's Services budget to offset the projected overspend as a result of the rise in the number of looked after children.

- 9.3 Green and Built Environment** are continuing to report an overall break even position although have now identified a number of compensating variances fundamentally comprising pressures against Planning and Car Parking income offset by a reduction of £150k in levels of bad debt for Car Parking from a total provision of £343k and savings against staffing budgets. More details can be found in Appendix A. The department report a pressure arising due to a shortfall in the indexation costs associated with a number of major contracts, negotiations are ongoing with contractors in attempts to contain this pressure within existing resources but there is still a risk of a significant shortfall.
- 9.4 The Central Directorates** have reported an under spend position of £118k which is a small adverse movement of £22k from the position reported last month. The fundamental variance being the recognition of a £180k council wide procurement savings target (the actual savings are being identified and assumed across all service directorates) offset by further savings on the Corporate Repairs budget and a vacant energy manager post. Further details can be seen in Appendix A.
- 9.5 Treasury Management** are reporting an overall under spend position of £339k which is a favourable movement of £269k since last month. This comprises the following;
- 9.6 Treasury Management - Refinancing** are reporting an under spend of £104k. Members will recall that last month an under spend of £70k was reported arising from the refinancing of debts in connection with two existing loans due to mature in September and November next year. Since last month a further £34k saving has been secured in interest savings following further debt refinancing via the PWLB. Interestingly a couple of days after this refinancing, as part of the CSR, the PWLB rates increased by 1%.
- 9.7 Treasury Management - Impact of Capital re-programming.** As members will be aware from previous budget monitoring reports the re-profiling of the capital programme has been taking place together with the review of capital receipts. It is now evident that the impact of this re-profiling has identified savings of £235k in the current year. The overall size of the capital programme has not changed, this saving has occurred because of the re-profiling of when schemes will be undertaken. The component parts of the capital programme will be reviewed as part of the budget planning process, in order to manage the potential impact of pressures occurring in latter years, e.g. 2013/14 and beyond when re-profiled schemes come on line. In addition further work is currently taking place at the moment on the Minimum Revenue Provision (MRP) position. Members will be updated on the outcome of this in future budget monitoring reports.
- 9.8** Figure 1 below illustrates the monthly projected outturn positions over the last 5 years.

Figure 1



9.9 The Housing Revenue Account is projecting a £389k year end surplus which is a £175k addition to the £213k in year budgeted surplus approved by Cabinet for 2010/11. The current outturn projection represents a £713k improvement in the position reported last month (£538k deficit) the detail of which can be seen in Appendix A. This change has arisen from a reduction of £165k on housing repairs following a review of the assumed number of properties included in the Interserve repairs and maintenance contract together with confirmation of the annual indexation costs also attributable to the contract. Due to the late release of the 'Housing Subsidy Determination' the full value of the rent increase was not factored into the base budget and it is now estimated that this will generate an additional £267k. Following the recent completion of the final housing subsidy return for 2009/10 and the advance return 2010/11 it has been established that the amount payable to central government is £134k less than originally anticipated. In addition capital receipts of £75k relating to the disposal of garage sites and £72k redundant budgeted costs in respect of the former People 1st organisation have been identified. In overall terms, a new working balance carried forward at 31st March 2011 on the HRA is projected to be £9.397m.

10. Emerging Issues / Risks

Introduction

- 10.1** Although the headline position is showing a projected under spend position of £840k at this stage of the financial year it is important to note that a significant level of gross savings have had to be achieved incorporating the £3.3m of 'in-year reductions' as a result of the governments £6.2bn of reductions across the public sector.
- 10.2** Therefore the Council needs to be vigilant to ensure that the savings are delivered in full and in a timely fashion, i.e. during 2010/11. Appendix C details the areas of savings by directorate and their current status.
- 10.3** Consequently it is prudent to consider the option of delivering known 2011/12 savings early to begin to mitigate the risk of achieving the required savings target over the next 4 years, departments will be implementing those identified areas as opportunities arise during the remainder of the financial year.

Directorate Specific

10.4 Community and Wellbeing:

- The department faces the potential pressure arising from a new independent residential facility where clients placed in there become ordinary residents and therefore a liability for the council. To date there has been no application for ordinary residence and the department is in negotiations with the proprietors to reduce/eliminate this risk. This area is being closely monitored and negotiations are ongoing with provider. Further updates will be provided when these are available.
- There are two Employment Tribunal claims within the Adult Social Care division that are currently in the preliminary court stages. These are being dealt with by Legal. Legal costs are currently forecast to be contained within budget, but the final legal costs could escalate over budget provision.
- There is an ongoing risk to the amount of Continuing Health Care (CHC) funding received from the PCT. The PCT are looking to awarding CHC from the date of assessment completion rather than the date of assessment. Further detailed calculations are needed but initial estimates suggest that if agreed, the authority would stand to lose funding of about £200k. SBC will strongly contest any change in practice should this arise and discussions are ongoing with the PCT.
- In addition, a result of closures and other budget pressures in local health economy. It is expected that the local authority will come under increasing pressures in relation to increased demand for social care. This is being closely monitored and further updates will be provided as appropriate.

10.5 Education and Children's Services:

- The level of client activity within the looked after settings of the Children & Families division continues to be volatile as demand levels remain buoyant.

10.6 Green and Built Environment:

- The economy remains a key risk for the directorate's income as outlined within 'Volatile Areas/Demand Led'.
- Climate change continues to impact on winter maintenance and subsequent repairs, flooding and grounds maintenance costs. Innovative measures to negate the impact are being sought.
- Proposed changes to the Housing Revenue Account ring fencing may result in further costs and expenditure being charged to the General Fund rather than HRA. While this may not happen within 2010/11 it is likely that any legislative change will be enforceable from April 2011 and, therefore, needs to be included in the Directorates PPRG submissions.
- Potential settlement from Employment Tribunal in Private Sector Housing
- A new/interim contract is still awaited from the Valuation team in respect of the bus station in order that a charge can be made. As a consequence no billing has taken place since November 2009. Currently it is estimated that income amounting to £60k is at risk.
- A number of highways properties that had been leased to Co-op Homes were handed back in December 2009. Details of the new management arrangements are still awaited from the Valuation team but there is concern that the income this generates is at risk unless this issue is quickly resolved. Currently it is estimated that income amounting to £30k is at risk.

All of these risks will be closely monitored and the impact clearly identified and reported as and when it is clear they are likely to become a reality.

10.7 Central Directorates:

- The current economic situation with regards to increasing pressure on Housing Benefits.

10.8 Housing Services:

- The proposed new structure for the Housing Services team has recently been released. The impact of this restructure in terms of efficiency savings and associated costs are currently being quantified and will be factored into the projected outturn for the service. At this stage it is expected that the new structure will create significant efficiency savings from 2011/12, with some costs associated with the restructure of positions to be factored into this year's budget.

11. Emerging Opportunities

Introduction

11.1 Note the requirement in paragraph 6.3 to take 2011/12 agreed savings early in 2010/11.

11.2 Whilst departments face emerging issues as identified above there are also opportunities that may emerge to mitigate any adverse financial occurrences. Whilst reliance should not be placed upon them and thus caution should be taken it should be noted that if they come to fruition they could have a favourable impact on the overall council position.

Directorate Specific

11.3 Community & Wellbeing

None identified at this stage.

11.4 Education & Children's Services

Within the Children & Families division current investigation into the terms and conditions of Sure Start funding is being explored with a view to offsetting social care costs for children aged under 5 where appropriate. Part of this strategy is currently taking shape.

A previously identified opportunity in respect of reducing foster care fees subject to Cabinet endorsement.

11.5 Green & Built Environment

- Maximise external grant funding opportunities by using 'Grant Finder' software to locate new grants but should be noted against a backdrop of reducing government grant.
- Option appraisals on shared service arrangements relating to regulatory services and building control
- Discussions with neighbouring councils are taking place to develop initiatives to help bring down waste management costs

- Developing the Highways Asset Management Plan will support whole life costing methodology on road and pavement resurfacing methodology and provide better value for money
- Recovery of assets and money through proceeds of crime by using a financial investigator to assist in criminal investigations

11.6 Central Directorates

- The re-alignment of Support Services will allow opportunities for savings across the current year to be implemented and so secure the full year effect in the next financial year.

11.7 Housing Services

- The chance to review the budgets and challenge the support costs and services provided to Housing Tenants by all other departments. Both the risks and opportunities will be reflected in the revised HRA budget for the 6 month position and thus incorporated in the budget build for 2011/12.
- The recent announcement of potential reforms to the Housing Revenue Subsidy system indicate potential flexibilities in how the Council may spend housing income. We will continue to monitor announcements in this area in order to quantify the effect on the HRA budget going forward.

12. Agreed Base Savings 2010/11

12.1 As members will be aware from the previous monitor to provide assurance that the recommendations around savings and growth agreed during the 2010/11 budget build process have been achieved a full list of growth and savings is attached as Appendix B to this report but an overall summary by department which indicates that growth and savings are on target for delivery is shown in the table below;

Departmental Growth & Savings Analysis 2010-11

Department	Growth Proposals				Savings Proposals			
	Target	Estimated Outturn	Variance	Status	Target	Estimated Outturn	Variance	Status
	£'000	£'000	£'000		£'000	£'000	£'000	
Community & Wellbeing	940	940	0	GREEN	-1,232	-1,232	0	GREEN
Education & Children's Services	959	959	0	GREEN	-1,333	-1,333	0	GREEN
Green & Built Environment	103	103	0	GREEN	-281	-281	0	GREEN
Resources	130	130	0	GREEN	-461	-461	0	GREEN
Improvement & Development	70	70	0	GREEN	-655	-655	0	GREEN
Chief Executive	0	0	0	GREEN	-89	-89	0	GREEN
Corporate	1,723	1,723	0	GREEN	-1,440	-1,440	0	GREEN
Total	3,925	3,925	0	GREEN	-5,491	-5,491	0	GREEN

13. In year savings 2010/11

13.1 Following the announcement made by the Department for Communities and Local Government (DCLG) on 10 June 2010 regarding permanent reductions to grant funding of £3.3m in the current financial year departments have identified a series of compensating savings to deliver this which was endorsed by Cabinet on 12 July 2010. Most of the reductions were made to grant funded streams but with the balance coming from core budgets. However sources of permanent funding to meet the overall reductions were short by £36k. The total number of staffing affected amounted to 4.6fte which will be a cost against the Council's central £750k contingency set aside for redundancies (after partnership commitments). To provide members with assurance that these are being achieved a full list of these savings is attached as Appendix C to this report but an overall summary by department is shown in the table overleaf;

Departmental In Year Savings Analysis 2010-11

Department	In Year Savings Targets			
	Target	Estimated Outturn	Variance	Status
	£'000	£'000	£'000	
Community & Wellbeing	-605	-605	0	GREEN
Education & Children's Services	-891	-891	0	GREEN
Green & Built Environment	-646	-646	0	GREEN
Resources	-200	-200	0	GREEN
Improvement & Development	-308	-308	0	GREEN
Chief Executive	-125	-125	0	GREEN
Corporate	-140	-140	0	GREEN
Total - Revenue	-2,915	-2,915	0	GREEN
Green & Built Environment	-407	-407	0	GREEN
Total - Capital	-407	-407	0	GREEN
Total Savings	-3,322	-3,322	0	GREEN

14. Treasury Management

- 14.1 The Bank of England base rate has remained unchanged at 0.5% since 5th March 2009 and despite the inflationary pressures, the current market expectation is that the base rate will remain unchanged well into next financial year. The current money market rates are averaging 0.50% for 3 months, 0.85% for 6 months and 1.25% for 12 month deposits.
- 14.2 Despite additional Gilts issued to fund the Public Sector Borrowing Requirement (PSBR), short-dated Gilts have benefited from expectation of low interest rates as the UK economy struggled out of the recession and as a result, PWLB lending rates have been at a historical low levels, with the short dated Gilt yield lower than medium and long-dated Gilts yield. In addition, impending bank regulations and liquidity and capital requirements is likely to result in the Financial Services Authority forcing banks to buy more Gilts which could help slow the rise in yields during 2010-11. The coalition government's plans for reducing public sector debt, although seen as adversely impacting on the economy in the short term, have been welcomed by the markets and commentators such as the International Monetary Fund. However this does not impact on Slough's position because as previously agreed our borrowing requirement is to be funded by the reduction of the level of deposits.
- 14.3 The PWLB lending rates to local authorities were traditionally aligned to the Gilt Yield (Government cost of borrowing). However, as part of the spending review announced on 20th October, HM Treasury has increased the lending rate to Local authorities by 1% over the Gilt yield. Between 1st April and 20th October 2010, the PWLB rates ranged as overleaf compared to post spending review announcement;

Loan Period	High %	Low %	Post Spend Review %
5 years	3.18	1.97	2.73
10 years	4.33	3.16	4.09
25 years	4.72	4.04	5.08

- 14.4 In addition to the increase in PWLB interest rate, HM Treasury has also instructed PWLB to publish at the end of each month, beginning from 1st November 2010, a list of individual loans it has made to local authorities including the type, amount, term and rate applying to each loan.
- 14.5 The Council's capital financing policy as approved in December 2008 was to fund the capital programme by reducing the level of deposits and thus reduce the money market risks, both in terms of security and cost differential between the lending and borrowing rates. No new long term borrowing has been carried out during the year.
- 14.6 As referred to above, PWLB rates were at a historically low level and as a result, part of the Council's long term debt has been refinanced to generate revenue savings as already reported in this and the previous monthly financial monitoring report. In total, £26.46M of the debt was pre-maturely repaid and replaced with new loans totalling £24.0M with £2.46M repaid outright. As a result, the Council's long term debt currently amounts to £66.6M with the average rate of interest reduced from 4.75% to 4.23%. The resulting reduction in borrowing costs will be included within the treasury management revenue budget which is currently being revised and update as part of the revenue budget build process.
- 14.7 As referred to above, the base rate has remained unchanged during the year at 0.50% and the current 3 month money market rate averaging at around 0.70%, it is currently forecast that the treasury management investment income target of £1.1M for 2010-11 will be achieved, partly due to decisions taken 3 years ago to place part of the investment portfolio on deposit for longer than 1 year. This was done to mitigate forecast reduction in future interest rates. Subject to the capital programme rate of spend and spending profile and the general cash flow movements including receipt of grants and realisation of capital receipts, it is likely that the investment target will be exceeded. This will be kept under review and reported as part of the revenue budget build process. To ensure liquidity, no new investments have been placed for longer than 12 months.
- 14.8 There has been a growing concern regarding the current state of the Spanish economy and inevitably the banking sector. The Council has deposit of £1m remaining with Santander UK Plc, which matured on 21st October 2010. To mitigate future risks, the Council is not committed to any forward deals and new deposits with Santander have been suspended.
- 14.9 The Council's deposit with Heritable Bank including the accrued interest to the date of Administration (October 2008) amounted to £2.579M. The latest report from the Administrators indicates an improved recovery rate from maximum 80% to 85%. To-date £1.171M has been repaid by the Administrators with further repayments expected in 2011-12 and 2012-13 and possibly earlier.
- 14.10 The key Prudential Indicator included within the approved treasury management strategy is that of "Authorised Borrowing Limit" which under the Local Government Act 2003 must not be breached. The actual long term borrowing outstanding as at 20th October is £66.6M compared to approved limit (excluding PFI) of £96.0M.
- 14.11 The Council's treasury management activity for the period 1st April to 30th September has been carried out in within the limits and parameters set in the agreed treasury management policy statement. Investment deposits outstanding as at 30th September 2010 compared to individual counter party limits are set out below;

DEPOSITS OUTSTANDING AS AT 30th September 2010

Approved Counter Party	Sovereign Risk	Fitch		Moody's		Approved Limit (£)	Deposit O/Stand
		LT	ST	LT	ST		
BANKS							
Santander Group	UK	AA-	F1+	Aa3	P-1	25,000,000	1,000,000
Lloyds Banking Group						£25M	
- Bank of Scotland	UK	AA-	F1+	Aa3	P-1	12,500,000	2,927,000
- Lloyds Bank	UK	AA-	F1+	Aa3	P-1	12,500,000	12,500,000
Barclays Bank	UK	AA-	F1+	Aa3	P-1	25,000,000	0
Clydesdale Bank	UK	AA-	F1+	A1	P-1	10,000,000	0
Co-op Bank	UK	A-	F2	A2	P-1	15,000,000	13,400,000
Heritable Bank						1,800,000	1,436,190
HSBC	UK	AA-	F1+	Aa2	P-1	10,000,000	0
Northern Rock	UK	A+	F1+	A2	P-1	10,000,000	7,700,000
Royal Bank of Scotland	UK	AA-	F1+	Aa3	P-1	25,000,000	17,500,000
Svenska Handelsbanken	SWE - AAA	AA-	F1+	Aa2	P-1	10,000,000	0
UK Debt Mangt Office							0
Sub Total							56,463,190
Building Societies							
Nationwide Group	UK	AA-	F1+	Aa3	P-1	25,000,000	2,000,000
Coventry BS	UK	A	F1	A3	P-2	10,000,000	6,700,000
Leeds BS	UK	A	F1	A2	P-1	10,000,000	2,200,000
Sub Total							10,900,000
Counter Parties No Longer on the Approved Lists - Deposits Placed before June 2009							
Yorkshire / Chelsea BS	UK	A-	F2	Baa1	P-2	0	4,000,000
Total Deposits							71,363,190

In addition to above deposit limits, the Council may invest £10M in Gilts.
Deposits in UK based foreign banks limited to 30% of total Deposits.

14.12 As a result of the debt refinancing carried out, the Council's estimated borrowing rate for 2010-11 has been reduced from 4.96% to 4.47%. Under the Housing Act 1985, the Council is allowed to add 0.25% to the borrowing rate to recover administrative costs. The Council's Mortgage Interest Rate for the remainder of 2010-11 will therefore be 4.72% (previous rate 5.21%)

15. Capital

15.1 The overall council capital programme is £127m for the period 2010/11 to 2016/17. The programmed spend for 2010/11 is £59m which is a reduction of £9m on that previously reported.

15.2 Members will recall that the total capital spend for 2009/10 was £30m and in view of this it is highly unlikely that the programmed spend of £59m in the current year will be delivered. In preparing the proposed revised capital programme, departments and AMG have considered the overall capital strategy and service priorities to enable delivery of the Council's business plans and within projected resources available, at a prudent and sustainable level. The overall asset management strategy is currently being reviewed and is expected to be reported to the December 2010 Cabinet,

following which, the capital programme will be further reviewed and revised and reported back as part of the 2011-12 budget process. Council's future revenue business plans will also impact on the capital programme as any change/s to the service provision could result in either a capital asset being identified as surplus to requirement and therefore potential additional capital receipt or additional capital required to upgrade an asset to enhance the service provision. These will also be considered and reviewed as part of the budget build process.

- 15.3 The overall programmed spend for the HRA capital programme is £10.8m for 2010/11. Following the decision to bring back Housing Services "in-house", the Council will no longer receive supported ALMO borrowing for future years. Housing Officers are therefore currently reviewing the remainder of future years' HRA capital programme to ensure how best it can be delivered within the available HRA resources to meet the Decent Homes target. This will be reported by the Housing Department once the review is completed including the element of the capital programme that is the responsibility of the leaseholders.

16. Building Schools for the Future

- 16.1 Members will recall that as part of the PPRG process for 2010/11 a growth sum of £161k was included in the Education & Children's Services budget for the LA's share of costs for the implementation of the Building Schools for the Future (BSF) programme. Following the change in central government and the termination of this programme this budget is no longer required and CMT have agreed to reduce the Education & Children's Services cash limit by this amount and place the sum into central contingency for alternative uses to be determined. This correct accounting practice is also applied to school specific funding which has also been returned to the schools DSG.

17. Withdrawal of statutory guidance on petitions

- 17.1 The Department for Communities and Local Government is withdrawing '*Listening to communities: Statutory guidance on the duty to respond to petitions*' with effect from 24 September, which means that LA's will now have more discretion to decide they approach petitions locally. The petitions requirements in Chapter 2, Part 1 of the Local Democracy, Economic Development and Construction Act 2009 necessarily remain in force unless or until they are repealed by fresh primary legislation. This includes the requirement to provide a facility for people to make e-petitions which will come into effect on 15th December this year. Local authorities will be paid for the new burden through the area based grants process this financial year, with the first payment on 15th October. The officer leading in this area has indicated that £3,250 would be required to meet a shortfall in the budget for the annual licence fee for the Modern.Gov and that the actual administration of the Petitions Scheme is being picked up within existing resources. CMT have agreed to fund this £3.3k increase from the additional ABG allocation of £9.6k which will be made available to the authority and note the unallocated balance of £6.3k.

18. Conclusion

- 18.1 The position as at the end of September 2010 leaves an overall headline under spend position of £840k against the General Fund revenue account. Against the Housing revenue Account the position as at the end of September 2010 leaves an overall headline under spend position of £175k. Close scrutiny is required from the Directorate management teams to ensure 100% delivery and thus not weaken the base budget position for 2011/12 and beyond.
- 18.2 The General Fund capital programme is indicating a total programmed spend of £59m in the current year against £127m for the period 2010/11 to 2016/17. The Housing Capital Programme is showing a total programmed spend of £10.m for 2010/11. Housing Officers are currently reviewing the remainder of future years' HRA capital programme to ensure how best it can be delivered within the available HRA resources to meet the Decent Homes target. This will be reported by the Housing Department once the review is completed including the element of the capital programme that is the responsibility of the leaseholders.

Summary Variance Analysis

For the Period Ended: 30th September 2010

Community & Wellbeing

Service Area	Total Variance £'000	Explanation
Community Services and Adult Social Care	-16	<p>New This month: The movement of £267k is due to a change in reporting previous pressures following JE reviews and shift allowances that are not yet included in base budgets. Also there has been to reduced forecast on client activity of £14k for CASCADE within the Mental Health Service.</p> <p>Previously Reported: +£251 The main budget pressure remains overspends on residential placements but this is offset partly by savings on the nursing care, internal day and other care budgets.</p>
Learning Skills and Cultural Engagement	22	<p>New This month: No Change.</p> <p>Previously Reported: +£22k Due mainly to extra consultancy costs offset by increases in lettings income.</p>
Personalisation, Partnership and Commissioning	-1	<p>New This month: Minor revisions to staffing forecasts.</p> <p>Previously Reported: Nil</p>
Central Management	-80	<p>New This month: No change</p> <p>Previously Reported: -£80k Due to the anticipated underspends on non pay inflation provision.</p>
Total Variance	-75	

Education & Childrens Services

Service Area	Total Variance £'000	Explanation
Children and Families	337	<p>New This month: There has been a net saving of £2k across services supporting Looked After Children. This comprises 2 clients leaving care saving £28k (FYE saving of £69k), and client movement between settings saving £4k (FYE saving £14k) offset by placement extensions costing £30k (FYE pressure £22k).</p> <p>Previously reported: A gross pressure of £834k mainly due to rising client numbers, extensions to placements and changes in the 'type' of placement across Looked After settings had been offset by an under spend of £245k across other services including Adoption Allowances, Childcare Lawyers and the cost of Leaving Care.</p> <p>At Cabinet, a reduction in foster care fees for Slough foster carers to a similar level to those paid by neighbouring authorities was agreed and has now been identified, saving £50k in 2010-11. The full year effect of this saving in 2011-12 is expected to be £250k.</p> <p>In addition, a reduction in the number of social workers in Children and Families by 9 posts (6 agency and 3 establishment), saving £200k in 2010-11 with a full year saving of £400k in 2011-12 was agreed. Current work is under way to look at raising thresholds for children in need, referring parents to services available in the community (e.g. Parenting, Children's Centres), enhancing use of Sure Start services for younger age group. Between November and March, Sure Start funding will be used to enhance the triage and social care duty systems focussing on vulnerable families with children under 5, with longer term plans being put in place following detailed information about Sure Start funding available in 2011-12.</p>
Youth	-95	<p>Previously reported: Youth and Support to Young People is one of the areas being looked at for 2011.12 to implement savings. A saving of £95k has been identified against Positive activities guns, gangs and knife crime within the PAYP funding stream against a total Youth budget of £1.6m.</p>
Inclusion	-156	<p>Previously reported: Reduced client activity based upon need have been identified for children with disabilities saving £66k. A staff vacancy from July within Services for Children with Learning Difficulties/Disabilities will save £20k, a full year saving of £40k following a review of the staff structure for this service. A review of shift patterns at Breakaway Children's Home has saved £30k, equivalent to £45k in a full year. The claw back of unspent direct payment allowances has saved £15k and the PCT funding 1 client's home care cost for the year saving £25k, previously expected from within SBC resources.</p>
Raising Achievement	-271	<p>New This month: A one-off saving of £64k has been identified within Home to School Transport due to the renegotiation of contracts for the Autumn school term pupil requirements. A vacancy covered by agency and a secondment within the Attendance Service will produce a net saving of £10k.</p> <p>Previously reported: The deletion of the Assistant Director post for Raising achievement from 1st October will save £54k (£108k in a full year). A saving of £100k on Youth Opportunity funding has been identified, mainly due to the removal of the ring fencing restriction and ability to offset against core expenditure. Innovative use of Sure start grant to offset officer time within the Early Years service has saved £95k and there has also been a staff saving of £14k within Services to Schools in respect of maternity leave. This has been offset by a net pressure of £66k within the School Improvement Service due to a shortfall in income generation.</p>
Strategic Support	-80	<p>Previously reported: Reduced activity levels in accessing the Assessment Centre for the provision of education need assessment for children arriving from abroad will save £50k. A saving of £30k based on the current level of liability for teacher's premature retirement payments is expected.</p>

Schools (ABG Services)	-43	New This month: The Excellence in Cluster Coordinator has been seconded to the vacant Head of Standards post from 1 st September until the end of the financial year; the Coordinator post will not be back filled saving a one-off £43k.
Total Variance	-308	

Green & Built Environment

Service Area	Total Variance £'000	Explanation
Resources & Bus Support	0	No new variances reported
Env Services & Quality	+20	<p>New this month: The crematoriums previous gas supplier had identified that an incorrect multiplier was used when calculating gas usage. As a consequence E-On are now claiming a backdated amount of £40k. As this was the supplier's error payment had been disputed, however, the Council's liability has now been confirmed. This pressure is partially offset by £20k additional income generated through the Citizenship service as a result of an increase in the number of applicants.</p> <p>Previously Reported: Pressure at present still exists with the Environmental Services Contract although Slough Enterprise has agreed to lower the inflationary uplift from 4.8% to 3% reducing the pressure to £206k, but this is still awaiting formal agreement. Negotiations continue with the latest meeting attended by directors from both SBC and Slough Enterprise held on the 9th September. This identified some additional proposals but overall negotiations continue and are not finalised as yet. This will be kept under constant review as part of the ongoing monitoring process and until appropriate compensating savings are found. Slough Enterprise invoices continue to be paid at last year's rate.</p>
Public Protection	-83	<p>New this month: A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £103k identified as a result. This is partially offset by two separate pressures each of £10k relating to outstanding fee invoices from RSPCA relating to 2009/10 and expenditure incurred in dealing with the clearance of abandoned trailers.</p> <p>Previously Reported: The Licensing Service has identified additional income of £21k across a range of its functions and this together with a projected under spend on CCTV/Careline employee costs mitigates the organic produce imports income pressure of £36k previously identified.</p> <p>A significant fall in the number of organic produce imports has resulted in a pressure of £36k against the income target for their verification. Work is ongoing to identify savings from within the Public Protection budgets to mitigate this pressure and a growth proposal will be submitted for next year's budget in respect of this item.</p>
Transport & Planning	+87	<p>New this month: The Parking Enforcement Manager has now completed a review of all sources of car park income and identified an in year pressure of £150k due in the main to increased competition from private and illegal car parks, and the economic downturn. In order to mitigate this pressure the level of required bad debt provision set aside for both the current and previous years' outstanding debts has also been reviewed identifying a greater level of collection than anticipated and projections indicate that there is adequate funding to enable £150k of the provision to be returned to the car parks revenue account to offset the identified pressure. A further car park pressure of £30k relating to an invalid rent increase for a tenant leaseholder - Hatfield MSCP, backdated to September 2009 has also been identified – this issue needs to be resolved in the base budget.</p> <p>Current projections indicate a significant shortfall of £100k in the amount of planning fee income which is due to a lack of major applications being received. It is this element of the service that produces the bulk of the fee income and although the position could change over the next few months it is considered prudent to report the position as it is currently perceived.</p> <p>A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £43k identified as a result.</p>

		<p>Previously Reported: The options appraisal in respect of the future of car parks has been completed and transport officers are now reviewing the recommendations contained within the report in order to ascertain the next steps and overall financial impact.</p>
Hsg Strategy & Renewal	-24	<p>New this month: A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £24k identified as a result.</p> <p>Previously Reported: Thames Water have recently identified that no waste water charge in respect of the Poyle Caravan Park has been made for a number of years. This has resulted in a 'one off' pressure of £9k although it is possible that an element of this cost can be passed on to the tenants. Any resultant balance will be absorbed within the services overall budget.</p>
Total Variance	0	

Central Directorates

Service Area	Total Variance £'000	Explanation
Improvement & Development	0	<p>New This month: The latest estimate of the level of recoverable court costs in respect of NNDR cases indicates that a reduction of income of £6k will occur against a total expectation of £46k. A review of court costs recoverable in respect of Council Tax cases is currently being undertaken.</p> <p>Previously Reported: A total of 15 vacancies across the department some backfilled with agency cover and the provision of overtime payments result in a net saving of £40k. These savings are offset by pressures arising from an income shortfall of £14k arising from the NNDR pool.</p>
Chief Executive	(3)	<p>New This month: An ongoing Corporate pressure relating to subscriptions is now reflected here £32k. This will need to be addressed as part of the 2011/12 budget build. This has been partially mitigated by vacancies in the Chief Executive's Office currently being held for the year equivalent to 0.6 FTE</p> <p>Previously Reported: The recruitment to a post at a lower grade than previous employee, a vacancy for 1 month and a member of staff on maternity leave result in staff budget savings of £14k. An increase in the level of advertising income saves £4k.</p>
Resources	(115)	<p>New This month: A refund for the overpayment of childcare vouchers during 09/10 has resulted in a one-off saving of £19k. In addition a favourable outcome in respect of an estimated accrual made at the end of 2009-10 for outstanding childcare voucher and recruitment advertising costs has resulted in a one-off saving of £31k; The latest estimate from RBWM in respect of added years pensions liabilities for former employees indicates a potential overspend of £4k, this position will continue to be reviewed. The latest review of Corporate Repairs Schedule is showing a further reduction in spend of £77k. A reduction in training spend, saving £1k and income from meeting refreshments saving £11k. Increased one-off costs relating to the Asset Management Review will amount to £18k. Recognition of a £180k council wide procurement savings target will be offset by savings being identified across all directorates. To date reductions in energy costs already reflected in front line outturns will be further supplemented by other contractual reductions including postage and telephony. This is partially offset by the use of one-off monies originally set aside to employ an Energy Manager £49k which will now be held vacant for the remainder of the year. A Budget realignment exercise in respect of procurement savings will take place as part of the 2011/12 Budget to ensure the ongoing savings are allocated across all directorates.</p> <p>Previously Reported: Reduced staffing costs of £13k along with anticipated under spends on running costs of £74k are offset by a shortfall in budgeted income of £19k. A total of 12.5 vacancies across the department, some filled by temporary staff, generate a net saving of £139k. A saving of £241k is expected against the Corporate Repairs budget by restricting maintenance to essential items only and by re-procuring support contracts, e.g. water hygiene inspection. These savings are offset by the following pressures:</p> <p>Reduced level of eligible salary recharges to the capital programme of £207k due to the reduced work on capital and other projects. A one-off pension charge relating to 09/10 for £46k has arisen following the late receipt of an invoice in respect of the added years pension liability for former employees. The anticipated loss of rental income from empty commercial properties and industrial starter units will result in a pressure of £75k. The reduced demand for land charge searches arising from the economic downturn together with recent legislative changes announced in respect of property searches have identified a total budget pressure of £58k. The legislative element estimated at £20k will be on-going for future years;</p> <p>The latest estimated cost of accommodation and running costs for Age Concern in Slough is highlighting an overspend of £40k. Savings have arisen from the vacancy of Deputy Borough Secretary to be held for the year of £95k offset by the cost of interim arrangements for the same period of £65k. The review of supplies and services expenditure within Corporate Property & Valuation has saved £10k. The balance of overspend will be managed within the cash envelope to give a breakeven position.</p>
Total Variance	-118	

Housing Services

Service Area	Total Variance £'000	Explanation
Housing Repairs Fund	280	The allocation of the management element of the Council's repairs contract with Interserve constitutes a contractual commitment of £455k for 2010/11 (previously reported as £445k). Following review, it has been established that there is a reduced requirement for the 'guaranteed sum' element of the contract due to a reduction in indexation and the number of properties originally assumed in the charge. This represents a £221K reduction from the previous month's variance. Other minor increases to the projected outturn amount to £46K. Previously reported : + £445K
Dwelling Rents	-267	Due to the late release of the Housing Subsidy determination, the increase in average rent of approximately 1% was not factored into the base budget. This variance represents the increase in dwelling rents expected due to this rise. Previously reported : NIL
Non Dwelling Rents	-75	A number of capital receipts below the council's de-minimus relating to disposal of garage sites have been identified, giving rise to additional non dwelling income. Previously reported : NIL
Housing Subsidy	-44	Following the recent submission and audit of the 2nd Advance Housing Subsidy claim for 2010/11 and the Final Claim for 2009/10, there is a net difference of £44K to the projected negative subsidy payable in the current year. This emanates largely from changes in the stock nos. and the archetype breakdown on the portfolio. The Council is required to pay subsidy on the basis that housing income exceeds expenditure in this area. Previously reported : + 90K
Housing Service	-72	As part of a review of all housing budgets, some costs associated with (the former) People 1st organisation have been identified as no longer required. These include External Audit Fees; Management Board Administration; and recruitment costs. Further such instances will be identified in due course as a review of the HRA is concluded. Previously reported : NIL
Other variances under £50K (net)	3	There is an identified reduction of £3k in the interest receivable on the Sale of Council Houses.
Total Variance	175	

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Departmental Growth Analysis 2010-11

Appendix B

Ref	Proposal Title	Growth Type	Growth Agreed	Growth Expected to be Spent	Actual Growth Spent to date	Variance to date	Estimated Total Variance	Status
			A £'000	B £'000	C £'000	C-B £'000	B-A £'000	
EDUCATION & CHILDREN'S SERVICES								
G1	ECS Contact Service	Demand Led	50	50	25	(25)	0	GREEN
G2	ECS Joint Arrangement - Joint Legal Team	Demand Led	72	72	0	(72)	0	GREEN
G3	ECS Adoption Advisory Service	Demand Led	46	46	23	(23)	0	GREEN
G4	ECS Placement Budgets	Demand Led	580	580	290	(290)	0	GREEN
EG1	Building Schools for the Future	Demand Led	161	161	0	(161)	0	GREEN
ECS	Youth Service opening hours	Legislative	50	50	25	(25)	0	GREEN
Total ECS			959	959	363	(596)	0	
COMMUNITY & WELLBEING								
G1	Demand Led Care Packages - actual	Demand Led	57	57	24	(33)	0	GREEN
CWB	commitments							
G5	Reprovide budget for Langley Resource	Contractual	200	200	83	(117)	0	GREEN
CWB	Centre							
G6	Slough Deaf Centre	Policy Initiatives	20	20	8	(12)	0	GREEN
CWB								
G7	2 Reviewing officers to reduce care packages	Service Development	80	80	33	(47)	0	GREEN
CWB								
G8	Project Manager to achieve service redesign	Service Development	75	75	31	(44)	0	GREEN
CWB								
G9	2 Care Managers - CMHT	Service Development	70	70	29	(41)	0	GREEN
CWB								
G10	CHC Worker	Service Development	50	50	21	(29)	0	GREEN
CWB								
G18	Mobile Working	Service Development	6	6	3	(4)	0	GREEN
CWB								
EG1	Demand Led Care Packages	Demand	357	357	149	(208)	0	GREEN
CWB								
EG2	Library Opening Hours (part of Library	Service Development	50	50	17	(33)	0	GREEN
CWB	Review)							
EG3	Extra Care Housing	Service Development	(40)	(40)	(17)	23	0	GREEN
CWB								
ES3a	Reprovision of Central Library (Invest to	Service Development	15	15	8	(8)	0	GREEN
CWB	Save)							
Total CWB			940	940	389	(551)	0	
GREEN & BUILT ENVIRONMENT								
G1	Civil Parking Enforcement	Demand Led	30	30	15	(15)	0	GREEN
GBE								
G5	Animal warden	Demand Led	17	17	8	(9)	0	GREEN
GBE								
G8	Stray Dogs legislation(out of hours)	Demand Led	12	12	6	(6)	0	GREEN
GBE								
G4	Ongoing pressures from current year (net)	Demand Led	170	170	85	(85)	0	GREEN
GBE								
G2	Joint Arrangements - Registrars Service	Contractual	10	10	5	(5)	0	GREEN
GBE								
G6	Pest Control service	Contractual	5	5	2	(3)	0	GREEN
GBE								
G3	Neighbourhood coordination (NOTE A)	Policy Initiatives	30	30	15	(15)	0	GREEN
GBE								
G10	Licensing - Private Hire Operators Policy	Policy Initiatives	10	10	5	(5)	0	GREEN
GBE								
G12	Loss of Workstep Subsidy (Wexham Nursery)	Policy Initiatives	9	9	9	0	0	GREEN
GBE								
EG1	Parks & Open Spaces	Demand	35	35	18	(17)	0	GREEN
GBE								
EG2	Landfill Waste	Service Development	(325)	(325)	(163)	162	0	GREEN
GBE								
EG3	Youth Transport Provision (NOTE A)	Service Development	100	100	50	(50)	0	GREEN
GBE								
Total GBE			103	103	55	(48)	0	
RESOURCES								
G01	Borough Secretary	Legislative	20	20	20	0	0	GREEN
RES								
	Commercial Rents	Demand Led	110	110	110	0	0	GREEN
Total Resources			130	130	130	0	0	
IMPROVEMENT & DEVELOPMENT								

Departmental Growth Analysis 2010-11

Appendix B

Ref	Proposal Title	Growth Type	Growth Agreed	Growth Expected to be Spent	Actual Growth Spent to date	Variance to date	Estimated Total Variance	Status
			A £'000	B £'000	C £'000	C-B £'000	B-A £'000	
G01 I&D	Economic Development & Inclusion	Demand Led	70	70	70	0	0	GREEN
Total I & D			70	70	70	0	0	
CORPORATE								
G01 COR	Funding of Future Capital Borrowing	Demand Led	0	0	0	0	0	GREEN
	Other Member Priorities	Demand Led	0	0	0	0	0	GREEN
EG01 CORP	Funding Capital Programme & MRP	Policy Initiative	1,150	1,150	1,150	0	0	GREEN
EG01 CORP	Treasury Management	Policy Initiative	523	523	523	0	0	GREEN
	Council Wide Growth	Demand	0	0	0	0	0	GREEN
	Discretionary Tax Relief Pressure	Demand	50	50	50	0	0	GREEN
Total Corporate			1,723	1,723	1,723	0	0	
TOTAL GROWTH			3,925	3,925	2,730	(1,195)	0	

Departmental Savings Analysis 2010-11

Appendix B

Proposal Title	Savings Type	Saving Agreed A £'000	Saving Expected to be Achieved B £'000	Actual Savings Achieved to date C £'000	Variance to date C-B £'000	Estimated Total Variance B-A £'000	Status
EDUCATION & CHILDREN'S SERVICES							
Out of Authority Placements - Children with Disability	Efficiency	(50)	(50)	(25)	25	0	GREEN
Home To School Contract re-negotiation	Efficiency	(200)	(200)	(100)	100	0	GREEN
Utilise Extended Schools ABG grant	Efficiency	(93)	(93)	(93)	0	0	GREEN
Rationalisation of Adoption and Fostering Services	Efficiency	(55)	(55)	(28)	28	0	GREEN
Inclusion 2 % Efficiency	Efficiency	(61)	(61)	(31)	31	0	GREEN
Delete vacant post -Primary Strategy Manager	Service Reduction	(73)	(73)	(73)	0	0	GREEN
Review of Behaviour & Attendance support	Service Reduction	(236)	(236)	(236)	0	0	GREEN
Review funding across Children's Fund	Service Reduction	(200)	(200)	(100)	100	0	GREEN
Non-renewal of Fixed Term Contracts - Improving Schools Prog Posts	Service Reduction	(69)	(69)	(69)	0	0	GREEN
Reduction to part time 14 - 19 Advisor	Service Reduction	(23)	(23)	(23)	0	0	GREEN
School Improvement Restructure	Service Reduction	(175)	(175)	0	175	0	GREEN
Non devolvement of Standards Funds	Service Reduction	(40)	(40)	0	40	0	GREEN
Reduction in Admin Support	Service Reduction	(28)	(28)	(28)	0	0	GREEN
Primary School Admissions	Service Reduction	(30)	(30)	(15)	15	0	GREEN
Total DECS		(1,333)	(1,333)	(820)	513	0	
COMMUNITY & WELLBEING							
Extend Call Monitoring System	Efficiency	(24)	(42)	0	42	(18)	GREEN
Value for Money Review of Meals on Wheels	Efficiency	(32)	(14)	(7)	7	18	GREEN
Adult Services Restructure	Efficiency	(20)	(20)	0	20	0	GREEN
Restructure of Community Services	Efficiency	(110)	(110)	(52)	58	0	GREEN
Invest to save to increase flexible sessional tutor hours and reduce admin and teaching costs in lifelong learning	Efficiency	(16)	(16)	0	16	0	GREEN
Reduced use of Agency Staff	Efficiency	(100)	(100)	0	100	0	GREEN
Reprovision of Central Library	Efficiency	(130)	(130)	(65)	65	0	GREEN
Adult Social Care Transformation	Efficiency	(50)	0	0	0	50	GREEN
Continue to provide alternative care to further enhance independent living	Service Reduction	(200)	(295)	(220)	75	(95)	GREEN
Value For Money Review of respite income	Additional Income	(50)	(5)	0	5	45	GREEN
Completion of the reprovision of Newbeech	Demography	(465)	(465)	(465)	0	0	GREEN
Delete Social Work Post - CSWT	Service Reduction	(35)	(35)	0	35	0	GREEN
Total CWB		(1,232)	(1,232)	(809)	423	0	
GREEN & BUILT ENVIRONMENT							
Parks Maintenance	Efficiency	(55)	(55)	(28)	27	0	GREEN
Recharges to HRA/Capital	Efficiency	(20)	(20)	(10)	10	0	GREEN
Recharge to HRA	Efficiency	(20)	(20)	(10)	10	0	GREEN
Grounds Maintenance (S.106 funds)	Efficiency	(50)	(50)	(25)	25	0	GREEN
Travel Plan	Efficiency	25	25	25	0	0	GREEN
Highways Maintenance	Efficiency	250	250	125	(125)	0	GREEN
Housing Lettings Scheme	Contractual Negotiation	(50)	(50)	(25)	25	0	GREEN
Concessionary Fares contract neg	Contractual Negotiation	(100)	(100)	(100)	0	0	GREEN
Traders in Parks Income	Additional Income	(10)	(10)	0	10	0	GREEN
Sale of Trade Waste Collection service	Additional Income	(100)	(100)	0	100	0	GREEN
Small Traders' waste pass	Additional Income	(25)	(25)	(25)	0	0	GREEN
Reduce Transport Management consultancy	Service Reduction	(20)	(20)	(20)	0	0	GREEN
Delete vacant Transport Engineer post	Service Reduction	(46)	(46)	(46)	0	0	GREEN
Heart of Slough planning support-reduce consultancy support	Service Reduction	(50)	(50)	(50)	0	0	GREEN
Bulky Waste - review of charges	Additional Income	(10)	(10)	(5)	5	0	GREEN
Total GBE		(281)	(281)	(194)	87	0	
RESOURCES							
Reduction in Training / consultancy Budget	Efficiency	(29)	(29)	(7)	22	0	GREEN
Review of Property Services (should be a B saving)	Efficiency	(50)	(50)	(50)	0	0	GREEN
Elections - Fallow Year	Efficiency	40	40	40	0	0	GREEN
Centralisation of the Finance Service	Efficiency	(211)	(211)	(211)	0	0	GREEN
HR & Payroll - Review of Service (move to A)	Service Reduction	(100)	(100)	(100)	0	0	GREEN
Value for Money review IST	Service Reduction	(50)	(50)	(50)	0	0	GREEN
VFM review of legal services	Service Reduction	(61)	(61)	(15)	46	0	GREEN
Total Resources		(461)	(461)	(393)	68	0	
IMPROVEMENT & DEVELOPMENT							
Part time voluntary staff reduction within Comm'g, Procurement & LGSS	Efficiency	(20)	(20)	(20)	0	0	GREEN
Economic Development & Inclusion - reduction in voluntary sector contributions and increased grant utilisation	Efficiency	(52)	(52)	(13)	39	0	GREEN

Proposal Title	Savings Type	Saving Agreed	Saving Expected to be Achieved	Actual Savings Achieved to date	Variance to date	Estimated Total Variance	Status
		A £'000	B £'000	C £'000	C-B £'000	B-A £'000	
Reduction in Admin within Corporate & Specialist Training Team-vacancy	Efficiency	(15)	(15)	(15)	0	0	GREEN
More effective procurement providing VFM across Training Budgets	Efficiency	(37)	(37)	(9)	28	0	GREEN
Customer Service Centre - Housekeeping Efficiencies	Efficiency	(20)	(20)	(5)	15	0	GREEN
Vacant Performance Officer post	Efficiency	(30)	(30)	(30)	0	0	GREEN
Econ Rev - Removal of grant	Efficiency	(40)	(40)	(10)	30	0	GREEN
Sustainability - reduce energy consumption	Efficiency	(25)	(25)	0	25	0	GREEN
Procurement Savings	Efficiency	(50)	(50)	0	50	0	GREEN
Housing Benefits improved accuracy	Additional Income	(50)	(50)	(25)	25	0	GREEN
Delete vacant post -Policy Officer	Service Reduction	(30)	(30)	(30)	0	0	GREEN
Benefits - Recovery of Overpayments (add'l income)	Additional Income	(20)	(20)	(10)	10	0	GREEN
Procurement /CSC - reduction in cost of Siebel Support	Contractual Negotiation	(105)	(105)	(56)	49	0	GREEN
Revenues (Increase in court cost charges)	Additional Income	(28)	(28)	0	28	0	GREEN
Revenues (restructure of service) tbc	Service Reduction	(57)	(57)	(14)	43	0	GREEN
Specialist Training	Service Reduction	(76)	(76)	(38)	38	0	GREEN
Total I & D		(655)	(655)	(275)	380	0	
CHIEF EXECUTIVE							
Executive's Office - Remodel service delivery-delete vacant post elsewhere	Efficiency	(16)	(16)	(4)	12	0	GREEN
Subscriptions Cancellations - LGA	Efficiency	(40)	(40)	(25)	15	0	GREEN
Comm citizen/ corp projects	Service Reduction	(5)	(5)	(1)	4	0	GREEN
Comms - reduce staffing	Service Reduction	(28)	(28)	(28)	0	0	GREEN
Total CEX		(89)	(89)	(58)	31	0	
CORPORATE							
Treasury Management / Capital Re-profiling / Other	Efficiency	(1,440)	(1,440)	(360)	1,080	0	GREEN
Total Corporate		(1,440)	(1,440)	(360)	1,080	0	
TOTAL SAVINGS		(5,491)	(5,491)	(2,909)	2,582	0	

Proposal Title	Savings Type	Saving Agreed A £'000	Saving Expected to be Achieved B £'000	Actual Savings Achieved to date C £'000	Variance to date C-B £'000	Estimated Total Variance B-A £'000	Status
REVENUE REDUCTIONS							
EDUCATION & CHILDREN'S SERVICES							
Young People Substance Misuse Partnership	ABG	(10,246)	(10,246)	(5,123)	5,123	0	GREEN
Young Peoples Substance Misuse	ABG	(14,754)	(14,754)	(7,377)	7,377	0	GREEN
School Development Grant	ABG	(400,000)	(400,000)	(318,144)	81,856	0	GREEN
Positive Activities for Young People	ABG	(220,000)	(220,000)	(100,000)	120,000	0	GREEN
Teenage Pregnancy	ABG	(44,535)	(44,535)	(22,268)	22,268	0	GREEN
Children's Social Care Workforce	ABG	(13,950)	(13,950)	(6,975)	6,975	0	GREEN
Care Matters White Paper	ABG	(34,452)	(34,452)	(17,226)	17,226	0	GREEN
Child Death Review Processes	ABG	(5,907)	(5,907)	(5,907)	0	0	GREEN
LSC Staff Transfer: Special Purpose Grant	ABG	(34,400)	(34,400)	(17,200)	17,200	0	GREEN
Harnessing Technology Grant		(112,596)	(112,596)	(56,298)	56,298	0	GREEN
Total Education & Children's Services		(890,840)	(890,840)	(556,518)	334,323	0	
COMMUNITY & WELLBEING							
Carers	ABG	(25,924)	(25,924)	(25,924)	0	0	GREEN
Learning & Disability Development Fund	ABG	(8,146)	(8,146)	(8,146)	0	0	GREEN
Local Involvement Networks	ABG	(7,000)	(7,000)	(7,000)	0	0	GREEN
Mental Capacity Act & Independent Mental Capacity	ABG	(15,000)	(15,000)	(15,000)	0	0	GREEN
Mental Health	ABG	(66,619)	(66,619)	(66,619)	0	0	GREEN
Migrant Impact Fund - Migrant Resource Centre	Grant	(76,875)	(76,875)		76,875	0	GREEN
Migrant Impact Fund - Migrant Resource Centre b/fwd	Grant	(50,000)	(50,000)	(50,000)	0	0	GREEN
AIDS Support Grant	Grant	(13,000)	(13,000)	(13,000)	0	0	GREEN
Stroke Grant	Grant	(4,500)	(4,500)	(4,500)	0	0	GREEN
Delete admin support post and office supplies.	Core Budget	(62,000)	(62,000)	(62,000)	0	0	GREEN
Continuing Healthcare	Core Budget	(25,000)	(25,000)	0	25,000	0	GREEN
Grants to not-for-profit organisations	Core Budget	(75,000)	(75,000)	(75,000)	0	0	GREEN
Libraries strategy (stock, holding vacancies)	Core Budget	(35,000)	(35,000)	(20,000)	15,000	0	GREEN
Cultural Services (Creative academy support)	Core Budget	(9,000)	(9,000)	(9,000)	0	0	GREEN
Cultural Services (West Wing Income)	Core Budget	(30,000)	(30,000)	(20,000)	10,000	0	GREEN
Cultural Services (Reducing maternity cover).	Core Budget	(5,000)	(5,000)	(5,000)	0	0	GREEN
Community Services restructure	Core Budget	(10,000)	(10,000)		10,000	0	GREEN
Transport	Core Budget	(10,000)	(10,000)	(10,000)	0	0	GREEN
Sports Coaching programme	Core Budget	(10,000)	(10,000)	(10,000)	0	0	GREEN
Long Life Learning	Core Budget	(25,000)	(25,000)	(25,000)	0	0	GREEN
Relinquish part of one-off monies bid re safeguarding	Grant	(42,000)	(42,000)	(42,000)	0	0	GREEN
Total Community & Wellbeing		(605,064)	(605,064)	(468,189)	136,875	0	
GREEN & BUILT ENVIRONMENT							
Environmental Damage Regulations	ABG	(319)	(319)	(319)	0	0	GREEN
Pitt review implementation – Surface Water Management Plans	ABG	(4,000)	(4,000)	(4,000)	0	0	GREEN
Stronger Safer Communities	ABG	(34,287)	(34,287)	(34,287)	0	0	GREEN
Road Safety Grant	ABG	(60,000)	(60,000)	(60,000)	0	0	GREEN
Climate Change	ABG	(22,500)	(22,500)	(22,500)	0	0	GREEN
Housing and Planning Delivery Grant	Grant	(450,000)	(450,000)	(450,000)	0	0	GREEN
Migrant Impact Fund - Housing Improvements	Grant	(75,000)	(75,000)	(75,000)	0	0	GREEN
Total Green & Built Environment		(646,106)	(646,106)	(646,106)	0	0	
RESOURCES							
Resources - Support Services	Core Budget	(199,500)	(199,500)	(199,500)	0	0	GREEN
Total Resources		(199,500)	(199,500)	(199,500)	0	0	
IMPROVEMENT & DEVELOPMENT							
Adult Social Care Workforce	ABG	(28,478)	(28,478)	(28,478)	0	0	GREEN
Economic Assessment Duty	ABG	(29,750)	(29,750)	(29,750)	0	0	GREEN
Improvement & Development Projects	Core Budget	(250,000)	(250,000)	(250,000)	0	0	GREEN
Total Improvement & Development		(308,228)	(308,228)	(308,228)	0	0	
CHIEF EXECUTIVE							
Prevent	ABG	(125,000)	(125,000)	(125,000)	0	0	GREEN
Total Chief Executive		(125,000)	(125,000)	(125,000)	0	0	
CORPROATE							
Local Authority Business Growth Incentives Scheme	LABGI	(112,000)	(112,000)	(112,000)	0	0	GREEN
Balance of Concessionary Fares funds not allocated	Grant	(28,000)	(28,000)	(28,000)	0	0	GREEN
Total Corproate		(140,000)	(140,000)	(140,000)	0	0	
TOTAL REVENUE REDUCTIONS		(2,914,739)	(2,914,738)	(2,443,541)	471,198	0	
CAPITAL REDUCTIONS							
GREEN & BUILT ENVIRONMENT							
Integrated Transport Block	Grant	(360,000)	(360,000)	(360,000)	0	0	GREEN
Road Safety Capital	Grant	(47,000)	(47,000)	(47,000)	0	0	GREEN
Total Green & Built Environment		(407,000)	(407,000)	(407,000)	0	0	
TOTAL CAPITAL REDUCTIONS		(407,000)	(407,000)	(407,000)	0	0	

Departmental In Year Reductions Analysis 2010-11

Appendix C

Proposal Title	Savings Type	Saving Agreed A £'000	Saving Expected to be Achieved B £'000	Actual Savings Achieved to date C £'000	Variance to date C-B £'000	Estimated Total Variance B-A £'000	Status
TOTAL REDUCTIONS		(3,321,739)	(3,321,738)	(2,850,541)	471,198	0	

Appendix D: ORGANISATION INDICATORS AND LAA TARGETS: PERFORMANCE STATUS AND IMPROVEMENT REPORT

The LAA target set comprises of 44 indicators including 4 local targets on priority areas (based on NI's 124, 59, 32 and 187). These are linked to Slough's key local priorities. Below is a summary of the RAG status for the 44 National Indicators as at 30th September 2010.

Currently a RAG status can only be assigned to 29 of the 44 indicators. The proportion of indicators categorised as Green is 45% whilst those classified as Amber is 7% and those classified as Red is 14%. There are currently 15 indicators where the RAG status could not be allocated due to awaiting data/results to be released or where targets were not set for 2009/10 which equates to 34%.

	Rag Status			Awaiting Final Results/Target not set
	Green	Amber	Red	
Total*	20	3	6	15
Percentage	45%	7%	14%	34%

EXCEPTION SUMMARY

INDICATORS WITH RED RAG STATUS
NI 72: Achievement of at least 78 points across the Early Years Foundation Stage with at least 6 in each of the scales in Personal Social and Emotional Development and Communication, Language and Literacy
NI 92: Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest
NI 117: 16 to 18 year olds who are not in education, training or employment (NEET)
NI 130: Clients and carers receiving self directed Support/direct payments
NI 135: Carers receiving a specific carer's service/ information (LAA indicator)
NI 141: Number of vulnerable people moved on from supported accommodation to independent living in a planned way as a proportion of total clients moved on
NI 157(A): Processing of planning applications

NI 72: Achievement of at least 78 points across the Early Years Foundation Stage with at least 6 in each of the scales in Personal Social and Emotional Development and Communication, Language and Literacy

Slough LA's 2009/10 performance of 48.1% is a 1.8% improvement from the previous year's figure of 46.3% and exceeds our 2009-10 target of 45% by 1.3%. As well as the results improving, the number of pupils eligible also increased by over 160 from the previous year. However performance is 7.9% below the 2010 national average of 56% and placed 11th out of 11 in our Statistical Neighbours Group. Ranked 137th out of 152 LA's which places Slough in the bottom quartile nationally.

NI 92: Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest

Slough LA's 2009-10 performance gap of 35.9% is a 1% improvement from the previous year's figure of 36.9%. However the gap is 3.2% wider than the 2010 national gap of 32.7% and placed 8th out of 11 in our Statistical Neighbours Group. Ranked 137th out of 152 LA's which places Slough in the bottom quartile. The gap is 1.7% wider than the 09/10 gap target of 34.2%.

Corrective action for NI 72 and NI 92:

The Sure Start Service will increase the connections in Early Year's settings. This will be intensified through the new national focus on sure start and greater targeting of vulnerable children.

NI 117: 16 to 18 year olds who are not in education, training or employment (NEET)

Slough's overall NEET rate for quarter 2 of 8.0% (Jul 6.8; Aug 8.8; Sept 8.5) has increased in line with the usual seasonal fluctuations for this period of the year, yet remains lower than the quarter 2 result of 12 months ago (which was 8.8%). The outturn means that we are still the highest performer of all Berkshire Authorities.

Corrective Action:

Reductions in Children's Services budgets overall may present some risk to performance in this area. The council is developing an Integrated Youth Service to address the needs of young people at risk of not achieving their potential in this area. Future data collection may be problematic as services are withdrawn from universal settings, this will be a challenge considered as part of the development of the new service.

NI 130: Clients and Carers receiving Self Directed Support (SDS)/direct payments

To the end of September the IAS report shows 509 clients and carers are in receipt of SDS/direct payment. We are below target as we would expect 630 clients on SDS/direct payments by the end of September. However we expect performance to accelerate as from October in line with full implementation of the SDS process.

Corrective actions:

- From 25th October all new clients at 6 weekly review and all existing clients at annual review will be assessed and reviewed through a personalisation process and allocated a personal budget. Development work has been ongoing since April to put in place a process for reviews through personalisation. This was implemented for annual reviews beginning in August. A programme of drop-in surgeries, floor walking support and personalised budgets training has commenced.
- Team targets for SDS (including specific targets for direct payments and carers on a direct payment) have been updated and agreed. Progress with regards to targets will be monitored at PB Project Board and DMT and so highlighted to ADs. Team Managers and Assistant Team Managers to monitor and quality check (as part of the care plan approval process) that all assessments and reviews are carried out through the personalisation process.

NI 135: Carers receiving a specific carer's service/information

To the end of September there were 355 carer's services recorded by teams. In terms of progress we would expect approximately 516 carer's services to have been provided by September.

Corrective actions:

- Team Managers to discuss performance against team targets at team meetings and also maintain manual logs of performance so that any necessary remedial actions can be taken promptly. Team managers to provide compliance data to Heads of Service at Divisional Management Meetings.
- Refresher training commenced to ensure staff complete carer's assessments and services accurately on the IAS system.

NI 141: Number of vulnerable people moved on from supported accommodation to independent living in a planned way as a proportion of total clients moved on

Performance for this indicator as at quarter one was 75.27%, a marked improvement on the 2009-10 outturn of 68%. Quarter 2 performance will be available at the end of November.

Corrective actions:

- The Supporting People Team are now analysing the performance information returns from Providers and working with Providers to improve performance. Poorly performing services are likely to be de-commissioned and replaced with those which provide better value for money and quality.
- Benchmarking information is being analysed, and the information management system SPOCC SP Bench is being incorporated onto the system after some delay. The team are currently uploading the SP Local System extract information onto the system so that the local data can be benchmarked against other SPOCC users' data which is estimated to be about 40 other Local Authorities' nationally.

NI 157: Processing of Planning Applications

Figures for "Minor" and "Other" applications continue to be processed in a timely manner. Planning Delivery Grant now abolished. As a result there are no financial incentives for LA's to adhere to timescales for targets set by previous Government.

Corrective actions:

SBC to set 'local' targets that will reflect available resources. Traffic light status refers to targets set in 2009/10 and not the current year.

AREAS OF SIGNIFICANT IMPROVEMENT

NI 59: Percentage of initial assessments completed in year and within 7 working days of referral

NI 60: Percentage of Carers assessments completed in year within 35 working days

NI 156: Households in Temporary accommodation

NI 191, 192 and 193: Waste Management

Local H 27: Proportion of rent collected

Local H28: Average re-let time for void properties

Local H29: Percent of urgent repairs done within 3 days

NI 59: % of completed Initial Assessments completed within timescales

2009-10 outturn: 75.7%; Latest in-year performance (end of Sep): 75.5%

Latest comparators: National average 67.1%; Statistical Neighbour average 67.7%

Slough's outturn for 2009-10 and the latest performance were both above the latest comparators values. This is even more impressive when it is noted that Slough also completes a higher number of initial assessments per under 18 population than both the national and SN average

NI 60: % of completed Core Assessments completed within timescales

2009-10 outturn: 84.9%; Latest in-year performance (end of Sep): 84.6%

Latest comparators: National average 73.4%; Statistical Neighbour average 79.8%

Slough's outturn for 2009-10 and the latest performance were both well above the latest comparators values.

NI 156: Households in Temporary Accommodation

Target for 2010/11= 100. To date we have supported 97 households in temporary accommodation; this continues to reduce (down by two from the first quarter).

NI 191, 192 and 193: Waste Management

These show good results for the first quarter - (the most recent quarter for which data is available).

Local H27: Proportion of rent collected

For the first quarter this is reported as 101.5%. Arrears of rent due from the previous year have been included. From the 1st of September the key indicator will be reduction of all current tenant arrears which currently stand at £950,000 with a target of £875,000. The rent collection team will continue to collect a % figure which we will report on locally, however the key performance area of the team will be the arrears indicator.

Local H28: Average Re-let times for Void Properties

This has improved from 42 days for 2009/10 to just over 22 days for the period April to June 2010.

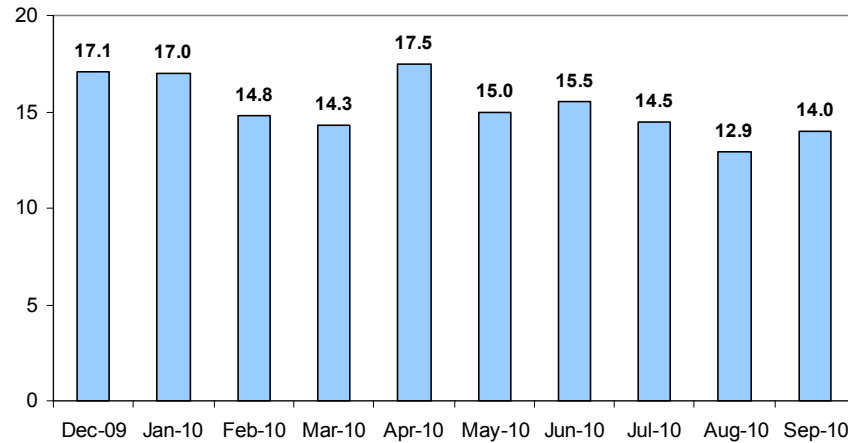
Local H29: Percent of urgent repairs done within 3 days

This has remained high at 99.82% of all urgent repairs

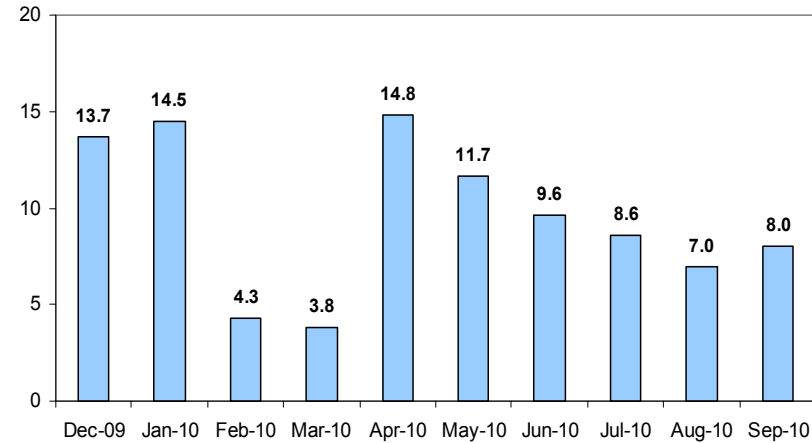
New Benefits Indicator

Benefit Processing Time

Average number of days to process a new claim:



Average number of days to process a change of circumstance:



Summary: There has been marked increase in the volume of work received combined with increased levels of annual leave taken at the end of August. No overtime was worked at the end of August/beginning of September either. Nevertheless, processing times for both measures remain on a trend of improvement.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Overview and Scrutiny Committee **DATE:** 10th November, 2010

CONTACT OFFICERS: Julie Evans, Strategic Director Resources / Annal Nayyar,
Deputy Director of Finance
(for all enquires) 01753 875300 / 01753 477228

WARD(S): All

PART I
FOR COMMENT AND CONSIDERATION

MEDIUM TERM FINANCIAL STRATEGY – (A) MEDIUM TERM FINANCIAL PLAN
2011/12 TO 2014/15

1. Purpose of Report

To highlight the key announcements in the 2010 Comprehensive Spending Review, and summarise the forecast impact on the Council's Revenue and Capital Budget requirements, for the period 2011/12 to 2014/15, in the light of the information available to date.

2. Recommendations

The Committee is requested to consider and note the following recommendations that Cabinet will be considering at its meeting on 9th November 2010.

- (a) That the outcome of the 2010 Comprehensive Spending Review for local government and the extremely challenging target of an overall 26% cut in government grant over the next four years be noted.
- (b) To note that on the basis of the national picture this outcome looks to be very much in line with our own forecast and financial planning assumptions, although we will not know our actual position until late November/early December.
- (c) That the savings plan for 2011/2012 as set out on appendices A be confirmed and the progress to date be noted
- (d) That the areas of savings allocation for H.R Legal and Internal Audit as summarised in para 5.5 be considered and agreed, and that officers be requested to implement them with immediate effect where possible.
- (e) That the updated projected Revenue Budget for 2011/12 to 2014/15 be noted.

3. Key Policy Priority Implications

- 3.1 The Revenue and Capital budgets are the Council's financial plans for the forthcoming year. As such, the budgets will allocate resources to enable the

delivery of the Council's Key Policy Priorities through the individual departmental and service plans.

4. Other Implications

Financial Implications

- 4.1 These are contained within the body of the report. In the short term the summary application remains as reported at September's meeting: £4.423m savings already committed in 10/11 and anticipated further savings potential of £6.893m in 11/12 secured via a combination of cross cutting corporate initiatives, management reductions, and savings secured from back office functions and support service areas. (Appendices A).

Human Rights Act & Other Legal Implications

- 4.2 The Council has various legal responsibilities around financial matters but, of primary importance: the Council must not plan to spend more than the resources it has available to it in any one year – the Council must set a 'balanced budget'.
- 4.3 The Medium Term Financial Plan (MTFP) presents the projected financial position of the Council for 2011/12 to 2014/15; and includes:
- Recommended growth and savings options, to be considered by Members; and
 - A number of key assumptions (outlined in detail below).
- 4.4 The 2003 Local Government Bill 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.
- 4.5 There are no other legal or Human Rights Act implications.

Workforce

- 4.6 If agreed, the savings options to be considered will involve a combination of the deletion of vacant posts alongside voluntary redundancy/ early retirements on the ground of efficiency and reductions in working hours arising from expression of interest submitted by staff under the workforce planning exercise currently underway. Compulsory redundancies may be considered as a last resort, the Council will ensure that HR policies are applied to minimise the impact of redundancies and will look for redeployment opportunities for affected staff.

5. Supporting Information

- 5.1 The Chancellor announced the outcome of the 2010 Comprehensive Spending Review (CSR) on 20 October. The CSR sets out the Government's public expenditure plans for the next four years (2011/14).
- 5.2 Local government appears to be one of the real losers within the settlement with cuts of 26% over the next four years. What is more, it looks as if these cuts are

going to be 'frontloaded' with a third of the cut made in 2011/12 and more than half of the total cut made by 2012/13.

- 5.3 The outcome of the CSR has a significant impact on the Council over the coming 4 years. Initial review indicates the outcome of the CSR broadly in line with the Council's expectations with an estimated 26% reduction in central government funding across the period against our forecast for planning purposes of 27%. The profile of cuts to funding is again broadly in line with expectations although information to date only allows for comparison with the national average position. More meaningful and accurate analyses will not be available until the publication of the Council's specific allocation expected at the end of November.
- 5.4 This paper provides an update on a range of actions to improve income and cut costs which contribute to realising the required cumulative savings over the next 4 years. We have agreed a phased approach to afford the best possible protection we can for as long as we can to our front line customer facing and community based services. Many actions to secure these savings initiatives are underway already; others are being worked up for final approval in late November and early December.

The Comprehensive Spending Review Headlines

- 5.5 The Chancellor announced the outcome of the 2010 Comprehensive Spending Review (CSR) on 20 October. The CSR sets out the Government's public expenditure plans for the next four years (2011/14).
- 5.6 Of the £81 billion of savings required by 2014-5, over £30 billion were announced in detail at the June Budget, including:
- £11 billion of welfare reform savings
 - £3.3 billion from a two year freeze in public sector pay starting in 2011/12
 - £6 billion of efficiency savings in 2010-11 and
 - £10 billion from lower debt interest payments compared to the cost had there been no consolidation.
- 5.7 The Spending Review sets out the remaining spending reductions required to deliver the government's consolidation plans.
- 5.8 The Spending Review announces further savings and reforms in welfare, environmental levies and public service pensions, as well as departmental spending plans for the four years until 2014-15.
- 5.9 The relative winners, with real increases are:
- International Development
 - Health
 - Education.
- 5.10 The relative losers, with real cuts well above the average are:

- Local Government
- Housing
- Environment
- Treasury.

5.11 The Government's commitment to protect spending on health, education and overseas aid will see the other departments on average incur real budget cuts of around 19% over the Spending Review period.

5.12 Local government appears to be one of the real losers within the settlement with cuts of 26% in real terms over the next four years.

5.13 The remainder of this report concentrates on the implications for local government funding generally and for this Council in particular.

Revenue

5.14 The spending review sets out real terms reductions of 26% in local authority budgets over the next four years.

5.15 Local authority core funding from DCLG falls from £28.5bn in 2010-11 to £22.9bn in 2014-5.

5.17 The amount of budget allocated to formula grant out of the total budget of £28.5bn across the 4 years is shown as:

Formula Grant	2010/11	2011/12	2012/13	2013/14	2014/15	Total
Amount £bn	28	25	23.4	23.2	21.9	
Reduction £bn		3	1.6	0.2	1.3	6.1
% decrease		10.71%	6.40%	0.85%	5.60%	22%

5.18 We are going to have to wait until the Provisional Settlement in late November to see the implications for the authority. In working out the budgetary impact on our authority we need to take account of:

- Specific Grant Transfers. Will the distribution of specific grants be the same as it currently is, or will specific grants be incorporated into the relative need formulae?
- Formula Grant Floor.
- Average change in Formula Grant. Will the assumed reductions be evenly distributed between classes?

5.19 On this basis the reduction in formula grant in Year 1 could be between 11%-15%.

5.20 Grants totalling £7bn have been freed up or unringfenced from 2011-12. The number of ringfenced grants will reduce from 90 to under 10. Specific grants that will remain outside Formula Grant will be:

- Early Intervention Grant
- Public Health Grant (new grant from 2013-14)

- Learning Disabilities
- PFI Grant
- Dedicated Schools Grant
- New Homes Bonus (new grant)
- Council Tax Freeze Grant (new grant)
- Housing Benefit and Council Tax Benefit Administration Grant
- Preventing Homelessness.

Capital

- 5.21 Total capital spending falls in real terms by 29% from £51.6bn in 2010-11 to £40.2bn in 2014-15.
- 5.22 Capital funding to councils is expected to fall by 45%, though after taking account of spending financed by councils' own budgets, the fall is expected to be 30%.
- 5.23 CLG Communities budget falls 74% from £6.8bn to £2.0bn but includes funding for 150,000 new affordable homes. The Government hopes that its New Homes Bonus, which aims to incentivise house-building by match funding the Council Tax on every new home for each of the following six years, will prevent a housing shortage and encourage the building of 150,000 affordable homes over the spending review period.

Housing and Benefit Reform

- 5.24 Cuts to the 'communities' part of CLG, including halving the housing budget. The Review pledges to make social housing "more responsive, flexible and fair so that more people can access social housing that better reflects their needs", and will involve major changes to the way we work and deliver services. Key points include cuts to new affordable housing grants programme, welfare reform, but the protection of Disabled Facilities Grants and Homelessness Prevention Grants and the introduction of new "affordable rents".
- 5.25 Council house rents for new tenants will increase to up to 80% of the market rate – which in some areas could double what is currently charged – with the extra money going towards building new affordable homes. These changes will probably result in housing waiting lists growing further, as well as a huge scaling back of urban regeneration and social cohesion initiatives.
- 5.26 Changes have also been clearly highlighted around the future roles of the Homes and Communities Agency, the Tenant Services Authority, the Audit Commission, the private sector, support services for vulnerable groups, local government and housing benefit.
- 5.27 For Housing Services this spending review has significant and long lasting implications. It not only sets out key decisions about capital and revenue funding which will impact for many years to come but also provides the basis for this Government to set out how it wants to approach future housing policy.

- 5.28 The new Universal Credit will include all out of work benefits (including Housing Benefit). The plan is for the new benefit to be available from 2013 for some new customers. Existing customers will be transferred across in stages and this is expected to be completed by April 2017.
- 5.29 Council Tax Benefit will not be included in Universal Credit and will be abolished. It will be replaced by April 2013 with a new and cheaper (10%) “rebate scheme”. The details of this are currently unclear;
- 5.30 There will be an overall cap on benefits paid to a family starting in 2013. The figure of £500 per week has been suggested. Local Authorities will have a key part to play in imposing the cap.
- 5.31 Some subsidy grants (and in particular the amount paid to local authorities for administering the scheme) are likely to be substantially reduced by around 7% per annum. Local authority involvement in the welfare state is anticipated to start to diminish in around 2015 with the Housing Benefit scheme being finally abolished at the end of March 2017.
- 5.32 Whilst this report does not go into any detail on the specific areas of Housing and Benefits it will be the subject of further briefing papers for Members.

Other

- 5.33 The DCLG will allocate up to £200m of capital in 2011-12 only to allow councils to restructure their services - for example by capitalising redundancy costs.
- 5.34 The arrangements for the council tax freeze grant have been clarified: £700m has been set aside to allow councils to set a zero council tax increase for 2011-12, and for councils taking up this offer, the funding for this single first year freeze will be built into grants across four year settlement period.
- 5.35 In addition to the general formula grant, the Council receives some specific grants e.g. administration grants for benefits and business rates, grant to encourage recycling. It is likely that these grants will also be squeezed putting further pressure on the Council's budget.
- 5.36 The CSR responds to the interim recommendations of John Hutton's Independent Public Service Pensions Commission. In essence, the Government maintains a commitment to defined benefit pensions but wants employees to make a greater contribution. The Government is obviously keen to make substantial savings on the cost of public sector pensions. The CSR is aiming for savings of £1.8bn by 2014-15, which is equivalent to an average three percentage point increase in employee contributions. More detail will follow in the Hutton Report.
- 5.37 The State Pension Age will increase to 66 for both men and women from December 2018 to April 2020.

- 5.38 Following the faster increase to 66, the Government is also considering future increases to the State Pension Age to manage the ongoing challenges posed by increasing longevity, and will bring forward proposals in due course.
- 5.39 Concessionary fares will have their eligibility age linked to the state pension age.
- 5.40 Sure Start services will be protected in cash terms and will be refocused on early intervention on families who need the most support
- 5.41 Schools funding will rise by 0.1% real p.a. this includes the pupil premium.
- 5.42 Transport grants will fall by 28% over the four years in cash terms; there will be 4 grants rather than 30; bus subsidies will be cut by 20%
- 5.43 Working Neighbourhoods Fund, Growth Area Funding and Thames Gateway funding will be scrapped, but bids will be invited for a £1.4bn regional growth fund
- 5.44 PWLB loans will have a 1% increase in rates.

NB The estimated Formula Grant decreases indicated above refer to the 'national average' position, SBC 'specific local' position may vary from this;

The Revenue Budget – Latest Projections

- 5.45 The latest Revenue Budget projections, arising from SBC's current Medium Term Financial Plan for 2011/12 to 2014/15, are set out overleaf. Whilst reviewing these figures, several key assumptions must be noted:

- The updated MTFP assumes a 24% fall in cash terms in the Council's Formula Grant allocation between 2010/11 and 2014/15 (which reflects the application of the national 22% reduction in cash terms, taking into account the police impact.) This assumption is solely based on initial analyses of the national picture emerging from the spending review and is therefore liable to change. Further information, concerning future funding settlements, are expected to be published late November.

The model assumes the Council's pay and prices inflationary uplifts will be managed in accordance with the coalition government's expectations and policies (i.e. it is assumed a pay freeze will occur in 2011/12 and 2012/13; and service contract increases will be based on the Consumer Price Index (CPI). However, independent analysts are suggesting inflation could be higher, also our contracts are not all locked into CPI. This is an area that remains under review

- The 2010/11 Revenue Budget is assumed to break-even (i.e. The Council's actual expenditure will match its actual income for 2010/11) even though it has been subject to in-year cuts by the coalition government. This assumption is being constantly monitored. If the Council overspends there will be a consequent impact on the level of cash reserves and also the budget requirement for the coming year.

- The Collection Fund is assumed to be in balance across all three years. The collection fund is the fund administered by the Council into which all council taxes and business rates are paid; and from which payments are made to the General Funds of precepting authorities and to the national business rate pool. It is therefore assumed that the Council obtains all local taxation due.
- Income from council tax will be static in 2011/12 and 2012/13, based on the coalition government's stated ambitions to freeze council tax across these two years. Although additional government funding that will be provided for the financial year 2011/12 has been allowed for.
- Thereafter, the MTFP assumes any increase in council tax will be limited to 2.0% per annum. No assumption has been made for the increase in new properties being built in SBC, which would impact on the level of council tax income generated. Articles in the national press suggest that house-building and mortgage lending rates are currently at a significant low.

SBC Revenue Budget Projection 2011/12 to 2014/15

Slough BC Medium Term Financial Model - 2010/11 to 2014/15

Details	Latest position post CSR 20-Oct-10				
	10/11 £'000	11/12 £'000	12/13 £'000	13/14 £'000	14/15 £'000
Opening Budget	102,395	103,979	98,911	95,880	96,350
Inflation					
Pay (Freeze 11/12, 12/13, CPI thereafter)	0	0	0	1,200	1,200
Pay award held from 10/11	600	0	0	0	0
Low pay (£250 annual increase)	0	150	150	0	0
NI Increase (Government state impact will be minimised)	0	300	0	0	0
Prices inflation allocated in 10/11	600	0	0	0	0
Prices (CPI - HMT Projections)	0	960	760	800	800
Prices (CPI - commentators projections & expenditure review)	0	340	290	300	300
Total Inflation	1,200	1,750	1,200	2,300	2,300
TOTAL AGREED GROWTH	5,875	3,273	2,232	(211)	22
TOTAL NEW GROWTH	0	0	0	0	0
TOTAL AGREED SAVINGS	(4,051)	(4,423)	(1,835)	(200)	0
TOTAL NEW SAVINGS	0	0	0	0	0
TOTAL PENSIONS ADJUSTMENTS	0	430	30	30	30
CAPITAL PROGRAMME ADJUSTMENTS	(1,440)	(508)	734	0	0
BUDGET REQUIREMENT	103,979	104,501	101,272	97,799	98,702
COLLECTION FUND	0	0	0	0	0
FORMULA GRANT	56,756	50,513	47,482	47,007	44,187
COUNCIL TAX	47,223	47,223	47,223	48,167	49,131
COUNCIL TAX freeze subsidy/grant	0	1,175	1,175	1,175	1,175
TOTAL ESTIMATED FUNDING AVAILABLE	103,979	98,911	95,880	96,350	94,493
TOTAL BUDGET GAP	0	(5,590)	(5,392)	(1,449)	(4,209)
CUMULATIVE BUDGET GAP		(5,590)	(10,982)	(12,431)	(16,640)

Reducing the future funding gap – progress to date

- 5.46 It can be seen that, primarily related to the CDR and related funding assumptions noted above, there remains a substantial funding gap for 2011/12 to 2014/15 that will need to be managed. The Council has proposals for savings for £6.9 million and securing these is critical in reducing the impact on services of the challenging cuts in future years.
- 5.47 The first tranche of savings representing an estimated savings value of £6.9million with effect from 1/4/2010 are set out on appendices 1. The focus of the savings in line with Members requirements is focussed away from customer facing front line services and requires reductions in corporate areas such as management costs, and support services.
- 5.48 The proposals for reducing the senior management costs of the council were reported to Cabinet on 25th October and are currently subject to formal consultation. These proposals alongside cost reduction targets of at least 20% from the Council's back office processing functions and general support services are required to deliver estimated savings of £2.5million a year, with effect from. 1/4/2010.
- 5.49 The following summarises the proposed elements of savings opportunities for 3 support service areas.

Legal Services Savings of £227k (of which £46k is secured via the senior Management proposals)

Key elements: In addition to the shared Assistant Director post proposed in the senior management arrangements consultation it is proposed the overall team size reduce from 25 to 16 FTE

Human Resources Savings of £223k (of which £52k in secured via the senior management proposals)

Key elements: Re-tender current Occupational Health Contract and secure a local provider

Secure corporate wide employee welfare programme from external sources

Separate transactional elements

Secure Strategic HR & OD expertise via an appropriate contract for services
Incorporate Health & Safety and review organisational needs.

Impact of proposals will reduce team size from 31 FTE to 23.5 FTE

Internal Audit Savings of £234k of which £49k is secured via the senior management proposals)

Key elements.

Adopt risk based approach to audit planning

Combine with corporate fraud and benefit investigations service

Procure additional internal audit capacity as and when needed via a competitive external framework or shared service arrangement.

- 5.50 The proposals represent total savings of £684 and exceed the required 20% for these areas. After taking into account the expressions of interest and the removal of temporary, interim and agency posts alongside the deletion of vacant post the proposals do result in a further reduction of 7FTE in total.
- 5.51 If agreed, prior to implementation the detail of the above proposals will be subject to the requisite consultation and impact assessment process.

Review of Capital Programme, Financing & Assets

- 5.52 The Council is currently undertaking a review of its Assets both land and premises and trading functions. Land and premises are being reviewed on the following basis:
- community benefit
 - Revenue costs
 - Revenue generating opportunities
 - Alternative use to enhance community benefit
 - Disposable benefits
- 5.53 Members will recall that the total capital spend for 2009/10 was £30m and in view of this it is highly unlikely that the programmed spend of £59m in the current year will be delivered. In preparing the proposed revised capital programme, departments and AMG have considered the overall capital strategy and service priorities to enable delivery of the Council's business plans and within projected resources available, at a prudent and sustainable level. The overall asset management strategy is currently being reviewed and is expected to be reported to the December 2010 Cabinet, following which, the capital programme will be further reviewed and revised and reported back as part of the 2011-12 budget process. Council's future revenue business plans will also impact on the capital programme as any changes to the service provision could result in either a capital asset being identified as surplus to requirement and therefore potential additional capital receipt or additional capital required to upgrade an asset to enhance the service provision. These will also be considered and reviewed as part of the budget build process.

Review of Trading Functions

- 5.54 Those functions which currently trade and/or could increase trading are being reviewed for:
- In house income generating opportunity

- Fees and charges review
- Arms length income generating opportunity – where this increases income to the Council
- Disposal as a going concern

Review Specific Grants

- 5.55 The Council receives a substantial amount of funding through specific grant regimes. However, it should be noted that the Council is unlikely to be informed of many future Specific Grant allocations until at least end November 2010.
- 5.56 The Council is currently undertaking an exercise on an invest to save basis reviewing all of these items to inform the 2011/12 Budget Process. The review will seek to ensure all income is maximised and Council expenditure charged to specific grants as appropriate.

Reserves

- 5.57 SBC's general reserves are £5.4m. Drawing on reserves to fund any budget gaps is a last resort and a clear and timely plan for their replenishment would need to be agreed.

The Effect of the Decisions

- 5.58 Some of the savings proposed within this report would, if implemented, result in a number of posts being deleted, and therefore there is the potential for redundancies. Should the likelihood of redundancies occur, the Council will immediately implement a 'redeployment process' to try to find suitable roles for affected staff. Dependent on decisions, officers will also consider whether there is scope to apply for a direction from the Secretary of State for Communities and Local Government to capitalise all redundancy costs incurred.

Risks

- 5.59 Budgets are necessarily based on assumptions about what will happen during the next financial year; and therefore there is an inevitable risk that these assumptions might be wrong.
- 5.60 The main foreseen risk is that the proposed savings are not delivered. In an attempt to reduce this risk the budget will be closely monitored via the monthly financial management reports and updated budget information, including savings achieved, will be reported to Cabinet throughout the financial year.

6. Comments of Other Committees

This report will be considered by the Overview and Scrutiny committee at its meeting on the 10th November 2010.

7. **Conclusion**

This paper sets out the latest assessment of the Council's Revenue Budget for the years 2011/12 to 2014/15.

8. **Appendices**

A - Detail of £6.9m savings progress to date

Progress to date year 1 Savings

The primary focus of the first phase (in place by 1st April 2011) of the anticipated savings is set out below.

Area of Activity	Target Saving	Notes	Progress
1. Reviewing the Council's approach to income generation, cash and debt management	750	3 elements : Management of Old Debt, Processes to improve collection rate (both of these enable us to reduce bad debt provision). 3 rd element is an invest to save project (fixed investment costs of £40k) seeking to improve our revenue generating opportunities.	Underway
2. Reshaping our support services separating our transactional from professional/technical support services and realigning senior management in the process, securing a 20% overall cost reduction	2500	Management proposals out to consultation. Savings proposals for Legal, HR, Internal Audit Risk & Insurance, Health and Safety reported to cabinet 9/11. Further savings proposals split across I&D, Resources and Chief Exec areas. to be considered Temps/Vacancies and Expressions of interest are first point of call. Trade union consultation begun on process. Further Reporting to cabinet, , 22 nd and 13th December	Underway
3. Reviewing our assets. Reducing the cost of office accommodation requirements, ensuring value for money in running costs of all Council buildings	750	NB £225k already included in £4.4m, not reallocated. Asset team review recommendations complete end October. Cabinet decisions scheduled for 13 th December (alongside capital programme reductions/property team savings)	Underway
4. Reviewing all major contracts and all commissioned services seeking a minimum 4% saving and securing a change to the basis of inflationary increases	1000	Includes all cross cutting corporate contract s negotiations and supplier e.g energy/utilities, telephony, catering	Current year concluded, negotiations for coming year to commence
5. Reducing, reshaping and changing, where possible, the way we finance our capital programme to reduce borrowing costs	700	Linked to capital programme, internal borrowings and repackaging of existing debt.	Underway
6. Taking other opportunities across the Council to reduce staffing arising from expressions of interest	1200	These rely on the business ability to continue ahead of transformational changes in next phase (2012/2013).	Underway
TOTAL POTENTIAL SAVINGS	£6.9m		

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SLOUGH BOROUGH COUNCIL

REPORT TO: Overview and Scrutiny Committee **DATE:** 10th November 2010

CONTACT OFFICER: Roger Parkin – Director Improvement & Development

(For all enquiries) (01753) 875207

WARD(S): All

PART I
FOR COMMENT AND CONSIDERATION

MEDIUM TERM FINANCIAL STRATEGY - (B) FUTURE PROVISION OF TRANSACTIONAL SERVICES FOR SLOUGH BOROUGH COUNCIL

1. Purpose of Report

Government spending cuts require local authorities to reduce costs by 2015 by approximately 25%. Whilst the Council has plans for reductions of nearly £7 million for 2011/12, there will be a need to make even greater savings over the following three years as shown in the MTFS . The Council aims to do this by protecting front line services and service levels. One opportunity the Council wishes to consider is externalisation of transactional services. This report proposes a way forward to achieve this.

On a national basis the current financial climate places publicly provided services and accompanying local jobs at risk. Attracting inward investment to maintain and expand the employment opportunities for local people is a key priority for the town. Early and swift activity to attract a partner provider, in the first instance to operate a suite of SBC's transactional services is essential if we are to reduce back office costs inline with the Councils Medium Term Financial Strategy and retain local employment.

2. Recommendation(s)/Proposed Action

The Committee is requested to consider and note the following recommendations that Cabinet will consider at its meeting on 9th November 2010.

- (a) Instruct officers to commence the most appropriate procurement process to engage with suitable service providers to attract a partner to establish a regional Transactional Services Hub in Slough with the view to providing transactional services to other public sector organisations and as part of the process in awarding any such contract the following will be a prerequisite:
- (i) Service provider must be located in Slough
 - (ii) Existing employees engaged in TUPE processes
 - (iii) Clear performance standards will be in place to ensure high quality performance
 - (iv) A robust retained client function is established to ensure effective ongoing contract Monitoring Arrangements are in place and provide regular reports to Members.

- (b) To report back to a future Cabinet meeting in line with the procurement timetable

3. Community Strategy Priorities

Transactional service arrangements link to the effective and efficient running of the Council. The aim is to reduce the transactional services costs whilst delivering on agreed quality of service in line with our medium term financial strategy. Many of the transactional functions, including benefits and Council Tax collection service, 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

(a) Financial

The evaluation of any interests tendered and recommendations for members will be dependent on the financial contribution secured from any such arrangement. Given cost reductions already agreed in the support services areas (20%) the only way to secure further efficiencies which will be required from 2012 onwards will be via such an arrangement. It is our ability to drive maximum efficiencies in back office and support services that provide protection for our front line and customer facing services in line with members' expectations.

Early discussions have indicated that the potential cost savings achievable through establishing a contract with a private sector provider based in the town are in the region of 20% of cost (after the projected efficiencies). This could deliver a saving in the region of £1.5 to 2 million on the costs of the functions currently included within this proposal.

Members should note that a higher saving might be achieved by out-sourcing these services to a provider elsewhere in the country. That would not deliver the community and employment benefits in this proposal.

(b) Risk Management

There are significant risks as well as opportunities of entering into such an arrangement. Any risks to the council will be identified and managed through our existing risk management policies and reported on a regular basis.

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>See recommendation (a)</i>	<i>Failing to meet the timescale</i>	<i>Rigorous project management and delegation of the procurement process</i>

<i>See recommendation (a)</i>	<i>Staff disruption and concern</i>	<i>This proposal offers an opportunity to protect staff jobs locally and to reduce staff reductions throughout the council. An inclusive approach to the transfer will help to allay staff concerns.</i>
<i>See recommendation (a)</i>	<i>Not securing an appropriate partner</i>	<i>It is believed that there will be several potential partners interested with proven track records and expertise in these areas. The council has a sound offer but will need to be flexible and creative to secure a suitable agreement.</i>
<i>See recommendation (a) and (b)</i>	<i>Levels of service cannot be achieved</i>	<i>Clear specification and penalties in the contract</i>
<i>See recommendation (a)</i>	<i>Not achieving Council's MTFS</i>	<i>This proposal offers a clear opportunity to meet the Council's financial pressures whilst maintaining services</i>

(c) Human Rights Act and Other Legal Implications

The Council will obviously be engaging with a private sector supplier for the provision of services. Legal advice sought to ensure the process and arrangement entered into protect Slough's interest.

There are no Human Right Act implications.

(d) 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 since the intention is to protect existing staff wherever possible and to maintain services to our community.

(e) Workforce

With the setting up of such a mode of service provision there will be TUPE transfer issues of staff in the affected areas moving into the new arrangement. More detail of these will be provided as the proposals are progressed.

5. Supporting Information

5.1 Initial research carried out by Officers indicate that delivering council transactional services functions via a private sector entity has led to a significant reduction in costs to those Authorities and improved performance where required.

5.2 These services would include the following: Housing Benefits, Council Tax collection, NNDR (Business Rates), payroll, Payments, Creditors & Debtors, Cashiers, Accounting Technicians, Recruitment, E-HR, and Telephone Contact Centres. Other functions may be identified in the course of the next year and beyond.

5.3 The current level of service provided in certain areas of the council has improved over the last year or so, however these support services remain in the upper quartile regarding operating costs which cannot be sustained in the present and future financial climates.

5.4 Support services and non customer facing back office functions are key to our ability to deliver our agreed budget strategy. They have 2 distinct contributions to make:-

- (i) Delivery of a 20% savings by April 2011
- (ii) Delivery of further savings in 2011/12 as working practices are streamlined preparation for transfer
- (ii) A higher value longer term contribution via the establishment of a multi-functional public service delivery hub, located in the town and attracting significant inward investment and with the potential to grow by becoming a provider to local authorities and other agencies in the region.

5.5 The new CSR places even more emphasis on the need for us to deliver this proposal:

For example: The Government will reduce spending on Council Tax Benefit by 28% from 2012 -14 and seek to 'localise' it (i.e. local authorities will be responsible for determining how the benefit reduction will be made) from 2013/14. The impact of on Slough of the reduction in benefit grant will be in excess of £1m over the coming years.

5.6 A significant amount of work (process mapping, benchmarking, best practice) was completed as part of the shared services project and this can be used to assist with any such venture.

5.7 Given the above it becomes clear that we have to act quickly if we are to protect our service quality, retain and increase local employment and meet savings targets by hosting a regional centre here in the town.

5.8 We are keen to secure member commitment to a fast tracked procurement process to attract a suitable private sector investor/provider to the town.

5.9 There are two options for procuring a private sector service provider in the OJEU procedures. Indicative procurement timescales could be as follows:

Restricted Procedure		
Publication of OJEU advert		12-Jan -11

Restricted Procedure		
Deadline for requests for documents		12-Feb-11
Deadline for return of Pre-Qualification Questionnaires (PQQ)	37 Days after the above	21-Mar-11
Evaluation etc		
Invitation to Tender issued		07-Apr-11
Deadline for questions for clarification		21-Apr-11
Deadline for return of Invitation to Tender	40 days after the above	17-May-11
Open tenders		
Supplier Presentations and demonstration; site visits		18-Jun-11
Evaluation and Preferred Supplier chosen		28-Jul-11
Alcatel (standstill Period)	10 Days	07-Aug-11
Contract Award		17-Aug-11
Service Start Date		1-April-12

Competitive Dialogue		
Publication of OJEU advert		12-Jan-11
Deadline for requests for documents		12-Feb-11
Deadline for return of Pre-Qualification Questionnaires (PQQ)	37 Days after the above	21-Mar-11
Evaluation		
Invitation to Submit Detailed Solutions (ISDS) issued		10-Apr-11
Deadline for questions for clarification		24-Apr-11
Deadline for return of ISDS		10-Jun-11
Evaluation/Tenderers selected for dialogue		24-Jun-11
Dialogue meetings		04-Jul-11
Close dialogue		03-Aug-11
Invitation to Submit Final Tenders (ISFT) - final shortlist of candidates		17-Aug-11
Deadline for submission of final tenders		14-Sep-11
Evaluation and Preferred Supplier Notified		30-Sep-11
Alcatel (standstill period)	10 Days	10-Oct-11
Award of Contract		10-Oct-11
Service Start Date		1-April-12

6. Comments of Other Committees

- 6.1 None. This report has not being considered by another committee. However, it is intended to keep Members informed of progress via Cabinet and Overview & Scrutiny should permission to go ahead be granted.

7. Conclusion

- 7.1 This will provide SBC with significant opportunities to make efficiency savings and reduce our operating costs by working in partnership with a local services provider for all our transactional services and review our customer services offer.
- 7.2 This venture will protect employment for our current transactional staff and create employment opportunities for our residents over future years.
- 7.3 **If we are unable to attract a partner and savings are compromised annual pressures circa £1.5m – £2m per annum will need to be indentified from other internal sources.**

8. Appendices Attached

None.

9. Background Papers

None.

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview and Scrutiny Committee **DATE:** 10 November, 2010

CONTACT OFFICER: Rafiq Chohan, Assistant Director,
Economic Development and Inclusion (01753 875849)

WARD(S): All

PART I

FOR COMMENT AND CONSIDERATION

Effect of Economic Downturn on Economy of Slough

1 Purpose of Report

At the 1 July, 2010 meeting of the Overview and Scrutiny Committee, members requested an update at their November meeting of the affect of the economic downturn on the economy of Slough including employment. Since that meeting there has been little discernable change on unemployment either due to the new Government's in-year cuts or as a result of the weakness of the wider economy. However, concerns persist of the impact of public sector job losses following the Comprehensive Spending Review both locally and at a national level.

2 Recommendation

Members are requested to consider and comment upon the contents of this report, to note little discernable change since this was last scrutinised (particularly due to pro-active action by the council) and to consider whether a further update is required mid 2011 once the full impact of the CSR has become evident.

**“The affects of the economic downturn on the economy and employment in Slough”
Unemployment**

Unemployment is defined as those residents claiming job seekers allowance (JSA) which in June was 3.7%. This compares with 2.4% in the South East and 3.6% nationally. This represents 3174 residents. In September, the most recent data available, unemployment remained at 3.7% but the numbers had risen to 3,221. Compared to September 2009 this does represent a slight improvement down from 4.0% and 3,443 residents.

Of those claiming JSA 65.6% (2,110 people) had been unemployed up to six months and those claiming for six to 12 months 19.2% (615 people). Those claiming for over 12 months are 15.2% (490 people). This is a worrying increase with those unemployed over 12 months having grown from 6.8% (235 people) in September 2009. **It is this long term unemployment which will have potential serious and deep societal impacts.**

A very important cohort to keep an eye on is those young people that are unemployed and the 18 to 24 year old cohort continues to grow having increased from 695 in June to 775 in September. However, this is lower than September 2009 when it was 950. The forecast reduction of the Connexions services is of particular concern on the horizon as more unsupported 16 to 18 year olds become NEETS and, in turn, join a growing number of 18 to 24 year olds.

New jobs

The new Sainsbury store represents the largest number of new jobs (450) in the town. However, there is evidence of new investment in the town centre with a few new takeaways opening and a new JD sports store on the High Street. A new software company has taken the office building adjacent to the town hall and the new Salt Hill Care Centre has opened on the Bath Road. These are all encouraging signs in a still uncertain economy.

Conclusion

The Slough economy is currently stable with no discernable or measurable worsening since June of this year. However, long term unemployment is increasing despite being lower in percentage terms than the UK as a whole. This will have potential serious societal impacts. There are encouraging signs of new investment in a difficult economic climate. Unemployment of young people will be a growing concern and will need to be monitored and appropriate resources allocated and action taken.

MEMBERS' ATTENDANCE RECORD

OVERVIEW AND SCRUTINY COMMITTEE

COUNCILLOR	07/06	01/07	09/09	07/10	10/11	02/12	13/01	27/01	03/03	31/03
Bains	P	P	P*	P						
Bal	P	Ap	P	P						
Basharat	P	P	Ap	P						
Coad	P	Ab	Ap	Ap						
Haines	P	P	P	P						
Mann	P	P	P	P						
O'Connor	P	P	P	P						
Shine	P	P	P	P						
Walsh	P	P	P	P						

P = Present for whole meeting
Ap = Apologies given

P* = Present for part of meeting
Ab = Absent, no apologies given

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EXECUTIVE FORWARD PLAN

NOVEMBER 2010 TO FEBRUARY 2011

SPECIAL CABINET - Tuesday, 9th November, 2010

Item	Port- folio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<u>Medium Term Financial Plan 2011/12 to 2014/15</u>	F&S	All	All	Julie Evans, Strategic Director of Resources, Annal Nayyar, Deputy Director of Finance Tel: 01753 875300,			Cabinet Documents - 12/07/10 and 20/09/10	
<u>Results of the Feasibility Study for a New School in the Chalvey Area</u> To advise Cabinet of the outcome of the feasibility study for a new primary school to serve the Chalvey ward.	E&C	Chalvey	Prosperity for All	Clair Pyper, Strategic Director of Education and Children's Services Tel: (01753) 875704		None	None.	
<u>Foster Carers' Fees</u> To report to Cabinet on the consultation process required under the Children Act 1989 in relation to the reduction in foster carer's fees'	E&C	All	Adding Years to Life and Life to Years; Being Safe, Feeling Safe; Celebrating Diversity, Enabling Inclusion; Prosperity for All	Clair Pyper, Strategic Director of Education and Children's Services Tel: (01753) 875704			None.	√

CABINET - Monday, 22nd November, 2010

Item	Port- folio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<u>Performance and Financial Monitoring 2010/11</u> <i>To present to Cabinet information on:</i> <ul style="list-style-type: none"> • <i>Update on financial systems</i> • <i>GF balances</i> • <i>Summary reports - 3 directorates + central</i> • <i>High risks expenditure/ income</i> • <i>Virements to date</i> • <i>Grants</i> • <i>Trading accounts</i> • <i>Debt recovery</i> • <i>GF position</i> • <i>Compliance</i> • <i>Service Performance</i> • <i>Balance scorecard</i> • <i>BV PIs and LAA targets</i> 	P&A, F&S	All	All	Julie Evans, Strategic Director of Resources, Roger Parkin, Director of Improvement & Development Tel: 01753 875300, Tel: (01753) 875207		Overview and Scrutiny Committee 10/11/10	None.	
<u>Medium Term Financial Plan 2011/12 to 2014/15</u>	F&S	All	All	Julie Evans, Strategic Director of Resources, Annal Nayyar, Deputy Director of Finance Tel: 01753 875300,			Cabinet Documents 12/07/10 & 20/09/10	√

Portfolio Key – F&S = Finance and Strategy, P & A = Performance and Accountability, C & L = Cultural and Leisure, E & C = Education and Children, O & S = Opportunity and Skills, E & O = Environment and Open Spaces, H & W = Health and Wellbeing, N & R = Neighbourhoods and Renewal

Bold – Key Decision Non-Bold – Non-Key Decision *Italics* – Performance/Monitoring Report

Item	Portfolio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<p><u>Proposed Adoption: Local Development Framework – Site Allocations Development Plan Document</u></p> <p>Promotes 22 sites for development and regeneration, plus 7 for nature conservation to help deliver the Core Strategy Spatial Strategy and Vision for Slough.</p>	N&R	All	A Cleaner, Greener place to live, Work and Play	Paul Stimpson, Head of Planning Policy & Projects Tel: (01753) 875820	No consultation or participation required. Notification in accordance with statutory process. Responses to Paul Stimpson (see details to left).	Planning Committee 16/11/2010	Site Allocations Development Plan Document. Site Allocations Development Plan Document (incorporating changes recommended by the Inspector)	
<p><u>Proposed to start work and consult on draft: Local Development Framework – Sustainable Design Supplementary Planning Document</u></p> <p>Planning policies to help deliver sustainable development in Slough linked to the Core Strategy.</p>	N&R	All	A Cleaner, Greener place to live, Work and Play;	Paul Stimpson, Head of Planning Policy & Projects Tel: (01753) 875820	In accordance with statutory process. Consultation expected early 2011. Responses to Paul Stimpson (see details to left).	Planning Committee 16/11/2010	Local Development Framework – Sustainable Design Supplementary Planning Document Content Outline for Sustainable Design SPD	
<p><u>References from Overview and Scrutiny</u></p> <p>To present to Cabinet references from the Overview and Scrutiny Committee and Scrutiny Panels.</p>	P&A	All	All	Teresa Clark, Senior Democratic Services Officer Tel: 01753 875018			Scrutiny Agendas and Minutes	
<p><u>Executive Forward Plan</u></p> <p>To present to Cabinet the latest published Executive Forward Plan.</p>	F&S	All	All	Catherine Meek, Deputy Borough Secretary Tel: (01753) 875011			Slough Borough Council's Constitution	

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Bold – Key Decision Non-Bold – Non-Key Decision *Italics* – Performance/Monitoring Report

CABINET - Monday, 13th December, 2010

Item	Port- folio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<u>Performance and Financial Monitoring 2010/11</u> To present to Cabinet information on the latest financial and performance monitoring.	F&S, P&A	All	All	Julie Evans, Strategic Director of Resources, Roger Parkin, Director of Improvement & Development Tel: 01753 875300, Tel: (01753) 875207		Overview and Scrutiny 02/12/10	None.	
<u>Medium Term Financial Plan 2011/12 to 2014/15</u>	F&S	All	All	Julie Evans, Strategic Director of Resources, Annal Nayyar, Deputy Director of Finance Tel: 01753 875300,			Cabinet Documents 12/07/10	√
<u>Gypsy and Traveller Review and Strategy</u> To present to Cabinet a follow up on the planning position on the provision of gypsy and traveller pitches and enforcement practices.	N&R	All	A cleaner, Greener place to live, work and play Being safe, feeling safe	Gillian Ralphs, Assistant Director, Transport and Planning Tel: (01753) 875081			None.	
<u>Outcomes & Recommendations from Review of Adult Social Care Day Services</u>	H&W	All	Adding Years to Life and Life to Years	Mike Bibby, Assistant Director Personalisation, Commissioning and Partnership, Geoff Elford, Interim Day Services Project manager Tel: 875800, Tel: 01753 875780	Consultation with Service users, carers and staff.	Health Scrutiny Panel 25/10/10	None.	

Portfolio Key – F&S = Finance and Strategy, P & A = Performance and Accountability, C & L = Cultural and Leisure, E & C = Education and Children, O & S = Opportunity and Skills, E & O = Environment and Open Spaces, H & W = Health and Wellbeing, N & R = Neighbourhoods and Renewal

Bold – Key Decision Non-Bold – Non-Key Decision *Italics* – Performance/Monitoring Report

CABINET - Monday, 13th December, 2010

Item	Port- folio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<u>Adult Social Care Charging Policy</u>	H&W	All	Adding years to life and life to years	Mike Bibby, Assistant Director Personalisation, Commissioning and Partnership Tel: 875800	Consultation with service users, carers and provider organisations	Health Scrutiny Panel 09/12/2010	None.	√
<u>Voluntary & Community Sector policy and Commissioning Framework</u>	H&W	All	All	Mike Bibby, Assistant Director Personalisation, Commissioning and Partnership Tel: 875800	Consultation with voluntary and community sector agencies.	Health Scrutiny Panel 09/12/2010	None.	√
<u>References from Overview and Scrutiny</u> To present to Cabinet references from the Overview and Scrutiny Committee and Scrutiny Panels.	P&A	All	All	Teresa Clark, Senior Democratic Services Officer Tel: 01753 875018			Scrutiny Agendas and Minutes	
<u>Executive Forward Plan</u> To present to Cabinet the latest published Executive Forward Plan.	F&S	All	All	Catherine Meek, Deputy Borough Secretary Tel: (01753) 875011			Slough Borough Council's Constitution	

Portfolio Key – F&S = Finance and Strategy, P & A = Performance and Accountability, C & L = Cultural and Leisure, E & C = Education and Children, O & S = Opportunity and Skills, E & O = Environment and Open Spaces, H & W = Health and Wellbeing, N & R = Neighbourhoods and Renewal

Bold – Key Decision Non-Bold – Non-Key Decision *Italics* – Performance/Monitoring Report

CABINET - Monday, 24th January, 2011

Item	Port- folio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<u>Performance and Finance Monitoring 2010/11</u> To present to Cabinet information on the latest financial and performance monitoring.	P&A	All	All	Julie Evans, Strategic Director of Resources, Roger Parkin, Director of Improvement & Development Tel: 01753 875300, Tel: (01753) 875207		Overview & Scrutiny Committee 13/01/2011	None	
<u>Heart of Slough, Learning and Cultural Centre Site Assembly – Compulsory Purchase of Land/Interests in Land</u>	N&R	All	A Cleaner, Greener place to live, Work and Play	Steven Quayle Solicitor – Regeneration & Major Projects Tel: 01753 875748			None	√
<u>References from Overview and Scrutiny</u> To present to Cabinet references from the Overview and Scrutiny Committee and scrutiny panels.	P&A	All	All	Teresa Clark, Senior Democratic Services Officer Tel: 01753 875018			Scrutiny Agendas and Minutes	
<u>Executive Forward Plan</u> To present to Cabinet the latest published Executive Forward Plan	F&S	All	All	Catherine Meek, Deputy Borough Secretary Tel: (01753) 875011			Slough Borough Council's Constitution	

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Portfolio Key – F&S = Finance and Strategy, P & A = Performance and Accountability, C & L = Cultural and Leisure, E & C = Education and Children, O & S = Opportunity and Skills, E & O = Environment and Open Spaces, H & W = Health and Wellbeing, N & R = Neighbourhoods and Renewal

Bold – Key Decision Non-Bold – Non-Key Decision *Italics* – Performance/Monitoring Report

CABINET - Monday, 7th February, 2010

Item	Port- folio	Ward	Priority	Contact Officer	Consultation & Participation	Other Committee	Background Documents	New Item
<u>Performance and Financial Monitoring_ 2010/11</u> To present to Cabinet information on the latest financial and performance monitoring.	F&S, P&A	All	All	Julie Evans, Strategic Director of Resources, Annal Nayyar, Deputy Director of Finance Tel: 01753 875300,		Overview & Scrutiny Committee 27/01/2011	None.	√
<u>References from Overview and Scrutiny</u> To present to Cabinet references from the Overview and Scrutiny Committee and Scrutiny Panels.	P&A	All	All	Teresa Clark, Senior Democratic Services Officer Tel: 01753 875018			Scrutiny Agendas and Minutes	√
<u>Executive Forward Plan</u> To present to Cabinet the latest published Executive Forward Plan.	F&S	All	All	Catherine Meek, Deputy Borough Secretary Tel: (01753) 875011			Slough Borough Council's Constitution	√

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SLOUGH BOROUGH COUNCIL
OVERVIEW & SCRUTINY COMMITTEE
FORWARD AGENDA PLAN 2010-11

Meeting	Scrutiny Items	Other	Final Report Deadline (5 pm)
2 December, 2010	<ul style="list-style-type: none"> • Performance & Financial Reporting 2010 RP/JE • Executive Forward Plan • Asset Review/Register (Property Services) (MC) • Accommodation Strategy/ Town Hall (JE) • Travellers and Traveller Sites (GR) • Communications-cost of advertising space (billboards, bus station etc) (KP) • Housing Revenue Account- Capital Programme (NA) 	<ul style="list-style-type: none"> • Members attendance report • Forward Work Programme 	10 November, 2010
13 January, 2011	<ul style="list-style-type: none"> • Performance & Financial Reporting 2010 RP/JE • Executive Forward Plan • Council Budget 	<ul style="list-style-type: none"> • Members attendance report • Forward Work Programme 	30 December, 2010
27 January, 2011	<ul style="list-style-type: none"> • Performance & Financial Reporting 2010 RP/JE • Executive Forward Plan • Cabinet / CEO Forward Plan (provisional). • Chief Constable's Annual Visit. • Council Budget 	<ul style="list-style-type: none"> • Members attendance report • Forward Work Programme 	14 January, 2011

3 March, 2011	<ul style="list-style-type: none"> • Performance & Financial Reporting 2010 RP/JE • Executive Forward Plan 	<ul style="list-style-type: none"> • Members attendance report • Forward Work Programme 	18 February, 2011
31 March, 2011	<ul style="list-style-type: none"> • Performance & Financial Reporting 2010 RP/JE • Executive Forward Plan • Annual Scrutiny Report 	<ul style="list-style-type: none"> • Members attendance report • Forward Work Programme 	18 March, 2011
Unprogrammed	<ul style="list-style-type: none"> • Post-Implementation Review of Art @ the Centre Scheme (G Ralphs/R Kirkham) • Credit Union Report • Report on the impact of the budget on MyCouncil 		