

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Overview & Scrutiny Committee      **DATE:** 5<sup>th</sup> June, 2008

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**WARD(S):** All

### **PART I** **FOR INFORMATION**

#### **FINANCIAL, PERFORMANCE & HR REPORTING FOR 2008/09**

##### **1 Purpose of Report**

This report outlines the proposals for the reporting of financial, performance and HR data during the 2008/09 financial year. The report also outlines the financial risks facing the Council in 2008/09 and highlights the presentation to be given on the Statement of Accounts.

##### **2 Recommendation(s) / Proposed Action**

For information.

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

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

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

##### **4 Other Implications**

###### **(a) Financial**

These are contained within the body of the report.

###### **(b) Human Rights & Other Legal Implications**

While there are no Human Rights Act implications arising directly from this report, the Authority is required to set and maintain an adequate level of balances. The Council operates within a legislative framework in the recruitment, employment and management of its workforce. The provision of workforce information ensures that our performance in areas can be monitored at a strategic level across the organisation.

## **5 Performance Management Framework**

- 5.1 During the 2007/08 financial year an integrated report for Members was developed with Performance, Finance and Human Resources information being presented in one report to give Members the golden thread of reporting from Corporate and Service Plans down to individual staff appraisals; this theme will be further developed during 2008/09.
- 5.2 Considerable work will be undertaken over the next year to improve Slough Borough Council's (SBC's) corporate planning capabilities to ensure that the corporate and service plans actually drive resource allocation.
- 5.3 From a financial perspective, resources need to follow priorities. This means having sufficient resources to direct into priorities as well as clarity about where the Council wants to invest and direct its resources.
- 5.4 It is important that outcomes/actions from various plans are clear enough so that they can lead into a rational and effective strategic resource allocation process and performance management framework integrating and aligning business planning processes and resources to meet the needs of the citizens of Slough.
- 5.5 The financial strategy has to work hand-in-hand with developing a robust and integrated business planning and performance management regime and there will be a strong overlap, with key actions in the business planning framework being mirrored in the financial strategy model. This will allow SBC to operate an integrated planning process.

### **Performance Management**

- 5.6 The National indicator Set is the new national performance framework that local authorities (and partner agencies) are working towards. The old style BVPIs were formally withdrawn on April 1<sup>st</sup> 2008 with local authorities no longer having to report on these. Work on rolling out the NIS has been ongoing within the authority for a number of months. Upon receiving the final definitions including details of which indicators were to be 'placeholders' (indicators where baselines are not available until next year and hence limited amount of work is required) departments have been working on ensuring ownership including clarifying delivery and reporting mechanisms. There are 198 indicators in total, of which 35 have been agreed, in conjunction with GOSE, to form our Local Area Agreement. This was agreed at the Cabinet meeting on the 27<sup>th</sup> May 2008. Outturn data for relevant indicators from the NIS should be available for quarter 2.

### **Financial reporting**

- 5.7 The Council's 2008/09 net revenue budget is £98m. This excludes the schools' budget of £89m which is funded through the Dedicated Schools Grant.
- 5.8 Closure of the 2007/08 accounts is almost complete and the Statement of Accounts will be taken to a special Cabinet and Council meeting later this month. The extent of work involved in the production of this document and the necessity to ensure compliance with the correct accounting treatment to meet the audit requirements means the document is not ready for the earlier Cabinet and Overview and Scrutiny

meeting. The Strategic Director of Resources will therefore at the Overview and Scrutiny meeting on 5<sup>th</sup> June present the Provisional Outturn position.

- 5.9 The overall outturn position is showing a surplus for the year of £46k. This is in line to the position reported to Members at the end of the financial year.
- 5.10 Each Directorate held a special Finance Management Team meeting at the end of April 2008, where each Head of Service presented a report on their Outturn Position to the Assistant Director of Finance. As part of that report they also highlighted any pressures and risks which were likely to continue and to have an impact in 2008/09. Appendix 1, to this report highlights the pressures and risks that have been identified. Work has already commenced on analysing the risks the Council faces this year and the July monitoring report will include a full risk analysis. This will also identify any necessary steps to manage in year pressures. This schedule will be reported to every meeting with an indicator of level of risk. It should be noted that Members agreed at the end of the 2007/08 financial year that sums should be set aside as part of the closure of 2007/08 to meet specific budget pressures which it was identified that the Council would be facing during 2008/09
- 5.11 A number of the Council's services are demand led services for which budgets for 2008-09 have been set on known placements and client activity at a point in time. Clearly these areas are subject to constant review as client levels change and thus subject to pressures that are not directly controllable.

## **Human Resources**

- 5.12 HR monitoring information supports the development of policies, practices, systems and approaches to being an employer of choice, a learning organisation and ensuring employee well-being and safety, as well as influencing the development of management capability and capacity. The results are also used for external benchmarking and BVPI purposes.
- 5.13 The Council continues to maintain a workforce that reflects the ethnic diversity of the population it serves and our BME as well as our disability profile continues to rise.
- 5.14 Employee wellbeing, management of attendance and incidences of stress have been given a greater priority. HR has taken action to improve the quality of sickness absence control information which has led to a rise in sickness absence as a result of increased reporting. The HR Business Partners are working with managers to target areas of high sickness absence through greater occupational health referral and tighter application of the sickness absence procedure
- 5.15 Management information on the profile of the workforce will enable us to develop, implement and review strategies to support the recruitment and retention of staff and forecast our future workforce needs. The Council is developing a recruitment strategy that will enable us to take a planned approach to recruitment in hard-to-fill areas; modernise recruitment processes, improve access to job opportunities in the council for groups who may have had difficulty finding employment in the past; and improve the image of the council as a major employer in Slough. The strategy will reflect the use of permanent and temporary recruitment approaches to meet staffing requirements. The Council has implemented a four year Master Vendor contract

with Pertemps Recruitment Partnerships for the supply of temporary staff and is already achieving financial savings from the contract in its first 6 months of operation.

## **6 Conclusion**

Members will receive a joint summary report covering Finance, Performance and HR at each meeting in 2008/09.

The main Financial Risks for 2008/09 have already been identified and the status will be reported regularly to Members. Directorates are pulling together action plans to contain any pressures identified already on General Fund revenue budgets.

## **7. Appendices Attached**

1 Schedule of high risk and budget pressures 2008/09

## **8. Background Papers**

- '1' Finance Detailed working papers are held in Central Finance and the relevant departments.
- "2" Performance working papers are held in the Policy and Performance section
- "3" HR data is held in the HR department

## Appendix 1

### RISKS AND PRESSURES HIGHLIGHTED FROM 2007/08 OUTTURN WHICH WILL CONTINUE TO HAVE AN IMPACT INTO 2008/09

DECs	Raising achievement	Free transport entitlement	
	Children , Families & Youth		
		Foster activity	
		increase in referral activity	
CWB	Adult Social Care		additional clients
		Care packages	
		Residential provision	Client income
		Langley Day Centre	
		Joint arrangements	
	Cultural & Community Engagement		
		Library Services Book fund	
		Sports Development	
		Joint archive arrangement	
	Business resources		
		Haymill Bar	
		People 1st SLA & HRA recharges	
		Social Care IT project	
GBE	Transport & Planning		
		Concessionary fares	Under-funding from Gov
		Planning appeals	
		Accord	uplift on contract
		APCOA	parking enforcement
		Flood defence	
	Environment Services		
		Accord	uplift on contract
		Chalvey transfer station	RV increase on 1st April 08
		DAAT- alcohol related work	
Central	Resources & I&D	restructure- part year of savings only achieved	
	CSC	areas for BPR savings not identified and reallocated to services	
	HB	admin	
	Law & corporate	local land charges	
	property	accommodation strategy savings	
Corporate			