

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview and Scrutiny Committee **DATE:** 10th April 2008

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WARD(S): All

PART I **FOR INFORMATION**

PERFORMANCE MONITORING 2007/08

- A - Human Resources – 3rd Qtr Stats**
- B - Revenue Monitoring**
- C - Capital Monitoring**
- D – HRA**
- E - Write off of Council Tax debt**
- F - Council Tax capping update**

1 Purpose of Report

This report highlights the Council's overall performance from financial management to service and HR activity. Finance officers are into the processes of closedown which will produce the final outturn for 2007/08. This report gives the third quarter statistics from Human Resources, the latest position on the HRA as well as the likely outturn for both revenue and capital expenditure. In addition it gives the latest position regarding Council Tax capping and seeks approval to write off Council tax debts.

2 Recommendation(s) / Proposed Action

The Overview and Scrutiny Committee are requested to consider and comment on the report.

The Cabinet is requested to resolve that

- the report be noted
- that the virements be approved
- the write off of Council Tax debts be approved

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

The budget is the financial plan of the Authority and as such will underpin the delivery of the Council's Key Policy Priorities throughout the forthcoming year, through the individual departmental and service plans. It, therefore, reflects the Council's assessment of service priorities, but within the financial constraints it finds itself.

Performance monitoring throughout the financial year reflects on whether those priorities are being met and, if not, the reasons why. This will enable Members to make informed decisions thus ensuring the Council remains within its available resources.

4 Other Implications

(a) Financial

These are contained within the body of the report.

(b) Human Rights & Other Legal Implications

There are no other legal or Human Rights Act implications.

5 Supporting Information

- 5.1 As reported to Members earlier this year, the high level detail for Financial Performance, Performance Management and HR is now contained in one report to strengthen the golden thread between the corporate vision and the priorities of the council and its budgets. Officers are reviewing the current monitoring arrangements with a view to implementing an updated process in the early part of 2008/09. This month the financial reports are a summary whilst the accounts are closed down. The draft Statements of Accounts will be submitted to Members for approval in June with the report by the Auditor and publication of the accounts by 30th September.

A HUMAN RESOURCES

- 5.2 The HR statistical information attached in Appendix A covers the period October to December 2007 (Qtr 3). Areas to particularly note include:
- **Turnover** – This shows a gradual increase over quarter 1 and 2 (2.2% and 3.2% respectively) and a slight drop in quarter 3 (3.0%). This is higher than for the same period last year. The projected annual turnover of 10.8% is therefore slightly higher than that for 2006/07 which was 10.5%. The number of starters in the quarter totalled 80, whilst the number of leavers for the same period was 53.
 - **Sickness Absence** – Sickness levels have are currently projected at 12.0 days lost per FTE for 2007/08. This is lower than the 12.3 days lost per FTE in 2006/07. This downwards trend is in line with improved management action and targeting of sickness absence. The reason with the highest days lost in Quarter 3 was infections, which is not unusual for this time of year. The overall lost salary cost for the quarter was £282,755.
 - **Vacancy Levels** – Work continues with directorates to establish improved recording of vacancy levels. The number of vacancies currently indicated (excluding Education and Children's Services) is 428 posts. (Some of these vacancies range from a few hours through to full-time positions. An FTE figure is not available).
 - **Workforce Profile** – The number of staff from BME backgrounds has continued to rise from 38.4% at the end of quarter 1 to 41.9% at the end of quarter 3. Staff declaring a disability has remained stable since last quarter at 5.3%.

B REVENUE MONITORING

5.3 The Council's 2007/08 net revenue budget is £92.7m. This excludes the schools budget of £82.7m which is funded through the Dedicated School Grant. To set a balanced budget, £0.6m has been drawn from balances.

The high overspends reported at the start of the financial year by the directorates have been contained and are now showing an overall surplus. Along with the savings reported from Treasury Management this gives the Authority a likely significant surplus for the year. As reported previously it has been considered prudent to set aside sums to meet known or likely high risks which are emerging and which would not be covered by the budget 2008/09. It is therefore expected that the Authority will still break even in 2007/08.

TABLE 1

Directorate	Controllable Expenditure					Variance Over/(Under) Spend Cab (10.3.08) £'M
	Actual 2006/07	Base Budget	Amended Budget	Projected Outturn	Variance Over/(Under) Spend D = C - B	
	£'M	A £'M	B £'M	C £'M	£'M	
Education and Childrens Services	18.6	20.4	20.170	19.714	(0.456)	(0.774)
Community and Wellbeing	30.2	29.2	29.377	29.564	0.187	0.504
Green and Built Environment	20.3	21.7	21.928	22.016	0.088	0.034
Central Directorates	18.8	18.0	20.154	20.154	0.000	0.746
Total Cost of Services	87.9	89.2	91.628	91.447	(0.181)	0.510
Support Costs Charged to HRA	(0.4)	0.0	0.000	0.000	0.000	0.000
Treasury Management	(0.1)	0.8	0.782	(2.718)	(3.500)	(3.500)
Contingencies & earmarked reserves	1.0	3.3	0.853	4.419	3.566	2.665
Other pressures and savings- see below	0.0	0.0	0.000	0.115	0.115	0.325
Total	88.4	93.3	93.264	93.264	0.000	(0.000)
To/(From) Balances	0.6	(0.6)	(0.595)	(0.595)	(0.000)	0.000
Total Slough Borough Council	89.0	92.7	92.669	92.669	0.000	(0.000)

5.4 The Director of Education & Children's Services (DECS) is, again, reporting a continued improvement for the month of £318k which gives an overall favourable variance of £456k. This has been adjusted in line with the Council's approach to demand led services and £342k of one off savings have been moved to the demand led contingency pot. These are one-off savings which fall across all services, the largest area being in Children and Families. The current low level of client activity is unprecedented in recent years and whilst the current year's budget is on target, it would be imprudent to assume that this level of demand would continue in the medium to long term.

5.5 The Community & Well Being Services are reporting a reduced overspend of £187k. The reduction of £316k this month is predominantly due to savings to be achieved being found across other service areas.

5.6 Green & Built Environment, this month, are showing a projected overspend of £88k. £40k of which relates to Housing Services now included as part of this directorate.

5.7 Following the review of provisions reserves and contingencies it is expected that the Central directorate will now achieve a balanced budget. Pressures due to spend on Child Care Lawyers and loss of Land Charge Income have been funded by the release of contingency. Provisions and reserves held for Housing Benefits and Landlord Responsibilities have been reviewed and sums released back to the Revenue Account to fund the pressures previously reported.

5.8 Non departmental issues

The pressures in respect of lobbying costs and Insurance claims previously highlighted remain.

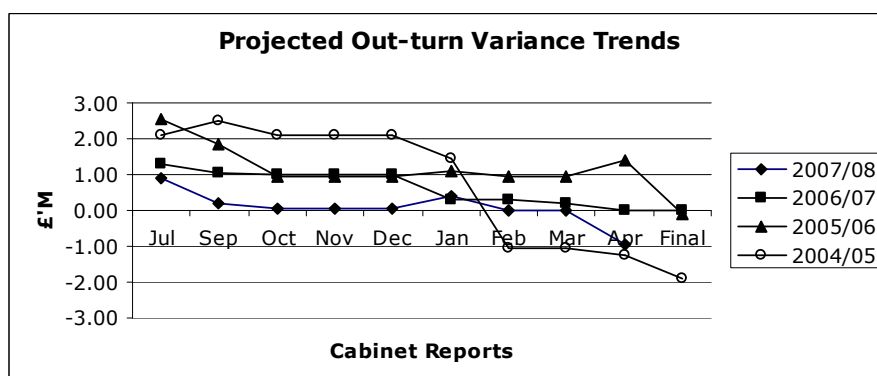
The Bond money in respect of Broom and Poplar has now been received by the Council. The sum of £360 has been included in this year's accounts and approval is sought to transfer this to an earmarked reserve in order to offset any further planning appeals the Council is required to meet. Officers continue to look at options to seek additional compensation for the Council.

As reported to Cabinet previously, negotiations have been in progress with the Government for a considerable time over the Asylum seekers grant for the period 2002/3 to 2005/06. The Strategic Director Resources has agreed a net settlement of £806k for these years (this is after adjustment to the original claim and the overpayment from the Government). The amount has been included in the current year's accounts. This has been funded predominantly from the provision and contingency sum set aside, the balance being met from DECS budget.

Previous reports have already indicated treasury management exceeding its original forecast of investment income for the year by £3.5m. Despite intervention by the Central Banks, Money Market factors such as the premium on investment rates due to the "Credit Crunch" still persists.

5.9 The position at this stage in the financial year, compared with the three previous years can be seen in the Table 2 below. Directorates are now reporting a projected Underspend of £181k.

TABLE 2



Main risks for 2007/08

5.10 Table 3 highlights the main risks the Council has faced in respect of its revenue budget during 2007/08.

TABLE 3

	Oct	Feb	Mar	Apr	
Children in care	☹	☹	☹	☹	This service is subject to the volatility of demand. As indicated in the February monitor there has been a recent increase in the level of section 17 expenditure which has seen a related increase in the number of Foster placements.
Asylum seekers	☹	☹	☹	☹	Both ECS in year issues + Claims going back to 2002/03 now settled with the Home Office.
Adult Care packages	☹	☹	☹	☹	Demand led budget. Net intake in most areas have exceeded budgeted levels. New plans in place which will attempt to restrict and reduce placements; however sustained budget pressure expected for rest of the year.
Delivery of Home Care Savings	☹	☹	☹	☹	£200k needs to be saved by changing from an internal to external providers. This has been slow to happen but has picked up recently. Full savings will not be made, but this shortfall has been made good by additional cost savings elsewhere in the Department
Delivery of Day Centre Savings (LD)	☹	☹	☹	☹	£200k should be saved from the closure and re-provision of Langley Day Centre. This will now not happen. This pressure has been offset by other cost savings elsewhere.
Waste / Refuse Disposal	☹	☹	☹	☹	Costs of disposal are permanently at risk due to potential of increase in waste volumes. However, the Environment and Planning service area is anticipated to stay within their overall budget.
DAAT/DIP Services	☹	☹	☹	☹	Takeover of responsibilities from the PCT has been problematical. Negotiations have reduced the likely pressure to £100K.
Parking enforcement	☹	☹	☹	☹	A legal challenge on a national scale has resulted in the cancellation of pre 2006/07 tickets. Further, Art @ the Centre works in the High Street, and a general increase in compliance with regulations, have reduced the income collected from penalty notice
Planning Appeals	☹	☹	☹	☹	One planning appeal has been paid and funded from contingencies during this year. Other appeals are still pending.
Housing benefits	☹	☹	☹	☹	Minor swing in Subsidy has big impact on budget. The provision held has been released to offset the likely pressure.
Customer service centre	☹	☹	☹	☹	Part year implementation of BPR has meant savings could not be achieved for a full year effect. A sum has been vired from Contingency to compensate.
Office accommodation	☹	☹	☹	☹	funds have been released from Reserves to fund potential Dilapidation charges for Wellington House.
Property repairs	☹	☹	☹	☹	Based on data received to date, spend should be under budget.
Employee costs	☹	☹	☹	☹	Employee costs account for a significant amount of total budget. All departments undertake strict monitoring including for Agency costs. Vacant posts are being held across all departments to contain other pressures.
Treasury Management	☹	☹	☹	☹	Treasury Management is expected to exceed the original forecast.
Capital spend	☹	☹	☹	☹	Although the actual spend to mid-March is lower than forecast, the last two weeks of March, traditionally incurs the bulk of the spend.
Harmonisation	☹	☹	☹	☹	The final figures are still to be determined.
Land Charge Income	☹	☹	☹	☹	The impact of HIPS and the mortgage market has led to a significant reduction in income. Budget £70k released from Contingency has eased the problem.
Child Care Lawyers	☹	☹	☹	☹	Data received from Reading indicates a larger overspend than originally anticipated. Budget has been released from Contingency.
Debt collection	☹	☹	☹	☹	Recovery of council tax is expected to be slightly higher than that of last year. Recovery of NNDR is expected to be similar to that reported for 2005/06. (The last true year for comparison as 06/07 figures were distorted by a massive adjustment to rateable value figures which consequently affected the Collection figures)

Balances

5.11 Balances in the pre audit Statement of Accounts as at 31st March 2007 were £5.68m. In the budget it was planned to take £595k from balances during 2007/08. This would leave balances at £5.08m as at 31st March 2008.

5.12 In the Budget Strategy report, The Strategic Director of Resources recommended to Members that £5m is a reasonable level for general balances providing there are sufficient departmental earmarked reserves set aside to cover likely specific risks.

5.13 As the Council progresses through the last few weeks of the financial year the outturn position becomes more certain. At this stage the indication is that there will be overall savings. Consideration will be given to request for carry forwards in respect of statutory, legal or contract commitments. Consideration may also be given to other requests from directorates which have been reporting savings during the year. Any items agreed by the Strategic Director Resources will be included in the Outturn report for Member approval. Based on the high risks facing the Council for 2008/09 it is prudent to set aside other savings as earmarked reserves to meet any resulting pressures.

5.14 In previous reports it was highlighted the need to set aside reserves for the following:

- Contingency reserve
- Emergency Planning
- Feasibility & disposal costs (Office accommodation strategy)
- Harmonisation
- Loss on SLA income from People 1st/HRA
- Part year effect of savings not achievable
- Emerging issues during future years

The Strategic Director of Resources is, proposing therefore based on the overall savings reported at the current time to increase the Contingency and Emergency planning reserve.

5.15 Virements

Members are asked to approve the following virements which have been highlighted in the report above:

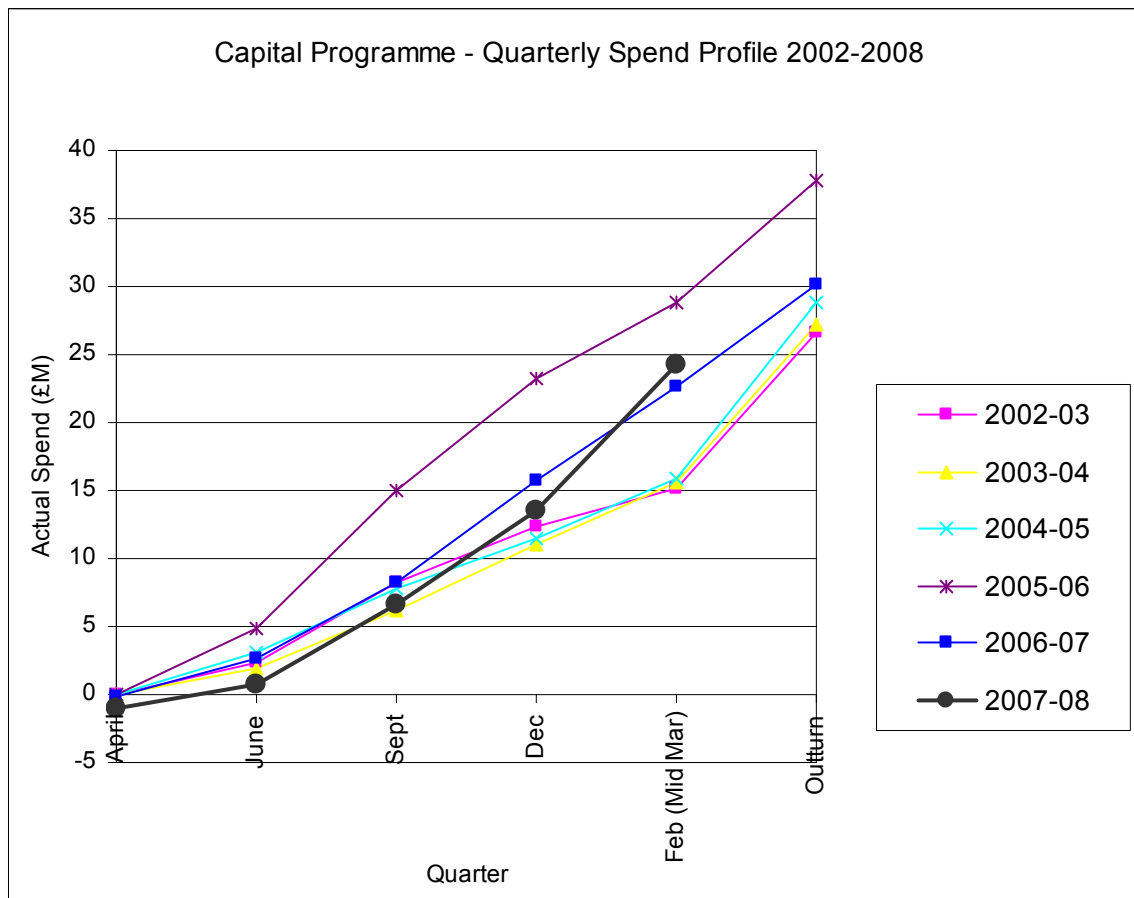
- Childcare lawyers and land charge income from Contingency reserve £220k
- Children & family services reduced client numbers to Contingency reserve (£342k)
- Dilapidations from Landlord reserve £200k
- Ex ACE savings released to contingency £100

C CAPITAL MONITORING

5.16 The revised capital programme was approved on the 11th February 2008. The actual capital spend to mid-March 2008 is summarised below with details on the “High value/Priority” schemes shown in Appendix B (i). These also show a profile of the budget and the level of capital budget committed to the end of the last quarter. The definition of committed budget is “where the contract has been let and the value of either goods or services will be delivered by 31st March 2008”. As we are almost to the end of the financial year departments have not been asked to provide the latest committed figures, thus enabling them to get on with delivering the capital programme. The Cabinet meeting will be verbally updated with the latest outturn figures for the year. Prudential indicators as at the middle of March 2008 are set out in Appendix B (ii).

The level of spend to date compared to previous years is shown in the graph below. To date only 49% of the approved budget has been spent, but the final month of the year normally incurs the highest level of expenditure. The indications are that the outturn compared to the budget is likely to be in the region of 70% for

Community & Wellbeing, 90% for Education & Children's Services, 80% for the Green & Built Environment and 90% for the Housing Revenue Account. Usable Capital Receipts of £2.233 million for the General Fund and £2.027 million for Housing have been received this year to date.



SUMMARY OF CAPITAL PROGRAMME 2007/2008

Line	Summary	2007/2008	2007/2008	2007/2008	2007/2008	% of	2007/2008	2007/2008	2007/2008
		March 2007	March 2008	Spend per Oracle to March 08	Variance to March 08	Spend to March 08			
		£'000	£'000	£'000	£'000	%	£'000	£'000	£'000
	EXPENDITURE								
	GENERAL FUND PROGRAMME								
1	Community and Wellbeing	1,199	2,568	1,120	-1,448	44%	2,506	1,270	2,568
2	Education and Children's Services	13,751	12,585	6,511	-6,074	52%	6,689	3,362	12,585
3	Green and Built Environment	7,112	7,227	4,909	-2,318	68%	4,545	2,650	6,977
4	Green & Built Environment: Afford. Housing	2,941	2,299	612	-1,687	27%	1,299	735	2,299
5	Resources	7,514	9,834	3,849	-5,985	39%	3,268	3,585	7,989
6	Capital Bids Awaiting Approval	0	0	0	0		0	0	0
7		32,517	34,513	17,001	-17,512	49%	18,307	11,602	32,418
	HOUSING REVENUE ACCOUNT								
8	Housing Revenue Account	14,514	15,571	7,344	-8,227	47%	6,899	5,129	15,571
9		14,514	15,571	7,344	-8,227	47%	6,899	5,129	15,571
10	TOTAL CAPITAL PROGRAMME	47,031	50,084	24,345	-25,739	49%	25,206	16,731	47,989

	SOURCE OF FINANCING	£'000	£'000	£'000
	GENERAL FUND PROGRAMME			
11	Capital Grants & Contributions	10,481	16,752	8,148
12	Capital Fund	243	263	0
13	Prudential Borrowing	4,803	0	0
14	Capital Receipts	16,990	17,498	8,853
15		32,517	34,513	17,001
	HOUSING REVENUE ACCOUNT			
16	Capital Grants & Contributions	0	86	0
17	Revenue / Major Repairs Allowance	4,684	4,726	548
18	Prudential Borrowing (Including ALMO)	9,080	8,538	6,796
19	Capital Receipts	750	2,221	0
20		14,514	15,571	7,344
21	TOTAL FINANCING	47,031	50,084	24,345
	SOURCES OF FUNDING			
	M = Mainline Resources: Prudential Borrowing, Capital Receipts, Revenue Contributions & Major Repairs Allowance			
	G = Capital Grants and Contributions			

D HRA

5.17 People 1st manage the entirety of the Housing Revenue Account (HRA) on behalf of the Council, while the Borough retains responsibility for the overall strategic direction of the account and Business Plan. Additionally People 1st monitors expenditure and manages the repairs contract with our partner organisation Interserve FM. The position as at the end of February 2008 is shown in Table below.

Department Name	Realigned Base Budget A	Realigned Amended Budget B	Actual Spend to date C	Projected Outturn D	Variance Over/(Under) Spend E = D - B
Housing Revenue account- Management	£	£	£	£	£
HRA Supervision & Management General					
<i>HRA Retained Services</i>					
Allocations Team	548,100	548,100	380,455	516,420	(31,680)
Housing Management Environment	52,790	52,790	44,111	48,915	(3,875)
S&M General	7,900,290	7,900,290	5,624,591	7,787,920	(112,370)
Housing Client	44,060	44,060	37,781	44,060	0
Garages	0	24,510	10,211	16,510	(8,000)
HRA Supervision & Management Special					
<i>HRA Retained Services</i>					
Homeless Hostels	163,660	163,660	145,650	123,430	(40,230)
Utilities	359,180	359,180	204,960	359,180	0
<i>HRA Managed Services</i>					
HRA Managed Budgets	564,790	564,790	386,388	564,790	0
	9,632,870	9,657,380	6,834,147	9,461,225	(196,155)
Housing Revenue Account	(261,740)	(261,740)	(18,113,951)	(261,740)	0
Housing Repairs Fund	5,886,470	5,886,470	4,683,658	5,886,470	0

There has been an improvement in the department's last report, resulting in the identification of further savings. The overall projected position now reported, is an underspend of £196.2K. This, in the main, relates to the Supervision & Management General area coming in under by £156K and the new identification of a 41K savings in the Supervision & Management Special area.

Supervision & Management General

The net controllable S & M General budget is £8.570m, and the estimated outturn position, taking into account all known committed costs, planned growth and anticipated savings, is £8.414m. This gives a projected underspend of £156K.

There are some risks to this position, notably in the J100 Allocations area as increase or decrease in demand for the lettings can vary month on month. This position will be carefully monitored over the coming months with a view to calculate and report a more precise estimates as these become clearer. Otherwise, this is a fairly confident position of this area and is anticipated to come under budget.

Supervision & Management Special

The net controllable S&M Special budget is £1.088m, and the estimated outturn position taking into account all known committed costs, planned growth and anticipated savings, is £1.047m. This gives a projected underspend of £41K.

A detailed review of this area has revealed an improved position creating an underspend. This is due to the following major reasons:-

1) Reduction in staff numbers in the (J022) Homeless Hostels area.

2) Reduction of the use of standby costs: It was anticipated at the start of this financial year, that standby costs would be on budget, but good performance and service delivery has led to a one-off saving in this area.

3) Revision of Staff Timing Allocations as per strategic director, resulted in HRA making overall savings of £23K

All areas are being monitored closely to ensure that these savings are sustained even further and ensure delivery.

E WRITE OFF OF COUNCIL TAX DEBT

5.18 The constitution requires cumulative write offs in excess of £250k to be reported formally for Cabinet. A list of write offs recommended by the Strategic Director of Resources has been placed in the Members' Room. The Council has carried actions to recover this income and these are recommended for write off having exhausted these. However if any of the sums of money were to be later repaid, although this is extremely unlikely, they could be written back into the Accounts. Full provision for these write offs have been made within the accounts.

F COUNCIL TAX CAPPING

5.19 The Local Government Minister has announced the criteria which will be used in the capping regime in 2008/09. Ministers are clearly pleased that the average council tax increase is low in the context of previous years.

Eight authorities have been designated, which gives them 21 days to make representations to the Secretary of State.¹ These councils will not necessarily be forced to re-bill but some form of action will be taken against them (assuming of course that their representations do not persuade ministers to change their minds!). Ministers can choose to cap an authority in-year or set a notional budget for 2009/10, which effectively sets a maximum increase in the subsequent year. We would not expect those authorities only marginally breaching the criteria to be forced to re-bill on value-for-money grounds.

The Capping criteria have been set at a 5% increase in both council tax and budget requirement.

Seven of the designated authorities are police authorities, which will have caused arguments between DCLG (who want to manage council tax increases regardless of what they are being spent on) and Home Office (who want to optimise the funding for police services and would prefer this funding to come from council tax rather than their own departmental spending allocations). The police authorities are: Lincolnshire, Cheshire, Leicestershire, Warwickshire, Surrey, Bedfordshire and Norfolk.

More interesting from Slough's point of view is the single local authority to be capped. This authority is Portsmouth. It increased council tax by 5.042% and budget requirement by 6.1%. Portsmouth can consider itself to be very unlucky

to be capped: its council tax is less than 0.04% higher than Slough's and its increase in budget requirement is the 109th highest in England.

Slough will not be capped in 2008/09. Our council tax increased by 4.99% (marginally below the maximum for council tax) and budget requirement increased by 6.35%, which exceeds the maximum increase for budget requirement. These are very similar to Portsmouth's but just the right side of the line. I think it is safe to say that we maximised the income to Slough this year.

5.20 Key statistics in England:

- 144 authorities exceeded the maximum budget requirement increase (37%)
- 26 authorities had council tax increases in excess of 4.95%
- Only 6 authorities had higher council tax increases than Slough (see below).
- Of the 3 authorities exceeding 5% council tax increase, only Portsmouth had a budget requirement increase that exceeded 5%.
- Medway was capped in 2006/07 (although it was set a notional budget for the following year rather than being forced to re-bill) and has only marginally missed the cut in 2008/09.
- 4 out of the 9 largest increases are in unitary authorities
- 3 authorities have reduced council tax including Oldham, Hammersmith & Fulham and Three Rivers.
- Inner London has the lowest average increase, counties and unitaries have the highest average increase at almost 4%.

6 **Comments of Other Committees**

N/A

7 **Conclusion**

The final outturn for 2007/08 will be reported to Members for approval in June. Any surplus overall for the Council will be set aside as reserves to meet anticipated risks in the 2008/09 budget.

8 **Background Papers**

- 2007/2008 Revenue Budget and Council Tax Report.
- Budget papers held in Corporate Accountancy.
- Finance Detailed working papers are held in Central Finance and the relevant departments.

9 **Appendices attached**

- 'A' - HR 3rd Quarter Statistics
- 'B' - Capital Monitoring and Prudential Indicators

10 **Members' Room**

- Schedule of Council Tax Write-Offs

Indicators..... at-a-glance (October - December 2007)

Workforce Profile as at 31st December 2007

Headcount	1745	FTE*	1341.1
Vacancies#	428	Disability	5.3%
BME**	41.9%	Non BME	60.5%
Female	70.2%	Male	29.8%

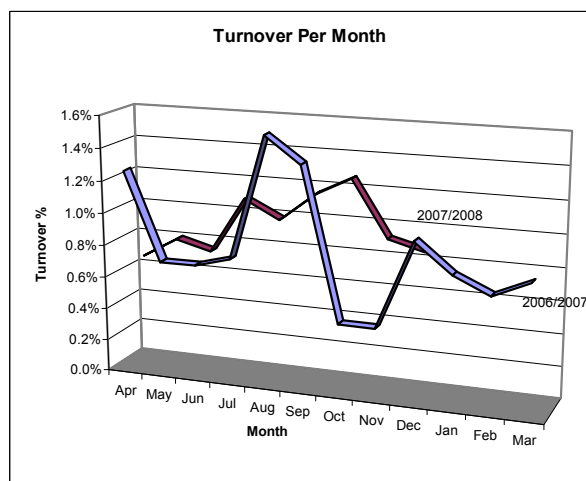
* FTE = Full Time Equivalent

** BME = Black and Ethnic Minorities (of those declaring)

Vacancies = Posts Vacant

The headcount for SBC has increased this quarter, up from 1737 to 1745. With this increase the number of staff from BME backgrounds has increased from 39.2% to 41.9% from last quarter. The ratio of male to female staff remains relatively stable, with the percentage increase for males for this period increasing slightly from 29.5% to 29.8%. The number of staff declaring a disability remains stable at 5.3%.

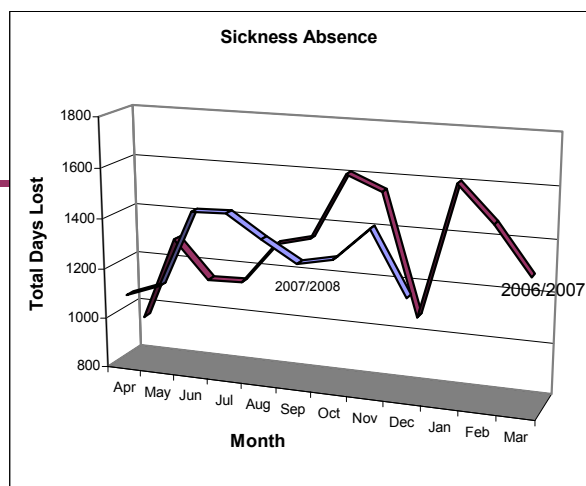
Turnover



*2007/2008 The chart opposite shows a peak in 10.8% October 2007, way above the Quarter 3 2007 turnover rate for the same period last year, levelling off just below the 3.0% 2006/2007 December figures for 2006. Overall the chart shows much smaller variations in turnover rate compared to the figures last year, however the peak in October has taken the projected turnover rate over that of 2006/2007.

* Projection

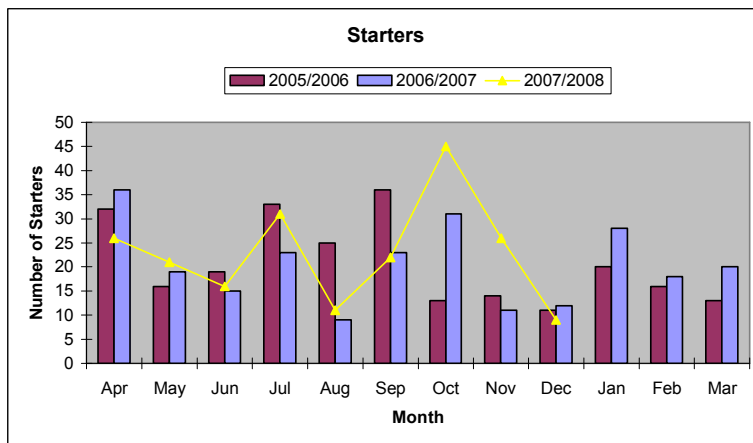
Sickness



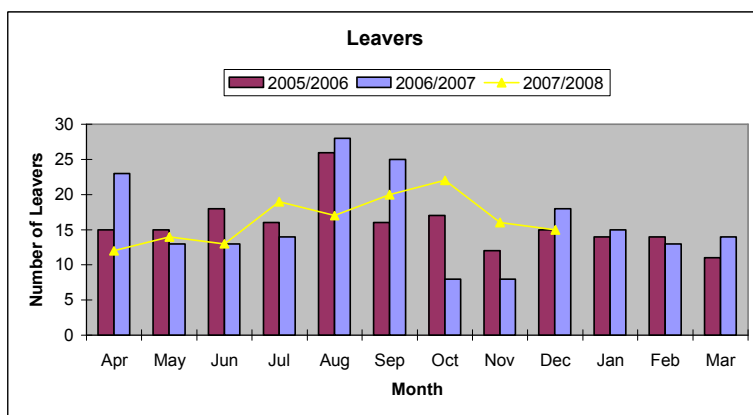
*2007/2008 The projected sickness days lost per 12.0 FTE currently stands at 12.0 days, Quarter 3 2007 lower than the 12.3 from 2006/2007. 2.9 Quarter 3 2007 also saw an improvement from 3.0 in 2006 to 2.9. 2006/2007 The chart opposite shows much smaller deviations in the levels of sickness compared to the graph for 2006/2007 where the highs and lows are much more pronounced. £282,755 was spent on lost salary costs due to sickness absence this quarter, more than quarter 2, however the number of days lost is less at 3948.5.

* Projection

Starters & Leavers (October - December 2007)



The chart opposite shows recruitment for the council well above the figures for the same period last year. The number of starters this quarter totalled 80, 45 of them in October, the total number of starters last quarter. 40 of the total were appointed in the Community & Cultural Services Directorate, 15 in the Assistant Chief Executive's directorate where the majority of the new starters were in the Customer Service Centre.



Leavers for this month accounted for 53, however the chart opposite shows that the number of leavers in the last quarter was more than that in the same period last year (34). The majority of leavers were in the Community & Cultural and Education & Children Services directorates with 15 and 18 leavers respectively.

Workforce by Directorate & Vacancy Level - December 2007

Directorate	FTE	FT	PT	Vacancy Level (Posts)
Assistant Chief Executive	171.5	151.5	20.0	42
Chief Executive	5.0	5.0	0.0	0
Community & Cultural Services	425.9	332.1	93.8	233
Education & Children's Services	383.1	317.0	66.1	Under re-organisation
Finance & Property Services	105.5	86.0	19.5	34
Green & Built Environment	167.0	153.5	13.5	110
Human Resources	37.5	32.0	5.5	1
Law & Corporate Governance	45.6	41.4	4.2	8
TOTAL	1341.1	1118.5	222.6	428

The table above is an indication of the number of posts vacant within each directorate. Although there has been some movement within individual directorates, the total number of vacancies remains the same as last quarter despite the recent level of recruitment. Changes to individual directorate vacancy levels may well be due to upcoming advertising and the need for the posts to be set up in our electronic HR system ready for recruitment. It should be noted that the vacancy level is a headcount of vacant posts and is not an indication of the FTE vacancy level.

Workforce Profile - Ethnicity, Disability, Gender, Age Group & Service Length

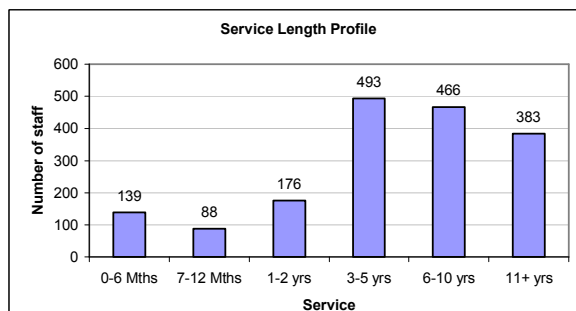
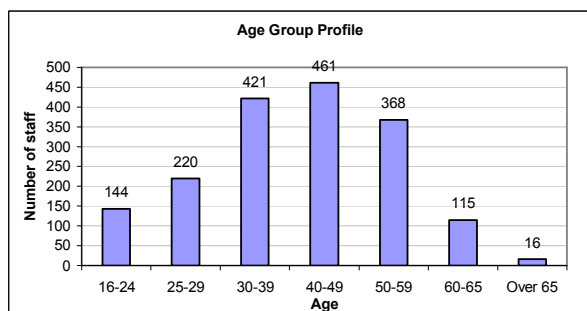
Profile as at 31st December 2007
Total Workforce (excluding schools)

Ethnicity Breakdown	31-Dec-07		Slough Census Comparator
	Total	%	
(a) White		59.1	63.7 (-4.6)
British	905	51.9	58.3 (-6.4)
Irish	28	1.6	2.1 (-0.5)
Any Other White Background	98	5.6	3.3 (+2.3)
(b) Mixed		2.8	2.3 (+0.5)
White & Black Caribbean	17	1.0	0.9 (+0.1)
White & Black African	9	0.5	0.2 (+0.3)
White & Asian	14	0.8	0.7 (+0.1)
Any Other Mixed Background	8	0.5	0.5 (0)
(c) Asian or Asian British		25.2	27.9 (-2.7)
Indian	232	13.3	14.0 (-0.7)
Pakistani	162	9.3	12.1 (-2.8)
Bangladeshi	4	0.2	0.1 (+0.1)
Any Other Asian Background	41	2.3	1.7 (+0.6)
(d) Black or Black British		9.7	5.1 (+4.6)
Caribbean	77	4.4	2.9 (+1.5)
African	82	4.7	1.9 (+2.8)
Any Other Black Background	11	0.6	0.2 (+0.4)
(e) Chinese or Other ethnic Group		0.9	1.0 (-0.1)
Chinese	8	0.5	0.3 (+0.2)
Other Ethnic Group	8	0.5	0.7 (-0.2)
Non Disclosure	31	1.8	
Blanks	10	0.6	
Ethnic Minority employees (Headcount)	714		
Total Headcount (Full time and Part time permanent staff and staff on temporary contracts of >12 months as per BVPI guidance)	1745		

Ethnic Minorities represent 41.9% of those declaring ethnicity, 40.9% of total headcount
 White represent 60.5% of those declaring ethnicity, 59.1% of total headcount
 Total non-disclosure of ethnic background 2.3% of total headcount.

Gender Breakdown	31-Dec-07		Slough Census
	Total	%	
Female	1225	70.2	50.2 (+20.0)
Male	520	29.8	49.8 (-20.0)

Disability Breakdown	31-Dec-07	
	Total	%
Yes	93	5.3
No	1512	86.6
Non Disclosure	86	4.9
Blanks	54	3.1



The number of staff from ethnic groups has increased again this quarter, up from 39.2% to 41.9%. The change can be found in the Asian/Asian British group where the percentage of staff rose by 0.4%. The number of staff in White backgrounds has also decreased slightly again, 59.2 to 59.1, continuing the downward trend in this ethnic group. The headcount has seen a rise this quarter, up from 1737 to 1745, and the number of staff from BME communities is up from 663 to 714. The number of staff not declaring an ethnicity (form left blank or not disclosing), has seen a decrease down from 73 staff at the same period 2006/2007 to 41 this quarter. This highlights our continuous efforts to ensure staff declare their ethnicity at the start of their employment, and our annual data verification exercises.

The gender breakdown of the council has seen very little change since last quarter. The disability profile also shows little change since last quarter, however when compared to the same period last year, the percentage of staff declaring a disability has risen from 4.7% to 5.3%.

The age group profile and service length profile have changed little since last quarter, with the overall profile remaining stable.

Appendix B (i)

CAPITAL PROGRAMME MONITORING 2007 / 2008

Line	EXPENDITURE	Funding Source	2007/2008	2007/2008	2007/2008	2007/2008	% of	2007/2008	Profiled Budget	
			March 2007	March 2008	Spend per Oracle to 17 Mar 08	Variance to March 08	Spent to Budget	Budget Committed to Date	Qtr.3 to Dec. 07	Qtr.4 to Mar. 08
			£'000	£'000	£'000	£'000	%	£'000	£'000	£'000
Community and Wellbeing										
1	Leisure Services Programme (ex P277)		65	473	493	20	104%	473	473	473
2	Social Care IT System (Replacement for CRIS)	M	226	639	377	-262	59%	639	500	639
Education and Children's Services										
3	Amalgamation/School Reorganisation - Lea School	M	1,196	97	75	-22	77%	97	74	97
4	Baylis Court - Building Services (heating) Phase2	G	350	49	0	-49	0%	0	2	49
5	Baylis Court - Provision of science lab/art room/suitability	G	375	0	0	0	----	0	0	0
6	Baylis Court - Sports Hall to replace gym. Phase 1	G / M	688	18	0	-18	0%	0	0	18
7	DDA/SENDA Access Works	G / M	369	172	51	-121	30%	30	45	172
8	Slough & Eton CE School (TCF)	G / M	3,665	3,638	3,678	40	101%	3,638	1,734	3,638
9	Wexham School for the Future (TCF)	G / M	2,540	713	635	-78	89%	713	224	713
10	Cippenham Nursery Graduated Childrens Centre	G	453	458	376	-82	82%	458	202	458
11	James Elliman Graduated Childrens Centre	G	400	460	510	50	111%	460	247	460
12	St. Mary's Graduated Childrens Centre	G	425	254	55	-199	22%	254	60	254
13	Godolphin Infant - Roof Replacement	G / M	0	125	1	-124	1%	0	2	125
Green and Built Environment										
14	Art at the Centre - Revitalising the High Street	G / M	2,375	2,461	1,303	-1,158	53%	500	350	2,461
15	Greener Travel	M	497	250	215	-35	86%	150	150	250
16	Highway Maintenance Programme	M	768	768	583	-185	76%	768	150	768
17	Housing Imp. Grants: Disabled Facilities (Mandatory)	G / M	566	590	442	-148	75%	566	150	590
18	Housing Imp. Grants: Landlord (Private Rented)	G / M	319	120	31	-89	26%	469	25	120
19	Street Lighting Improvements Programme	M	500	500	453	-47	91%	250	250	500
Green & Built Environment: Affordable Housing										
20	Airways (A2 Housing) - William Hartley Yard	G / M	650	125	125	0	100%	125	125	125
21	Thames Valley - Slough Garages Phase 2	G / M	500	266	0	-266	0%	266	0	266
Resources										
22	Asbestos Removal Works	M	450	215	51	-164	24%	13	20	215
23	Computer Hardware & Operating Systems	M	250	385	305	-80	79%	220	140	220
24	Customer Service Centre	M	2,285	2,276	1,087	-1,189	48%	1,100	1,200	2,276
25	DDA Improvement Works	M	1,700	1,888	220	-1,668	12%	200	300	1,888
26	Heart of Slough Project	M	2,085	580	187	-393	32%	180	305	580
27	Public Service Agreement No. 2	G	0	456	0	-456	0%	0	0	456
28	St Martins Place	M	0	1,095	1,535	440	140%	1,095	1,095	1,095
Housing Revenue Account										
29	ALMO - Internal / External Package Improvements	M	9,080	7,000	0	-7,000	0%	0	0	
30	Improvements for Sustainability	M	447	538	0	-538	0%	0	0	
31	Major Aids & Adaptions (C.Tenants)	M	750	750	395	-355	53%	750	350	750
32	Package Improvements	M	1,505	4,920	6,045	1,125	123%	4,920	4,200	4,920
33	Window Replacement Programme	M	1,010	900	582	-318	65%	892	350	900
34	TOTAL CAPITAL SPEND		36,489	33,179	19,810	-13,369	60%	19,226	12,723	25,476

Prudential Indicators

Prudential indicators as at 17th March 2008:

<u>PRUDENTIAL INDICATORS</u>	2007-08 Mar 08 Estimate £'000	2007-08 Actual to 17/3/08 £'000
Capital Expenditure		
1 General Fund	34,513	17,001
2 HRA	15,571	7,344
3 Total Capital Expenditure	50,084	24,345
Sources of Capital Financing		
4 Grants & Contributions	16,838	8,148
5 Capital receipts	19,719	8,853
6 Capital Fund	263	0
7 Revenue & Major rep. allow.	4,726	548
8 Supported Borrowing	8,538	6,796
9 Self Financed Borrowing	0	0
10 Total	50,084	24,345
AFFORDABILITY		
Ratio of financing costs to revenue stream:		
11 General Fund	-3.55%	-3.50%
12 HRA	41.21%	41.10%
Incremental Impact on:		
13 Council Tax Band D	-£5.40	-£6.45
14 HRA weekly rent	Nil	Nil
Capital Financing Requirement (CFR)		
15 General Fund	25,799	25,799
16 HRA	-6,506	-8,248
17 Total	19,293	17,551
PRUDENCE		
Net borrowing and CFR		
18 Net borrowing	-53,800	-57,972
19 Capital Financing Requirement in year 3	58,000	58,000
20 Does net borrowing exceed year 3 CFR?	NO	NO
EXTERNAL DEBT		
Authorised Limit for External Debt		
21 Authorised Limit for Borrowing	74,000	63,000
22 Authorised limit for other liabilities	1,000	0
23 Authorised Limit for External Debt	75,000	63,000
Operational Boundary for External Debt		
24 Operational Boundary for External Debt		
25 Operational Boundary for borrowing	72,200	62,600
26 Operational Boundary for other liabilities	1,000	0
27 Operational Boundary for External Debt	73,200	62,600
TREASURY MANAGEMENT (TM)		
CIPFA Treasury Management Code		
28 Has the Council adopted the TM code?	YES	YES
External Debt - Interest Rate Exposure		
29 Upper Limit on fixed rate exposure	100%	100%
30 Upper Limit on variable rate exposure	25%	25%
Maturity Structure of Borrowing		
31 Lower and Upper limits:		
32 Under 12 months	0% - 25%	0.15%
33 1 to 2 years	0% - 25%	0.13%
34 2 to 5 years	0% - 50%	10.35%
35 5 to 10 years	0% - 75%	27.16%
36 10 years +	25% - 90%	62.21%
Investments longer than 364 days		
37 Limit on amount maturing beyond	£35,000	£23,200

PRUDENTIAL INDICATORS – A GUIDE

1. **Capital Financing Summary** – Although this indicator is not required by the Prudential Code, it is included within the monitoring so that the capital financing sources can be clearly identified.
2. **Capital Financing Requirement** – This is derived by aggregating specified items from the Council's balance sheet and represents the underlying level of borrowing required to finance historic capital expenditure. The actual **net borrowing** is lower than this because of the reserve part of capital receipts accumulated till 31st March 2004, the beginning of the Prudential system.
3. **Actual Net Borrowing** – represents actual long term borrowing needs (including forward funding for future years) less temporary investments. This is a key indicator and Section 3 of the Local Government Act 2003 requires the Council to ensure that net borrowing does not exceed the Capital Financing Requirement.
4. **Authorised Borrowing Limit and Operational Boundary for external debt** – the former represents a maximum limit for borrowing, which must not be breached and therefore additional headroom has been included to cater for unplanned cash flow situations. The later is a better benchmark as it represents a more likely scenario.
5. **Incremental Impact on Band D Council Tax** – This represents the interest and Minimum Revenue Provision (Principal repayments) of all General Fund Borrowing gross of capital financing FSS. This indicator is calculated by taking the difference between debt charges based on the existing approved capital programme and the debt charges based on the actual spend to-date and dividing the result by the tax base for Council Tax.
6. **Incremental Impact on average weekly housing rent** – this would have represented the interest and principal repayments in respect of borrowing by the HRA. There is no planned un-supported borrowing for HRA in the current financial year and when the HRA does borrow in the future under the ALMO regime, that borrowing will be fully subsidised by the Government and therefore not impact on housing rent.
7. **Treasury Management** – these indicators form part of the treasury management strategy and policy statement approved each year before the beginning of the financial year. The main indicator is the adoption of CIPFA Code of Practice for Treasury Management, which the Council adopted before the current Prudential System was introduced.