

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 31ST 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 31st July 2011

3. Background

3.1 The report contains two sections Finance and Projects

4. Finance section including Projected Outturn Position as at 31st 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
Total Cost of Services	106.314	112.341	50.331	112.309	0.032
% of revenue budget over/(under) spent by Services					0.29%
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
Total General Fund	105.107	105.334	45.187	105.302	0.032
% of revenue budget over/(under) spent in total					0.30%

5. Month on Month Movement in Variances

5.1 **Community and Wellbeing** are reporting an underspend at the 31st 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 1st April 2012. In practise this is likely to occur in week commencing 26th 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 2nd 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 5th 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 7th 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 7th 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		
BANKS							
Australia & New Zealand Banking Group	Australia	AA-	F1+	Aa1	P1	5.00	0.00
Lloyds Banking Group						30.00	
- 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
Sub Total							79.75
Building Societies							
Nationwide Group	UK	AA-	F1+	Aa3	P-1	20.00	9.60
Coventry BS	UK	A	F1	A3	P-2	2.70	2.70
Sub Total							12.30
Total Deposits							92.05

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 1st April to 7th 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 31st 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 31st 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

Adult Social Care Transformation Programme ALL WARDS	PROJECT MANAGER			Kamal Lallian Mike Bibby	
	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	AMBER	GREEN	AMBER	AMBER	05/08/11
<i>Previous month</i>	AMBER	GREEN	AMBER	AMBER	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 1st 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	GREEN	GREEN	GREEN	GREEN	01/08/11
Previous month	GREEN	GREEN	GREEN	GREEN	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 19th 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	GREEN	GREEN	GREEN	GREEN	02/08/11
Previous month	GREEN	GREEN	GREEN	GREEN	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	GREEN	GREEN	AMBER	GREEN	04/08/11
Previous month	GREEN	GREEN	AMBER	GREEN	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 27th July.
- A full public opening will take place on the 3rd September with community “street party” and events.

RECOMMENDATIONS: None

Customer Focus
(formerly Duty Desks)
ALL WARDS

**PROJECT
MANAGER**

Judith Davids / Vijay
McGuire

	Timeline	Budget	Issues & Risks	OVERALL STATUS	Date Updated
Current period	AMBER	AMBER	AMBER	AMBER	04/08/11
Previous month	AMBER	AMBER	AMBER	AMBER	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 11th 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 18th 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 25th 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 15th July and the functionality is 80% in place.
- A training day was held on the 4th 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 22nd 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 1st 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 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 10th 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	GREEN	02/08/11
Previous month	n/a	n/a	n/a	GREEN	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**.

Planning for the Future

ALL WARDS

PROJECT
MANAGER

CMT

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

PROJECT
MANAGER

Keren Bailey

	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 20th 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	GREEN	GREEN	AMBER	GREEN	05/08/11
Previous month	GREEN	GREEN	AMBER	GREEN	11/07/11

Key Points:

Primary Places

- Projects to add additional modular accommodation at Castlevue, 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)		
May-07	52 (1545)	54 (1617)	
May-08	55 (1656)	56 (1677)	
May-09	56 (1669)	56 (1677)	
May-10	61 (1833)	59 (1767)	2 (60)
May-11	65 (1953)	65 (1947)	2 (60)
Sep-11		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	AMBER	GREEN	AMBER	AMBER	03/08/11
Previous month	GREEN	GREEN	AMBER	GREEN	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 1st 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 6th July.

ISDS return

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

Site Visits

- A total of 5 site visits completed between 11th July and 19th 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 19th August.

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

ISDS Evaluation

- ISDS evaluation commenced on 14th 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 26th July.
- Financial clarification questions along with headline budget and TUPE information was released on August 3rd 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 10th August with a view to finally completing the evaluation and confirming the shortlist on 15th 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 19th 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 24th.

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 25th August – 2nd September.

Competitive dialogue meetings Stage 2

- Stage 2 of Competitive Dialogue will take place 5th September – 8th 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	GREEN	GREEN	AMBER	GREEN	05/08/11
Previous month	GREEN	GREEN	AMBER	GREEN	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
		This month: +£33k – 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
Community Services and Adult Social Care	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
	Total	27,231	27,263	33	-121

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.

	Service Area	Budget	Outturn	Variance	Change
		£'000	£'000	£'000	£'000
Culture & Skills	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
	Total	4,543	4,468	-75	0

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).

	Service Area	Budget	Outturn	Variance	Change
		£'000	£'000	£'000	£'000
Personalisation, Commissioning & Partnerships	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
	Total	5,016	5,072	56	-2

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.

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

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><u>New this Month:</u> 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>Children Looked After (CLA): <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 £74k 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 -£52k. Extensions and rate changes for 12 other children result in a net additional pressure of £115k. 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 (-£32k).</p> <u>Internal Fostering (£23k):</u> During July, 6 children started to receive internal foster care at an additional cost of £40k 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 - £24k . In addition, 2 children have had their placement extended (£7k). <p>Commissioning and Social Work Additional costs arising from the Ofsted Safeguarding review have been identified; staff training (£75k), increased IRO cover (£45k), and the cost of the interim Corporate Parenting Manager (£23k). This additional cost of £143k represents the remaining items funded from the contingency for the Safeguarding Improvement Plan.</p> <p>Family Support Services <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 £19k and a family assessment ordered by the courts has cost £12k.</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	New this month: £260k – Being the estimated annual cost of the SAVVIS server contract Previously reported:
Customer Service Centre	0	New this month: No variance reported Previously reported:
Total ICT and Information Technology	0	Sub-Total
Benefits, Council Tax and NNDR	0	New this month: No variance reported Previously reported:
Transactional Finance	(20)	New this month: Cost of agency cover offset by the value of vacancies. Previously reported:
Transactional HR and Payroll	0	New this month: No variance reported Previously reported:
Logistics Team	(25)	New this month: Being value of vacancies held until the end of 2011/12. Previously reported:
Strategic Management	0	New this month: Previously reported: £334K overspend due to budget error
	215	Total Variance

Chief Executive's

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

Appendix A (Cont.)

Directorate:	Resources and Regeneration	Period - 03	June 2011
Main Variances			
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>	
Total	(240)	Forecast Variance	

Directorate:

Resources & Regeneration –
Housing Revenue Account

Period - 03

June 2011

Main Variances

Variance Explanation
£'000

Service Area	Change £'000	Explanation
	87	Variance reported last month
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		
	(43)	Total Variance