

Appendix C

Summary Variance Analysis

For the Period Ended: 31st July 2010

Community & Wellbeing

Service Area	Total Variance £'000	Explanation
Community Services and Adult Social Care	+182	New This month: The CS&ASC division has an adverse movement of £142k in this period. Contributing factors have been an increase in pressure on external care packages, with the loss of Continuing Health Care (category 2) funding from the PCT equating to £83k. There has been an increase of 15 new clients in receipt of Direct Payments accounting for £28k. Increases in client activity within the Internal Home Care Service have cost £35k. Suspended recruitment plans in the CSWT have saved £42k, offset by £28k additional agency costs for the Head of LD and SVA posts. Additional income from the PCT for an OT post saves £14k. Also, additional meals income within OP Day Centres saves £5k. Other minor staffing variances within OP and LD save £10k. Previously Reported: +£40k. Last monitor reported movement in client spot placements and revisions to care packages, offset by a high placement cost leaver in MH.
Learning Skills and Cultural Engagement	-18	New This month: There is an increase in the projected under spend of £13k . This is primarily due to a net increase in lettings (£19k) within community services, offset by additional consultancy costs for a further month pending the appointment of a new member of staff (£7k). Previously Reported: -£5k due to the delayed appointment to the Skills for Life Manager post, offset by consultancy costs for the period to July 2010
Personalisation, Partnership and Commissioning	-1	New This month: Minor revisions to staffing forecasts cost £1k. Previously Reported: -£2k.
Central Management	-80	New This month: Robust contract negotiations with care providers to minimise inflationary increases for care fees has enabled a further £47k to be offset against other care placement pressures arising from changes in client levels and needs reported in ASC. Previously Reported: -£33k
Total Variance	83	

Education & Children's Services

Service Area	Total Variance £'000	Explanation
Children and Families	383	New This month: An increase in costs in Internal Foster settings of £82k is offset by savings in External Foster settings of £52k, comprising client movements between settings, placement extensions and leavers. Other savings from additional income from a placement extension at Mallards of £13k, a reduction in Adoption Allowances due to delays in adoption dates and a lower demand

		<p>for equipment for disabled children have saved £17k. Overall no change since last month.</p> <p>Previously reported: A gross pressure of £875k mainly due to rising client numbers, extensions to placements and changes in the 'type' of placement across Looked After settings had been offset by an under spend of £245k across other services including Adoption Allowances, Childcare Lawyers and the cost of Leaving Care. Savings were to be fully costed of broadly £300k (outlined below) were agreed by SMT resulting in a net overspend position of £330k. At CMT it was then agreed that this pressure could be contained within the departments overall cash limit. Subsequently additional variances arising are due to expenditure across Looked After settings of £33k, due to an increase in both external and internal placements and a further £29k in respect of increased demand within the Contact team offset by minor savings of £9k across various headings revised the overall position to a total overspend of £383k.</p> <p>Work to progress the delivery of £300k of savings mentioned above was identified as follows:</p> <ul style="list-style-type: none"> • Reduce foster care fees for Slough foster carers to a similar level to those paid by neighbouring authorities, saving £100k in 2010-11. This carries a risk that they may decide to work for an independent fostering agency, leaving the department with fewer in house placements and heavier reliance on more expensive independent fostering agency placements. The department is currently in consultation and negotiation with foster carers in early August. The full year effect of this saving in 2011-12 is expected to be £200k. • Reduce the number of social workers in Children and Families by 8 posts (5 agency and 3 establishment), saving £200k in 2010-11 with a full year saving of £400k in 2011-12. The risk is a higher level of caseloads than recommended by Laming, less service to most vulnerable children, and Ofsted inspection outcomes (announced inspection likely this autumn). Current work is under way to look at raising thresholds for children in need, referring parents to services available in the community (e.g. Parenting, Children's Centres), enhancing use of Sure Start services for younger age group.
Inclusion	-106	<p>Previously reported: Reduced client activity based upon need have been identified for children with disabilities saving £66k. The claw back of unspent direct payment allowances has saved £15k and the PCT funding 1 client's home care cost for the year saving £25k, previously expected from within SBC resources.</p>
Raising Achievement	-197	<p>Previously reported: The deletion of the Assistant Director post for Raising achievement from 1st October will save £54k (£108k in a full year). A saving of £100k on Youth Opportunity funding has been identified, mainly due to the removal of the ring fencing restriction and ability to offset against core expenditure. Innovative use of Sure start grant to offset officer time within the Early Years service has saved £95k and there has also been a staff saving of £14k within Services to Schools in respect of maternity leave. This has been offset by a net pressure of £66k within the School Improvement Service due to a shortfall in income generation.</p>

Strategic Support	-80	Previously reported: Reduced activity levels in accessing the Assessment Centre for the provision of education need assessment for children arriving from abroad will save £50k. A saving of £30k based on the current level of liability for teacher's premature retirement payments is expected.
Total Variance	0	

Green & Built Environment

Service Area	Total Variance £'000	Explanation
Resources & Bus Support	0	No variances reported
Env Services & Quality	0	New this month: Directors from both SBC and Slough Enterprise continue to negotiate the Environmental Services Contract, however, further meetings are not planned until September. Previously Reported: Pressure at present still exists with the Environmental Services Contract. Slough Enterprise has now agreed to lower the inflationary uplift from 4.8% to 3% although this is still to be formally agreed. This now results in a pressure of £206k. Negotiations are still ongoing with Slough Enterprise and invoices continue to be paid at last year's rate. This together with any other items to emerge during the financial year will be kept under constant review as part of the ongoing monitoring process and compensating savings found.
Public Protection	0	New this month: Work continues to identify savings from within the Public Protection service to offset the pressure created by the fall in organic import verification income. Previously Reported: A significant fall in the number of organic produce imports has resulted in a pressure of £36k against our income target for verifying these imports. Savings from Public Protection budgets are going to be sought to mitigate this pressure. A growth proposal for next year's budget in respect of this will be put forward.
Transport & Planning	0	New this month: No new variances reported. Previously Reported: Parking is experiencing some financial pressure due to new contract teething issues and increased competition from private car parks. An option appraisal is underway on the continued ownership of car parks and the parking service is working on containing this pressure within the next quarter.
Hsg Strategy & Renewal	0	New this month: Thames Water have recently identified that no waste water charge in respect of the Poyle Caravan Park has been made for a number of years. This has resulted in a 'one off' pressure of £9k although it is possible that an element of this cost can be passed on to the tenants. Any resultant balance will be absorbed within the services overall budget.
Total Variance	0	

Central Directorates

Service Area	Total Variance £'000	Explanation
Improvement & Development	(26)	New This month: A total of 15 vacancies across the department some backfilled with agency cover and the provision of overtime payments result in a net saving of £40k. These savings are offset by pressures arising from an income shortfall of £14k arising from the NNDR pool. Previously Reported: Nil variance previously reported
Chief Executive	(18)	New This month: The recruitment to a post at a lower grade than previous employee, a vacancy for 1 month and a member of staff on maternity leave result in staff budget savings of £14k. An increase in the level of advertising income saves £4k. Previously Reported: Nil variance previously reported
Resources	0	New This month: A total of 12.5 vacancies across the department, some filled by temporary staff, generate a net saving of £139k. A saving of £241k is expected against the Corporate Repairs budget by restricting maintenance to essential items only and by re-procuring support contracts, e.g. water hygiene inspection. These savings are offset by the following pressures: Reduced level of eligible salary recharges to the capital programme of £207k due to the reduced work on capital and other projects. A one-off pension charge relating to 09/10 for £46k has arisen following the late receipt of an invoice in respect of the added year's pension liability for former employees. The anticipated loss of rental income from empty commercial properties and industrial starter units will result in a pressure £75k. The reduced demand for land charge searches arising from the economic downturn together with recent legislative changes announced in respect of property searches have identified a total budget pressure of £58k. The legislative element estimated at £20k will be on-going for future years; The latest estimated cost of accommodation and running costs for Age Concern in Slough is highlighting an overspend of £40k. The balance of overspend will be managed within the existing cash envelope to a break even position. Previously Reported: Savings have arisen from the vacancy of Deputy Borough Secretary to be held for the year of £95k offset by the cost of interim arrangements for the same period of £65k. The review of supplies and services expenditure within Corporate Property & Valuation has saved £10k.
Total Variance	-44	

Housing Services

Service Area	Total Variance £'000	Explanation
Housing Repairs Fund	445	A budget pressure of £445k was identified and reported at the end of 2009/10, which was the result of on-going dialogue regarding the allocation of the Management element of the repairs contract with Interserve. At this stage this pressure was not reflected in the

		budget for 2010/11, and will occur during this financial year.
Staffing	0	Due to the return of the Housing Service to the Council, there will be an impact on staffing, due to the reintegration of Support Services, additional work streams taken on by Property Services and any proposed structure within Housing Management. Thus, we have identified this as a future variance, and are looking to quantify the impact in the next month when information will hopefully be available to allow us to align the budgets to any new structure proposals.
Other variances under £50K (net)	-8	As part of the audit of the accounts at the end of 2009/10, the creditor figure input into the closing figures for housing subsidy was over stated by £11k. This was not significant to warrant a correction being made in 2009/10 accounts and thus it is corrected in 2010/11, which will result in a variance on the budget of £11k. In addition there is an identified reduction of £3k in the interest receivable on the SOCH.
Total Variance	437	