

Summary Variance Analysis

For the Period Ended: 30th November 2010

Community & Wellbeing

Service Area	Total Variance £'000	Explanation
Community Services and Adult Social Care	139	<p>New This month: There is a projected overspend of £139k for this service area which is an overall adverse movement of £16k in November. This comprises a favourable movement in External Care Packages of £45k resulting from a net reduction of 5 clients, 3 of whom qualified for Continuing Health Care (CHC). This is offset by an increase in staffing costs of £51k with the appointment of a Reviewing Officer - agreed within the PPRG process, and an agency member of staff to cover vacancies within the CTPLD. In addition there has been a £10k increase in Internal Services primarily due to overtime costs.</p> <p>Previously Reported: +£123k The main budget pressure remains overspends on residential and nursing homes placements. This is equivalent to 4 placements above those projected at the beginning of the financial year.</p>
Learning Skills and Cultural Engagement	(52)	<p>New This month: No change.</p> <p>Previously Reported: (£52k) Due mainly to increases in lettings income.</p>
Personalisation, Partnership and Commissioning	(3)	<p>New This month: Minor revisions to staffing forecasts.</p> <p>Previously Reported: (£5k)</p>
Central Management	(80)	<p>New This month: No change</p> <p>Previously Reported: (£80k) Due to the anticipated underspends on non pay inflation provision.</p>
	+4	Total Variance

Education & Children's Services

Service Area	Total Variance £'000	Explanation
Children and Families	651	<p><u>Background / strategy:</u></p> <p>There is continuing pressure on the budget in Children and Families due to the number of looked after children which has begun to stabilise, but is still subject to volatility. The budget pressure is due to a combination of placement costs rising because more younger children have been admitted to care, court fees, and contact visits. Work has already been undertaken to rigorously check all admissions to care and consider alternative arrangements where possible; to make savings to bring down the overspend in Children and Families; and use one-off savings in other areas of the Education and Children's Services budget to offset the projected overspend as a result of the rise in the number of looked after children.</p> <p>This position is inevitably not sustainable and the department is looking at the creation of capacity on an annual basis by the implementation of weekly and monthly review meetings to ensure that every historic and potential placement is appropriately made. This strategy is obviously linked to meet the needs of individual clients and opportunities have been realised and clients have been re-directed to alternative services where specific needs can still be met and which provide increased value for money. Whilst this is producing some release of pressure the continued net increase in the overall client base and its associated cost is subsuming any savings that this strategy is currently providing. A specific area in which the strategy to create capacity is being pursued is the aim to increase the number of foster carers available to meet current client levels. This will be achieved from the remodelling of services to release resources to implement this increase.</p> <p>The department is anticipating to be able to mitigate the full year effect of the current position by using approximately £400K of additional grant funding from Surestart to fund front line child protection social worker posts. However this saving is dependent on the grant funding being available beyond March 2011.</p> <p><u>New This month:</u></p> <p>Across the Children Looked After placement budgets there has been an additional net pressure of £82k. This comprises 8 new placements costing £78k, a temporary client placement in secure accommodation costing £6k and 8 placement extensions costing £28k (a combined FYE £142k pressure), offset by 5 clients leaving fostering placements earlier than planned saving £30k.</p> <p>The impact of some of the extensions within Looked After Children has resulted in £6k savings within adoption allowances.</p> <p>The Planning for the Future exercise has provided a saving of £31k as the role is covered until the end of the financial year by an existing member of staff in an acting up arrangement.</p> <p>The estimated total cost for the joint arrangement for the Out of Hours service has increased by £8k based on the latest activity figures provided by Bracknell Forest Borough Council the host authority.</p> <p><u>Previously reported:</u></p> <p>Pressures of £1,032k mainly due to rising client numbers, extensions to placements and changes in the 'type' of placement across Looked After settings and £231k in respect of the Contact Service have been offset by an under spend of £416k across other services including Adoption Allowances, Childcare Lawyers and the cost of Leaving Care.</p> <p>At CMT, a reduction in foster care fees for Slough foster carers to a similar level to those paid by neighbouring authorities was agreed and has now been identified, saving £50k in 2010-11. The full year effect of this saving in 2011-12 is expected to be £150k.</p>

		In addition, a reduction in the number of social workers in Children and Families by 9 posts (6 agency and 3 establishment), saving £200k in 2010-11 with a full year saving of £400k in 2011-12 was agreed. Current work is under way to look at raising thresholds for children in need, referring parents to services available in the community (e.g. Parenting, Children's Centres), enhancing use of Sure Start services for younger age group. Between November and March, Sure Start funding will be used to enhance the triage and social care duty systems focussing on vulnerable families with children under 5, with longer term plans being put in place following detailed information about Sure Start funding available in 2011-12.
Youth	(95)	Previously reported: Youth and Support to Young People is one of the areas being looked at for 2011.12 to implement savings. A saving of £95k has been identified against Positive activities guns, gangs and knife crime within the PAYP funding stream against a total Youth budget of £1.6m.
Inclusion	(192)	New This month: The Planning for the Future exercise has provided a saving of £1k due to the reduction of hours in 1 staff member. Previously reported: Reduced client activity based upon need have been identified for children with disabilities saving £66k. A staff vacancy from July within Services for Children with Learning Difficulties/Disabilities will save £20k, a full year saving of £40k following a review of the staff structure for this service. A review of shift patterns at Breakaway Children's Home has saved £30k, equivalent to £45k in a full year. The claw back of unspent direct payment allowances has saved £15k and the PCT funding 1 client's home care cost for the year saving £25k, previously expected from within SBC resources. A change in the commissioning arrangements for Home Care Support will generate a saving of £18k through the provision of service within existing resources which replaces an arrangement to purchase provision from a Voluntary Sector organisation. Within Young People's Substance misuse a targeted youth support worker post who left in October and the post will be held vacant until the end of the financial year saving £17k.
Raising Achievement	(313)	New This Month: An updated forecast of income generated by the school advisory service has identified additional one-off income of £25k to the end of the year. Within Home to School Transport a saving of £17k has been identified within the SEN element due to a small reduction in the daily rate. This is as a result of the retendering of one of the contracts due to the existing operator giving notice this term. Previously reported: A one-off saving of £64k has been identified within Home to School Transport due to the renegotiation of contracts for the Autumn school term pupil requirements. The deletion of the Assistant Director post for Raising achievement from 1 st 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 savings of £24k 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.
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.
Schools (ABG Services)	(43)	Previously reported: The Excellence in Cluster Coordinator has been seconded to the vacant Head of Standards post from 1 st September until the end of the financial year; the Coordinator post will not be back filled saving a one-off £43k.
	(72)	Total Variance

Green & Built Environment

Service Area	Total Variance £'000	Explanation
Resources & Bus Support	0	No new variances reported
Env Services & Quality	+24	<p>New this month: The use of agency staff covering the Senior Nursery Operatives post at Wexham Nursery has created a pressure of £18k, and a further pressure of £6k relating to the maintenance contract in respect of the sites alarm system has also been identified. These pressures are partially offset by additional income of £20k generated from within the Registrar's service due to a general increase in all service activities e.g. marriage licences, nationality checking and issuing certificates.</p> <p>Previously Reported: The crematoriums previous gas supplier had identified that an incorrect multiplier was used when calculating gas usage. As a consequence E-On are now claiming a backdated amount of £40k. This pressure is partially offset by £20k additional income generated through the Citizenship service as a result of an increase in the number of applicants.</p> <p>Pressure at present still exists with the Environmental Services Contract although Slough Enterprise has agreed to lower the inflationary uplift from 4.8% to 3% reducing the pressure to £206k, but this is still awaiting formal agreement. Negotiations continue with the latest meeting attended by directors from both SBC and Slough Enterprise held on the 9th September. This identified some additional proposals but overall negotiations continue and are not finalised as yet. This will be kept under constant review as part of the ongoing monitoring process and until appropriate compensating savings are found. Slough Enterprise invoices continue to be paid at last year's rate.</p>
Public Protection	(111)	<p>New this month: A further £30k staff savings has been identified due to a delay in appointing temporary staff to the CCTV/Careline service and as an adjustment to the starting date for a neighbourhood enforcement officer. A number of small savings totalling £8k in respect of administration costs has also been identified within the Consumer Protection Support Team. These savings are partially offset by a further £10k pressure in respect of RSPCA fees due to an increase in the number of stray dogs not being claimed. It is possible that this pressure may decrease by the end of the financial year as the contract manager has been advised to invoice all owners, where they are known, regardless of whether the dog is claimed or not.</p> <p>Previously Reported: A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £103k identified as a result. This is partially offset by two separate pressures each of £10k relating to outstanding fee invoices from the RSPCA for 2009/10, and expenditure incurred in dealing with the clearance of abandoned trailers.</p> <p>The Licensing Service has identified additional income of £21k across a range of its functions and this together with a projected under spend on CCTV/Careline employee costs mitigates the organic produce imports income pressure of £36k previously identified.</p> <p>A significant fall in the number of organic produce imports has resulted in a pressure of £36k against the income target for their verification. Work is ongoing to identify savings from within the Public Protection budgets to mitigate this pressure.</p>

Transport & Planning	+78	<p>New this month: A small in year saving of £9k as a result of the recent 'Planning for The Future' process has been identified in respect of one member of staff going on a sabbatical and another accepting voluntary redundancy.</p> <p>Previously Reported: Increased competition from private and illegal car parks coupled with the economic downturn has resulted in a predicted shortfall in income of £150k, although this can be mitigated by a reduction in the provision set aside for bad debts. In addition an invalid rent increase backdated to September 2009 relating to a Hatfield MSCP leaseholder has created a budget pressure of £30k. Planning fee income is also predicted to under achieve by £100k due to a lack of major planning applications although this position could improve. These pressures have been partially offset by a detailed review of staffing budgets which has identified in year savings of £43k.</p> <p>The options appraisal in respect of the future of car parks has been completed and transport officers are now reviewing the recommendations contained within the report in order to ascertain the next steps and overall financial impact.</p>
Hsg Strategy & Renewal	(24)	<p>New this month: No new variances reported.</p> <p>Previously Reported: A detailed review of staffing budgets including filling vacant posts with either permanent or temporary staff or the use of agency staff has been undertaken, and savings of £24k identified as a result.</p> <p>Thames Water have recently identified that no waste water charge in respect of the Poyle Caravan Park has been made for a number of years. This has resulted in a 'one off' pressure of £9k although it is possible that an element of this cost can be passed on to the tenants. Any resultant balance will be absorbed within the services overall budget.</p>
Total Variance	(33)	

Appendix B (Cont.)

Central Directorates

Service Area	Total Variance £'000	Explanation
Improvement & Development	57	<p>New This month: Additional future agency cost will be incurred between January and March 2011 to develop Business Objects software. This combined with a review of vacancies in the revenues service area will lead to an adverse movement of £12K since the previous month.</p> <p>Previously Reported: The latest review of staffing has reduced the projection of savings previously given due to one member of staff returning from maternity leave 4 months earlier than previously expected costing approximately £12k and additional agency costs of approximately £5k relating to a CMT initiated project to review the way in which we approach Complaint and FOI's across the authority. The level of income from the recovery of court costs for council tax arrears is estimated to fall short of the budget requirement by £60k which indicates more people are paying outstanding debts before cases get taken to court. This situation is being monitored closely to assess the ongoing pressure for future years. This has been partially offset by reducing spend on equipment, computing costs, land registry fees and a reduction in costs for the production of Council Tax bills (£19k), increased income (£6k) and a review of staffing projections (£7k).</p> <p>The latest estimate of the level of recoverable court costs in respect of NNDR cases indicates that a reduction of income of £6k will occur against a total expectation of £46k. A review of court costs recoverable in respect of Council Tax cases is currently being undertaken. A total of 15 vacancies across the department some backfilled with agency cover and the provision of overtime payments result in a net saving of £40k. These savings are offset by pressures arising from an income shortfall of £14k arising from the NNDR pool.</p>
Chief Executive	(47)	<p>New This month: Savings achieved by holding the Head of Marketing & Communications post vacant from December 2010 until the end of the year and the Senior Marketing Officer post vacant whilst the occupant is acting up looks to save £57k. Other savings have been identified from car allowances and postage totalling £4k. This will be offset by the agency cost of backfilling the Media Officer post at c£11k for the rest of this financial year and agency cost incurred earlier in the year at c£6k.</p> <p>Previously Reported: The recruitment to a post at a lower grade than previous employee, a vacancy for 1 month and a member of staff on maternity leave result in staff budget savings of £14k. An increase in the level of advertising income saves £4k. An ongoing Corporate pressure relating to subscriptions is now reflected here £32k. This will need to be addressed as part of the 2011/12 budget build. This has been partially mitigated by vacancies in the Chief Executive's Office currently being held for the year equivalent to 0.6 FTE</p>
Resources	(314)	<p>New This month: The latest estimate of Land Charge income due for 10/11 based on current activity levels indicates an improved position of c£11k. As part of the September budget monitoring exercise a forecast underspend of £318k was reported for Corporate Repairs. Information received as part of this month's budget monitoring exercise reduces projected underspend to £238k. This gives an adverse movement of £80k. This has been offset by: A review of the lease agreement by the appropriate service manager has identified that we have been able to offset the increased pressure against Age Concern reported last month by re-charging the cost of utilities to the tenant (£20k); Reduced costs relating to the industrial starter units (£7k); in-year saving on 2 posts due to be vacated during the final quarter of the year (£12k).</p> <p>Previously Reported: Renegotiation of the 2010/11 contract for the on-line legal reference library is due to glean a reduction in spend of £17k from that originally quoted. Negotiations are ongoing for future years and therefore the financial impact is not yet known. A business rates revaluation on Landmark Place instigated for 2009/10 onwards has</p>

		<p>resulted in a one-off backdated credit for the years 2005/06 to 2008/09 to the value of £226k (net of fees). The increase in the annual cost for the Age Concern accommodation originally highlighted as a risk last month has now been confirmed as a £20k increase on the original estimate. This totals an on-going pressure of £60k that will need to be addressed as part of the budget build process. Other minor variances saving £2k make up the overall change. Extended unpaid leave agreed for a member of staff until the end of the year will save £13k.</p> <p>A refund for the overpayment of childcare vouchers during 09/10 has resulted in a one-off saving of £19k. In addition a favourable outcome in respect of an estimated accrual made at the end of 2009-10 for outstanding childcare voucher and recruitment advertising costs has resulted in a one-off saving of £31k; The latest estimate from RBWM in respect added years pensions liabilities for former employees indicates a potential overspend of £4k, this position will continue to be reviewed. The latest review of Corporate Repairs Schedule is showing a further reduction in spend of £77k. A reduction in training spend, saving £1k and income from meeting refreshments saving £11k. Increased one-off costs relating to the Asset Management Review will amount to £18k. Recognition of a £180k council wide procurement savings target will be offset by savings being identified across all directorates. To date reductions in energy costs already reflected in front line outturns will be further supplemented by other contractual reductions including postage and telephony. This is partially offset by the use one-off monies originally set aside to employ an Energy Manager £49k which will now be held vacant for the remainder of the year. A Budget realignment exercise in respect of procurement savings will take place as part of the 2011/12 Budget to ensure the ongoing savings are allocated across all directorates.</p> <p>Reduced staffing costs of £13k along with anticipated under spends on running costs of £74k are offset by a shortfall in budgeted income of £19k. A total of 12.5 vacancies across the department, some filled by temporary staff, generate a net saving of £139k. A saving of £241k is expected against the Corporate Repairs budget by restricting maintenance to essential items only and by re-procuring support contracts, e.g. water hygiene inspection. These savings are offset by the following pressures:</p> <p>Reduced level of eligible salary recharges to the capital programme of £207k due to the reduced work on capital and other projects. A one-off pension charge relating to 09/10 for £46k has arisen following the late receipt of an invoice in respect of the added years pension liability for former employees. The anticipated loss of rental income from empty commercial properties and industrial starter units will result in a pressure £75k. The reduced demand for land charge searches arising from the economic downturn together with recent legislative changes announced in respect of property searches have identified a total budget pressure of £58k. The legislative element estimated at £20k will be on-going for future years;</p> <p>The latest estimated cost of accommodation and running costs for Age Concern in Slough is highlighting an overspend of £40k.</p> <p>Savings have arisen from the vacancy of Deputy Borough Secretary to be held for the year of £95k offset by the cost of interim arrangements for the same period of £65k. The review of supplies and services expenditure within Corporate Property & Valuation has saved £10k. The balance of overspend will be managed within the cash envelope to give a breakeven position.</p>
Total Variance	(304)	

Appendix B (Cont.)

Housing Services

Service Area	Total Variance £'000	Explanation
Ex People 1 st (Slough) - balances	(1,215)	Following the transfer of the People 1 st (Slough) ALMO back in-house, the cash balance from the ALMO has been transferred into the HRA. This variance represents the movement of this cash into HRA balances upon closure of the bank account. Previously reported : (£1,215K) – No change from previous month
Housing Repairs Fund	280	The allocation of the management element of the Council's repairs contract with Interserve - contractual commitment of £455k for 2010/11. Reduced requirement for the 'guaranteed sum' element of the contract (indexation and number of properties) (-£221K). Other minor increases (£46K). Previously reported : + £280K – No change from previous month
Dwelling Rents	(267)	Due to the late release of the Housing Subsidy determination, the increase in average rent of approximately 1% was not factored into the base budget. This variance represents the increase in dwelling rents expected due to this rise. Previously reported : (£267K) – No change from previous month
Non Dwelling Rents	(75)	A number of capital receipts below the council's de minimus relating to disposal of garage sites have been identified, giving rise to additional non dwelling income. Previously reported : (£75K) – No change from previous month
Staffing Costs (Housing Service; Lettings; Environmental/Grounds Maintenance/ Other Management General)	200	Details of the proposed new structure for Housing Services have been published. This variance represents the net effect of any termination costs that will be incurred in year, offset against savings from posts becoming or being held vacant throughout the year. The impact of these movements has been felt across a number of budget lines, with the majority of costs hitting Housing Services. Previously reported : + £200K – No change from previous month
Housing Subsidy	(44)	A net difference of £44K to the projected negative subsidy payable in the current year. This emanates largely from changes in stock nos. and the portfolio's archetype breakdown. The Council has to pay subsidy on the basis that housing income exceeds expenditure. Previously reported : (£44K) – No change from previous month
Interest on Balances	128	Reduced income from interest on internal funds due to interest rates remaining at a lower level than originally budgeted for. Economic indicators and the Bank of England Monetary Policy Committee suggest that there will be no upward movement of rates in the short term and therefore the forecast for this income has been reduced to reflect this trend. . Previously reported : + £128K – No change from previous month
Housing Service (excluding staffing costs)	(202)	Following a thorough review of the HRA. a number of budgets associated with the former People 1 st organisation and the reintegration into SBC are no longer required (e.g. External Audit Fees; Management Board Administration; and Housing Futures). In addition, the review has identified a number of other HRA budgets earmarked for general running costs which are not committed to be spent in year. These have therefore been removed. Previously reported : (£202K) – No change from previous month
Utilities	70	Budget correction required following the review of all HRA budgets. Actual utility costs in prior year were found to be higher than budgeted for in 2010/11 and, therefore, the budget has been increased to reflect this.

		Previously reported : + £70K – No change from previous month
Revenue Contribution to Capital Outlay (RCCO)	106	<p>The HRA Capital Programme and associated financing has been reviewed in recent months to ensure that prudent financing is in place for all Capital schemes. The increase in RCCO represents the amount required to fund the scheme following the loss of ALMO Capital Funding in year. Given the level of balances held in the HRA it is deemed prudent to fund elements of the scheme from revenue as opposed to unsupported borrowing.</p> <p>Previously reported : NIL £106K. Adverse movement in comparison to previous month</p>
Other variances under £50K (net)	(123)	<p>Variance is the net of the following movements:</p> <ul style="list-style-type: none"> • -£36k variance against charges for services and facilities representing the actual income received for leasehold service charges. All charges have now been billed in full • (£65k) recharges, being the sum of £15K charges to capital schemes, and £50K reduction in recharges no longer required. • +£25k requirement for additional budget for cleansing of HRA shops • (£50k) additional running costs budgets found not be committed during budget review • +£3k interest receivable on Sale of Council Houses identified in previous months <p>Previously reported : (£123K) – No change from previous month</p>
Total Variance	(1,142)	