

Budget Monitoring Report on Financial Performance

Wellbeing Directorate

OVERVIEW

The Directorate's net controllable Revenue budget for 2014/15 is **£64.366m**. The current total projected net expenditure is **£65.352m** and therefore the Directorate is forecasting an overspend of **£0.987m** (1.6%). This is an improvement of £24k from last month. The latest summary table is shown below:

WELLBEING BUDGET MONIORING SUMMARY						
Service	Budget	Outturn	Diff	Last	Chg	%
Adult Social Care	36,405	36,405	0	0	1	0%
Public Health	-195	-58	137	134	3	-70%
Central Management	270	246	-24	-10	-14	-9%
Children & Families	21,062	22,442	1,380	1,220	160	7%
Education (Non Schools)	7,162	6,655	-507	-333	-174	-7%
Schools (DSG)	-337	-337	0	0	0	0%
GRAND TOTAL	64,366	65,352	987	1,011	-24	1.5%

MOVEMENT SINCE LAST MONTH

Although the bottom line is largely unchanged the pressure on Children Social Care (CSC) services has risen again to **£1.4m**, an increase of **£160k** as a result of increased pressure on the LAC Placement and Legal Fees budgets. There were 12 new LAC residential clients including 1 Mother & Baby placement and 2 secure clients who had their placements substantially extended. The net cost of all changes including other placement closures and changes is approximately £180k. This is £110k more than we allowed for in our forecast. In addition to this there was a substantial increase in the number of legal new cases referred for action in the past month which has added about £50k to the Legal Fees forecast. These have been offset by reduced forecast of **£170k** on the SEND and other Non Schools budgets.

DIRECTORATE SUMMARY

An overspend of **£1.0m** is reported due to pressures on the LAC Placements, Legal Fees & Early Help within the CSC Service, this is offset by savings within Non Schools mainly due to the Cambridge Education contract.

UNDERLYING POSITION

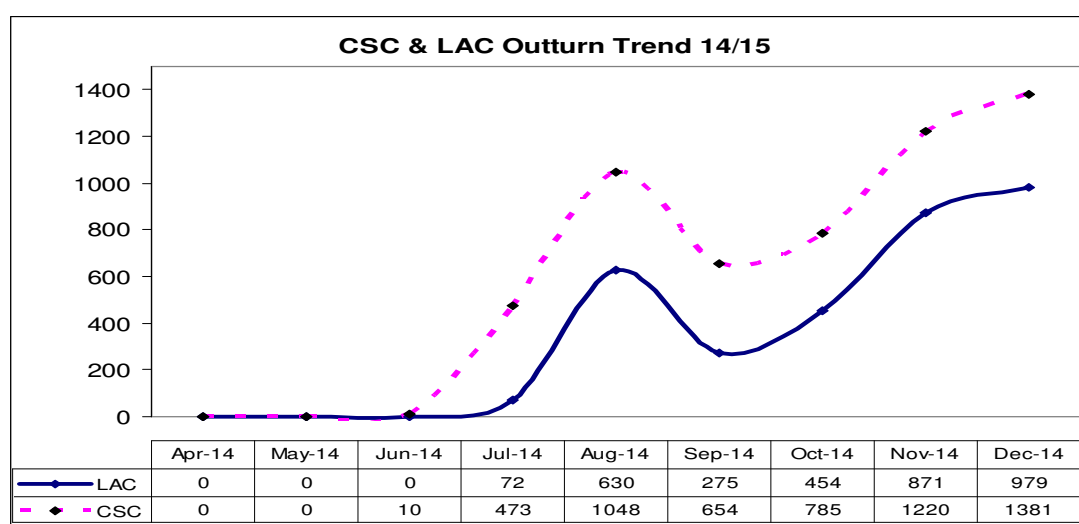
Children Social Care - The service is now overspending by nearly **£1.4m**. This includes making full use of the staffing contingency of **£2.4m** and permanent growth of **£3.33m**. The most significant and volatile underlying pressure is in the Looked after Children and Family Placement budgets. This is largely due to the increase in court mandated mother and babies placements. These typically cost over **£3k** per week and are normally for 12 week periods. This forecast assumes planned increase in placements of £70k per month for the rest of the year.

The other significant overspending budgets are Legal Fees and Early Help. Legal Fees has increased this month by £53k due to an increase in the number of cases referred to

the Joint Team since the last report. The over spend is now **£230k** but is still an improvement on the adverse variance of **£360k** in this budget last year. The pressure on the Early Help Budgets has increased slightly to **£177k**.

CHILDREN SOCIAL CARE					
SERVICE	Revised Budget	Outturn	Current Variance	Last Month	Change
	£'000	£'000	£'000	£'000	£'000
Asylum Seekers	86	107	21	22	-1
Children Looked After	8,292	8,875	583	475	108
Commissioning & Social Work	6,111	6,239	128	75	53
Learning Disabilities and Difficulties	2,012	2,000	-12	-11	-1
S17 & Support Services	231	293	63	69	-6
Safeguarding & QA	580	597	17	17	0
Family Placement Service	2,199	2,596	397	397	0
Youth Offending Team	566	566	0	0	0
Early Help	987	1,169	183	177	6
Total	21,062	22,442	1,380	1,220	160

The outturn trend for CSC and LAC is shown in the chart below:



Adult Social Care – is still reporting a balance budget but the pressures previously reported on the Mental Health and Learning Disabilities budgets remain. In achieve a balanced position the service needs to deliver savings of **£245k** over the rest of the year. This is an improvement from **£270k** last month and improves the prospect of the service achieving a balance budget.

ADULT SOCIAL CARE					
SERVICE	Revised Budget	Outturn	Current Variance	Last Month	Change
	£'000	£'000	£'000	£'000	£'000
Safeguarding and Governance	237	247	10	25	-15
ASC Management	532	305	-227	-227	0
Access & Long Term I & S	2,534	2,511	-23	-24	1
Reablement & Directly Provided Services	5,374	5,436	62	1	61
Mental Health	3,963	4,062	99	146	-47
Commissioning Budgets	19,400	20,048	648	605	43

Appendix C

Commissioning & Contracts	4,364	3,796	-568	-526	-42
Total	36,405	36,405	0	0	0

Public Health – The budget for this service was reduced by over **£600k** in the current financial year as this was mainstreamed to support other budgets within the council where public health outcomes are being delivered, with a further **£200k** planned for 15/16. An additional **£200k** has also already been top sliced to cover its share of corporate support services. So in total by the start of next year, **£1m** would have been diverted from public health activities directly provided by this service. This represents nearly 20% of the current public health grant. For 14/15 the service is expecting to overspend by **£137k**. This is due to mostly to Smoking Cessation contract which is “over performing” resulting in a budget pressure of **£40k**. There is also a pressure on the Children Services contract as an additional LAC Nurse has been added which has contributed to an unplanned pressure of **£77k**.

Savings Monitor

The Directorate has savings totalling over **£4.5m** for 14/15. The latest savings monitor shows that over 82% of these savings have already been delivered or on target to be delivered. Of the rest only **£23k** is considered unlikely to be delivered.

WELLBEING SAVINGS MONITORING SUMMARY: 2014-15							
Ref	EFFICIENCY SAVINGS	RAG	AMOUNTS				Division
			Agreed	Achieved	Projected	Slip	
2	Supporting People	Green	25	25	25	0	ASC
5	Re-design Speedwell Employment Services	Green	100	100	100	0	ASC
11	Staffing Restructure	Green	170	170	170	0	ASC
6	Increase Fees & Charges	Green	180	180	180	0	ASC
12	Inflation Contingency	Green	200	200	200	0	ASC
20	Supporting People Efficiencies	Green	437	337	437	0	ASC
22a	Management of Contract Price Inflation	Green	327	327	327	0	ASC
22b	Management of Contract Price Inflation	Green	113	113	113	0	C&F
7	Raising Participation Partnership	Green	25	25	25	0	Non-Sch
4	Directorate Savings	Green	128	128	128	0	Non-Sch
10	Services to Schools Review	Green	140	140	140	0	Non-Sch
9	Services to Schools Review	Green	202	202	202	0	Non-Sch
17	Public Health Cost Recovery	Green	50	50	50	0	PH
3	Commissioning Efficiencies	Green	250	0	250	0	C&F
1	Transformational Strategy	Green	750	555	750	0	ASC
8	Prevention & Protection	Green	614	614	614	0	PH
13	Re-ablement - Reduction in Care Packages	Amber	70	0	70	0	ASC
13	Mental Health Savings	Amber	100	0	100	0	ASC
14	Review of Care Packages (RAS)	Amber	200	0	200	0	ASC
15	Extra Care Housing - Internal Service	Amber	128	0	128	0	ASC
16	Internal Day Services	Amber	100	0	100	0	ASC
18	Community & Voluntary Commissioning	Amber	150	39	150	0	ASC
19	Telecare & Support	Amber	25	10	25	0	ASC
21	Meals Service	Amber	63	33	40	(23)	ASC
	Total		4,547	3,248	4,524	(23)	
RAG Definitions							
Implemented or on track to be delivered		Green	3,711	81.6%			
Action is required, but is expected to be delivered		Amber	836	18.4%			
In danger of not being delivered		Red	0	0.0%			
			4,547				

Customer and Community Services

Department	Revised Budget £'000	Outturn £'000	Variance £'000	%	Change in month
Customer Services, IT & Information Governance	488	477	(11)	(2.2%)	0
Community and Skills	6,606	6,419	(187)	(2.8%)	44
Enforcement and Regulation	2,004	1,890	(114)	(5.7%)	(60)
Strategic Management	(126)	(26)	100	79.4%	0
Corporate Procurement Team	605	595	(10)	(1.7%)	10
Transactional Services	8,078	8,228	150	1.9%	0
Total	17,655	17,583	(72)	(0.4%)	(6)

Directorate Summary for the 2014/15 year to date

At this point in time, the Customer and Community Services Directorate is forecasting an under spend position of £72k, largely due to CCTV/Careline income shortfall and vacancies in the Young People's services, land charge claims, slippage in the savings for the phase 2 arvato contract, and business rate issues at 2 locations. This is offset by income from community centres, primary authority, building control and planning. It should be noted that the phase 2 contract payments reduce on an annual basis from 2015/16 onwards.

Customer Services, IT and Information GovernanceExplanation of variation from budget:

The £11k under spend is from staffing and supplies and services.

Community and SkillsExplanation of variation from budget:

The under spend arises from business rates on SYPC and Haymill (these are in discussion with property services over rebates) offset by a vacancy and under spends in the Parks and Open Spaces service, additional income from the community centres, lower apprentice costs and accruals not required in the CLASS service, and savings from further restructuring of the Young People's services. Potential additional allotment costs, one-off non consolidated payments (pay award) and car allowance payments are the main reasons for the adverse movement in December.

Service: Enforcement and RegulationExplanation of variation from budget:

The £114k under spend is the current £100k projected shortfall in the budgeted income to support the CCTV/Careline services along with a forecast £30k pressure on the local land charges service arising from a change in government policy, £50k additional Primary Authority income, £180k additional planning income, £9k additional EPA fees and £5k slippage from a vacant post. It has been assumed that the £65k slippage for SIFE will be carried forward into 2015/16 and will therefore not be an under spend in 2014/15.

Service: Strategic Management

Explanation of variation from budget:

The £100k overspend at period 9 reflects the government change in CRC policy and that the £230k associated savings target is no longer achievable. Also, this forecast outturn will depend upon the outcome of various work streams to achieve the unallocated savings targets.

Service: Corporate Procurement Team

Explanation of variation from budget:

The £10k under spend is a result of the difficulty in recruiting to the vacant Major Contracts Manager (Interserve) post offset by honorariums and one-off non consolidated payments (pay award).

Service: Transactional Services

Explanation of variation from budget:

The savings for phase 2 transactional savings are now scheduled to be phased in over the life of the contract and will be achieved through decreasing annual contract payments; future annual contract savings should average around £200k. This would have led to a much larger overspend in this year but the Medium Term Financial Volatility Reserve has been drawn upon to 'smooth' out the profile of these savings. It should be noted though, that whilst savings from the operation of the contract are scheduled for future years, immediate savings (over £300k per annum from 2014/15) have already been realised from the release of accommodation space at Landmark Place (customer service and IT staff moving to Phoenix House) and the deletion of the AD post for Customer Services and IT.

Regeneration, Housing and Resources Directorate:

Overview

Service	Budget / £k	Forecast Outturn / £k	Variance / £k	Variance / %	Change in month £k
Strategic Management	170	225	55	32%	(70)
Corporate Resources	2,032	1,955	(77)	(3.8%)	(67)
Housing and Environment	14,421	14,593	172	1.8%	26
AIR (Estates Regeneration)	11,059	10,778	(281)	(2.5%)	7
Total Regeneration, Housing and Resources	27,682	27,551	(131)	(0.4%)	(104)

Directorate summary for the 2014-15 year to date

At this point in time the Regeneration, Housing and Resources Directorate is forecasting an under spend position of £131k, pending the successful delivery of the 2014/15 savings targets. The main changes from last month that have contributed to this position are the projected insurance under spend, confiscation income and the one-off Interserve refund.

Service: Strategic ManagementExplanation of variation from budget:

At the present time, an overspend of £55k is forecast reflecting the pressure of achieving this year's savings targets and the one off costs of researching the Housing Subsidiary Company and the Community Sports Stadium/Arbour Park offset by a one off refund from Interserve negotiated as part of the Major Contracts Review; the costs for the SHC (legal, financial and specialist advice up to £50k) were sanctioned by Cabinet at its meeting on the 14th April 2014.

Service: Corporate ResourceExplanation of variation from budget:

The £77k under spend is largely derived from staffing vacancies, projected insurance under spends and confiscation income, offset by LGA membership subscription and increased audit fees.

Service: Housing and EnvironmentExplanation of variation from budget:

An overspend of £172k is projected at period 9 due to a £29k reduction in fee income from Home Improvements arising from a lower capital budget, additional pension contributions and overspend of £84k on homelessness provision, £7k one-off non consolidated payments (pay award) and £15k overspend on Emergency Payments for consultancy costs; the estimated £277k profit share for 2014 from the Amey contract has been used to help meet the unallocated 2014/15 major contracts saving target.

Service: AIR (Estates and Regeneration)

Service	Budget	Forecast Outturn	Variance	Variance / %
Property Services	£640,520	£398,520	(£242,000)	(37.8%)
Facilities & Corporate Landlord	£2,469,520	£2,401,520	(£68,000)	(2.8%)
Highways Engineering	£3,518,180	£3,518,180	0	0%
Asset Management	£125,980	£191,980	£66,000	52.4%
Transport	£4,305,520	£4,268,520	(£37,000)	(0.9%)
Total	£11,059,720	£10,778,720	(£281,000)	(2.5%)

Explanation of variation from budget:

Property Service

A projected under spend of £242k is now forecast arising primarily from additional pension charges, £97k severance pay, additional reactive repair costs (legionella works, statutory inspections, H&S works etc.) offset by additional capitalisation of staff time (mainly HRA capital schemes) and correction of coding errors, and £70k reduction in corporate repairs.

Facilities & Corporate Landlords

The period nine forecast is for an under spend of £68k due to a £184k Business Rates rebate for the vacant floors at SMP during the refurbishment and negated inflation increases on the cleaning contract plus additional rental recovery from the HRA for Landmark Place, offset by increased standby and utility costs associated with operating the community centres.

Highways Engineering

There are no projected variances at the present time; a recruitment freeze is currently in place pending merger of the Highways and Transport services later in the year.

The service has a £200K increase in the Street works Income budget for 2014/15 related to a compensation claim against Uxbridge Rail/Network Rail for late completion of street works. The actual fine was issued in 2013/14 and is currently in dispute and subject to legal action. Should the compensation claim fail to be paid, this could create a £200k budget pressure in this year.

Asset Management

The projected net pressure of £66K results from a combination of pressures from various service budgets (including a £60k overspend on the Age Concern budget) and £19k outstanding business rates for Haymill (negotiations are currently taking place for a new occupant) that outweigh a £81K saving from the Bus Station due to higher than budgeted recharge income. Included within this overspend is a projected £26k overspend from consultants/agency staff in B081 (valuation).

Transport Services

There is a forecast saving of £37k in this year arising from the early implementation of the 'Pay On Foot Barrier system for Herschel and Hatfield Multi Storey Car parks' in September 2014, and income from the CCTV vehicles offset by additional parking costs such as an estimated £50k loss in income from the 'Free from 3' policy; this capital 'Invest to save' project was approved at Capital Strategy Board in January 2014 and the full year savings have been included in the 2015/16 savings proposals.

Chief Executive:

Service	Budget £k	Forecast Outturn £k	Variance / £k	Variance / %
Chief Executive	334	334	0	0%
Communications	300	300	0	0%
Policy	823	823	0)	0%
Professional Services	3,051	2,896	(155)	-5.08%
Total Chief Executive	4,508	4,353	(155)	-3.44%

Directorate summary**Professional Services**Explanation of variation from budget:

The savings shown in the table above are as a result of staffing vacancies

Corporate Services

Service	Budget / £k	Forecast Outturn / £k	Variance / £k	Variance / %
Corporate and Democratic Core	(205)	(205)	0	0.0%
Pensions	467	478	11	2.4%
Benefits Paid and Subsidies	(411)	(381)	30	-7.3%
Housing Act Advances / Equity Share Scheme	(1)	(1)	0	0.0%
Total	(150)	(109)	41	0.0%

Pensions

There is £11k of additional pension costs expected for 2014/15 from the cross Berkshire Joint Arrangement.

Benefits Paid and Subsidies

There is a potential overspend of £30k relating to Discretionary Housing Payments made on behalf of Slough Borough Council. This position is being monitored on a regular basis.

Non-Departmental Costs

Service	Budget / £k	Forecast Outturn / £k	Variance / £k	Variance / %
Treasury Management	611	611	0	0.0%
Other Non-Service Items	(2,558)	(2,536)	23	-8.7%
Parish Precepts	207	207	0	0.0%
Total	(1,741)	(1,718)	23	-1.3%

Other Non-Service Items

This area contains a number of items as follows:

The cost of the World War one memorial will be approximately £24k;

The revenue cost of community investment projects requested by Members is estimated at £36k for this financial year;

Carbon Reduction Commitment costs are £154k;

The Major Contracts Review saving for 2014/15 (£500k) has, so far, been partially attributed to the Amey profit share amount for this year (£277k). This leaves a balance of £223k to find, as yet unidentified;

The Fees and Charges Review Saving for 2014/15 (£250k) has not been reallocated to directorates thus leaving the pressure here; and

These pressures have been partially offset by:

New Burdens Grant funding (£98k); budget not needed re: pension auto-enrolment (£275k); additional release from the Collection Fund (£100k); the release of a reserve not now needed (£62k) and the planned use of PFI Reserve (£200k).

HRA Budget Monitoring

Housing Revenue Account Summary

HRA	Revised Budget £'000	Outturn £'000	Variance £'000	%	Change in month
Expenditure	39,754	38,354	(1,400)	(3.5%)	500
Income	(36,161)	(36,161)	0	0	0
Total	3,593	2,193	(1,400)	(38.9%)	500

Housing Revenue Account

Explanation of variation from budget:

For period 9, the forecast under spend is £1.55m projected under spend on Repairs & Maintenance offset by pension and staffing pressures.

On the capital programme, there are currently forecast under spends of £0.643m on the Decent Homes and Planned Maintenance elements of the HRA capital programme, £3.5m on the Affordable Homes programme, £1.225m on the Britwell regeneration project, £0.359m on Environmental Improvements, £0.222m on the Tower & Ashbourne scheme and £100k on the Major Aids and Adaptations programme.