

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny Committee **DATE:** 31st March 2011
CONTACT OFFICER: Julie Evans, Strategic Director of Resources (01753 875300)
(For all enquiries)
WARD(S): All

PART I **FOR COMMENT AND CONSIDERATION**

PERFORMANCE AND FINANCIAL REPORTING FOR 2010/11

1. Purpose of Report

This report highlights the Council's overall performance from delivery of service to financial management covering the period up to and including February 2011 against the following key areas:

- i. Exception performance monitoring against the SBC Council Wide Balanced Scorecard and the LAA Scorecard (Appendices A, B, C, D)
- ii. Revenue and capital monitoring position to February 2011 (Appendices E, F, G)

2. Recommendation(s) / Proposed Action

The Committee is requested to note the following:

- I. Performance and Project management
- II. Financial performance – revenue and capital

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

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

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

4. Community Strategy Priorities

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

5. Other Implications

(a) Financial

These are contained within the body of the report.

(b) Risk Management

Supporting Information

6. Performance Monitoring Update

6.1. The attached **SBC Corporate Scorecard** (Appendix A) provides an update on exceptions during the period up to and including 28th February 2011, drawing attention to:

6.1.1. Areas of exception;

6.1.2. Areas of improved performance; and

6.1.3. An assessment of where improvement actions are needed for performance to achieve end of year targets.

6.2. The report comprises of exceptions from both:

6.2.1. The **Organisational Balanced Scorecard** (Appendix D) – which relates to performance indicators selected by the members of Corporate Management Team to determine the organisational health of the Council, and

6.2.2. The **LAA Scorecard** (Appendix C) - which relates to indicators in the LAA.

6.2.3. Many of the performance indicators are scheduled to be updated in at the end of the financial year. These will be reported in future reports.

6.2.4. For a full list of indicators please visit the following link:

<http://sbcinsite.ad.slough.gov.uk/3709.aspx>

7. Gold Project Update

The summary below provides CMT with an update on the Council's Gold Projects as at March 2011. Project progress reports have been made by individual Project leads, and have been endorsed by the appropriate Assistant Director and / or Director.

Monthly Period Summary

- There are ten Gold Projects in total of which highlight reports have been received for all in March.

- Of the ten projects, six projects have an overall Green status; three projects have an overall Amber status; NONE have an overall RED status. Note that 'Planning for the Future' has not been rated in this manner.

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

PROJECT MANAGER

Jackie Menniss, (C&W)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	GREEN	GREEN	08/03/11

Key Points:

- Key Projects: Introduction of a Library Management computer system, increased opening hours, and the introduction of RFID self service in all libraries have been delivered, or are on track (new satellite library at Colnbrook) having been revised to more realistic timescales and the overall status stays green.
- Roles and responsibilities were reassigned within the senior management team to prioritise the projects and complete.
- All budgets are agreed and in place.



**Adult Social Transformation
Programme
ALL WARDS**

**PROJECT
MANAGER**

Tracy Cartmell, (C&W)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
AMBER	GREEN	AMBER	AMBER	07/03/11

Key Points:

All areas are 'amber' except for the budget which is 'green' for the current period and progress areas include:

- Personal Budgets for Older People/Physical Disability were rolled out from 25th October.
 - Personal Budgets and the Resource Allocation System for Learning Disability is being trialled by Community Team for People with Learning Disabilities.
 - 20 eligible Mental Health service users have completed a Personal Needs Questionnaire and packages of support will be put in place by 31/03/2011.
 - The Financial Contribution policy approved, in principle, by cabinet in December subject to public consultation and approval by Health Scrutiny in March.
 - Delivery of workshops for the implementation of the new operating model are being conducted during February and March and detailed implementation plan in place.
 - Review of Phoenix Centre and Review of Learning Disability completed with positive results. These were presented to Health & Scrutiny panel on 25th October. These reports were well received and Cabinet agreed the proposals. The Phoenix Day Centre has now been relocated and Elliman and Langley are now combined on one site.
 - Slough was identified as best practice for their approach in developing the Integrated Local Area Workforce Strategy (InLaws) in South East Region at regional event in January 2011. Slough will be presenting a workshop at the National Skills for Care InLaws Conference in March.
 - Potentially not going to achieve the Self Directed Support target of 30% of all services users to be in receipt of either a Personal Budget or a Direct Payment. Action plans to improve performance are in place.
 - A new wide ranging and ambitious re-commissioning plan has been developed and is in the process of being implemented. There are some delays in some aspects of implementation e.g. User Led Organisation.
 - A final decision is awaited for delivery model for council wide Information and Advice.
-

School Places in Slough
ALL WARDS

**PROJECT
MANAGER**

Robin Crofts (ECS)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	AMBER	GREEN	05/03/11

Key Points:

- Orders placed for modulars at 2 of the 3 school sites for this September and 2 of the 3 planning applications now submitted (Ryvers and Castleview).
- Construction projects at Western House, Parlaunt Park and Wexham Court progressing well.
- 2 formal bids received for Town Hall school. Meetings have been held with both schools to answer questions and final interviews held on 10th March.
- Langley Hall Academy (Free School) has purchased a (listed) building from East Berkshire College. It will offer 50 Reception places from this September, reducing the number of new places SBC needs to create by September.
- Project initiation meeting held for Town Hall conversion project and project board members agreed.
- Decision on whether to expand Godolphin Infant or Penn Wood has been delayed. Preparation of planning applications started at both sites to avoid delays with delivery.
- Offers of year 7 secondary places for September 2011 have been made. All Slough resident applicants have been offered a place.
- DfE survey submitted outlining Slough's school place shortfalls to 2014-15 for primary, secondary and SEN sector. Return summarises LA strategy for providing places (i.e. extensions rather than new schools) and calculates the total funding required by Slough to provide these places. Total cost is £55m based on survey's constraints that only new build is considered and no pupils including SEN travel more than 2/3 miles except through choice.

The current identified risks are:

- Funding at risk of claw back if not spent by Aug 11 - implement the Action Plan and avoid delays with procurement; bring forward future capital schemes as required.
 - Primary demand rises further than anticipated for Sep 11 - prepare planning applications for both Godolphin Infant and Penn Wood.
 - Unexpected increase in the number of new arrivals requiring school places - closely monitor demand across year groups and take action as required.
 - Langley Free School opening delayed due to construction issues.
-

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

**PROJECT
MANAGER**

Keren Bailey, (GBE)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	AMBER	AMBER	GREEN	01/03/11

- Remaining budget only £600. Boards need support to obtain future funding – being arranged through SCVS.
- Boards now developed their own websites – local giving link to be added.
- Manor Park joint group meeting led to trial merger of 2 NAGs for a 4 month period.
- Neighbourhood Executive meeting held on 7th Feb. Very appreciative of support from SBC officers. Report to be produced by SCVS and actions agreed.
- NET team meeting to discuss how services can be more accountable and change public perception. Actions to be agreed.
- Links to community facilities being developed.
- Article on Manor Park work in February's edition of Citizen.
- Provide support to boards to enable them to become self sustaining.
- Now that Britwell has funding to kick start – need to meet with Project leads to ensure neighbourhood approach built into the regeneration project. Consultation event 11th March 2011.
- Capital environmental enhancement budget not spent as boards need time to develop and understand community priorities – need to ensure not lost at year end.
- The overall project status remains at Green. The uncertainties around the budget and risks are being managed and sufficient corrective actions have been put in place so that they will not impact on the project in the next period.
- Board meeting held on 14th March 2011.

Risk status is now Amber and the risks are:

- Sustainability of groups - Need to develop strategy to reduce support.
- Council wide vision and Member engagement.
- Capacity- Regeneration and on – going support for neighbourhoods working.

RECOMMENDATIONS:

- Corporate Management Team note the risks identified and options to minimise – as outlined in Corporate Management Team report of 24th Feb 2011.
 - Corporate Management Team to consider scope of the proposed community engagement strategy and sign off needed.
-

Housing Futures (ALMO move)
ALL WARDS

**PROJECT
MANAGER**

Vijay McGuire (GBE)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	AMBER	GREEN	14/03/11

Key Points:

- CMT are asked to note that the final Housing Futures Project Board will be meeting on the 18/03/11.
 - At this meeting we will be seeking approval to close down the project including the sign off of a project closedown report, risk register and lessons learnt report.
 - The outcome from this week's board meeting will be included in the next months update.
-

**2011 Census
ALL WARDS**

**PROJECT
MANAGER**

Andrew Millard (CE)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	AMBER	GREEN	09/03/11

Overall:

- Revitalised Census 2011 team working in a systematic, diligent way to ensure the best return possible for Slough under difficult national apathy and press coverage conditions.

Key Points:

- Launch of national and local campaign - Questionnaires are due to be received no later than 16 March 2011.
- All ambassadors and volunteers recruited till 25 March 2011 - thereafter limited gaps still to fill.
- Awareness, Advice and Completion Centres now in excess of 100. More are being offered but we are at about saturation point.
- All schools, libraries and leisure centres have received their leaflets and posters. Staff checking these are being distributed/displayed.
- Main banners at Upton Hospital and Town Hall being installed 14 March 2011.
- RBFRS buses wrapped and active part of awareness campaign
- High profile press campaign including newspapers and radio. Special 4 page pull-out due in Slough Express on 25 March 2001.
- Continual staff and volunteer training being undertaken with protocols and guidance published. Elected Member briefing sessions held on 7 and 9 March 2011.
- Notable attendance at places of worship particularly of sceptical communities.
- Feedback received every three days and campaign adjusted accordingly to address issues that have arisen;
- Agreement by ONS to full-time ONS staff Completion centres at MyCouncil and Slough Library from 28 March 2011 onwards ;

Ongoing issues:

- QA documentation: SBC is locating all issues, correspondence and disputes since 2001 for ONS to examine. Final population estimates to be compared against GP registration, child benefit, PLASC data and pension data. ONS pushing rigorous QA process before final executive sign off.
 - Additional specialist staff support being utilised particularly with hard-to-reach groups.
 - Continuing work with SBC managers to ensure staff released for Completion Centres for 25 March 2011 onwards.
 - Trying to persuade ONS to agree to minor but important enhancements including bringing forward the date of ONS presence at Centres and the ability for staff and volunteers to accompany ONS Collectors.
-

REGENERATION: Britwell & Haymill
OF PARTICULAR INTEREST TO BRITWELL & HAYMILL

**PROJECT
MANAGER**

John Rice (GBE)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
AMBER	AMBER	AMBER	AMBER	11/03/11

Key Points:

No changes for this period as a full update report is planned for Cabinet on 14th March 2011

- Report went to Cabinet on the 14th March 2011. Recommended:
- officers should negotiate with Scottish and Southern Electricity to secure either the ownership or where appropriate access across the strip of land in their occupation between Kennedy Park and the SEGRO land.
- the site of the Britwell Family Centre on Long Furlong Drive be included in Phase 1 (Kennedy Park) of the Britwell and Haymill regeneration Scheme.
- subject to agreeing (1) above, that the rating for the Britwell Family Centre on Long Furlong Drive in the Asset Management Plan be changed from a Category A to Category D – asset for disposal.
- officers now work formally with the users of the Britwell Family Centre to identify and agree suitable alternative accommodation for their future use when the Centre is required for construction.
- delegate to the interim Assistant Director of Environment & Regeneration, in consultation with the Leader, the finalisation of the outstanding conditions in the Section 106 agreement associated with the Planning Committee's decision of 17th March 2010 to secure Outline Planning Permission for Phase 1 (Kennedy Park).
- the whole of Phase 1 (Kennedy Park) and Phase 2 (Wentworth Avenue and environs) be procured through an EU compliant design and build tendering process at the earliest opportunity, subject to:
 - the availability Housing Revenue Account (HRA) funding of up to £6 million as a contribution to the estimated cost of developing Phase 1 (Kennedy Park) to reflect the need to develop at least 45 affordable homes for direct management by the Council.
 - by 30 September 2011, the Assistant Director of Housing to complete a property specific tenant (and where appropriate Leaseholder) consultation on the proposal to demolish Wentworth Flats and Marunden Green houses.
 - local residents being asked to become involved with the formation and development of a Neighbourhood Board and for the Board, once formed, to be consulted on the selection of the successful developer based upon the design proposals and other quality criteria within the Tender Documentation.

- priority be given by the selected developer to constructing the social housing required to decant housing tenants from Wentworth Flats and to provide new retail units to provide for the local area.
- at the earliest possible opportunity following the rehousing of the tenants of the Wentworth Flats, the flats and the shops in that block be demolished.
- that, subject to the Local Planning Authority's requirements, a mixture of housing ownership and tenancies be created in both Phases 1 & 2 to secure maximum value from the use of the sites and the creation of balanced communities, with a minimum 30% social housing and 10% intermediate housing such as shared ownership.
- to incorporate the use of "Building Licences" into the contract with the developer in order to incentivise the pace of development.
- that having regard to the development of the Community Hub and the existence of a range of other community buildings being located in Britwell an options appraisal be completed by 31 May 2011 to examine the community needs and use of suitable accommodation within the Britwell and Haymill Regeneration area and to report back to the Cabinet at the earliest opportunity after completion of the report.
- the Assistant Director of Environment & Regeneration, in consultation with the Commissioner for Neighbourhoods & Renewal be authorised to determine the final specification for the Design & Build Tender Documentation.
- to minimise the need to relocate tenants from both Wentworth Flats and the elderly people's dwellings on Marunden Green, that:
 - no further housing tenant allocations be made after 1st June 2011 to the Wentworth Flats (except on grounds of urgent medical need for rehousing);
 - no further housing tenant allocations be made and to the elderly people's dwellings on Marunden Green with immediate effect;
 - subject to the above, the Housing Service actively pursue rehousing the existing Housing tenants;
 - no further commercial lettings be agreed at any of the properties.
- due to the level of vacant properties on Marunden Green, that at the earliest possible opportunity following the vacation of all surplus housing property, the elderly people's dwellings on Marunden Green be demolished and the site made good for redevelopment.
- the Britwell Community Hub building created to relocate the Library and My Council be the subject to:
 - a competitive Design and Build Tender with 28 days to respond, that will identify design proposals, timescales for delivery and inclusive costs.
 - subject to (8) a. above, that the following two sites be the subject of

the Tender, both separately and as a combined facility:

- The old Housing Payment Office and MALT building at 41/43, Wentworth Avenue together with the adjoining land and buildings;
 - The Wentworth Industrial Court buildings together with the adjoining land.
- subject to (8) b. above, that officers should now work formally with the users of the Wentworth Industrial Court to identify and agree alternative accommodation for their future use once the site is required for construction.
 - That, subject to (8) b. above, Members of the Neighbourhood Board be consulted on the selection of the successful developer based upon the design proposals and other quality criteria within the Tender Documentation.
- as the Council is already the freeholder, the lease for the vacant Jolly Londoner Public House be negotiated and, if attractive for the business plan to support the acquisition, the matter be reported back to a future Cabinet meeting.
 - that a further progress report be made to the next Cabinet Meeting in April 2011.
-

**REGENERATION: Chalvey
Community Hub
WARDS IMPACTED – OF
PARTICULAR INTEREST TO
CHALVEY**

**PROJECT
MANAGER**

Learning and Cultural
Engagement - Andrew
Stevens
Property Services – Mike
Coles (Phase 1
development)

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
GREEN	GREEN	AMBER	GREEN	14/03/11

Key Points:

- Modest refurbishment of temporary buildings complete
- Decanted existing users from the main centre
- Design for phase 2 signed off
- Phase 2 commissioned
- Work on Phase 2 started
- Focus for next phase
 - Decision on name at the Chalvey community partnership meeting on 15th March
 - Partner/stakeholder engagement continuing
 - Finalise management arrangements – the project board will consider a proposal on the 17th March
 - Public engagement event on 4th April for phase 3
- Planning permission and boundary issues resolved
- Library furniture and design resolved
- Live issues to be resolved
 - Solution for the 1st floor IT suite that enables users to continue to have access as required during building works
 - Finalising ICT solutions (especially data points, server room)
 - Contract close to completion

RECOMMENDATIONS:

- None at this stage
-

Customer Focus
(formerly Duty Desks)
ALL WARDS

**PROJECT
MANAGER**

Roger Parkin
Vijay McGuire

Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
AMBER	GREEN	AMBER	AMBER	05/03/11

Key Points

- Assistant Director Customer Services & ICT joined the Authority on Monday 7th March. The Assistant Director will take lead responsibility as Project Manager for the Customer Focus Project.
- Weekly Project team meetings have now been established to deal with the logistics of the move to Landmark Place for the three priority directorates: Housing, Adult Social Care and Education and Children Services.
- Meeting has been held with Housing Services to initiate the customer journey process mapping exercise which will lead to developing the new customer access and service requirements. Housing are now analysing customer service data (housing specific) obtained from Landmark place to determine service requirements. Housing Customer services work shop scheduled to take place week commencing 14th March – subject to officer availability.
- Meeting was set up to discuss customer journey process mapping with Education and Children Services on the 8th March - Work Shop details to involve and engage ECS staff to be confirmed following this meeting.
- Project meeting with Adult Social Care held on the 10th March to discuss outstanding issues and to confirm staff names / numbers/ IT requirements / car parking requirements and to discuss line management arrangements for an integrated My Council and ASC customer services team.
- Commissioning underway to procure a specialist Adult social care training provider to deliver training
- Ongoing monthly staff briefings with Landmark place continue to take place – to ensure effective two way communication with staff to alleviate concerns and deal with queries. For that staffs that are unable to attend regular e-mails summarise key developments of the project are circulated.
- Upgrade of APPROS now complete allowing an enhanced facility to view calls in queue. This will enable Landmark Place staff to route calls more effectively.

Key Risks to the Project :

- Timelines on the project have slipped due to re-organisation issues both at directorate and project management level which now presents some uncertainty to deliver the project to originally approved timescales. To manage this risk and to reduce the level of uncertainty of the timescales, new project management support has been brought in within the last 3 weeks and urgent meetings have now been scheduled with all three priority directorates (as above) effective from week commencing the 7th March to jointly review timescales and to ensure that slippage remains at a minimum.
 - Selection criteria on how staff from Landmark place will be moved to the various directorate customer service teams remains undetermined and urgently needs to be addressed in time for the 1st April.
 - Siebel - ensuring that the new version has functionality which supports existing service requirements.
-

Key Points

Accommodation Project – Roger Parkin

- Moves are now underway and the timetable is on track
- Work has commenced on fitting out St Martins Place
- The project is within budget.
- Staff are being updated via regular communications.
- The project overall is rated **GREEN**

Income and Debt Management (incorporating RIO) – Julie Evans

- Debtors policy in draft to be approved by CMT week commencing 28th March.
- Departmental aged debtors reporting to be rolled out at the end of March 2011.
- Discussions are ongoing with external collection providers. A pilot scheme will be run before the scheme goes live to ensure a smooth implementation of this project.
- Finance are carrying out a detailed review of aged debt to assess our level of bad debt provision.

Staff engagement and communications

- Staff are continuing to be updated on key issues through normal communications channels including all user emails and posting consultations on the intranet.
- All information relating to the Planning for the Future project has now been brought under one area on the intranet to make it easier for staff to access. This includes all consultation documents, copies of staff briefings and FAQs about the process.
- A number of changes are affecting staff ranging from where they work to how they work as we drive out costs to deliver the requisite budget savings. This has a significant impact on our workforce and the need to further improve communications has been recognised. A number of presentations to staff have been delivered by the Leader of the Council and the Chief Executive. These are posted on the intranet afterwards for any staff who have not been able to attend.
- This element is rated **AMBER** as further change is required in the coming year.

a) Outplacement support

- Five 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.
 - Nine staff have now applied for the £500 additional support fund, costing £4500 for date.
-

8. Financial Reporting

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

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

9. Projected Outturn Position as at 28 February 2011

9.1. There is currently a projected under spend position for the 2010/11 General Fund of £1.731k, although Cabinet should note that this reported position will change as work is underway to create a provision to mitigate an expected future liability in respect of Looked After Children. The provision requirement is yet to be confirmed at this stage and will be applied at the year end. This compares to a reported overspend at this stage last year of £88k reported as at end February 2010. Cabinet members should also note the possible emerging issues and opportunities in sections 11 and 12 respectively

9.2. For the Housing revenue account there is currently a projected over spend position of £60k from the budgeted surplus position of £213k agreed at the start of the year. This remains the same as that reported for the period ended 31st January 2011.

9.3. The position is summarised in Table 1, overleaf, and detailed in Appendix E.

Table 1 - Projected as at 28th February 2011

Directorate	Gross Budget pre-Govt reduction	Govt Reduction	Gross Budget post Govt reduction	Current Net Budget	Projected Outturn	Variance Over/(Under) Spend	Change	Previously Reported
	£'M	£'M	£'M	A	B	C = B - A	£'M	£'M
Community and Wellbeing	51.504	(0.605)	50.899	36.973	36.942	(0.031)	(0.031)	0.000
Education and Childrens Services	180.555	(0.891)	179.664	24.533	23.999	(0.534)	(0.390)	(0.144)
Green and Built Environment	39.370	(0.646)	38.724	26.260	26.211	(0.049)	(0.015)	(0.034)
Central Directorates	87.857	(0.633)	87.224	22.709	21.931	(0.778)	(0.399)	(0.379)
Corporate	0.279	(0.140)	0.139	(0.113)	(0.113)	0.000	0.000	0.000
Total Cost of Services	359.565	(2.915)	356.650	110.362	108.970	(1.392)	(0.835)	(0.557)
% of revenue budget over/(under) spent by Services						-1.26%	-0.76%	-0.50%
Treasury Management	3.334	0.000	3.334	3.334	2.995	(0.339)	0.000	(0.339)
Contingencies & earmarked reserves	2.274	0.000	2.274	1.383	1.383	0.000	0.000	0.000
Area Based grant *	(12.663)	1.609	(11.054)	(11.100)	(11.100)	0.000	0.000	0.000
Total General Fund	352.510	(1.306)	351.204	103.979	102.248	(1.731)	(0.835)	(0.896)
% of revenue budget over/(under) spent in total						-1.66%	-0.80%	-0.86%
Capital Reductions		(0.407)						
Add back ABG income adj		(1.609)						
Total Govt Reductions		(3.322)						

Housing Services	(0.213)	(0.153)	0.060	0.000	0.060
-------------------------	----------------	----------------	--------------	--------------	--------------

* Included in Directorate base budgets

10. Month on Month Movement in Variances

- 10.1. **Community and Wellbeing** are reporting an under spend position of £31k which is a favourable movement of £31k since last month. Please note that there is an increase in costs across Community Services and Adult Social care due to revised care package costs. This combined with anticipated client income from revised staffing forecasts with Directly Provided Services create a pressure of £88k. This is offset by reductions in the expected expenditure outturns relating to Learning Skills and Cultural Engagement and Adult Social Care – Care Management of £117. Further details can be seen in Appendix E.
- 10.2. **Education and Children's Services** are reporting an overall under spend position of £390k. This is a favourable movement of £390k from the 31 January 2011. The background of the current ECS budget position and the mitigating action being adopted to alleviate the budget pressures has previously been reported to Cabinet.

The budget position for child placements 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 placements are 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

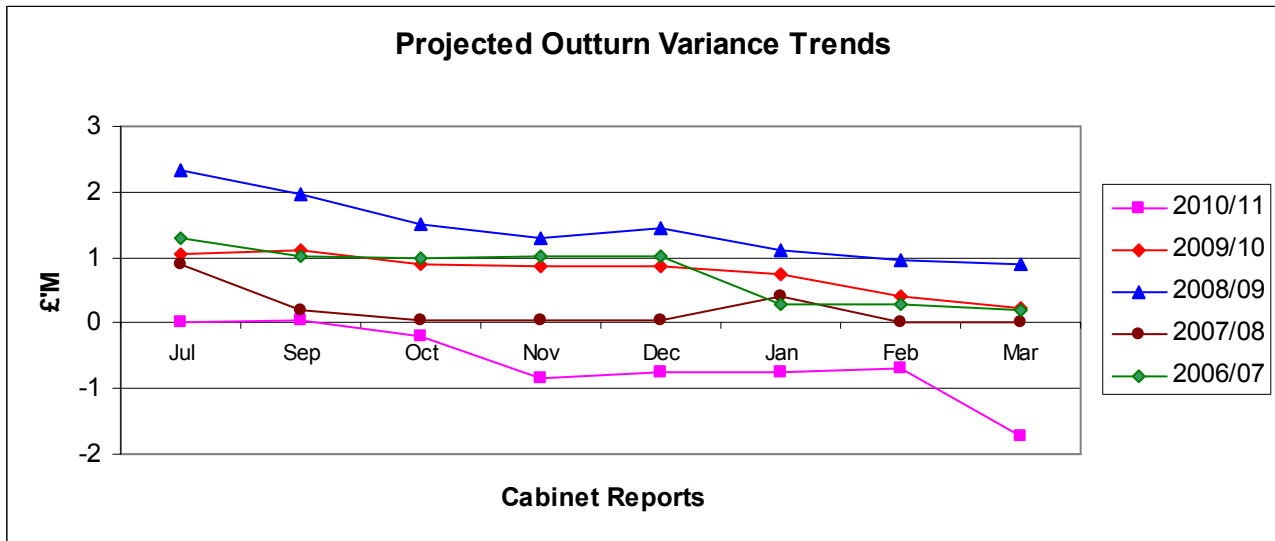
value for money. Whilst this is producing some release of pressure the continued net increase in the overall client base and its associated cost is subsuming any savings that this strategy is currently providing. A specific area in which the strategy to create capacity is being pursued is the aim to 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.

Other variances arising can be seen in more detail in Appendix E.

- 10.3. **Green and Built Environment** are reporting an under spend of £49k which is a favourable movement of £15k since last month. Full details can be seen in Appendix E.
- 10.4. **The Central Directorates** have reported an under spend position of £778k a favourable movement of £399k from that reported last month. Further details can be seen in Appendix E.
- 10.5. **Treasury Management** continue to report an overall under spend position of £339k which is unchanged since last month. This comprises the following;
- 10.6. **Treasury Management - Refinancing** are reporting an under spend of £104k arising from the refinancing of debts in connection with two existing loans due to mature in September and November next year and £34k secured in interest savings following further debt refinancing via the PWLB.
- 10.7. **Treasury Management - Impact of Capital re-programming.** As reported at the end of November, the re-profiling of the capital programme has identified revenue savings of £235k in the current year. However it is very important to bring to the attention of Cabinet and members that the overall size of the capital programme has not changed and this saving has only occurred because of the re-profiling of when schemes will be undertaken. This means that pressures will occur in latter years, e.g. 2013/14 and beyond when re-profiled schemes come on line and these pressures will need to be addressed as part of the 2011/12 budget build process covering these years. In addition further work is currently taking place at the moment on the Minimum Revenue Provision (MRP) position. Cabinet members will be updated on the outcome of this in future budget monitoring reports.
- 10.8. **Treasury Management – current objectives.** A review is taking place taking into accounts future changes to the capital program which will reduce future borrowing and therefore interest costs in 2011-12 onwards.

Figure 1 overleaf illustrates the monthly projected outturn positions over the last 5 years.

Figure 1



10.9. **The Housing Revenue Account** is showing an over spend of £60k. An in-year surplus of £213k on the Housing Revenue Account (HRA) was approved by Cabinet for 2010/11. The latest projection indicates an outturn surplus of £153k which is an over spend of £60k against budget. This is inconsistent with the reported position at the 31 January 2011. In overall terms, the working balance carried forward at 31st March 2011 on the HRA is still projected to be £9.161m.

11. Emerging Issues / Risks

Introduction

- 11.1. Although the headline position is showing a projected under spend position of £1.780m at this stage of the financial year it is important to note that a significant level of gross savings have had to be achieved incorporating the £3.3m of 'in-year reductions' as a result of the governments £6.2bn of reductions across the public sector.
- 11.2. The Council needs to be vigilant to ensure that the savings are delivered in full and in a timely fashion, i.e. during 2010/11. Appendix G details the areas of savings by directorate and their current status.
- 11.3. It is prudent to consider the option of delivering known 2011/12 savings early to begin to mitigate the risk of achieving the required savings target over the next four years. On 20/9/10 Cabinet agreed the pre CSR 2011/12 savings which are already being implemented by departments. In addition further savings have been taken to Commissioners and Directors on the 10/01/11 to be implemented in future months. Details of these savings are shown in Appendix E.
- 11.4. A review of the allocation of support costs between the Housing Revenue Account and the General Fund is being undertaken. The outcome of any changes arising from this may have an impact on the overall budget monitoring position for each service.

Directorate Specific

11.5. Community and Wellbeing:

- As a result of hospital ward and bed closures and other budget pressures in the local health economy, it is expected that the local authority will come under increasing pressures in relation to an increased demand for social care. Whole system health and social care winter investment funding of £342k has been made available by Berkshire East PCT for Slough and it is anticipated that this funding will be fully spent by both the PCT and local authority, with scheduled commitments having been jointly agreed with the PCT.
- Employment tribunal claims are still outstanding, with one claim going to court in March and one anticipated to result in an out of court settlement. Costs associated with these have been forecast within the projected outturn, but any adverse movement to current projections will affect the outturn.
- There has been no change in projections that indicated that the Directorate's 1% employee contingency budget is likely to under spend by approximately £50k. There remain a number of variables, including winter pressures, which may affect this. Final call upon the contingency will be reported on accordingly in the final outturn.

11.6. Education and Children's Services:

- Recent announcements of significant reductions in grant levels across the public sector have inevitably impacted on this department. Whilst the overall level largely known and savings have been identified, officers continue to rigorously monitor any new notification in respect of grants reducing as they arise and will be reported appropriately.
- Slough Borough Council Children's Services continues to manage a system that has been affected by significant societal changes, including the economic downturn and increased public awareness of safeguarding whilst at the same time, managing these changes alongside a change in Government and public spending. The consequences of these factors have had a major impact for us, our partners and children and families in the Borough. The most notable of these has been a continued rise in both the numbers of children subject to Child Protection Plans and those Looked After by the Authority. In turn, this has had a maintained effect of increased resources having to be spent on placing these children in safe and secure foster placements.
- With regard to school funding, significant changes have been made to the grants from central government. There have been:
 - Significant decreases in funding
 - Grant funding has transferred from the Local Authority to the Dedicated Schools Grant whereby schools determine its usage
 - Grants amounting to over £1.4m have terminated
 - At this stage we are also still awaiting notification about grant allocation for some activities
 - All of these present the Local Authority with financial challenges and increased risk.

- Alongside this, schools are now more cautious about funding allocations and supporting central services due to financial uncertainty and a more restricted financial settlement.
- Additionally, there has been an increase in schools which are in difficulty, resulting in schools through Ofsted scrutiny going into special measures. Consequently, the Local Authority has to increase support, monitoring, challenge and intervention which leads to increased cost on this delivery.
- Within the Youth Offending Team (YOT), an unexpected invoice was received at the end of last year for £18k in respect of an outstanding service charges for Connaught House relating to 2006. Provision for this was made but officers are in dispute with the landlord. YOT officers expect a possibility of further charges that could be made in respect of subsequent years. The departments long term plan is to vacate the premises when the break clause in the existing contract is reached.
- Officers within the YOT are also investigating areas for which to recharge core costs against grant funding streams and have indicated that a saving in the region of £5-£15k may be possible although they would look to carry this forward to meet future priorities.

11.7. **Green and Built Environment:**

- The economy remains a key risk for the directorate's income as outlined within 'Volatile Areas/Demand Led'.
- Government grants are a significant funding source for several of the Directorate's key services. The new Governments spending plans is having a significant impact on these services areas at a time when there are increasing demands.
- Climate change continues to impact on winter maintenance and subsequent repairs, flooding and grounds maintenance costs. Innovative measures to negate the impact are being sought.
- A new/interim contract is still awaited from the Valuation team in respect of the bus station in order that a charge can be made. As a consequence no billing has taken place since November 2009. Currently it is estimated that income amounting to £60k is at risk.
- A number of highways properties that had been leased to Co-op Homes were handed back in December 2009. Steps are now being taken to let the properties that are in a suitable condition.
- All of these risks will be closely monitored and the impact clearly identified and reported as and when it is clear they are likely to become a reality.

11.8. **Central Directorates:**

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

- The data centre (server room) moved out of the Town Hall to the Slough Trading Estate in January 2011. A full assessment of costs connected with the move and the on-going running costs is currently being undertaken.

11.9. **Housing Services:**

- The proposed new structure for the Housing Services team has been finalised following a second consultation. The impact of this restructure in terms of efficiency savings and associated costs has been quantified and is factored into the projected outturn for the service. Estimated additional costs relating to recruitment and assessment centres have been collated and will be met from existing budget resources and these are already factored into the current outturn. It has been calculated that the new structure will create over £400k of efficiency savings from 2011/12.

12. **Emerging Opportunities**

Introduction

12.1. Note the requirement in paragraph 6.2 to take 2011/12 agreed savings early in 2010/11.

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

Directorate Specific

12.2. **Community & Wellbeing**

None identified at this stage.

12.3. **Education & Children's Services**

- As reported last month, an investigation is being carried out into the terms and conditions of Sure Start funding with a view to offsetting social care costs for children aged under 5 where appropriate.
- An estimated reduction of £350k has been included in this months monitor based on £200k which has been verified for the period April-September plus an estimated £150k for the remainder of the year. Work continues in analysing the contribution in respect of the second half of the year and thus the final figure may vary but it is not expected to be material.

12.4. **Green & Built Environment**

- Maximise external grant funding opportunities by using 'Grant Finder' software to locate new grants, although on the 10th June the Government provided details relating to reductions in individual grants to local authorities and the removal of ring fencing from funding streams.

- Exceptional funding for Highways maintenance was announced on 23 February 2011 and the SBC allocation will be known shortly after 16 March 2011. This is part of a four year national programme with £3 billion allocated in the 2010 spending review.
- Option appraisals on shared service arrangements relating to regulatory services and building control.
- Discussions with neighbouring councils are taking place to develop initiatives to help bring down waste management costs.
- Developing the Highways Asset Management Plan will support whole life costing methodology on road and pavement resurfacing methodology and provide better value for money.
- Recovery of assets and money through proceeds of crime by using a financial investigator to assist in criminal investigations.

12.5. **Central Directorates**

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

12.6. **Housing Services**

- The recent announcements regarding self-financing for the Housing Revenue Account set the timescale for introduction at 4 April 2011. This is subject to the "Localism Bill" gaining royal Assent by May 2011 or November 2011 at the latest. If this is achieved then the implementation date may be brought forward to 28th March 2012, if not it may slip to June 2012 or April 2013. The proposals include a transfer of debt to the council of approx £120m which will be the subject of a treasury management report in the future.
- As Cabinet members will be aware from the previous monitor to provide assurance that the recommendations around savings and growth agreed during the 2010/11 budget build process have been achieved a full list of growth and savings is attached as Appendix F to this report but an overall summary by department. Table 2 overleaf indicates that overall the savings items are exceeding target for delivery. This is fundamentally as a result of increased income of £339k from Treasury Management as reported in paragraphs 5.5 to 5.7 and a saving of £25k within Community & Wellbeing as a result of a management action to mitigate a corresponding pressure against an in year savings target (this is identified in table 3, paragraph 9.1). These savings are partially offset by a £60k shortfall in income within Improvement & Development in respect of the recovery of court costs for council tax and rates.

Table 2 – PPRG Growth & Savings

Departmental Growth & Savings Analysis 2010-11

Department	Growth Proposals				Savings Proposals			
	Target	Estimated	Variance	Status	Target	Estimated	Variance	Status
	£'000	Outturn £'000	£'000		£'000	£'000	£'000	
Community & Wellbeing	940	940	0	GREEN	-1,232	-1,257	-25	GREEN
Education & Children's Services	959	959	0	GREEN	-1,333	-1,333	0	GREEN
Green & Built Environment	103	103	0	GREEN	-281	-281	0	GREEN
Resources	130	130	0	GREEN	-461	-461	0	GREEN
Improvement & Development	70	70	0	GREEN	-655	-595	60	RED
Chief Executive	0	0	0	GREEN	-89	-89	0	GREEN
Corporate	1,723	1,723	0	GREEN	-1,440	-1,779	-339	GREEN
Total	3,925	3,925	0	GREEN	-5,491	-5,795	-304	GREEN

13. In year savings 2010/11

13.1. Following the announcement made by the Department for Communities and Local Government (DCLG) on 10 June 2010 regarding permanent reductions to grant funding of £3.3m in the current financial year departments have identified a series of compensating savings to deliver this which was endorsed by Cabinet on 12 July 2010. Most of the reductions were made to grant funded streams but with the balance coming from core budgets. However sources of permanent funding to meet the overall reductions were short by £36k. The total number of staffing affected amounted to 4.6fte which will be a cost against the Council's central £750k contingency set aside for redundancies (after partnership commitments). To provide members with assurance that these are being achieved a full list of these savings is attached as Appendix G to this report but an overall summary by department is shown in table 3 overleaf. Whilst there is a shortfall identified against Community & Wellbeing, this is mitigated by a management action to exceed a PPRG savings target (which is identified in table 2, paragraph 8.1 above).

Table 3 – In year savings

Departmental In Year Savings Analysis 2010-11

Department	In Year Savings Targets			
	Target	Estimated	Variance	Status
	£'000	Outturn £'000	£'000	
Community & Wellbeing	-605	-580	25	RED
Education & Children's Services	-891	-891	-0	GREEN
Green & Built Environment	-646	-646	0	GREEN
Resources	-200	-200	0	GREEN
Improvement & Development	-308	-308	0	GREEN
Chief Executive	-125	-125	0	GREEN
Corporate	-140	-140	0	GREEN
Total - Revenue	-2,915	-2,890	25	RED
Green & Built Environment	-407	-407	0	GREEN
Total - Capital	-407	-407	0	GREEN
Total Savings	-3,322	-3,297	25	RED

14. Capital

- 14.1. The overall council capital programme is £127.9m for the period 2010/11 to 2016/17. The programmed spend for 2010/11 is £55.5m which is an increase of £0.3m on that previously reported.
- 14.2. Cabinet will recall that the total capital spend for 2009/10 was £30m. Spend to date in the current year is £26.1m. Thus in view of this it is highly unlikely that the programmed spend of £55.5m in the current year will be delivered. In preparing the proposed revised capital programme, departments and AMG have considered the overall capital strategy and service priorities to enable delivery of the Council's business plans and within projected resources available, at a prudent and sustainable level.
- 14.3. The overall HRA capital programme is £44.2m for the period 2010/11 to 2016/17. The programmed spend for the HRA capital programme is £7.9m for 2010/11 which is a reduction of £2.9m from the position reported last month.

15. Staffing Budgets

- 15.1. Cabinet 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. To date a significant proportion of the total 2% that is not allocated directly to service budgets remains uncommitted or unspent. An increase in committed spend of £233k to a total of £255k has been reported this month as the agreed directorate contribution towards the servicing of community playgrounds comprising £17k from each of the front line directorates and both ECS and GBE releasing the remainder to mitigate other directorate pressures as detailed in Appendix E. The table below provides an analysis of the budgets being held and known commitments / spend;

Table 4 – 1 % Balances

Staffing Budget - 1% Balances Held

Department	Balance Held £'000	C'ttd / Spent £'000	Balance Available £'000
Community & Wellbeing	153	39	114
Education & Children's Services	120	120	0
Green & Built Environment	96	96	0
Resources	95	0	95
Improvement & Development	80	0	80
Chief Executive	7	0	7
Corporate Contingency	551	0	551
Total Held	1,102	255	847

16. Planning for the future – Expressions of Interest

- 16.1. As part of the 'planning for the future' exercise a number of agreed business cases for voluntary redundancy, early retirements, reduced hours and other short term leave arrangements were agreed for implementation during 2010/11. The consequence of this after allowing for any back-fill costs where appropriate is that there are currently estimated net General Fund savings of £118k that will be delivered in the current financial year. However there are still some areas where cover or alternative arrangements with offsetting costs, where appropriate, are yet to be finalised and any savings in these areas have been excluded at this stage until a final position is determined. These areas will be under review and an update provided in future monitoring reports.
- 16.2. The Housing Revenue Account has also generated 2010/11 savings from this exercise of £30k which were included in previously reported variances. These figures are included within the latest estimate for each department but are also set out overleaf for information;

Table 5 – Planning for the future savings
Planning for the future - 2010/11 savings

Department	Total Saving £'000
Community & Wellbeing	-3
Education & Children's Services	-36
Green & Built Environment	-9
Resources	-33
Improvement & Development	-31
Chief Executive	-6
Total General Fund	-118
Housing Revenue Account	-30
Total	-148

17. Conclusion

- 17.1. The position as at the end of February 2011 leaves an overall headline under spend position of £1.780m against the General Fund revenue account. Against the Housing revenue Account the position as at the end of February 2011 leaves an overall headline over spend position of £60k. Despite entering the final stages of the financial year close scrutiny continues to be required from the Directorate management teams to ensure 100% delivery and thus not weaken the base budget position for 2011/12 and beyond.
- 17.2. The General Fund capital programme is indicating a total programmed spend of £55.5m in the current year against £127.9m for the period 2010/11 to 2016/17. The Housing Capital Programme is showing a total programmed spend of £7.9m in the current year against £44.2m for the period for 2010/11 to 2016/17.