

Date of issue: 5<sup>th</sup> September, 2011

<b>MEETING</b>	<b>OVERVIEW &amp; SCRUTINY COMMITTEE</b> (Councillors M S Mann (Chair), Basharat, Davis, Haines, Minhas, Munawar, O'Connor, Plenty and Smith )
<b>DATE AND TIME:</b>	TUESDAY, 13TH SEPTEMBER, 2011 AT 6.30 PM
<b>VENUE:</b>	COUNCIL CHAMBER, TOWN HALL, BATH ROAD, SLOUGH
<b>DEMOCRATIC SERVICES OFFICER: (for all enquiries)</b>	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

AGENDA  
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Apologies for absence.

**CONSTITUTIONAL MATTERS**



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1.	Declaration of Interest  (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 12th July, 2011	1 - 6	
<b>SCRUTINY ISSUES</b>			
3.	Member Questions  <i>(An opportunity for Committee Members to ask questions of the relevant Director/ Assistant Director, relating to pertinent, topical issues affecting their Directorate – maximum of 10 minutes allocated).</i>		
4.	Finance and Project Reporting For Monitoring Report to 31st July, 2011  <i>(20 Mins Presentation- 30 Mins Questions)</i>	7 - 40	
5.	Housing Revenue Account Subsidy System  <i>(10 Mins Presentation- 15 Mins Questions)</i>	41 - 46	
6.	Heart of Slough Scheme-Update  <i>(10 Mins Presentation- 15 Mins Questions)</i>	47 - 50	
7.	Arrangements for Temporary Workers  <i>(10 Mins Presentation- 15 Mins Questions)</i>	51 - 60	
8.	Census 2011- Verbal Update, Naveed Mohammed, Scrutiny Officer  <i>(5 Mins Presentation- 5 Mins Questions)</i>		
9.	Consideration of reports marked to be noted/for information  <i>(The Committee will consider any reports marked to be noted/for information and determine whether future scrutiny is considered necessary: maximum of 5 minutes allocated).</i>		
10.	Forward Work Programme	61 - 62	

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| 12. | Date of Next Meeting- 11th October 2011 |         |  |

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.

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**Overview & Scrutiny Committee – Meeting held on Tuesday, 12th July, 2011.**

**Present:-** Councillors M S Mann (Chair), Basharat, Davis, Haines, Minhas, O'Connor, Plenty (arrived at 8pm) and Smith

**Also present under Rule 30:-** Councillor Parmar

**Apologies for Absence:-** Councillor Munawar

**PART I**

**5. Declarations of Interest**

Councillor Basharat declared a personal interest in that a member of his family was employed by Slough Borough Council.

**6. Minutes of the Last Meeting held on 7th June, 2011**

The Minutes of the meeting held on 7<sup>th</sup> June 2011 were approved as a correct record and signed by the Chair.

**7. Minutes of the Joint Overview and Scrutiny Committee and Education and Children's Services Scrutiny Panel held on 9th June 2011**

The Minutes of the Joint Overview and Scrutiny Committee and Education and Children's Services Scrutiny Panel held on 9th June 2011 were approved as a correct record and signed by the Chair.

**8. Member Questions**

None received.

Jane Wood, Strategic Director of Community and Wellbeing, brought to Members attention the following recent developments:

**The Dilnot Report**

Members were informed that the Dilnot Commission Report had been completed on how to reform the funding system for adult social care. One of the key proposals was to share the costs of care in later life between individuals and the state, with individuals paying for their own care until they reached a 'cap', after which the state would pay for their care.

At present, an individual's contributions towards their care costs was potentially unlimited. The Dilnot Report was proposing to cap the contributions at £35,000, after which the individual would be eligible for full state support. The key points about the practicalities of implementing the proposed funding system were outlined.

## **Overview & Scrutiny Committee - 12.07.11**

Once the Government's response to the report was known and whether the recommendations were going to be accepted, a further report would be submitted to the Committee for consideration and the potential impacts for those affected within the Borough.

### Southern Cross

It was brought to Members' attention that Southern Cross, one of the largest care providers within the private market, had recently announced that due to financial sustainability issues, it would be withdrawing its services from the care market.

It was noted that two residential care homes in Slough were currently in receipt of services from Southern Cross. The Director stated that as the Local Authority, the Council had a responsibility to ensure that the individuals who were affected by these changes continued to receive the appropriate level of care. A number of meetings, with various partner organisations including the PCT and neighbouring authorities had been scheduled to examine in detail the process of the transition of services.

Members asked a number of questions regarding staffing levels at the two affected residential homes and how the suitability of any future care providers would be ascertained. The Committee was advised that any care provider would need to be registered with the Quality Care Commission and a business assessment would be made prior to any decision being made.

## **9. Revenue Budget Monitoring to 31st May, 2011(Periods 1 and 2)**

Julie Evans, Director of Resources, outlined the latest financial position as at the end of May 2011. It was outlined that there was currently a forecast overspend for the 2011/12 general fund at the end of 31 May 2011 of £632,000. This level of overspend related primarily to the costs of Looked After Children which had been anticipated and Members had agreed to a £600,000 contingency sum to be allocated to this area. It was noted that members had requested a full review of all associated costs in this area to ensure adequate resources continued to be maintained.

It was highlighted that another forecast variance from budget was a £13,000 under spend within the Resources and Regeneration directorate. The Committee noted that the position as at the end of May 2011 had left an overall headline over spend of £632,000 against the general fund revenue account.

A Member queried the over spend position relating to Education and Children's Services. The Director explained that this was due to the costs associated with the Improvement Plan following the recent Ofsted inspection and that the £150,000 costs would be met through earmarked reserves.

A Member requested that further details regarding the potential reforms to the Housing Revenue Account Subsidy System and potential flexibilities in how

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the Council may spend housing income and set rents be provided. It was agreed that the matter would be added to the work programme for the Committee to consider at a future meeting.

**Resolved** – That the report be noted with regard to identified areas of risk and emerging issues and that the contents of the report be included for inclusion to the Cabinet meeting on 18<sup>th</sup> July 2011.

### 10. Performance and Project Reporting for 2010/11- end of year out-turns

Kevin Gordon, Assistant Director Professional Services outlined the performance outturns 2010/11 for the Corporate Balanced Scorecard and Local Area Agreement Performance measures. Members were reminded that the Local Area Agreement (LAA) was signed up to in 2008 as a 3 year improvement cycle to address the key priorities for Slough as identified in the Sustainable Community Strategy. However a change in national government and a complete revision of the National Indicator Framework meant that many of the national indicators chosen for monitoring in the LAA had subsequently been abolished; with methods of collection, processing and/or reporting being removed. Consequently, what this meant was that although the end of the LAA had been reached, the Local Authority was unable to quantify a final position on those indicators so affected.

Members were provided with an update on performance covering the period to 31<sup>st</sup> March 2011. Details relating to the performance monitoring were outlined and the proposal for a new scorecard for use in the remainder of 2011-12 was outlined.

It was brought to Members' attention that the Sustainable Community Strategy was undergoing a review, with the current priority areas for the local area being determined. The end of the LAA and a review of sustainable community strategy mentioned had provided an opportunity to redefine both the priorities of greatest importance to Slough communities in 2011 and the years ahead, and to redefine the quantitative and qualitative measures that would best measure the authority's collective success in addressing those priorities. To this end, a proposed performance management scorecard was under discussion with senior managers of the Council and a draft version had been presented to the Corporate Management Team on 22<sup>nd</sup> June 2011.

National indicator areas which had had an improvement were noted and included community safety, economy and skills, environment and health and well being.

Members were informed that nine LAA indicators had been given a red status and details relating to corrective actions regarding the indicators were detailed for Members' information.

A Member requested further information regarding the percentage rate for staff appraisals that had been completed. The Assistant Director reported that a number of restructures had taken place across various departments and

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whilst this information was not currently available, it would be included within the performance and project report for the September committee meeting.

The issue of members post was raised and in particular the difficulties associated with late/supplementary reports being circulated after the agenda had been despatched. Whilst the Assistant Director agreed to remind officers of the importance of adhering to report deadlines, it was noted that there were no plans for the twice weekly courier service for members post to be reinstated.

### Resolved –

- (a) That the progress and status of performance measures in the Balanced Score Card be noted.
- (b) The actions for those indicators that had not met their targets in the exceptions report be noted.
- (c) The continuing gaps in the report and subsequent endorsement actions be noted.

## 11. Climate Change Strategy

Roger Parkin, Strategic Director Customer and Transactional Services briefly outlined the strategic framework in which the Council was proposing to address the corporate priority of climate change. It was noted that the strategy would directly contribute to the delivery of the Sustainable Community Strategy priority, a cleaner greener place to live, work and play by

- Improving public spaces
- Creating a strong culture of recycling: by recycling 60% of waste by 2028
- Improving energy efficiency: by reducing CO<sub>2</sub> emissions by 20% by 2028
- Promoting sustainable public transport: All public transport and Council's vehicles to run on cleaner fuel by 2028.

In order to achieve the objectives with the Climate Change Strategy document, an Action Plan had been formulated to identify monitor and report on the work required and undertaken to develop the improvements needed to tackle climate change. The action plan would outline the ways in which Slough Forward and the Council would try to limit the effects of the climate change by lowering carbon dioxide emission across the Borough and across their own operations. The plan would also outline how the Council and the partnership were to work with members and the community to lower their emissions and to start preparing for the impacts of climate change.

It was highlighted that the Climate Change delivery group would be examining areas to identify where improvements of climate change could be made and



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influenced at a local level. These would include various feasibility studies, addressing transport and air quality issues, liaising with Berkshire Climate Board, working with voluntary groups and working with the council's Carbon Management Board and Asset Managements Team. Members were informed that the Action Plan would be updated on an ongoing basis.

In the ensuing debate a number of issues were raised, including the possibility of a railway link into the Trading Estate, encouraging greater use of public transport by introducing an oyster card system and introducing financial incentives for individuals who recycled. It was noted that information relating to the railway link into the trading estate and the possibility of recycling food waste would be sent to members. The Chief Executive informed the Committee that the issue of oyster cards had been raised at a recent meeting with Mr Hammond, Secretary of State for Transport. It was noted that a new system was likely to be introduced for London within the next two to three years and there was a possibility of Slough joining in with that scheme

Councillor Parmar, Commissioner for Environment and Open Spaces, informed the Committee that recycling rates within the Borough had increased from 8% in 2008 to 35% and that regular monitoring was taking place and reported in the Citizen magazine which was sent to all households in the Borough.

**Resolved** – That the actions proposed for the development of a Climate Change Action Plan be noted.

### **12. Provision of Mental Health In- Patient Beds in East Berkshire- Report from Health Scrutiny Panel meeting held on 22nd June, 2011**

Members were informed that the report on the future of Mental Health In-Patient facilities in East Berkshire had been considered in detail at the Health Scrutiny Panel on 22nd June, 2011. Naveed Mohammed, Scrutiny Officer, advised that following a lengthy discussion at the Health Scrutiny Panel it was resolved that Members of the Panel did not accept the findings of the public consultation regarding the provision of Mental Health In-Patient facilities in East Berkshire. In the event that the Trust decided to relocate the Mental Health In-Patient provision to Prospect Park Hospital Reading Health Scrutiny Panel Members were recommending that the Overview and Scrutiny Panel refer the matter to the Secretary of State for review.

**Resolved** – That the recommendations of the Health Scrutiny Panel, as set out in the report, be endorsed.

### **13. Consideration of reports marked to be noted/for information**

None.

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### **14. Forward Work Programme**

Details of the Forward Work Programme were noted. The following items were added to the programme:

- Heart of Slough Update (inc information re Compulsory Purchase Orders) (September Meeting)
- Housing Revenue Account Subsidy System (inc info re Choice Based Lettings) (September Meeting)

**Resolved** – That the Work Programme be noted.

### **15. Attendance Record**

Noted.

### **16. Date of Next Meeting- 13th September, 2011**

The next meeting of the Committee would be held on 13<sup>th</sup> September, 2011.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.30 pm)

**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Overview and Scrutiny Committee      **DATE:** 13 September 2011

**CONTACT OFFICER:** Emma Foy, Acting Head of Finance, Ext 5358  
(For all enquiries) Kevin Gordon, Assistant Director Professional Services Ext 5213

**WARD(S):** All

**PART I**  
**FOR COMMENT AND CONSIDERATION**

**FINANCE AND PROJECT REPORTING FOR MONITORING REPORT**  
**TO 31<sup>ST</sup> JULY 2011**

**1. Purpose**

1.1 The purpose of this report is to inform Overview and Scrutiny of the latest financial, performance and project position as at the end of July 2011.

**2. Recommendations**

2.1 Overview and Scrutiny is requested to:

- Note the current projected outturn position on the General Fund of an overspend of £32K.
- Note that the Housing Revenue Account (HRA) reported a forecast surplus of £43K
- Note the identified areas of risk and emerging issues
- Note the revisions made to the format of the performance section of the report in line with the consultation carried out with members at the last Overview and Scrutiny committee.
- Note the summary of the councils Council's Gold Projects status as at 31<sup>st</sup> July 2011

**3. Background**

3.1 The report contains two sections Finance and Projects

**4. Finance section including Projected Outturn Position as at 31<sup>st</sup> July 2011**

4.1 There is currently a forecast overspend for the 2011/11 General Fund at the end of period four of £32K. This is an increase in net expenditure of £32K since the previous month.

4.2 For the Housing revenue account there is currently a projected surplus of £43K in addition to the budgeted surplus position of £87k

4.3 The position is summarised in Table 1, on the following page, and detailed in Appendix A.

**Table 1 - Projected as at 31st July 2011**

Directorate	Base Budget	Current Net Budget	Actual YTD	Projected Outturn	Variance Over / (Under) Spend
		A		B	C = B - A
	£'M	£'M	£'M	£'M	£'M
Community and Wellbeing	39.139	40.365	8.721	40.349	(0.016)
Education and Childrens Services	27.789	31.701	4.901	31.701	(0.000)
Customer and Transactional Services	5.206	5.642	26.720	5.857	0.215
Resources and Regeneration	33.724	34.000	9.287	33.769	(0.231)
Chief Executive	0.657	0.834	0.692	0.834	0.000
Corporate	(0.201)	(0.201)	0.010	(0.201)	0.000
<b>Total Cost of Services</b>	<b>106.314</b>	<b>112.341</b>	<b>50.331</b>	<b>112.309</b>	<b>0.032</b>
<b>% of revenue budget over/(under) spent by Services</b>					<b>0.29%</b>
Treasury Management	3.017	3.017	0.000	3.017	0.000
Contingencies, Earmarked Reserves and Trading Accounts	4.233	(1.566)	(2.537)	(1.566)	0.000
Early Intervention Grant	(7.140)	(7.140)	(1.812)	(7.140)	0.000
Council Tax Freeze Grant	(1.187)	(1.187)	(0.239)	(1.187)	0.000
New Homes Bonus Grant	(0.130)	(0.130)	(0.454)	(0.130)	0.000
Local Services Support Grant			(0.102)		
Sub Total	(1.207)	(7.007)	(5.144)	(7.007)	0.000
<b>Total General Fund</b>	<b>105.107</b>	<b>105.334</b>	<b>45.187</b>	<b>105.302</b>	<b>0.032</b>
<b>% of revenue budget over/(under) spent in total</b>					<b>0.30%</b>

## 5. Month on Month Movement in Variances

5.1 **Community and Wellbeing** are reporting an underspend at the 31<sup>st</sup> March of £17K. The Directorate's net controllable budget for 2011/12 is £40.365k. The projected total net expenditure after taking into account all known commitments and the latest projected savings is £40.349m. This results in a saving of £17k and relates to the Free Swimming initiative within the Culture & Skills Division. This is an improvement of £123k over last month's position and is attributed to the improved position within Adult and Social Care caused by averting high cost planned placements.

## 5.2 **Education and Children's Services**

The directorate's net controllable budget for 2011/12 is **£31.701m**, and the projected total net expenditure is currently **£31.701m**. This includes additional budget and expenditure of £3.528m in respect of schools budget appropriations allocated to schools in respect of headroom. In overall terms, there is gross pressure of £1.87m in respect of Children Looked After. The £1.87m is made up of a £1.2m budget gap identified during the budget build process and further spend pressure £0.670m. The budget gap is being funded through a combination of Corporate Contingency (£600k) and Early Intervention Grant (£540k). The further spend pressure of £0.670m of which £249k has arisen from costs of the improvement plan is being funded by additional contingency to support the Improvement Plan (£249k) compensatory savings made through reducing spend in other areas of the Directorate.

- 5.3 **The Chief Executive's** directorate is forecasting a break even position.
- 5.4 **Commercial and Transactional services** currently have a further budget pressure of £215K. The total budget pressure is due to annual expenditure costs of running the SAVVIS server contract.
- 5.5 **Treasury Management** reports a breakeven position.
- 5.6 **The Housing Revenue Account** HRA balances brought forward have been subject to a pension fund adjustment and now stand at £9.454m which is £294,000 higher than the level assumed in the budget.

Annual forecast has improved in the period with a surplus of £130,000 now projected. This is a £130,000 increase from last month which had break even as the forecast.

Planned maintenance activities have commenced and these will be monitored along side the Decent Homes programme to validate the investment profile which is currently being compiled for the next 30 year business plan.

Self-Financing activities are increasing and new publications from Government confirm a go live date of 1<sup>st</sup> April 2012. In practise this is likely to occur in week commencing 26<sup>th</sup> March 2012 which will assist in compiling the statement of accounts for 2011/12.

Stock numbers and archetype mix have been validated including identification of all properties awaiting demolition or those that are likely to be demolished in the near future (Britwell regeneration). This information is due to be submitted at the end of August as part of the normal Housing Subsidy regime and will be used to rework the settlement payment due to the Department of Communities and Local Government (currently estimated at £127m) when the data has been audited.

Rent schedules have been revised in line with the self-financing projections and are the first component of the business plan which is now in progress in line with the self-financing timetable.

- 5.7. **Resources and Regeneration:** Overall savings identified to date have increased to £601,000, partially offset by transformation costs of £361,000. All services have an improving direction of travel for variances to budget.

Forecast for the year has improved to £33.769m which is £231,000 under the budget of £34m and a £171,000 improvement from last month.

The Directorate is examining budgets on a continuous basis to identify all opportunities for savings and/or mitigation of known pressures.

Discussions with contractors continued in the period on proposed inflationary increases and a detailed examination of cost bases is planned for August / September 2011.

Transformation activities continue in the directorate with the staff establishment reduced by 8 posts Year to date at a cost of £361,000. These costs are included in the service estimates and are likely to be funded from savings in year.

## **6. Emerging Issues / Risks**

### **Introduction**

- 6.1 It should be noted at this point that the 2011-12 PPRG process is in progress and therefore savings will be identified to be delivered in the current financial year. These savings are not reflected in this report.

### **Directorate Specific**

#### **6.2 Community and Wellbeing:**

- The department has to implement savings to the value of £3.3m in 11/12. The budget management performance of the Department is entirely dependent on the successful delivery of vast majority of these savings. This is therefore the biggest risk to the department.
- The Meals on Wheels Service is likely to face additional pressures due to a penalty fee of £20k for the number of meals falling below a certain threshold and the increase in the unit cost to the council by 90p these factors are likely to create a pressure of about £50k. The service is undergoing a fundamental review and users are to be consulted shortly.

#### **6.3 Education and Children's Services:**

- There are some significant areas of development still in transition across the directorate including the implementation of the Integrated Youth Support Service (IYSS) and the allocation of the Early Intervention Grant (EIG) to various services as it has had to accommodate a significant reduction in the overall level of funding. Detailed work on these is in progress but until finalised an accurate assessment of their financial position cannot be completed.
- In addition to this, work required in response to the recent Ofsted Inspection is being formulated and costed. Furthermore the Directorate's response to the Inspection findings will continue to be scrutinised. The financial impact of most

of the additional work has been reflected in this report as described above. The full financial impact of the Improvement Plan is currently being finalised and will be reflected in future reports.

- The economy remains a key risk for the Directorate particularly the current rate of inflation.
- A number of highways properties that had been leased to Co-op Homes were handed back in December 2009. Redevelopment plans and timescales are being examined by Housing services to determine if short term lets are feasible to offset the current loss of rent to the Authority.
- Timing of savings in Property Services is being evaluated as closure of the Town Hall has been delayed.
- Transformation activities continue across the directorate.
- Asset valuations and timing of planned disposals is being examined to determine the timing effect of creating a LABV in 2012/13. This is particularly relevant to the Town Hall annex which is currently being demolished.
- The directorate are currently working alongside schools in the review of the centrally retained elements of the Dedicated Schools Grant (DSG) which is expected to result in some significant changes in the way some services are shaped and delivered. It is unclear at this stage what impact this may have on services funded by the Local Authority.
- The Slough Schools Education Forum (SSEF), which comprises representative head teachers and governors from across Slough, has strongly endorsed the continuing implementation of the Authority's Inclusion Policy which is around capacity and capability building in schools to support as many pupils as possible within the community of Slough schools and within inclusive placements alongside their mainstream colleagues. SSEF and Schools Forum are required to approve funding for out of authority placements, and are clear that they will only support and fund placements in provision outside Slough if essential to meet the child or young person's assessed need. Their expectation is that Slough's provision for alternative education meets the needs of most students better and more cost-effectively than external provision. This affects the proposals for the group of five pupils with challenging behaviour who require Slough placements from September.
- Corporate discussions regarding the Private Finance Initiative (PFI) utilities claim have now been completed.
- Like all councils, Slough is managing the challenge of delivering services within reducing funding envelopes over the next 3 years. The PPRG process will be looking to deliver corporate and directorate savings in 2012-13 and beyond. Any directorate PPRG target will be in addition to the current budget pressures, including the inbuilt gap (£1.2m).

#### 6.4 **Resources and Regeneration:**

All of these risks will be closely monitored and the impact clearly identified and reported as and when it is necessary

## 6.5 **Chief Executive:**

- No specific risks noted

## 6.6 **Commercial and Transactional Services:**

- No specific risks noted

## 6.7 **Housing Revenue Account**

- Additional stock condition surveys have been carried out in July to validate the business plan in respect of the first phase of the Decent homes target, which is due for completion December 2012.
- Overall costs of the capital plan are being examined in conjunction with the appointed surveying company, Savills Limited and results of this exercise will be available in September. This initial exercise will then be expanded to include a 30 year investment analysis as part of the HRA Business Plan.
- A contingency of £1m has been established in the Capital Expenditure Reserve account as part of the 2010/11 closedown for this activity.
- The reduction in rent collection experienced in 2010/11 has continued into the year due mainly to the economic uncertainty. Additional Intervention activities are being applied to stabilise the situation.

## 7. **Emerging Opportunities**

### **Directorate Specific**

### 7.1 **Community & Wellbeing**

- The Department has received Health & Social Care Funding of £2.6m over 2 years from the PCT to support joint working between health and social care authorities. The funding is for health system gain. Details of how the initial £1.3m for 11/12 will be spent have been agreed. The implementation of these jointly agreed measures, particularly those aimed at preventing or shortening hospital stays could have a beneficial impact on the department's commitments in the short term.

### 7.2 **Education & Children's Services**

- A review is being undertaken of the Performance and Management team which currently includes a vacant post (Information and Development Co-ordinator) budgeted at £29k which is currently not being backfilled. Once the outcome of the review is known it is possible that there may be some one-off savings within this budget.
- SMT are considering one-off and recurring budget optimisation opportunities in order to address the projected overspend.



### 7.3 Resources and Regeneration

- Discussions with neighbouring councils and our contractor Enterprise Ltd are taking place to develop initiatives to help bring down waste management costs.
- Contractual discussions with Enterprise Limited include initiatives to maximise the profit share in the contract whilst maintaining or improving unit costs in all operations.
- All miscellaneous dwellings in the Authority are being examined with a view to let them as temporary accommodation and offset existing risks of rent loss wherever possible.
- Recruitment to replace agency staff is high on the agenda for the directorate and recent appointments particularly in Transportation have been encouraging and savings in employee costs have been forecast accordingly. All service areas are working with HR to achieve recruitment to established posts.

### 7.4 Commercial and Transactional Services

- None to be noted.

### 7.5 Housing Services

The Department for Communities and Local Government (DCLG) released “*Self – Financing: Planning the Transition*” in July and the main purpose of this document is to

- Provide local authorities with the information they need to prepare for and achieve a successful transition to Self – Financing.
- Provide an update on the wider policy and accounting context within which Self – Financing will operate.

The document clearly lays out the timetable of events also includes a useful summary which could be used to explain the reforms to tenants.

**Go live date is confirmed as 1 April 2012.**

“The Housing Revenue Account and Self – Financing Determinations” includes working drafts of the legal determinations necessary to bring self-financing into effect, the powers for which are in the Localism Bill, DCLG will formally consult on the determinations in November 2011 which comprise of:

- Settlement Payments Determination – the calculation of the self-financing valuation and payments
- Limits on indebtedness Determination – the limit on the amount of housing debt that each local housing authority can hold under self-financing and the formula by which this will be calculated
- Item 8 Credit and Debit Determinations, Calculation of the sums to be credited or debited to the Housing Revenue Account. This sets the framework for the operation of the Housing Revenue Account ‘ring-fence’ in respect of technical accounting matters.

Restructure of Housing services is nearing completion with recruitment of permanent staff in progress. Full year effects of the savings generated by this project will then be realised and reported in the 2<sup>nd</sup> half of the financial year.

## 8. Capital and Treasury

- 8.1 The general fund council capital programme is £72.4m for the period 2011/12 to 2016/17. The programmed spend for 2010/11 is currently £37.4m pre any rationalisation of the capital programme. Work is underway to rationalise the capital program which will be reported to the September Cabinet meeting.
- 8.2 The overall programmed spend for the HRA capital programme is £10.9m for 2011/12.
- 8.3 Although inflation has consistently remained above the target rate, due to the economic activity and growth remaining weak, the Bank of England base rate has remained unchanged at 0.50% since 5<sup>th</sup> March 2009. The current 3 month money market rate is averaging around 0.70%. However, it is currently forecast that the treasury management investment income target of £0.79M for 2011-12 will be achieved. Subject to approval of the proposed revised capital programme and realisation of capital receipts and general cash flow forecast movements, it is possible that the investment target may be slightly exceeded. This will be kept under review and reported at a later date.

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 a recovery rate of 85%. To-date £1.453M has been repaid by the Administrators. Estimated £400K is expected to be repaid during 2011-12 with further repayments expected in 2012-13 and 2013-14. The Administrators are seeking to extend the Administration period to October 2013 to allow for orderly run off of property finance and residential mortgage loan books.

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 7<sup>th</sup> July 2011 is £66.59M compared to approved limit (excluding PFI and other credit arrangements such as leases) of £78.0M.

Investment deposits outstanding as at 7<sup>th</sup> July 2011 compared to individual counter party limits are set out below. The credit ratings as measured by Fitch Ratings and Moody's Ratings are also summarised below

RATINGS DEFINITIONS	Fitch		Moody's	
	Long Term	Short Term	Long Term	Short Term
Extremely Strong Grade	AAA	F1+	Aaa	P-1
Very Strong Grade	AA+/AA-	F1+	Aa1/Aa3	P-1
Strong Grade but susceptible to adverse conditions	A+/A-	F1+/F2	A1/A3	P-1/P-2
Adequate Grade	BBB+/-	F2/F3	Baa1/3	P-2/P-3
Speculative Grade to Vulnerable and Default	BB+ to D	B to D	NP(Not Prime)	BB+ to D

## DEPOSITS OUTSTANDING AS AT 7th July 2011

Approved Counter Party	Sovereign Risk	Fitch		Moody's		Approved Limit (£M)	Deposit O/Stand £M
		LT	ST	LT	ST		
<b>BANKS</b>							
Australia & New Zealand Banking Group	Australia	AA-	F1+	Aa1	P1	5.00	0.00
<b>Lloyds Banking Group</b>						<b>30.00</b>	
- Bank of Scotland	UK	AA-	F1+	Aa3	P-1	15.00	15.00
- Lloyds Bank	UK	AA-	F1+	Aa3	P-1	15.00	13.70
Barclays Bank	UK	AA-	F1+	Aa3	P-1	25.00	2.00
BNP Paribas	France	AA-	F1+	Aa2	P1	10.00	0.00
Bank of Montreal	Canada	AA	F1+	Aa2	P1	5.00	0.00
Bank of Nova Scotia	Canada	AA-	F1+	Aa2	P1	5.00	0.00
Canadian Imperial Bank	Canada	AA-	F1+	Aa2	P1	5.00	0.00
Commonwealth Bank of Australia	Australia	AA	F1+	Aa1	P1	5.00	0.00
Co-op Bank	UK	A-	F2	A2	P-1	15.00	14.00
Heritable Bank						1.05	1.05
Credit Suisse	Switzerland	AA-	F1+	Aa1	P1	10.00	0.00
Deutsche Bank AG	Germany	AA-	F1+	Aa3	P1	10.00	0.00
European Bank for Reconstruction	Europe	AAA	F1+			10.00	0.00
HSBC	UK	AA	F1+	Aa2	P1	25.00	0.00
RABO Bank	Netherland	AA+	F1+	Aaa	P1	10.00	0.00
Royal Bank of Canada	Canada	AA	F1+	Aa1	P1	5.00	0.00
Royal Bank of Scotland	UK	AA-	F1+	Aa3	P1	25.00	25.00
Santander UK PLC	UK	AA	F1+	Aa2	P1	15.00	9.00
Societe General	France	A+	F1+	Aa2	P1	10.00	0.00
Svenska Handelsbanken	SWE - AAA	AA-	F1+	Aa2	P-1	10.00	0.00
Westpac Banking Group	Australia	AA	F1+	Aa1	P1	5.00	0.00
UK Debt Mangt Office							0.00
<b>Sub Total</b>							<b>79.75</b>
<b>Building Societies</b>							
Nationwide Group	UK	AA-	F1+	Aa3	P-1	20.00	9.60
Coventry BS	UK	A	F1	A3	P-2	2.70	2.70
<b>Sub Total</b>							<b>12.30</b>
<b>Total Deposits</b>							<b>92.05</b>

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.

The Council's treasury management activity for the period 1<sup>st</sup> April to 7<sup>th</sup> July 2011 has been carried out within the limits and parameters set in the agreed treasury management policy statement.

## 9. Staffing Budgets

Overview and Scrutiny will be aware that as part of the exercise to implement Job Evaluation and Harmonisation all staffing budgets were re-calculated from a zero base. This approach eliminated the existing staff turnover targets and provided directorate budgets with 99% of the total cost requirement under their control. This comprised 98% which was allocated directly to service budgets and 1% held by each director to manage any staffing pressures and changes as they arose. The remaining 1% is held centrally within contingency balances.

## 10. Finance Summary

- 10.1 The position as at the end of June 2011 leaves an overall headline overspend position of £32K against the General Fund revenue account.
- 10.2 The general fund capital programme is £72.4m for the period 2011/12 to 2016/17. The programmed spend for 2010/11 is currently £37.4m pre any rationalisation of the capital programme.

## 11. Project Gold Project Update & Summary

The summary below provides CMT with an update on the Council's Gold Projects as at 31<sup>st</sup> July 2011. Individual project progress reports have been made by Project leads, with endorsement from the appropriate Assistant Director and / or Director.

### Monthly Period Summary

- This report covers ten Gold Projects in total of which highlight reports have been received for all as at 31<sup>st</sup> July 2011.
- One new project is included on this list for the *first time* this month: 'Safeguarding Improvement Plan'. This is in response to the recent Ofsted inspection of safeguarding and looked after children services.
- Of the ten active gold projects, seven have been assessed to have an overall Green status (although four of these have an Amber level for 'Issues and Risks'); two projects have an overall Amber status; but NONE have an overall RED status. The new project, Safeguarding Improvement Plan, has currently not been allocated a RAG status.

Project name	Overall status	Page
Adult Social Care Transformation Programme	AMBER	2
Britwell & Haymill Regeneration	GREEN	3
Business Continuity	GREEN	4
Chalvey Community Hub Regeneration	GREEN	5
Customer Focus	AMBER	5
Planning for the Future:		
(a) Accommodation Project	GREEN	10
(b) Income and Debt Management	GREEN	
(c) Staff engagement and Communications	GREEN	
(d) Outplacement Support	GREEN	
Safeguarding Improvement Plan	n/a	11
School Places in Slough	GREEN	11
Transactional Services	GREEN	13
2011 Census	GREEN	16

<b>Adult Social Care Transformation Programme</b> <b>ALL WARDS</b>	<b>PROJECT MANAGER</b>			Kamal Lallian Mike Bibby	
	<b>Timeline</b>	<b>Budget</b>	<b>Issues &amp; Risks</b>	<b>OVERALL STATUS</b>	<b>Date Updated</b>
Current period	<b>AMBER</b>	<b>GREEN</b>	<b>AMBER</b>	<b>AMBER</b>	05/08/11
<i>Previous month</i>	<b>AMBER</b>	<b>GREEN</b>	<b>AMBER</b>	<b>AMBER</b>	08/07/11

**Key Points:**

This update is the first report for Phase 2 of the Personalisation Programme which started on 1st July 2011.

Phase 1 developed the organisational structure, the financial model, policies, procedures and workforce development to enable self-directed support to be implemented across all care.

Phase 2 of the Programme, "Delivering Personalised Services" is being developed to embed self-directed support by reshaping and developing the market to deliver personalised service options and embed person centred approaches within workforce practice.

Detailed project plans are being developed for the Programme. Governance arrangements are in place through the new Executive Board and Adult Social Care Commissioning Board. The Executive Board began to meet in July and monthly meetings have been put in place.

Tender processes are underway for Domiciliary Care, Carers Support and Respite Services and Information Advice and Advocacy Services. We have also written to all service users to give prior notification of the implementation of the New Fairer Contributions Policy from 1<sup>st</sup> September 2011.

Phase 2 will comprise of a number of projects. Each project will include core themes comprising the golden thread within the programme:

- T1 Safeguarding and quality
- T2 Developing the market
- T3 Workforce strategy
- T4 Remodelling/recommissioning
- T5 Partnerships
- T6 Choice/personalised services
- T7 Resources
- T8 Prevention
- T9 Communication and engagement

Some key areas to be addressed in Phase 2 include:

- **Delivering the Learning Disabilities Change Programme**  
Reshaping the market in Slough, in partnership with commissioners and providers to provide more locally based residential, supported living, day, and learning and employment opportunities for people with learning disabilities. Delivering significant PPRG savings targets for learning disability budgets.
- **Mental Health Services**  
Developing the market and recommissioning mental health day services

**Adult Social Care Transformation Programme**  
**ALL WARDS**

**PROJECT MANAGER**

Kamal Lallian  
Mike Bibby

provision to provide greater choice and opportunities and providing new and different models for supporting living. Implementing self-directed support for MH service users within the Berkshire Health Care Trust 'Next Generation Care' new operating model.

- **Older Peoples**

Recommissioning community based services to improve quality of life, including day services, lunch clubs and domiciliary care to provide increased opportunities for people to use personal budgets creatively and innovatively to meet their assessed care needs. Review and recommissioning of a new model for providing residential and nursing care.

Other work streams in Phase 2 include:

- Embedding a personalised approach through developing staff in statutory, independent and third sector with the skills, knowledge and attitude to deliver person centred services.
- Recommissioning of carers support and respite services.
- Delivering improved access to information, advice and advocacy services ('IAAS') through an online guide to adult social care services (corporate project) and commissioning a new IAAS across all client groups.
- Delivering necessary upgrade to the IAS case file management computer system.
- Review of new operating model and LINKs personal budget users' survey.

Actions and milestones will be reported next month when the project plans have been developed.

**Britwell & Haymill Regeneration**  
**OF PARTICULAR INTEREST TO BRITWELL & HAYMILL**

**PROJECT MANAGER**

John Rice  
(Resources & Environment)

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	01/08/11
Previous month	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	05/07/11

**Key Points:**

**A further update was made to Cabinet on the 18th July 2011 when the following recommendations were agreed:**

- Note the progress reported at Appendix B.
- As the sites become vacant, to agree to proceed with the demolition of:
  1. The Jolly Londoner Public House, Wentworth Avenue;
  2. Newbeech House, Long Readings Lane;
  3. The Library and car sales site, Wentworth Avenue;
  4. Phase 1 Marunden Green: numbers 1 to 15 (and garages to the rear of these), 14 to 18, 41 to 51 (See the Plan in Appendix C);
  5. Phase 2 Marunden Green: Numbers 2 to 12, 20 to 36, 38 to 42.

**Britwell & Haymill Regeneration  
OF PARTICULAR INTEREST TO  
BRITWELL & HAYMILL**

**PROJECT  
MANAGER**

John Rice  
(Resources &  
Environment)

- Agree that a further update report be made to the Cabinet meeting on 19<sup>th</sup> Sept 2011.

Appendix B provided a full update, but in overview, the planning application has now been submitted for the Britwell Community Hub and for the Jolly Londoner site. By mid August planning applications will have been made for the 2 remaining "satellite housing development sites. The Tender has been placed with 4 contractors for the broader regeneration of the Britwell area with responses due in early September 2011.

Demolition work has been commissioned for the Jolly Londoner site together with the site hoardings. Tenders are due for return on 05/08/11 for the demolition of the Marunden Green Properties and the Newbeech site.

The pre-tender development work for the Britwell Community Hub is progressing to schedule and with the full involvement of the Client in Community & Wellbeing. With the progress to date, it is reasonable to anticipate the finalisation of the contract will be completed on schedule by early September 2011. Site preparation works have already commenced on site and the hoardings extended to protect the whole site have been commissioned.

**Business Continuity  
ALL WARDS**

**PROJECT  
MANAGER**

Roger Parkin

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	02/08/11
Previous month	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	<b>GREEN</b>	08/07/11

**Key Points:**

Following the recent proposed Audit of our Business Continuity Arrangements, this project has been classified as a STATUS GOLD project at the request of CMT.

**Key activities completed:**

- A Project Initiation Document ('PID') has been created to initiate this project. The PID was signed off by the group.
- A CMT lead (Roger Parkin) has been appointed.
- A Corporate Business Continuity Working Group has been established. Representatives from all Directorates. First meeting held 12.7.11.
- Terms of Reference have been produced and agreed by Working Group. Additional support identified as required from HR and Facilities.
- Audit Recommendations have been reviewed and action plan developed.
- Met with Auditors to discuss timelines and proposed actions.
- Reviewed KPMG Business Continuity proposal.

**Work to be completed in the next period:**

**Business Continuity**  
**ALL WARDS**

**PROJECT  
MANAGER**

Roger Parkin

- Working Group members to report back on Directorate BC requirements.
- Agree Action Plan and identify achievable timescales.
- Collate and review current Business Continuity arrangements and Business Impact Analysis Data.
- Risk analysis and Risk Register to be updated.

**Chalvey Community Hub  
Regeneration**  
**OF PARTICULAR INTEREST TO  
CHALVEY**

**PROJECT  
MANAGER**

Andrew Stevens (Culture & Skills)  
Mike Coles (Property Services): Phase 1 development

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	04/08/11
Previous month	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	08/07/11

**Key Points:**

- The project is on time and within budget. Risks have been reduced as far as possible and are being monitored so overall project status remains as Green.
- Work has started on planning next steps, within the available capital resources, subject to wider decisions about the capital programme and potential LABV.
- There are some outstanding issues which are being addressed:
  - It is planned that signage to the centre from the main road will be in place for September launch. Temporary signage is in place.
  - Snagging schedule being worked through.
- Tours of the centre progressing and new bookings being received.
- A number of activities have started and the library and café are open. Full programme from September.
- Opening event held on the 27<sup>th</sup> July.
- A full public opening will take place on the 3<sup>rd</sup> September with community “street party” and events.

**RECOMMENDATIONS:** None



<b>Customer Focus</b> (formerly Duty Desks) <b>ALL WARDS</b>	<b>PROJECT MANAGER</b>			Judith Davids / Vijay McGuire	
	<b>Timeline</b>	<b>Budget</b>	<b>Issues &amp; Risks</b>	<b>OVERALL STATUS</b>	<b>Date Updated</b>
Current period	<b>AMBER</b>	<b>AMBER</b>	<b>AMBER</b>	<b>AMBER</b>	04/08/11
Previous month	<b>AMBER</b>	<b>AMBER</b>	<b>AMBER</b>	<b>AMBER</b>	08/07/11

**Key Points**

**1. Project Management Update:**

- Project team meetings continue to be held fortnightly to ensure effective communication and delivery of specified outputs.
- Risk and Issues logs are monitored and updated at each meeting.
- Monthly highlight reports are submitted to CMT to provide a detailed summary of progress of the Customer Services Programme.
- Programme Office has now been set up at Landmark Place.
- Management re-structuring has now been completed with clear splits now in place for operational and development responsibilities.
- 9 appointments have been made to CSA staff vacancies within Landmark Place.

**2. Priority Directorate Updates:**

**Adult Social Care ('ASC')**

- The ASC service hub is fully operational; however they are still receiving ASC & Children's calls through the queue.
- This will be reviewed as part of the overall numbering and routing strategy for the Customer Service Centre.
- Both Landmark Place and ASC managers are working together to resolve outstanding operational issues on a daily basis. Management from both sides are meeting with the CSA's on the 11<sup>th</sup> of August to address any staff issues.
- There is a need to now re-align working hours in agreement with the ASC Management team to ensure that the hub is fully operational during the opening hours of the customer service centre.
- FAQ's have been partially reviewed and updated by the ASC admin team; these have been uploaded onto Siebel.

**Education and Children's Services**

**Schools admissions:**

- Excellent feedback has been received from customers and the schools admission team on the level and standard of service provided by the customer service centre.
- Further discussions are now underway for the customer service centre to support the drop in sessions for 2 days per week during March and April of 2012.
- To resource this support the schools admissions team will fund a part time post within Landmark Place.
- It has been agreed to formalise the arrangement by introducing a joint Service level agreement between Landmark Place and the schools admissions team which will address the standards and service requirements.

**Housing Benefits**

- Training has now been completed on the foundation block of Housing Benefits including knowledge, legislation and how decisions are taken.
- Cut off points for service provision for the Housing Benefits Service Hub have

now been verbally agreed and will be formalised with the development of a service level agreement.

### Council-Tax

- Council Tax service hub has gone live as of 18<sup>th</sup> July.
- Training on Council Tax will take place during September.
- 7 CSA staff have now been designated to the Council Tax service hub.
- Further discussions are now taking place to discuss and agree the arrangements of duty officers and to integrate the arrangements between the service hub and the back office service based at Airways House.

### HOUSING

- The Housing service hub has effectively now gone live from 25<sup>th</sup> July.
- Training on CAPITA housing system for all appointed CSA staff has been completed.

### **3. Accommodation**

- First floor of the Centre is currently being refurbished and once this is complete the remaining housing team within Landmark place will move across.
- Building Control will move out of Landmark Place potentially at the end of August once building works have been completed at Airways House.
- It is envisaged that once these moves have taken place the Landmark Place management team will have the opportunity to review the existing space available with a view to programming possible moves for Phase 2 service hubs.
- Investigative work is now underway to consider providing a children's area within the service centre. Discussions with the Head of Facilities include reviewing options to reduce the current computer access area from 8 to 4 terminals as the area is currently underutilised. Options are also being explored with facilities to look into the possibility of creating a secure meeting room at the front of house as well.

### **4. Communication**

- Progress against the Communication action plan will be included as part of the CMT reporting arrangements.
- The Programme group have identified the need to increase the level of dialogue between service areas on the Customer Focus Programme (Lessons learnt from Phase 1) to ensure there is a clear understanding and 'buy in' from directorates.
- The introduction of a Hub User Group will also help to facilitate this by introducing a vehicle for 2-way dialogue between the directorates and the customer service centre.

### **5. Single Service Directory**

- Project team have reviewed the prototype on the 15<sup>th</sup> July and the functionality is 80% in place.
- A training day was held on the 4<sup>th</sup> August for the project team.
- Further 1:1 sessions will now take place with Adult Social Care subject matter experts.
- Key actions for the next month will be for subject matter experts to quality

**ALL WARDS**

assure data and test the system.

- Project team is working with open objects to define workflows for support and administration of the system.
- 'Go live' is planned for end of September.

**6. Tell Us Once**

- Currently waiting an announcement on the national position for future implementation dates from the Department for Work and Pensions.
- The current 'go live' date of July 22<sup>nd</sup> has been pushed back to September due to national delays on the IT solution, however Slough has expressed an interest to be included as part of the first tranche of 'go live' authorities. This however, will be subject to one of the existing 1<sup>st</sup> tranche authorities pulling out.
- The Project group have available a list of existing system administrators. The intention will be to work with this group of officers to act as the main liaison within directorates to handle *Tell Us Once* notifications and take lead responsibility to update relevant systems / databases.
- A new EAS kit has now been delivered and IT will install this to enable registration and enrolment of users to take place.
- The group will now consider and map out a communications strategy which will be targeted at both internal customers and external customers.

**7. Review of [www.slough.gov.uk](http://www.slough.gov.uk) website**

- The upgrade to Red Dot Version 10 was successfully achieved.
- The Web Group need to understand the ongoing support and maintenance costs involved for Red Dot.
- A method to ascertain all pages within the web site that have not been reviewed has now been identified and further discussions at the next web meeting will take place to agree deadlines for pages to be updated by service authors.
- Further exploration work is underway to look at new transactional capability and Housing will act as the pilot for this.

**8. CRM Demand Pilot project**

- Aspects of the design are being worked through with the business representatives.
- The Design Options phase is now complete. Design options were discussed at the project board meeting on 13 July and the summary report issued recorded the decisions from the meeting.
- The environment is live and configuration has begun.
- The Analytics Pilot work package has been agreed and work has started.
- Data conversion analysis has begun.
- The Data Conversion for Test work package has been put forward for approval.

**9. My Council IT Systems Review**

- The review of My Council IT Systems was undertaken by KPMG and was completed in July. A copy of the Executive Summary has been included as part of August's CMT report.

**10. Phase 2 Progress**

- A series of dialogue meetings have taken place with management teams and

**ALL WARDS**

key stakeholders to raise the profile of the programme and to discuss and explore ways in which the Customer Service Centre can support the front line delivery of their services. Details of this have been included within August's CMT report.

**Key Risks to the Project :**

The project remains on an **AMBER** status due to the following:

- At a time of initiative overload, it is proving difficult to identify appropriate Customer Focus "champions" and/or Service Information representatives from each service area.

Identify areas where other resource can complete the bulk of the work and restrict use of service staff to where absolutely necessary.

Ensure that any tasks where service specific knowledge is required are clearly defined and planned in advance so that unnecessary time is not taken.

- Concern that the transfer of new services into Landmark Place will cause pressure and create longer wait and queue times.

Review and streamline existing My Council processes to ensure that the operation is running in an efficient and effective manner.

Review and fill existing adviser vacancies.

Track and eliminate repeat calls by addressing the cause of failure with the relevant service areas.

- There is a lack of robust and tested Business Continuity and Disaster Recovery plans at Landmark Place.

Review KPMG recommendations.

Migrate My Council telephony to VOIP (NB: there is a dependency on a Syntellect upgrade or replacement to enable).

Remove all servers from Landmark Place to be hosted with other corporate servers at Savvis.

Ensure My Council systems are included in the corporate Disaster Recovery and Business Continuity plans.

- The IT Department do not currently have the skills/capacity to support the IT systems in use at Landmark Place.

Create an IT technician post to create the capacity to pick up the day-to-day support of these systems.

Develop a hand-over plan that migrates all My Council IT contracts, licences and systems to the care of corporate IT.

**Customer Focus**  
(formerly Duty Desks)  
**ALL WARDS**

**PROJECT  
MANAGER**

Judith Davids / Vijay  
McGuire

- A lack of robust and consistent management information is preventing accurate capacity planning, forecasting, and the scheduling of resources to address fluctuations in call demands.

Review KPMG recommendations for system integration/replacement.

Create a dedicated Capacity Planning/Scheduling post to fulfil this function on an ongoing basis.

**Key Tasks in the next period:-**

- Development of robust service level agreements with service hubs Phase 1.
- Set up of a customer programme board with senior representatives from each directorate as per CMT direction.
- Implement necessary actions towards a *Tell Us Once* live date for September 2011.
- Review and adoption of the recommendations as identified through KPMG report of My Council IT systems.
- Finalising findings from investigative research with other local authorities on opening times and call numbering strategy to help inform phase 2 of the programme.
- Review of capacity within Landmark Place once both housing and building control have decanted.
- Subject to CMT approval start planning the Phase 1 “Transition”.

PLEASE NOTE: Following presentation of a re-baselined programme plan to CMT on 10<sup>th</sup> August and their agreement to the timing and scope for Phase 2, the project is now on GREEN status

**Planning for the Future**  
**ALL WARDS**

**PROJECT  
MANAGER**

CMT

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	n/a	n/a	n/a	<b>GREEN</b>	02/08/11
Previous month	n/a	n/a	n/a	<b>GREEN</b>	13/07/11

**Key Points:**

**This project has four distinct components, detailed in turn below:**

**Accommodation Project – Roger Parkin**

- Final plans being developed for relocation of remainder of Staff (including Mayor’s Parlour) still based at Town Hall for December 2011.
- No major move activity planned for August.
- Storage review has commenced – with different options assessed.
- Finance Teams relocated to St Martins Place/Airways House.
- Review of accommodation and team needs at Airways House.
- Review of meeting room usage will be carried out.
- This aspect of the overall project is rated **GREEN**.

**ALL WARDS**

Income and Debt Management (incorporating Revenue Income Optimisation)

– Julie Evans

- We are now in the implementation phase of the improvements to income and debtors procedures.
- We have recruited an interim Project office to role out the new policy and procedures improving collection rates.
- Oracle Direct Debits is in the process of being implemented.
- The aspect of the project overall is rated **GREEN**.

Staff engagement and communications

- A series of meetings were held in July with staff in all of the main buildings, when the Chief Executive and Leader of the Council provided Q&A sessions about future plans.
- This aspect is rated **GREEN**.

Outplacement support

- Twelve staff have now requested 1:1 support from the IAG team via outplacement support, however, some staff have chosen to contact the IAG Team directly.
- Sixteen staff attended a retirement seminar on 28th February with 21 signed up to the external e-learning module.
- Thirteen staff have now applied for the £500 additional support fund.
- This aspect is rated **GREEN**.

**Safeguarding Improvement Plan**

**ALL WARDS**

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	n/a	n/a	n/a	n/a	08/08/11
Previous month	n/a	n/a	n/a	n/a	

**Key Points:**

- The Slough Safeguarding Improvement Board has been set up to oversee, scrutinise and challenge Slough’s Safeguarding and Looked After Children post inspection action plan. The Board will provide challenge and scrutiny to ensure full compliance with the Ofsted recommendations outlined in the Safeguarding and Looked After Children announced inspection report published in June 2011; and to ensure actions listed in the improvement notice issued by the DfE in July 2011 are carried out. The sector led support programme will review the Local Safeguarding Children’s Board (LSCB) role and partner input and make recommendations in 2 phases to the Improvement Board. The LSCB Chair has resigned and work is in place to recruit a new chair.
- The Improvement Plan will be the Board’s core document. The Chair has to send her first progress report to the Minister by the start of October which will include progress that has been made on the shorter term recommendations made by Ofsted and the Improvement Plan. The Chair will then make six-monthly progress reports to the Minister.
- The Improvement Board met for the first time on the 20<sup>th</sup> July 2011 – chaired by an external, independent chair and attended by the Department of Education, representatives from Thames Valley Police and from Berkshire Health Cluster, as well as the council.
- The Board received a report on all the work that has been carried out since the inspectors were here in April. This focused on addressing the immediate actions

**Safeguarding Improvement Plan**  
**ALL WARDS**

**PROJECT  
MANAGER**

Keren Bailey

- needed to ensure that all children are safe. All immediate actions required by Ofsted have been initiated and now form part of our ongoing improvement work. They will be incorporated in the final improvement plan.
- The Board has commissioned a series of reports to gain an oversight of the main issues being faced in Slough.
  - The Improvement Plan is currently being developed. Workshops will be held shortly with a range of staff and partners to ensure the final plan is robust and focused on those activities that will make the biggest improvement.
  - The project is currently being initiated and planned in detail. A project team and governance arrangements are currently being established. Project status will clear once the Project Initiation Documents are complete.
  - Work is underway to assess the capability and capacity of the social care workforce through the social care Healthcheck.

**RECOMMENDATIONS:**

- There are none at this stage.

**School Places in Slough**  
**ALL WARDS**

**PROJECT  
MANAGER**

Robin Crofts (ECS)

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	05/08/11
Previous month	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	11/07/11

**Key Points:**

**Primary Places**

- Projects to add additional modular accommodation at Castleview, Lynch Hill, Ryvers and Godolphin Infant for September 2011 are all progressing as planned.
- Construction projects at Western House (£3m), Parlaunt Park (£4m) and Wexham Court (£4m) are all progressing as planned.
- Planning application for Penn Wood has been submitted and programme agreed, Modulars to be in place for January 2012.
- Town Hall stage 1 tender process underway.

Impact of Primary Expansion Projects.

The table below shows the growth in demand compared to the number of places made available as a result of the primary expansion programme since 2007.

	Demand for Reception	Availability of Reception Classes	Bulge classes
	Number of Reception classes (headcount)		
<b>May-07</b>	52 (1545)	54 (1617)	
<b>May-08</b>	55 (1656)	56 (1677)	
<b>May-09</b>	56 (1669)	56 (1677)	
<b>May-10</b>	61 (1833)	59 (1767)	2 (60)
<b>May-11</b>	65 (1953)	65 (1947)	2 (60)
<b>Sep-11</b>		72 (2157)	

The table below shows the impact of the expansion in terms of creating surplus

places and on the uptake by out of borough pupils over time in Reception classes:

Year	Effect on Reception places	
	Surplus Places (Apr)	Out of borough pupils (Jan)
2006-7	72	57
2007-8	21	56
2008-9	8	62
2009-10	6	51
2010-11	54	57

### Secondary Places

- All Slough pupils applying for a place in year 7 have been offered a school place.
- A report to Commissioners and Directors summarised the issues around secondary school place planning.

### Special Places

- Continuing to explore the options for expanding places at Haybrook College.
- Design stage underway for small extension at Littledown School.

### The current identified risks are:

- Grant funding is at risk of claw back if not spent by August 2011: to mitigate this risk we will implement the Action Plan and avoid delays with procurement; and bring forward future capital schemes where possible.
- Unexpected increase in the number of new arrivals requiring school places during 2011-12 school year: closely monitor demand across year groups and take action as required. Discussion being held with 3 further primary schools to plan future expansion projects.
- Langley Free School opening potentially delayed due to construction issues: No risk mitigation measures.
- Shortfall of secondary special school places for 2011-12: To explore expansion into Haymill building or pupils will be placed out of borough.

### Overall Comment

The demand for school places and the supply of school places is extremely fluid and depends on a number of factors. These include the number of applications received, which varies on a weekly basis, and the number of places vacated as families move their children. It is complicated by movements of pupils in and out of Slough and changes in parental preference for specific schools. There are also underlying trends linked to birth rates and inward migration. The process of placing children is ongoing and the objective is to maintain a small surplus of places so that supply just exceeds demand. Close monitoring of all the above factors should allow this.

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	<b>AMBER</b>	<b>GREEN</b>	<b>AMBER</b>	<b>AMBER</b>	03/08/11
<i>Previous month</i>	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	08/07/11



**ALL WARDS****Key Points:**

**Overall status of the timeline has changed to amber with the project pushed back a month.**

**Project Management Update:**

- All key project management documentation is regularly reviewed and updated on a fortnightly basis to reflect progress against the procurement timetable.
- Monthly reports presented to CMT providing detail of progress and allowing opportunities to engage and discuss key stages of the procurement progress.
- A progress review was held with Alastair Rankin of the Audit Commission was held on 1<sup>st</sup> August. He was satisfied with the progress and governance of the project.

**Project Progress**

- Procurement timetable remains on target for go-live in April 2012.
- Further milestones have been accommodated within the timetable at the request of suppliers and with the agreement of the programme group. This includes incorporating dedicated time for the bidders to undertake due diligence. Time for detailed clarification questions has been allowed for at each stage. This will continue to ensure that the procurement process remains fair and transparent.
- Positive feedback has been received from Unions on level the of staff and Union engagement with the process. This becomes even more critical as we move towards contract award.

**Stage 1 PPQ**

Completed to target.

**Stage 2 Invitation to submit an outline solution**

Completed to target.

**Stage 3: Invitation to engage in competitive dialogue (ISOS)**

Completed to target.

**Stage 4 : Invitation to submit a detailed solution (ISDS)****Clarification questions**

- All supplier clarification questions were responded to as per timetable and issued on 6<sup>th</sup> July.

**ISDS return**

- ISDS Submissions were received on 13<sup>th</sup> July.
- 5 Tenders submitted.
- Member opening of all tender documentation took place on the 14<sup>th</sup> July.

**Site Visits**

- A total of 5 site visits completed between 11<sup>th</sup> July and 19<sup>th</sup> July.
- Each site visit included member and union representatives.
- Average staff attendance for each visit was 15.
- Each Service Area was represented with a minimum of 2 staff.
- All delegates were encouraged to complete questionnaires and the feedback from these will help to inform the first stage of competitive dialogue which will

take place on 19<sup>th</sup> August.

- Feedback from staff following the site visits has been very positive.

#### ISDS Evaluation

- ISDS evaluation commenced on 14<sup>th</sup> July.
- Evaluation Panel includes Heads of Service and a core evaluation panel consisting Of HR, Finance, Housing (User rep), Project Sponsor, Project Manager, AD Commissioning and Procurement, Head of IT, Legal services and Corporate Finance.
- Briefings have taken place with Heads of Service and the Core Evaluation Group on the process and key evaluation criteria of the ISDS.
- As the Evaluation has continued there has been a general consensus that further clarification is required on their ISDS submission to complete the evaluation process.
- Clarification questions relating to the suppliers quality submission was released on 26<sup>th</sup> July.
- Financial clarification questions along with headline budget and TUPE information was released on August 3<sup>rd</sup> to enable the panel to make an informed decision on suppliers to be shortlisted for ISFT Stage.
- Both Quality and Financial information is due to be returned on Wednesday 10<sup>th</sup> August with a view to finally completing the evaluation and confirming the shortlist on 15<sup>th</sup> August.

#### Competitive dialogue meetings Stage 1

- Due to the extended evaluation of the ISDS and following feedback from suppliers, the competitive dialogue process will now take place in two stages.
- The first stage will take place 19<sup>th</sup> August for a period of 4 days.
- This will allow the two shortlisted suppliers the opportunity to dialogue with the Evaluation Panel and Heads of Service for two full days.
- The first stage of Competitive dialogue will close on August 24<sup>th</sup>.

#### Due Diligence

- At the express request of the suppliers, a period of 6 days of due diligence have now been built into the timetable.
- This will effectively allow each supplier three full days on site to view information and meet with service heads to help inform their ISFT Submission.
- Due Diligence will take place between 25<sup>th</sup> August – 2<sup>nd</sup> September.

#### Competitive dialogue meetings Stage 2

- Stage 2 of Competitive Dialogue will take place 5<sup>th</sup> September – 8<sup>th</sup> September.
- This stage will help to inform the ISFT Specification.

#### Key Risks to the Project :

- Staff disruption and concern about TUPE transfer process.

This risk becomes increasingly critical as we move towards the final stages of the procurement process. The Programme Group continue to ensure that there is effective 2 way dialogue with staff with the full co-operation and support of unions and HR. This remains a priority to reduce the uncertainty that staff feel. Regular staff briefings and engagement within the procurement process will also help to reduce this risk.

- Desired levels of service are not achieved.

Clear specification and service credits have been applied within the ISDS contract specification to deal with poor performance. This has been embedded within the key criteria for evaluation. This will become more critical as we move towards the completion of the ISFT specification and proceed with contract negotiations at Competitive Dialogue stage.

- Engaging with a private sector partner for the provision of customer services inherent with risk.

Legal Services are fully engaged with the procurement process to protect the council's interests.

- Project fails to meet the timescales.

Rigorous project management methodology is adhered to; service experts are fully engaged which allows various milestones to be achieved to target. The project has in place a high level project plan which continues to be monitored and reported to CMT monthly. The timetable continues to offer leverage and flexibility without compromising the project to ensure that each stage is completed with full engagement with all key stakeholders and provides the necessary processes to make an informed choice which will benefit the council.

- Unsuccessful procurement of a partner.

The Council will continue to adopt a flexible and creative approach to secure a suitable partner. Process to date suggests that there are potentially 5 suppliers who are currently engaged with the procurement. This will shortly be reduced to 2 suppliers following the successful completion of the ISDS Evaluation.

**Key actions for Next Period**

- Complete ISDS Evaluation.
- Notify Suppliers of short list.
- Prepare questions for Competitive Dialogue Stage 1 and 2 with shortlisted suppliers.
- Prepare for on site due diligence.
- Ensure that retained organisations are fully engaged with the development of the ISFT.
- Complete ISFT Specification.

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	05/08/11
Previous month	<b>GREEN</b>	<b>GREEN</b>	<b>AMBER</b>	<b>GREEN</b>	05/07/11

**Key Positive Points:**

- The substantive delivery phase of the project is now complete. Early

indications are of a successfully elevated response rate across the Borough.

**Ongoing issues:**

- The Qualitative element of this project has been completed.
- Final stage of Census delivery consists solely of the submission of additional Quality Assurance evidence by 30 August 2011. This report is being coordinated by the Performance Manager.
- Subsequent to this, the project will be considered closed, and activity will move to an engagement with ONS on an ongoing basis.

**6 Performance monitoring update**

Appended to this report is the first iteration of a new format Balanced Scorecard for the whole council as well as one example of a Directorate specific scorecard. Further work remains to be conducted on specifying the exact content of these scorecards in terms of the measures to be included, which is being undertaken in parallel with the emerging refreshed priorities for the Sustainable Community Strategy.

Note that it has not been possible to provide the specified 'Key Finance Measures' for this iteration.

The same format of scorecard is being developed for each of the five council Directorates (including the Chief Executive's department), again with specified content to be fully agreed with Directorate management. It is intended that this scorecard provide a simple overview of a variety of 'performance' related matters, to add value to (rather than replace) individual more detailed specialist matter reports such as the quarterly HR reports. The Directorate scorecards and the Council-wide scorecard are also intended to provide a robust overview of the complexity of the underlying business functions, so content will genuinely become more 'balanced' with subsequent development and evolution.

## Summary Variance Analysis

Directorate:	Community and Wellbeing	Period 4	July 2011
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## Divisional Summary

Service Area	Total Variance £'000	Explanation
		<b>This month: +£33k</b> – Movement of -£121k this month due to the averting of the planned placement of a Learning Disability client (£130k); there was also 2 significant income gains totalling £119k one from a self funding client and the other a back payment relating to the last financial year. These are offset by a variety of budget pressures elsewhere (£126k) notably 3 additional EMH clients with a part year cost of £70k (full year £90k).

Service Area	Budget £'000	Outturn £'000	Variance £'000	Change £'000
<b>Community Services and Adult Social Care</b>				
				<b>33</b>
Safeguarding and Governance	216	213	-2	3
ASC Management & Business Support Administration	594	599	5	0
Access & Long Term I & S	2,421	2,278	-143	27
Re-ablement & Directly Provided Services	4,417	4,267	-150	-164
Mental Health	3,796	3,838	43	51
Commissioning Budgets	15,788	16,069	280	-38
<b>Total</b>	<b>27,231</b>	<b>27,263</b>	<b>33</b>	<b>-121</b>

**Previous Variance: +£153k** – Significant slippage on savings fully offset by alternative savings or the use of one off resources. However, there is still a shortfall on full year permanent savings.

**This month: -£75k** – No change from last month.

		<b>Service Area</b>		<b>Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Change</b>
				<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Culture &amp; Skills</b>	<b>-75</b>	Lifelong Learning		422	422	0	0
		Library Service		2,180	2,180	0	0
		Creative Arts		1,083	1,008	-75	0
		Employment & Enterprise		247	247	0	0
		Management		195	195	0	0
		Community Services		415	415	0	0
		<b>Total</b>		<b>4,543</b>	<b>4,468</b>	<b>-75</b>	<b>0</b>

**Previous Variance: -£75k** – There is an expected underspend relating to a rolled over budget for Free Swimming which is now being met from within the SCL contract.

**New This month: -£2k** – Additional pressure due to revision in the expected savings on Supporting People (£22k), this is offset by further uncommitted funds in the Transformation Grant programme and additional savings Voluntary Organisations budgets (£24k).

		<b>Service Area</b>		<b>Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Change</b>
				<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Personalisation, Commissioning &amp; Partnerships</b>	<b>+56</b>	Voluntary Organisations		582	538	-44	-4
		Contracts & Procurement		224	162	-62	0
		Supporting People		3,391	3,648	257	22
		Transformation Grant		487	392	-95	-20
		Strategic Commissioning		332	332	0	0
		<b>Total</b>		<b>5,016</b>	<b>5,072</b>	<b>56</b>	<b>-2</b>

**Previous Variance: +£56k** – Supporting People saving now expected to slip significantly by £265k, with a full year effect of £374k. However a number of other compensating savings have contributed to mitigate this impact.

**New This month: On Target** – No significant variances identified as yet.

		<b>Service Area</b>		<b>Budget</b>	<b>Outturn</b>	<b>Variance</b>	<b>Change</b>
				<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Public Protection</b>	<b>0</b>	Management		118	118	0	0
		Regulatory Services		1,617	1,617	0	0
		Community Safety		695	695	0	0
		<b>Total</b>		<b>2,430</b>	<b>2,430</b>	<b>0</b>	<b>0</b>

**Previous Variance: On Target**

**New This month:** - No changes identified this month however it is likely that this underspend will increase as not all staff have been appointed.

**Procurement** **-30**

**Previous Variance: -£30k** – Savings arising from the delay in new staff joining this team is expected to result in a small saving.

**New This month:** No changes identified this month.

**Central Management** **0**

**Previous Variance: - On Target**

**TOTAL** **-17**

Directorate:	Education and Children's Services	Period - 4	July 2011
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Change in Variance this month		
Service Area	Change £'000	Explanation
	0	Variance reported last month
Children and Families	159	<p><b><u>New this Month:</u></b>  The Looked After Children (LAC) budgets continue to be under severe pressure. This month's projections are based on the LAC cohort as at the end of July and projected end dates at that point in time. No forecast is included for any changes between the end of July and 31 March. Changes in the projection and explanations will be reported on a monthly basis until Directorate and finance officers are confident that robust forecasts can be made. Detailed work which develops a project management approach to stabilising and, where possible, reducing the number of LAC has started in response to the forecast overspend and the Ofsted inspection recommendations.</p> <p><b>Children Looked After (CLA):</b>  <u>External Fostering (£105k):</u>  There have been 5 new starters, of which 3 were only in for 1 week and the additional cost for all these placements is projected to be <b>£74k</b> in 2011-12. Three children have now left external foster care; 1 has been adopted and 2 are being looked after under special guardianship orders. The saving as a result of these moves is <b>-£52k</b>. Extensions and rate changes for 12 other children result in a net additional pressure of <b>£115k</b>. These movements represent a net increase in the projected overspend of £137k. Compared to the end of June, no allowance has been made for growth to year end (<b>-£32k</b>).</p> <u>Internal Fostering (£23k):</u> During July, 6 children started to receive internal foster care at an additional cost of <b>£40k</b> in 2011-12. Of these, only 2 were short term placements; the remainder are projected to remain in care at 31 March 2012. 2 children have now left the care system (gone home) and 1 has moved to an external foster care placement resulting in a net saving - <b>£24k</b> . In addition, 2 children have had their placement extended ( <b>£7k</b> ). <p><b>Commissioning and Social Work</b>  Additional costs arising from the Ofsted Safeguarding review have been identified; staff training (<b>£75k</b>), increased IRO cover (<b>£45k</b>), and the cost of the interim Corporate Parenting Manager (<b>£23k</b>). This additional cost of £143k represents the remaining items funded from the contingency for the Safeguarding Improvement Plan.</p> <p><b>Family Support Services</b>  <u>Residence orders (£31k)</u>  4 clients (2 new and 2 from external foster placements) placed as a result of residence orders will cost an additional <b>£19k</b> and a family assessment ordered by the courts has cost <b>£12k</b>.</p>

**Previously Reported:**

**Commissioning and Social Work:** Additional costs of an interim Assistant Director (£70k) and other staffing costs arising from the recent Ofsted Inspection (£12.5k) are funded from a Corporate Contingency of £250k in respect of the Safeguarding Improvement Plan.

**Children Looked After:**

The previously reported projection for children looked after included all known placements at the end of June based on planned end dates at that point in time, plus 45 weeks additional net external foster care for the rest of the year.

External fostering placements – projected overspend due to rising numbers of children and weeks of care being provided. Internal Fostering placements - all available internal foster places (55) are occupied so an underspend was projected on this budget.

External Residential placements – projected overspend due to rising number and complexity of placements.

Secure Accommodation - there is no budget provision as there has been little or no activity in recent years. However since 1 April there have been 3 short to medium term placements; 2 remand clients (from April to December) and 1 welfare client (from May to August) at a total estimated cost of £266k.

**Other Children and Family Services:** Less children than anticipated are being placed with prospective adopters. The financial impact in 2011-12 is two-fold (i) adoption allowances are projected to underspend and (ii) children remain in more expensive foster placements contributing to the external foster placement projected overspend.

Changes in any type of CLA placement can and does have an impact throughout the system. In financial terms, this ripple effect is reflected in the spending pressures and explanations of changes in variances.

Inclusion

11 **New This Month:**

An £11k pressure has been identified within the Youth Offending Team accommodation budget in respect of anticipated cost of new service charge.

**Previously Reported:**

**Children with Disabilities:** Recent developments suggest that there is now a strong likelihood of pressures on the Children with Disabilities budget during 2011-12 related to costly additional external placements which are becoming unavoidable. One external placement has now been made through the courts and another placement is proceeding related to safeguarding. The budget is being closely monitored.

Raising Achievement

0 **Previously Reported:**

A saving of £32k has been identified within the salary budget due to the deletion of a post.

Strategic Management,  
Information and Resources

-170 **New this Month**

**Information, Performance and Review:**

Additional IT expenditure anticipated (£30k) in respect of a new server and IT support.

Additional one-off grant funding opportunities (£96k), unallocated Early Intervention Grant (£89k) and a saving



through keeping a post vacant (£15k) have been identified to support the pressures on the directorate's budget.

**Previously Reported:**

In order to mitigate the impact of the additional pressures in the Children Looked After placement budgets, the staffing contingency budget (£120k) has been released. The release of this contingency at this point in the financial year could impact on the ability of the directorate to respond to any future pressures.

One-off grant funding opportunities (£136k) have also been identified to support the pressures on the directorate's budget.

**Information, Performance and Review:**

The level of schools buy back for the provision of Education Management System (EMS) support has been greater than anticipated and has resulted in increased income of £34k.

**0 Total Variance**

## Commercial and Transactional Services

Service Area	Total Variance £'000	Explanation
Information Technology	260	<b>New this month:</b> £260k – Being the estimated annual cost of the SAVVIS server contract <b>Previously reported:</b>
Customer Service Centre	0	<b>New this month:</b> No variance reported <b>Previously reported:</b>
<b>Total ICT and Information Technology</b>	<b>0</b>	<b>Sub-Total</b>
Benefits, Council Tax and NNDR	0	<b>New this month:</b> No variance reported <b>Previously reported:</b>
Transactional Finance	(20)	<b>New this month:</b> Cost of agency cover offset by the value of vacancies. <b>Previously reported:</b>
Transactional HR and Payroll	0	<b>New this month:</b> No variance reported <b>Previously reported:</b>
Logistics Team	(25)	<b>New this month:</b> Being value of vacancies held until the end of 2011/12. <b>Previously reported:</b>
Strategic Management	0	<b>New this month:</b> <b>Previously reported:</b> £334K overspend due to budget error
	<b>215</b>	<b>Total Variance</b>

## Chief Executive's

Service Area	Total Variance £'000	Explanation
<b>Service Area</b>	<b>Total Variance £'000</b>	<b>Explanation</b>
Chief Executive's Office	0	<b>New This month:</b> No Variance reported this month. <b>Previously Reported:</b>
Communications	0	<b>New This month:</b> No Variance reported this month. <b>Previously Reported:</b>
<b>Policy</b>	<b>0</b>	<b>New This month:</b> No Variance reported this month. <b>Previously Reported:</b>
<b>Total Variance</b>	<b>0</b>	

## Appendix A (Cont.)

Directorate:	Resources and Regeneration	Period - 03	June 2011
<b>Main Variances</b>			
Service Area	£'000	Explanation	
Management Unit	(405)	Additional vacancy savings of £15k (£135k year to date) have been identified in the period.	
Finance and Audit	(89)	Additional savings of £4k have been identified in the period mainly in respect of employee costs.	
Professional Services & monitoring officer	34	Year end forecast has improved by £28k as Childcare services have been re-examined and process changes will bring expenditure back to the budget level. Additional savings to balance the budget are being sought.	
Transport & Planning	55	<p>Overspend has reduced by £46k this period due mainly to Land Registry charges, £32k cost reduction and other minor savings, £14k.</p> <p>Miscellaneous properties managed by property services are being surveyed in August / September 2011 to determine likely refurbishment costs as part of an asset management options appraisal on future usage.</p>	
Strategic Housing	44	<p>Additional savings of £49k have been identified in the period mainly in respect of employee costs in the homelessness area. External contracts for resettlement activities have been cancelled with necessary actions to be undertaken by staff.</p> <p>Additional savings are being sought in the Temporary accommodation budget to offset the current over spend.</p>	
Environmental Services & Quality	27	Waste management cost projection has decreased by £13k in the period reflecting increased usage of the waste to energy plant. Minor savings of £14k mainly in employee costs have also been identified.	
Property Services	94	<p>All budgets continue to be examined to ensure revised expenditure targets are met. Minor savings in facilities costs of £11k have been identified in the period.</p> <p>Discussions with contractors have identified a potential £97k pressure from a backlog in invoicing which is currently being investigated.</p>	
<b>Total</b>	<b>(240)</b>	<b>Forecast Variance</b>	

Directorate:

Resources & Regeneration –  
Housing Revenue Account

Period - 03

June 2011

**Main Variances**

Variance    Explanation  
£'000

Service Area	Change £'000	Explanation
	<b>87</b>	<b>Variance reported last month</b>
Income	(25)	De minimus sales
Repairs & Maintenance	(85)	Planned maintenance slippage
Supervision & Management	(50)	Employee cost savings from Transformation activity
Special Services		
Housing Subsidy		
Depreciation & Impairment of Fixed Assets		
Increase/Decrease in Provision for Doubtful Debts	30	Former Tenant Arrears increase
Capital Charges		
Revenue contribution to the Capital programme		
	<b>(43)</b>	<b>Total Variance</b>

**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Overview & Scrutiny Committee **DATE:** 13<sup>th</sup> September 2011  
**CONTACT OFFICER:** Neil Aves: Asst. Director Housing Services  
**(For all enquiries)** (01753) 875527  
**WARD(S):** All

**PART I**  
**FOR COMMENT AND CONSIDERATION**

**HOUSING REVENUE ACCOUNT – PREPARATIONS FOR SELF FINANCING**

**1 Purpose of Report**

This report advises members of the Government's proposals regarding changes to the national HRA subsidy arrangements, the system by which all local authority operated housing services are funded and details the preparations that are underway to be ready for the changes when they are introduced in April 2012.

**2 Recommendation(s)/Proposed Action**

The Committee is requested to note and comment on the proposals for HRA 'self financing and the council's preparations to respond accordingly.

**3 Community Strategy Priorities–**

- **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**

By adopting a prudent medium term financial strategy for the Housing Revenue Account the Council will create a business plan which sustains council housing for the foreseeable future. By reducing expenditure, delivering savings through service efficiencies and reinvesting in areas of concern for tenants, residents and members alike, the Council's housing services can contribute to each of the community strategy priorities.

**4 Other Implications**

(a) Financial

Agreed actions to provide a revised 30 year business plan for the Housing Revenue Account including the Capital programme are in progress.

All Housing stock information has been refreshed and agreed to the Housing system (Capita) and the Fixed Asset Register in finance.

First stage information for Self Financing was provided to the Department of Communities and Local Government in August 2011 and this highlighted the latest

projections for all dwellings in management. Approved demolitions associated with the Britwell Regeneration project have been included in this information to ensure the new borrowing requirement (based on rent generated) is reduced accordingly.

This borrowing is estimated to be in the region of £125 million to £127 million which will be confirmed when the base data submission is audited and agreed. A revised borrowing limit for the HRA will also be agreed and this is likely to be in the region of £166 million to £168 million

#### (b) Risk Management

The Government proposals will be backed up in statute and as such there is no discretion whether to opt in or out of the self financing project. Clearly taking on an additional debt is not without significant risk but this will be mitigated by the following actions

- Updating the stock condition survey to accurately assess future repairing and improvement obligations
- Re-basing all operational budgets within the service and ensuring that we know the accurate cost of operating the service.
- Reformatting a realistic 30 year HRA business plan.
- Engaging capital finance and treasury advisors to secure the funding on the most advantageous interest rate terms.

#### (c) Human Rights Act and Other Legal Implications

There are no legal or human rights implications to this report.

#### (d) Race Relations Amendments Act Implications

This report relates to all tenants and leaseholders occupying current or former council homes. Rent fees and charges are set in accordance with government guidance and relate closely to each persons individual circumstances and usage. Where individuals are of limited means benefit advice, debt and welfare counselling is available and accordingly the proposal will not disproportionately affect any section of the community as defined under the above legislation.

## **5 Supporting Information**

### **Background**

- 5.1 In February 2010 the then Government released proposals to reform the Housing Revenue Account (HRA) subsidy system by replacing a complex and inefficient method of collection and redistribution of council house rents with a new arrangement through which each housing authority would be given greater autonomy and 'self determination' in terms of funding and operating its housing service.
- 5.2 Under the current system, major financial decisions about council housing management are made by central Government through the annual subsidy determination which sets out the level of any rent increase and the amount of funds to be made available both to operate the service and to invest in the bricks and mortar. This has generally made it difficult for councils to plan for the long term and there is comparatively little control in the hands of councils about what and how services are delivered or how they are linked directly to local needs or the wishes of tenants.

- 5.3 An example of this is that as recently as 2008, average rents increased by 6.22% while funding to operate the service actually reduced in real terms, compared to 2009 when rents increased by 3.1% but funding increased by 6%. As this information is not released until December each year it then gives managers less than 6 weeks to consult, budget and plan for delivering services in the coming year.
- 5.4 Fortunately, this Government has carried forward the commitment to replace the current system with a new arrangement that will enable councils to keep all the money they receive from rent and use it to maintain their homes. This means that council housing will be focused on what is needed locally and councils can make best use of their housing resources.

### **The present system**

- 5.5 Under the current system, the Government calculates the spending needs of each local authority and compares it with their rental income. If a council's rental income falls short of its spending needs, the Government provides subsidy to make up the shortfall. If a council's rental income exceeds its spending needs, the excess is fed back into the subsidy system to help provide for those councils requiring subsidy. In the case of Slough this has meant that in a typical year, with an average rent of £80 per week, as much as £20 per week or £1,150 per property, per year has left the borough and returned to government coffers. As the size of our stock fluctuates and as mentioned above, the calculation varies annually this means that anything between £6,000,000 and £7,500,000 is removed from the rental income before officers can plan how to fund and operate the service. To complicate this further, in recent years the funding hasn't even remained within the national housing sector and the surplus of almost one billion pounds has been used to fund other areas of expenditure; this is increasingly the case as costs have been assumed to be fixed while rental income is assumed to increase above inflation each year.

### **The proposed system**

- 5.6 The objectives of self-financing are to make the system more flexible and fair, giving councils the power to make the best use of their housing stock, in a way which best meets the needs of individual households in their local area and to enable tenants and local taxpayers to hold their landlord to account for the cost and quality of their housing.
- 5.7 The new Localism Bill contains provisions that will bring in the new self-financing system and abolish the current annual system from April 2012. Self-financing will affect the housing revenue account of the 171 councils who have council housing stock, but will not impact on their general finances funding other services, or on other non stock owning councils or housing associations.
- 5.8 Implementing self-financing will involve a reallocation of the national housing debt based upon whether the valuation of each council's housing business is higher than their existing debt. Where the value is higher than the level of debt, the council will pay the difference to central government, where it is lower, central government will pay the difference to the council. In the case of Slough, it is the former and the value of our stock and business is significantly greater than the current debt and the Council will be asked to take on £125 million to £127 million additional debt. For simplicity this can be thought of as re-mortgaging the stock and paying the released funds over to central government. So, in return for keeping all the future rent that we

collect, the service will have to budget to maintain the 'monthly mortgage repayments' until the debt is entirely paid off in something like 15 to 20 years.

- 5.9 The Government in announcing the proposals has confirmed that councils will only be asked to take on extra debt to the level that their council housing will generate sufficient income to meet it after costs are met. The debt will not impact on what is delivered to tenants and leaseholders
- 5.10 In order to ensure that they do not get into any more debt than can be afforded, at least initially, councils will be given a limit to how much more money they can borrow (a borrowing cap).
- 5.11 The Treasury have announced that the payment to Government of 75 per cent of the net receipt from Right-to-buy sales will continue and that council's will still keep 25 per cent of the receipt. Although it could be argued that this still represents money that is leaking from the system, the Department for Communities and Local Government has reduced the level of debt that local authorities will take on under self-financing as compensation for the likely loss of rental income from Right to buy sales (based on historic sales patterns).
- 5.12 Tenants and leaseholders will benefit because self-financing provides the opportunity for business planning to be guided by local priorities, rather than central government rules. There will be direct benefits because councils will have more money to spend on council houses and the business planning process should provide a clear connection between the rents charged locally and the service provided. Councils will be required to publish annual, transparent information on charges and costs.

#### **How the borrowing is financed**

- 5.13 As this proposal still represents a fairly new concept, the finance markets are only now beginning to publicise and devise new methods of borrowing such significant sums of money. There is of course the traditional source of funding, the Public Works Loans Board however the Council's treasury advisers will continue to investigate the benefits of a mixed portfolio of short, medium and long term borrowing which can deliver savings in the interest rate charged. While the savings may only be a matter of 0.1%, over a 25 year funding cycle this could reduce interest payments by up to £16,000,000. Members will therefore see just how crucial it will be to secure accurate treasury and investment advice to ensure that tenants rent is spent on providing a service rather than on high interest payments.

#### **Work undertaken in preparation for self financing**

- 5.14 To ensure that the service and the borrowing is sustainable over a 30 year period the council will need to prepare an entirely new HRA business plan within which all the relevant assumptions can be modelled. This would include, rental income annual rental increases, void loss, operational costs, reduction in stock through Right to Buy and ongoing cyclical maintenance costs.
- 5.15 It is coincidental but fortunate that we have just completed a full restructure of the housing management service and consequently can accurately project the actual operating costs in terms of staffing, resources and accommodation costs and of course have already improved efficiency by reducing expenditure in the region of £400,000 per year by returning to in-house service provision.



- 5.16 As we are now approaching the end of the Decent Homes programme a significant level of capital investment has already be spent on upgrading our housing stock but additionally this has given the council a detailed and accurate knowledge of the stock condition and by using our advisors from Savills we will be able to make accurate projections over the short, medium and longer term to project the level of investment needed to maintain the stock at its newly acquired higher standard.
- 5.17 As these preparations continue over the next quarter, further reports will be brought to both Scrutiny and cabinet to reassure members that the necessary plans are in plan to ensure the future viability of the housing service and the sustainability of the HRA Business Plan.

### **HRA Ring-fence**

- 5.18 The Housing Revenue Account ring-fence ensures that money raised from tenants' rents is not used to cross-subsidise the General Fund and similarly that council tax is not used to cross-subsidise council housing. This ring-fence will continue after the introduction of self financing

## **6 Comments of Other Committees**

A version of this report will be presented to the Housing Customer Senate to begin the communication and engagement strategy with tenants and leaseholders and an abridged and simplified version will be incorporated into the bi-monthly Housing Newsletter to reassure tenants and leaseholders that the proposed changes do not affect any of their statutory rights as council tenants.

## **7 Conclusion**

Changes to the way that Government funds council housing will, for the first time allow the service to plan over the longer period rather than on a year by year basis. This in itself will produce economies and efficiencies but the extra transparency and linking between the rent collected and the service provided will ensure that tenants have greater ability to hold councils to account for the management of the stock. Taking on an additional £100,000,000+ of debt is daunting, however with sound management and business planning these proposals will herald a brighter future for tenants, leaseholders, councils and their housing stock

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**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Overview and Scrutiny Committee **DATE:** 13<sup>th</sup> September 2011

**CONTACT OFFICER:** John Rice, Interim Assistant Director, Environment & Regeneration

**(For all enquiries)** (01753) 875239

**WARD(S):** All

**PART 1**  
**FOR COMMENT AND CONSIDERATION**

**HEART OF SLOUGH SCHEME – UPDATE REPORT**

**1 Purpose of Report**

At its meeting on the 17<sup>th</sup> July the Committee requested an update of the Heart of Slough Project including information on the Compulsory Purchase Orders. This report provides that update.

**2. Recommendation(s)/Proposed Action**

The Committee is requested to note and comment on the report.

**3. Community Strategy Priorities**

The Heart of Slough Project will support through the constructions of buildings or the provision of services and activities the following:-

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

**4. Other Implications**

Financial

- 4.1 The report to Cabinet on 7<sup>th</sup> December 2009 (Agenda Item 8) set out the Heart of Slough budget requirement for the financial years 2009/10 to 2012/13. This included provision for potential acquisition and compulsory purchase of sites required for the implementation of the Heart of Slough regeneration.

Human Rights Act and Other Legal Implications

- 4.2 If agreement cannot be reached as to the acquisition of land required, the use of our powers for compulsory purchase will interfere with the rights of the landowners

affected by the CPO. Those rights are protected by the European Convention on Human Rights and section 6 of the Human Rights Act 1998 prohibits the Council, and all public authorities, from acting in a way that is incompatible with the European Convention on Human Rights. Those rights were considered by Cabinet on 24<sup>th</sup> January 2011. At the same time Cabinet considered the implications of compensation payable and the service of blight notices should the CPO be confirmed.

### Staffing Implications

4.3 There are no staffing implications arising from this report.

## **5. Background/Supporting Information**

### **5.1 Heart of Slough Project – progress précis**

The Heart of Slough regeneration project provides for the regeneration of the town centre and involves the four sites surrounding the Wellington Street/William Street roundabout. They are:

- Quadrant 1 - Brunel Bus Station and surrounding area. The old Bus Station and car park is now being demolished and the new Bus Station is fully operational since the 28<sup>th</sup> May 2011. The lease for the Café has been completed and it is anticipated the lease for the Newsagents will complete by the end of August 2011
- Quadrant 2 - The Curve. This is to be the site for the new library and cultural centre. The site is currently the subject of a Compulsory Purchase Order – see below. The purchase of the land owned by Criterion was completed on the 2<sup>nd</sup> August by agreement, thereby avoiding the need to compulsorily purchase the land.
- Quadrant 3 - The Existing Library – The site has been acquired by the Homes & Communities Agency (HCA) for the development of a hotel and offices. Site leased back to the Council for continued use of the library.
- Quadrant 4 - University of West London (formerly Thames Valley University). The HCA, as part of the funding provided for the infrastructure part of the project require the construction of 1,200 dwellings. Work has commenced for the development of the outline planning application for the proposed use of the site.

5.2 The four sites are drawn together by the major road improvements and infrastructure works. These works include the removal of the roundabout and removal of the subways at the junction of Wellington Street and Windsor Road, Stoke Road. These works are progressing satisfactorily and it is anticipated that the new crossroads, to replace the main William Street roundabout, will be operational from the 10<sup>th</sup> October 2011.

5.3 **Compulsory Purchase Orders** - The Compulsory Purchase Order (CPO) for land and rights required for the proposed site of The Curve was made on the 29<sup>th</sup> June 2011, and the Notices of the making of the Order served on the relevant parties on the 29<sup>th</sup> June 2011. To be operational the Secretary of State (DCLG) must authorise confirmation of the Order.

- 5.4 The Notice invited objections to be made to the Secretary of State by the 29<sup>th</sup> July 2011 and any queries to be addressed to Slough Borough Council by the same date.
- 5.5 The Secretary of State had 5 weeks from the 29<sup>th</sup> July to notify the Council of any objections received and the date of notification is the “relevant date”. At that time we will be served with a schedule showing the names and details of the objectors, if any, and the details of the objection. The Council then has the opportunity to negotiate with any objectors with the intent of persuading them to withdraw their objection.
- 5.6 The Council then has 6 weeks from the relevant date to serve a Statement of Case on the Minister and remaining objectors. This sets out full particulars of the case to be put forward at the inquiry and justifies the reasons for making the CPO and respond to the individual objections. Following this period the Council can further attempt to negotiate with any remaining objectors with the intent that any such objections will be withdrawn.
- 5.7 If the Council cannot secure the withdrawal of all remaining objections there will either be a public local inquiry or, providing all remaining objectors agree to its use, the written representations procedure will be used.
- 5.8 If a full public local inquiry is held all parties must be given at least 42 days notice of the date, time and place of the inquiry, and this should normally be within 22 weeks of the relevant date. Using either the written representations procedure or public inquiry, the Secretary of State will determine the CPO.
- 5.9 The Council has received many inquiries concerning the CPO, and most of these have been dealt with satisfactorily. However, some inquirers have requested specific details of the proposed siting of the hoardings, cranes etc. As this information is not currently available some of the inquirers have said they will register their inquiry as an objection pending the receipt of satisfactory information.
- 5.10 From the above the longest time frame for the Minister to confirm, modify or refuse CPO is 27 weeks from the 29<sup>th</sup> July 2011, so being 3<sup>rd</sup> February 2012.

## **6. Conclusion**

The Committee is requested to note the above.

## **7. Background Papers**

1. Copy of the CPO of 29<sup>th</sup> June 2011.

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**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Overview & Scrutiny Committee      **DATE:** 13<sup>th</sup> September, 2011

**CONTACT OFFICER:** Kevin Gordon, Assistant Director Professional Services  
**(For all enquiries)** (01753) 875213

**WARD(S):** All

**PART I**  
**FOR COMMENT AND CONSIDERATION**

**ARRANGEMENTS FOR TEMPORARY WORKERS**

**1 Purpose of Report**

This report sets out the arrangements the council has in place for the use of temporary staff. The arrangements include the process for approval and the framework for decision making, including the advantages and disadvantages of the different categories of temporary workers. The report also discusses the controls the council is developing to ensure accurate and relevant management information on temporary staff is available.

Changes to the status of some categories of temporary staff takes place in October 2011, with the introduction of the Agency Working Time regulations. A background briefing outlining these developments is appended to this report.

**2 Recommendation(s)/Proposed Action**

- 2.1 That Overview & Scrutiny committee are requested to note the report.
- 2.2 That Overview & Scrutiny committee note the tight financial and approval framework that supports the decision making on use of temporary workers.
- 2.3 That overview and scrutiny note the business rationale that sits behind decision to deploy interims, contractor and temporary staff and how this supports the council to meet is overall objectives

**3 Community Strategy Priorities**

- 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

- 3.1 A flexible and responsiveness workforce is key in achieving the council's community strategy priorities. In relation to 'Prosperity for All' the council as a large employer in the town provides job opportunities to local residents. In addition to permanent opportunities, many residents take advantage of the flexible opportunities afforded by agency and temporary contracts. As part of the arrangements to ensure good access to employment opportunities for slough residents, the council has ensured that the employment agency supplier of staff is based within the Town.

4 **Other Implications**

(a) Financial

Decisions on how budgets for staffing are spent are delegated to cost centre managers throughout the organisation. As part of the approval framework for temporary staff, managers are required to obtain authorisation from the councils finance team. This authorisation ensures that sufficient funds are available and temporary staff costs are within the normal budget envelope for a particular service area. The case study below provides an example which shows how the employment of a flexible staff member for a limited period resulted in a saving to the council, when compared to a full time permanent employee. This case study does not include the additional recruitment costs that also apply to a permanent post.

Case Study short term employment of a Senior Administration Officer					
A team in the council needs to appoint a senior administration officer for 4 months to deal with an increase in workload.					
The annual costs for a permanent or fixed term staff member are					
	<b>GROSS PAY</b>	<b>ER's NAT INS</b>	<b>ER's SUPER</b>	<b>F.T.E.</b>	<b>Cost of Employee 2011/12</b>
	25,500	1,770	3,900	1.00	31,170
Agency Hourly costs for this grade of staff is approx £17.20 an hour weekly cost £636 and an Annual Cost of £29,274. This is annual saving of £1896.					

Contractors are engaged to help the council overcome particular problems or obstacles. Specialist contractors bring particular skills and knowledge, not normally found within the workforce. Use of these contractors can lead to significant savings as their skills and knowledge help drive out inefficiencies. The case study below provides an example of this in practice.

Case Study – Specialist Contractor for the Development of an ICT Strategy and Savings Plan
A specialist contractor was engaged for a limited period of 15 days to undertake a review of the arrangements for ICT across the council. Based upon his knowledge and expertise the contractor made a series of recommendations and changes that enabled the council to make savings of over £200,000 . The cost to the council of employing the contractor was £10,500, which when put alongside the savings the contractor was able to achieve, resulted in an overall return on investment ratio of 1 to 19



(b) Risk Management

The ability to deploy staff resources flexibly to meet service peaks and demands is a key element of the council overall approach to managing risk. Some areas of the council for example Children’s Social Care face national recruitment shortages and high risk to children and families if work is not covered by qualified staff. Use of temporary staff is one of the ways in which the council manages risks such as these.

(c) Human Rights Act and Other Legal Implications

The new working time regulations act strengthens the rights of agency worker.

(d) Equalities Impact Assessment

None

(e) Workforce

The subject of this report is a workforce matter.

**5 Supporting Information**

5.1 The council’s use of temporary workers falls into three categories or definitions; contractors, interims and temporary agency staff. The table below describes the categories and the advantages and disadvantages:

Category	Advantages	Disadvantages
Contractor Specialist input, usually fixed term and cost. Often short term based on a day rate (e.g. total costs £3250 = 10 days @ £320	Brings specialists skills that can help unlock efficiencies or bring substantial improvements to the organisation.	Care must be taken to ensure skills and knowledge transfer to existing staff and that the service is does not become reliant on the contractor.
Interim – Temporary Appointment to cover a gap due to vacancy , ill health etc of a Senior SML graded post	Responsiveness - ensures key senior management roles are overseen, thereby reducing risk.  Interims at this level are usually very experienced and worked at a number of different authorities. Similar to Contractors this experience often leads to services improvements and efficiencies.	Perception that people in these roles may not have a long term commitment to the organisation
Temp / Agency - Again to cover an established post for ill health or maternity, often at lower than management levels or as a means of securing short term additional capacity to cover short term increases in demand.	Provides flexibility, which enables the council to adapt to changes in its role and function.  Cost effective	

5.2 The major advantage to the council comes when temps, contractors and interims are deployed strategically to assist in implementing change. Reduction or in some cases an increase in the workforce may arise as a result of new or changing legislation or policy. Two current examples of this are the anticipated changes to the council workforce as a result of the proposed changes to benefits administration

and schools finance. Using interims, contractors or temps to cover vacancies in the teams currently supporting these areas of work, has the potential to save on future redundancy costs and improve the chances of finding redeployment in other council areas for the existing permanent staff.

- 5.3 To aid the council in understanding the make up and spending on the different categories. The councils HR team has developed a central monitoring system that brings together information from the main agency contractor per temps, together with information from managers and the approval process.
- 5.4 The central monitoring system will provide managers with an aggregate view of temporary staff deployment in their team/division/department. Management information generated by this system will include average cost and highest cost to enable value for money comparisons to be made. Information on assignment length, authorisation and contractual controls will also help manager make wider workforce decisions and judgment and ensure compliance with council procedures.

## 6 **Comments of Other Committees**

None.

## 7 **Appendices Attached**

'1' - Briefing Note - Agency Workers Regulations

## **Briefing Note - Agency Workers Regulations**

### **Purpose of the Briefing Paper**

The aim of this paper is help managers to understand the Agency Workers Regulations and the implications and responsibilities for both managers and Pertemps.

It has been produced in a questions and answer style.

### **1. When do the Regulations come into force?**

The Regulations come into force on 1 October 2011. However, time spent working before an assignment before that date does not count for the purpose of counting the 12-week qualifying period.

### **2. What types of workers do the Regulations apply to?**

The Regulations apply to the type of worker often referred to as 'agency temps', being workers who are placed to work at SBC through Pertemps (often called 'master vendor').

The Regulations do not apply to self-employed contractors or those employed on a service contract managed by a party other than SBC. However, they do apply to workers contracted to an "umbrella company". This means workers who work thorough a service company, but who are not genuinely self employed.

### **3. Will the Regulations change the employment status of agency workers?**

No. The Regulations will not change the status of temporary agency workers and will not make them employees.

### **4. Will the Regulations give employees any rights?**

No. The Regulations will not give employees any rights and therefore if an agency worker is paid more than a comparable employee, the Regulations will not give the employee the right to be paid more.

### **5. What rights will the Regulations give agency workers?**

The Regulations will give agency workers the right to equal treatment in terms of "basic working and employment conditions", as if they had been employed directly by SBC to do the same job. In many cases this will mean that agency workers will be entitled to the same rate of pay as a comparable employee, but they are not entitled to get to all of the terms and benefits that the comparable employee gets. For details of what the entitlements are see 6 below.

Importantly, many of the rights are subject to the worker working for SBC for 12 weeks or more.

### **6. What does equal treatment include?**

The Regulations will require equal treatment in respect of the 'relevant terms and conditions' ordinarily incorporated into the contracts of those working at SBC. This means the relevant terms and conditions in collective agreements, relevant pay scales and terms generally included in employees' contracts of employment.

'Relevant terms and conditions' are defined as:

- pay
- the duration of working time
- night work
- rest periods
- rest breaks
- annual leave.

However these rights are subject to a 12-week qualifying period (see 9 below).

The Regulations also provide for equal treatment from day one in terms of access to vacancies and collective facilities. For further details see 10 below.

### **7. How will pay and holiday be calculated?**

In the Regulations, 'pay' means basic pay, plus any fee, bonus, commission, or other payment directly referable to the employment, such as overtime or unsocial hours payments.

The holiday entitlement includes any entitlement above the statutory minimum requirement of 28 days per annum including bank holidays, which in most cases will mean the relevant contractual entitlement applicable to SBC's employees. The Regulations allow payment to be made in lieu of holiday entitlement above the statutory minimum either as part of the daily/hourly rate or at the end of the assignment.

### **8. Does equal treatment include occupational pensions, sick pay, maternity pay and similar payments**

No. The definition of pay in the Regulations excludes:

- occupational pensions
- occupational sick pay
- maternity, paternity or adoption leave pay
- redundancy pay

### **9. How will the 12-week qualifying period be calculated?**

Any period of work (full or part-time) carried out by the agency worker for SBC in a calendar week will make that week count towards the 12-week qualifying period.

For the purposes of calculating the qualifying period, continuity will normally be broken by a break of six weeks between assignments in the same job, or when an agency worker takes up a new role with SBC where the whole or main part of the duties in the new role are substantially different from the whole or main part of the duties in the old role. Department for Business, Innovation & Skills are currently producing guidance on what "substantially different" means and these will be published shortly.

However breaks between assignments due to a number of specified reasons, such as sickness (of up to 28 weeks), jury service or pre-determined closure periods (e.g. school closures during holidays) will not break the qualifying period. Instead

the 'clock is paused'. For example, if a worker works for 11 weeks in a school, and the school closes for six weeks, when the agency worker returns their first week back will be week 12 for the purposes of the qualifying period.

The situation is different in the case of absence related to pregnancy, childbirth or maternity during the "protected period", and for pregnancy, maternity, paternity or adoption leave. In such cases the worker is for the purposes of calculating the 12-week period deemed to continue working in their role for the original intended length of the assignment, or likely duration of the assignment, whichever is longer. The "protected period" starts at the beginning of the pregnancy and ends at the end of the 26th week from childbirth, or when the worker returns to work, if earlier.

#### **10. Will the 12-week qualifying period be broken if the agency worker is placed with SBC for a second assignment, but through a different agency?**

No, not unless the gap between assignments is six weeks or more or the new role is a substantially different to the first one. This is because the 12-week qualifying period is calculated by reference to service with SBC, irrespective of which agency places the worker.

Because of this, we will be putting in place procedures with Pertemps and agency workers to check whether the worker has worked for us in a previous assignment.

#### **11. What about access to job vacancies and collective facilities and amenities?**

Access to these is a 'day one' right and is not subject to the 12-week qualifying period.

The right to access to job vacancies means the right to be informed of relevant vacancies at SBC. In practice this means that agency workers should be provided with the same vacancy lists that comparable employees receive. Agency workers will be entitled to the same access as comparable employees receive to internal vacancies. However, SBC can still operate 'closed' processes in redeployment situations where there is a headcount freeze and consequently there are not any vacant posts.

Collective facilities include canteens, childcare facilities and transport services, and unless objectively justified, agency workers must be given the same access to those facilities as other comparable workers (not just employees) receive. BIS guidance will provide further information on what benefits may fall into the category of collective facilities and on the issue of objective justification. However, it is anticipated that transport services would not include season ticket loans and company cars, and the objective justification defence would apply where the overall terms of the agency worker's package were the same as the comparable employee's contract of employment.

#### **12. What protection will the Regulations provide for pregnant and new mother agency workers?**

Pregnant agency workers who have met the 12-week qualifying period are entitled to take paid time off for ante-natal appointments. The agency is primarily responsible for providing this right, and for paying the worker for the time off. However, SBC should ensure that practical arrangements are put in place so that the worker is able to take the time off.

We, as now, will be required to carry out risk assessment for pregnant workers, and where a risk is identified make reasonable adjustments to remove the risk. Where that is not possible, under the Regulations the agency will be responsible for offering alternative work, and where that is not possible, for paying the worker for the remainder of the assignment for any period that she cannot work due to the health and safety risk.

There is no obligation on SBC to keep a role open for an agency worker who is on maternity leave.

### **13. How do I work out what an agency worker will be entitled to?**

The right is to equal treatment in respect of basic working terms and conditions as if the agency worker had been employed directly to do the same job (see question 6 above). Although in some cases that could mean a relatively speculative assessment of what those terms would be, the Regulations provide that equal treatment is deemed to have been provided where the worker receives the same relevant terms and conditions as a comparable employee working for SBC.

As we employ a large number of people in a variety of roles, in most cases it should be relatively straightforward to identify a comparable employee. Where incremental pay and benefit scales are in place, the default position should be that the agency worker is paid at the bottom of that pay scale, as a new employee would be. It is anticipated that the BIS guidance on the Regulations will provide further information on this issue.

### **14. Who will be responsible for providing equal treatment?**

Responsibility for ensuring equal treatment for most of the rights will primarily be with the employment agency. However, an agency will be able to defend a claim and SBC will become liable if the agency can show that it took "reasonable steps" to obtain the necessary information from us to determine the agency workers' basic working and employment conditions. Therefore, SBC will have to ensure that we set up systems for providing Pertemps with appropriate information on the terms and conditions that are in place in our authority.

### **15. How will the Regulations be enforced and what are the liabilities for non-compliance?**

An agency worker will be able to bring a claim in the employment tribunals to enforce their rights under the Regulations, against the agency and/or SBC. Compensation for a breach will be calculated by tribunals on a "just and equitable" basis, with no upper limit on awards. Liability for the award between the agency and SBC will be determined by the employment tribunal, according to the extent to which it finds the agency and/or SBC liable for the breach.

### **16. How will agency workers be able to find out whether they are receiving their rights?**

After meeting the 12-week qualifying period, an agency worker can ask their agency for relevant information about the basic terms and working conditions at SBC. If the agency fails to provide the information within 28 days of the request (or the request is about access to collective facilities) the agency worker may make the request direct to SBC, who then has 28 days to respond.

Where the agency and/or SBC fails without reasonable excuse to respond or the response is late, evasive or equivocal, then in any employment tribunal proceedings that may follow, the tribunal can draw an inference from the failure or delay etc.

### **17. Will the Regulations mean an increase in the cost of agency workers who work in assignments for more than 12 weeks?**

This will depend on whether the agency workers in question are paid less than a comparable employee. Where the agency worker is paid more, then the costs impact of the Regulations will not be substantial, although there will still in most cases be an increase in non-pay entitlements, such as holiday. Where an agency worker is paid less, the increase in costs will be more substantial, although there will still be savings in respect of pension and in some cases sick pay.

### **18. What does SBC need to do to prepare for implementation of the Regulations?**

Although the implementation date of 1 October 2011 may seem a long way off, it is important for SBC to work out now what the potential impact of the Regulations will be on our authority.

We are carrying out an assessment of our agency worker use, looking at factors such as the normal length of assignments to see how often the 12-week qualifying period will be met. We will also need to review our agency workers' roles to see if there are comparable employee posts, and work out whether the agency worker is paid a lower rate than the comparable employee, taking into account not only basic pay but other payments such as overtime.

Having done this exercise, it may be that any increase in costs arising from the Regulations may be less than anticipated, as in certain cases agency workers are paid more than comparable employees.

We are also agreeing with Pertemps systems that can be set up for providing agencies with the appropriate information on terms and conditions that are in place in the authority, so that workers' entitlements can be met. Also looking at agreeing processes for checking whether a worker has or will soon meet the 12-week qualifying period.

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**OVERVIEW AND SCRUTINY COMMITTEE**  
**WORK PROGRAMME 2011/2012**

Agenda Items	Final deadline for Reports (Provisional)	Agenda Despatch (Provisional *)	Date of Meeting
<ul style="list-style-type: none"> <li>• Performance and Financial Reporting 2011/12 (JE)</li> <li>• CCTV-Future provision</li> <li>• Accommodation Strategy (JE)</li> <li>• Equalities – Implementation of the Equalities Act (Noreen Mian)</li> <li>• Transactional Services-Update (PH)</li> <li>• Sustainable Community Strategy</li> <li>• Localism Bill and Big Society (Tracy Luck)</li> </ul>	<p>Wednesday 28<sup>th</sup> September 2011</p>	<p>Friday 30<sup>th</sup> September 2011</p>	<p>Tuesday 11<sup>th</sup> October 2011</p>
<ul style="list-style-type: none"> <li>• Performance and financial Reporting 2011/12 (JE)</li> <li>• Changes in Procurement – current issues and future plans</li> <li>• Census 2011-Update</li> <li>• Policing and Social Responsibility Bill (NM)</li> </ul>	<p>Wednesday 2<sup>nd</sup> November 2011</p>	<p>Friday 4<sup>th</sup> November 2011</p>	<p>Tuesday 15<sup>th</sup> November 2011</p>
<ul style="list-style-type: none"> <li>• Partnerships – Governance and Performance</li> <li>• Asset Register - Disposals</li> <li>• Indices of Deprivation in Slough</li> <li>• Customer Services Update and the impact of the budget on MyCouncil (RP)</li> </ul>	<p>Wednesday 23<sup>rd</sup> November 2011</p>	<p>Friday 25<sup>th</sup> November 2011</p>	<p>Tuesday 6<sup>th</sup> December 2011</p>
<ul style="list-style-type: none"> <li>• Heart of Slough-Update</li> <li>• Effect of Economic Downturn on Slough</li> <li>• Post-Implementation Review of Art @ the Centre Scheme (G Ralphs/R Kirkham)</li> </ul>	<p>Wednesday 4<sup>th</sup> January 2012</p>	<p>Friday 6<sup>th</sup> January 2012</p>	<p>Tuesday 17<sup>th</sup> January 2012</p>

<ul style="list-style-type: none"> <li>Budget</li> </ul>	Friday 20 <sup>th</sup> January 2012	Tuesday 24 <sup>th</sup> January 2012	Thursday 2 <sup>nd</sup> February 2012	
<ul style="list-style-type: none"> <li>Chief Constable Visit</li> <li>Annual Scrutiny Report</li> </ul>	Wednesday 22 <sup>nd</sup> February 2012	Friday 24 <sup>th</sup> February 2012	Tuesday 6 <sup>th</sup> March 2012	
	Wednesday 28 <sup>th</sup> March 2012	Friday 30 <sup>th</sup> March 2012	Tuesday 10 <sup>th</sup> April 2012	
Unprogrammed items:–				
<ul style="list-style-type: none"> <li></li> </ul>				

**MEMBERS' ATTENDANCE RECORD**  
**OVERVIEW AND SCRUTINY COMMITTEE**

<b>COUNCILLOR</b>	<b>07/06</b>	<b>12/07</b>	<b>13/09</b>	<b>11/10</b>	<b>15/11</b>	<b>06/12</b>	<b>17/01</b>	<b>02/02</b>	<b>06/03</b>	<b>10/04</b>
Basharat	P	P								
Davis	P	P								
Haines	P	P								
Mann	P	P								
Minas	P	P								
Munawar	P	Ap								
O'Connor	P	P								
Plenty	P	P*								
Smith	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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