

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Overview and Scrutiny **DATE:** 12<sup>th</sup> November 2015

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**(For all enquiries)** (01753) 875358

**WARD(S):** All

### **PART I** **FOR COMMENT AND CONSIDERATION**

#### **FINANCIAL & PERFORMANCE REPORT – Q2 2015-16**

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

- To provide the Committee with the latest forecast financial information for the 15-16 financial year.
- To summarise the Council's performance against the balance scorecard indicators to date during 2015-16
- To summarise the Council's performance on 'Gold' projects during 2015-16
- To approve the write offs contained within this report
- To approve the virements contained within this report

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

The Committee is requested to scrutinise and comment on the following aspects of the report which will be considered by Cabinet on 16<sup>th</sup> November 2015.

- Write off requests and virements
- The current financial forecast position, balanced scorecard and update on Gold projects

##### **3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

###### **3a. Slough Joint Wellbeing Strategy Priorities**

The report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of excellent governance within the Council to ensure that it is efficient, effective and economic in everything it does is achieved through the improvement of corporate governance and democracy by ensuring effective management practice is in place.

###### **Five Year Plan**

The report helps achieve the Five Year Plan objectives by detailing how the Council has performed against its priority outcomes, as evidenced in the performance

balanced scorecard and Gold projects reporting, and in delivering the Council's budget in line with the approved budget.

#### 4 **Other Implications**

##### (a) Financial

The financial implications are contained within this report.

##### (b) Risk Management

<b>Risk</b>	<b>Mitigating action</b>	<b>Opportunities</b>
Legal		
Property		
Human Rights		
Health and Safety		
Employment Issues		
Equalities Issues		
Community Support		
Communications		
Community Safety		
Financial		
Timetable for delivery		
Project Capacity		
Other		

##### (c) Human Rights Act and Other Legal Implications

None

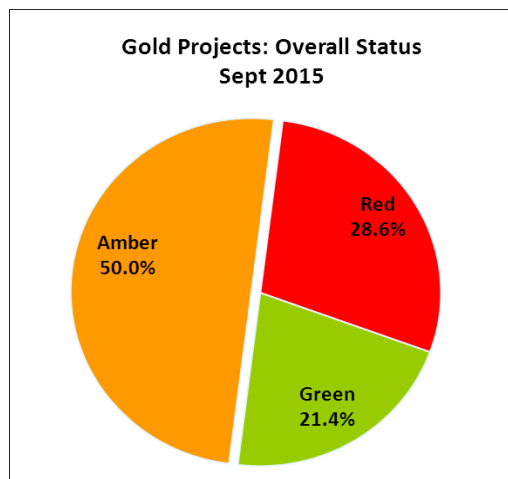
##### (d) Equalities Impact Assessment

There is no identified need for the completion of an EIA.

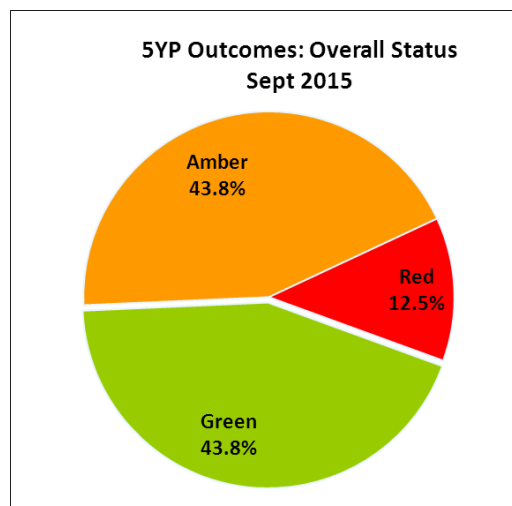
#### 5 **Supporting Information**

- 5.1 The Council is forecasting overspend of £2.046m as at month 6 after allowing for additional funding sources. This is a worse position compared to month 5 when the Council reported a potential £2.491m overspend. Whilst the month 5 overspend within the Children and Families and Adult Social Care and Health Partnerships services remain there is an additional pressure within the Public Health service with a forecast overspend of £0.439m.
- 5.2 Service action plans have reduced the underlying overspend. Whilst no additional savings are expected from the Children and Families service the Adult Social Care service remains committed to ensuring all steps are taken to get as close to break-even as possible. The result of these action plans is shown in the summary budget monitor attached as appendix A.

- 5.3 The summary of the seven Gold projects updates submitted as at September 2015 indicates that the overall status of one project has been assessed as 'Green', one as 'Green/Amber', three as 'Amber' and two as 'Red'.



- 5.4 The summary of the eight 5YP outcome highlight reports submitted as at September 2015 indicates that the overall status of three has been assessed as 'Green', three as 'Amber' one as 'Amber/Green' and one 'Red'.



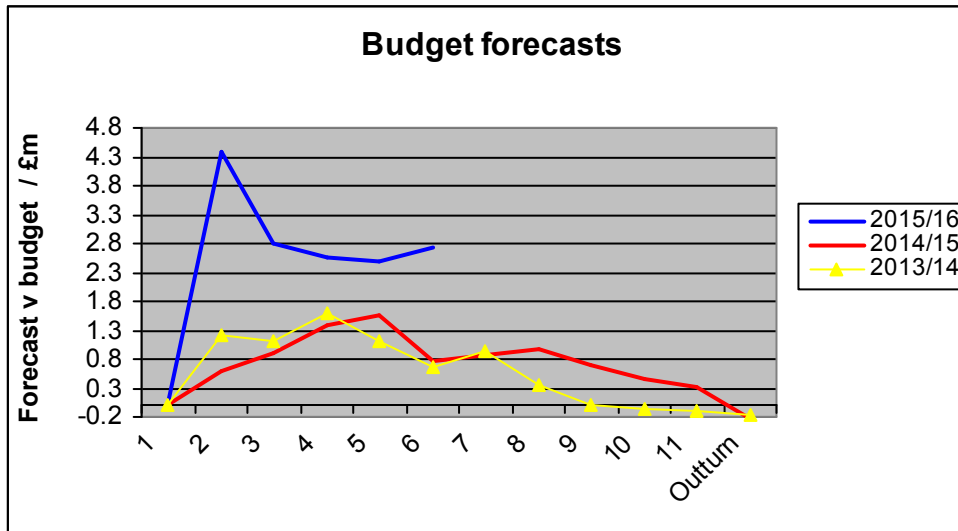
## Executive Report

### 6 Introduction

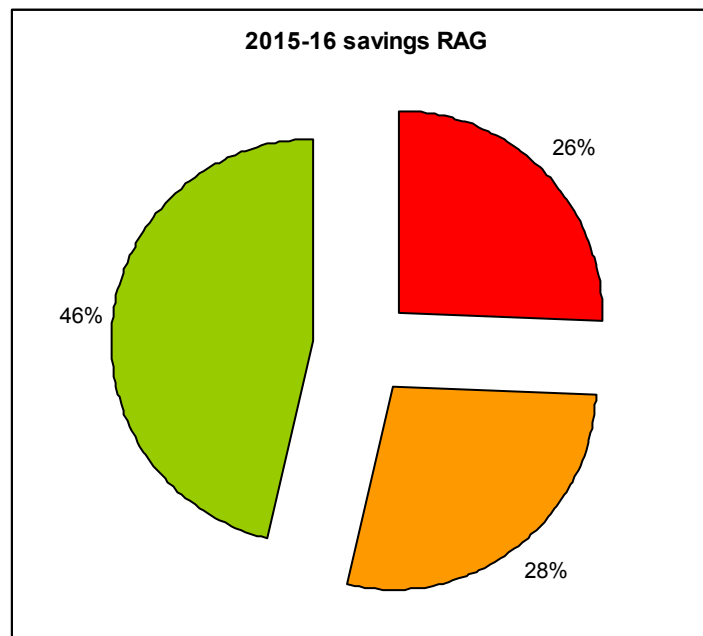
- 6.1 This is the second quarter report to Cabinet for the 2015-16 financial year in respect of the financial and performance position of the Council

### 7 Financial Performance

- 7.1 The Council is forecasting overspend of £2.046m as at month 6. The main service areas showing variation from budget are Children and Families, Adult Social Care and Health Partnerships, Public Health and Housing and Environment. These have been offset by other service and some corporate under spends.



7.2 Of the £10.0m of savings for 2015-16, nearly a half, £4.6m (46%) are now showing as green, with £2.6m (26%) showing as red, and £2.8m (28%) as amber.



### 7.3 Wellbeing Directorate

The Directorate's net controllable Revenue budget for 2015/16 is **£59.825m**. The current total projected net expenditure is **£66.849m** and therefore the Directorate is presently forecasting an underlying overspend of **£7.0m** (11%). This is an increase of **£0.294m** on the previous month. This is due to the new pressure on the Public Health Service and is summarised in the table below:

Service	Budget	Outturn	Diff	Last	Chg	%
Children & Families	20,373	24,828	4,455	4,456	-1	22%
Adult Social Care	34,444	36,293	1,849	1,938	-89	5%
Education (Non Schools)	5,725	6,016	291	276	15	5%
Public Health	-400	39	439	75	364	-110%
Central Management	19	11	-8	-13	5	-44%
Schools (DSG)	-337	-337	0	0	0	0%
<b>TOTAL</b>	<b>59,825</b>	<b>66,849</b>	<b>7,025</b>	<b>6,731</b>	<b>294</b>	<b>11.7%</b>

**7.4** The proposals from **Adult Social Care** to reduce the pressure being forecast currently amount to **£1.4m** and if fully achieved will reduce the pressure in this service area to **£0.7m**. These proposals are still worked on but there is a reasonable chance that not all of these will be achieved. However the service is committed to ensuring that all steps are taken to get as close to break even as possible. No additional savings are expected from **Children & Families** services but if the growth monies are finally released to the Service budgets, this would reduced the pressure being forecast as currently updated summary position would be as follows:

Service	Budget	Outturn	Diff	Last	Chg	%
Children & Families	20,373	22,435	2,062	2,066	-4	10%
Adult Social Care	34,444	35,049	605	693	-88	2%
Education (Non Schools)	5,725	6,016	291	276	15	5%
Public Health	-400	39	439	75	364	-110%
Central Management	19	11	-8	-15	7	-41%
Schools (DSG)	-337	-337	0	0	0	0%
<b>TOTAL</b>	<b>59,825</b>	<b>63,213</b>	<b>3,389</b>	<b>2,944</b>	<b>294</b>	<b>5.7%</b>

### **7.5 CHILDREN, YOUNG PEOPLE & FAMILIES**

The budget pressure in this service area has stayed unchanged at **£4.5m** (22%). If the growth funds are approved and the modelled savings achieved then the forecast could be reduced to **£2.1m**. The underlying budget position shows substantial budget pressures on LAC of **£1.7m** and Staffing of **£2.6m**. This is shown in more detail in the table below:-:

Service	Budget	Forecast	Variance	Last Month	Change
Asylum Seekers	86	86	0	0	0
Children Looked After	7,053	8,773	1,720	1,720	0
Commissioning & Social Work	6,372	8,824	2,452	2,452	0
Learning Disabilities and Difficulties	2,018	1,906	-112	-111	-1
S17 & Support Services	231	231	0	0	0
Safeguarding & QA	649	808	160	160	0
Family Placement Service	2,512	2,896	384	384	0
Youth Offending Team	591	591	0	0	0
Early Help	863	714	-149	-149	0
<b>Total</b>	<b>20,373</b>	<b>24,828</b>	<b>4,455</b>	<b>4,456</b>	<b>-1</b>

**7.6** If the financial effect of the actions above and if the growth bid funds are finally approved and added to the service budget then revised financial position of the this service would be as follows:

Service	Budget	Forecast	Variance	Last Month	Change
Asylum Seekers	86	86	0	0	0
Children Looked After	7,503	8,311	808	801	7
Commissioning & Social Work	7,309	8,279	970	1,108	-138
Learning Disabilities and Difficulties	2,018	1,907	-111	-111	0
S17 & Support Services	231	231	0	0	0
Safeguarding & QA	667	826	160	160	0
Family Placement Service	2,512	2,896	384	257	127
Youth Offending Team	591	591	0	0	0
Early Help	863	714	-149	-149	0
<b>Total</b>	<b>21,778</b>	<b>23,840</b>	<b>2,062</b>	<b>2,066</b>	<b>-4</b>

## 7.7 Children Looked After

The budget pressure is now **£1.7m**. This is mainly due to delay in meeting achieving the savings of **£908k** and the effect of an increase in LAC numbers since the budget forecast was agreed. This includes the pressure of **£180k** LAC 16-18 Expenses which is roughly the same as last year.

## 7.8 Staffing Budgets

This forecast is £2.4m, (reduced from £2.6m however see offsetting pressure on the Family Placement Service). It is mostly because the service has continued to use Agency staff at last year's levels despite the fact that the one off funding to allow this is not available in 2015-16. This includes the pressures on Legal Fees of **£283k** that is largely unchanged from last year.

## 7.9 Early Help

The forecast in this service is unchanged at **£149k**. This is due to payment of £116k in payment by results (PBR) funding, this plus savings from vacancies accrued to date. The next PBR claim is due in January 2016 and a further assessment of any additional income which may be received will be made at that time.

## 7.10 ADULT SOCIAL CARE

This service has an underlying budget pressure of **£1.9m**, an increase of **£61k**. The budget pressure is due to slippage on the savings agreed for this year. Of the £2.7m savings planned for this year the service has to deliver only **£1.011m** resulting in slippage of **£1.7m**. Therefore additional recovery plans of **£1.5m** have so far been developed and if fully achieved will leave a shortfall on the planned savings of **£254k** and a revised budget pressure if the shortfall of £254k is not realised of **£605k**. The service is aware that it is expected to break even and therefore further work is being done to develop additional proposals to be implemented this year. The savings position for the service alongside the Action Plan is shown in the table below.

Savings	Original savings	Achieved savings	Slippage	Recovery plans	Gap
Transformation: LD Change	1,000,000	670,526	329,474	301,100	28,374
Transformation: Review MH Day Services, High Cost placement & Supported Living	100,000	100,000	0	0	0
Service Reform: Review and reform of Extra Care; Internal Day & Residential services	350,000	50,000	300,000	0	300,000
Prevention & Early intervention :Community & Vol Sec Commissioning & Telecare	275,000	0	275,000	211,207	63,793
Transformation: Reform of Social care 1 Promoting Independence	500,000	50,000	450,000	926,278	-476,278
Transformation: Reform of Social care 2 Front Door, brokerage, Assessment and reviewing	300,000	0	300,000	0	300,000
increased Income	189,000	141,000	48,000	10,000	38,000
<b>Grand total</b>	<b>2,714,000</b>	<b>1,011,526</b>	<b>1,702,474</b>	<b>1,448,585</b>	<b>253,890</b>

7.11 The underlying summary forecast for the service is shown below:

SERVICE	Revised Budget	Outturn	Current Variance	Last Month	Change
	£'000	£'000	£'000	£'000	£'000
<b>Adult Social Care</b>					
Safeguarding and Governance	241	240	0	0	0
ASC Management & Business Support Admin	778	-637	-1,415	-1,293	-122

Access & Long Term I & S	2,645	2,959	314	320	-6
Reablement & Directly Provided Services	3,920	3,950	30	-82	112
Mental Health	4,121	4,096	-24	-37	13
Commissioning Budgets	17,218	20,413	3,195	3,170	25
Commissioning & Contracts	5,521	5,271	-251	-139	-111
<b>Total</b>	<b>34,444</b>	<b>36,293</b>	<b>1,849</b>	<b>1,938</b>	<b>-89</b>

7.12 If the savings shown above of **£1.4M** less the gap of **£254k** are added to the current underlying forecast then the summary would be as follows:

## 7.12 NON SCHOOLS

There is a pressure of **£290k** forecast for this service area. **£275K** is reflecting the uncertainty of the saving associated with the implementation of the new revised contract with Cambridge Education. This has not yet been signed and therefore the savings are not secure. There is increase in costs of **£52K** for SEN agency now remaining until end of December until Structure after the Children's Trust is established. Troubled Families Programme has now moved in to Non Schools following establishment of CST and is currently predicting an under spend of **£37K**

## 7.14 PUBLIC HEALTH

This service is now reporting a budget pressure of **£439k**. The implications of recent announcements nationally that the 2015-16 Public Health Grant will reduce in year by 7% have now been factored in. The grant is due to be reduced as indicated, meaning a loss of funding totalling **£436k**. The Service has looked at all the Contracts and given noticed were it can, but due to the Joint Arrangements that all Berkshire Unitaries have agreed to a reduction in those contracts is unlikely to be realised this financial year

7.15 The Regeneration, Housing and Resources Directorate is forecasting an over spend position of £649k, pending the successful delivery of the 2015/16 savings targets. £250k of the projected over spend is due to anticipated pressures on the homelessness service arising from the shortage of affordable rented accommodation in Slough. Measures are being put in place to secure access to suitable accommodation so that Bed and Breakfast occupancy and costs can be reduced. The Council is also working with landlords to reduce the switch to private tenants and learning from best practice in other local authorities.

7.16 The above Financial pressures are being offset by a number of additional funding sources that is helping to reduce the projected overspend by £2.1m.

Item	Amount £k
Loan note returns from the Slough Regeneration Partnership	400
Additional RSG received just before the budget was approved	197
Additional 's31' monies in respect of Business Rates	350
Insurance	416
MRP Adjustment	719

7.17 All of these budget pressures are further detailed in appendix C.

## 8 Virements

8.1 Virements during the second quarter of the current financial year were as follows

Service Area		Amount	Reason
From	To	£'000	
Wellbeing	Contingency	1,293,000.00	Transfer of 15/16 Growth.
Reserves	Wellbeing	18,500.00	Release of Transformation Reserve.
Customer and Community Services	Regeneration, Housing and Resources	33,800.00	Transfer of Orchard Youth Centre premises budget to Corporate Landlord.
Customer and Community Services	Regeneration, Housing and Resources	17,952.00	Transfer of The Curve premises budget to Corporate Landlord.
Wellbeing	Regeneration, Housing and Resources	45,920.00	Transfer of budget to Home Improvements CC.
Customer and Community Services	Chief Executive	50,000.00	Transfer of 2015/16 Savings Allocation.
Wellbeing	Customer and Community Services	336,200.00	Transfer of Domestic Abuse Budget.

## 9 Gold Project Update

9.1 The summary below provides CMT with an update on the Council's Gold Projects as at the 30<sup>th</sup> September 2015. Individual project progress reports have been made by Project leads, with endorsement from the Project Sponsor, and are provided in **Appendix E**.

9.2 Please note that the highlight reports are submitted using the standardised format requested by the Chief Executive. The intention of this format was to ensure that the really pertinent points are drawn to CMT's attention, particularly any recommendations or requests that require CMT action to support project delivery.

### 9.3 Monthly Period Summary

- This report covers seven Gold Projects in total; highlight reports have been received in time for this report with the exception of:
  - Slough Children's Services Transition. This project has now closed. A closing report will be issued shortly.
- Of the seven project highlight reports submitted, all have been confirmed as agreed and authorised by the Project Sponsors with the exception of the following which is submitted in draft:
  - Safeguarding Improvement Plan
- Of the seven submitted highlight reports, one been assessed to have an **overall** status of '**Green**', one at '**Green/Amber**', three at '**Amber**' and two at '**Red**'.
- For '**Timeline**' four projects have been evaluated at '**Green**' status, two at '**Amber**' and one at '**Red**'.
- For '**Budget**' four are assessed at '**Green**' and three at '**Amber**'.
- For '**Issues and Risks**' two have been evaluated at '**Green**', three at '**Amber**' and two at '**Red**'.



- One project, 'Accommodation & Flexible Working', has been assessed as '**Green**' for all aspects.
- School Places Programme has been addressed as '**Red**' for '*Issues and Risks*' and '*Overall Status*'.
- The Curve has been addressed as '**Red**' for '*Timeline*', '*Issues and Risks*' and '*Overall Status*'. The anticipated Project end date of the project has extended from 31/12/2015 to 29/01/2016.

Fuller details are provided in the table beneath, and in the Appendix E.

**Project Manager / Sponsor assessed status of Gold Projects as at:  
30<sup>th</sup> September 2015**

Gold Project Name	Overall status	Timeline	Budget	Issues + Risks	Sponsor approval status	CMT recommendations
Accommodation & Flexible Working	<b>GREEN</b>	<b>Green</b>	<b>Green</b>	<b>Green</b>	Approved	<ul style="list-style-type: none"> <li>• To support the project board with the proposed changes to working practices and promote these within your service areas, including flexible working, clear desk policy, general tidiness etc.</li> <li>• Reliance on Partners – Where CMT members have management of partners under their area, support this project by ensuring the provider delivers as required i.e. Arvato, Interserve etc.</li> <li>• CMT to ensure all their service areas return the flexible/smart working data collection to the Head of Facilities Management.</li> </ul>
Fit for the Future Programme	<b>AMBER</b>	<b>Amber</b>	<b>Green</b>	<b>Amber</b>	Approved	<p><b>Leadership and management development:</b></p> <ul style="list-style-type: none"> <li>• Support development opportunities for MDP participants to take part in corporate projects</li> <li>• Support take up and facilitation of MDP</li> </ul> <p><b>Governance:</b></p> <ul style="list-style-type: none"> <li>• Programme Management to be operational from October</li> </ul> <p><b>Customer Focus:</b></p> <ul style="list-style-type: none"> <li>• SD CCS to steer focus, capacity and targets for achieving savings outcomes</li> </ul> <p><b>Staff sickness:</b></p> <ul style="list-style-type: none"> <li>• CMT continue to review scorecards on a quarterly basis</li> </ul> <p><b>IT infrastructure:</b></p> <ul style="list-style-type: none"> <li>• CMT to support ICT strategy and delivery to ensure infrastructure supports modern</li> </ul>

						<p>E learning methods including availability of video and audio</p> <p><b>Staff engagement</b></p> <ul style="list-style-type: none"> <li>All SLT to commit to team visits</li> <li>Effective communication and to build communication plans into any change programme</li> </ul>
Implementation of an integrated ERP (Enterprise Resource Planning) Solution	AMBER	Green	Green ↑ (was Amber)	Green	Approved	<ul style="list-style-type: none"> <li>To support the project communications council wide.</li> <li>To be available to provide support, guidance, and ensuring full rollout of the system across the Council which will be required when introducing a new ICT Solution that will invoke a large footprint of change council wide.</li> <li>To assist in managing strategic stakeholders.</li> </ul>
Learning Disabilities Change Programme	AMBER	Green	Amber	Amber	Approved	CMT to note the report and the progress that is being made to deliver the savings, the potential shortfall in savings in 15/16 and mitigating actions and improved outcomes for people.
Safeguarding Improvement Plan	GREEN/ AMBER	Green	Amber	Amber	Draft	CMT to agree that the Safeguarding Improvement Board Gold Project be closed down and consideration be given to establishing a new Gold Project (if requirements are met) for supporting and monitoring improvements in the children's social care provision delivered by the Slough Children's Services Trust.
School Places Programme	RED ↓ (was Amber)	Amber	Green	Red ↓ (was Amber)	Approved	<ul style="list-style-type: none"> <li>To note the rapid increase of primary school demand and to support the School Places Project Board in identifying school and other sites to satisfy this demand.</li> <li>To consider how the demand for school places may evidence risks to the borough's housing service and other services.</li> <li>There are competing priorities for all non-school sites - there is a need to incorporate the allocation of sites into the overall Asset Management Strategy for the Council.</li> </ul>
Slough Children's Services Transition	This project has now closed. A closing report to follow.					
The Curve	RED ↓ (was Amber)	Red ↓ (was Amber)	Amber	Red ↓ (was Amber)	Approved	<ul style="list-style-type: none"> <li>Note progress and activity on site.</li> <li>Note management of risks to project timeline and budget.</li> <li>Take appropriate action to address risks as indicated above.</li> </ul>

N.B. Arrows show direction of change in Rag rating since the last Project Highlight report  
 ↓ indicates a reduction in status  
 ↑ indicates an improvement in status  
 No arrow indicates maintained status since last report

The individual Gold Project Updates are provided as **Appendix E**

## 10 Council's 5YP Outcome Update

10.1 The summary below provides CMT with an update on the Council's 5YP outcome updates as at the 30<sup>th</sup> September 2015. Individual outcome progress reports have been made by Outcome Leads and are provided in **Appendix F**.

### 10.2 Monthly Period Summary

10.3 This report covers the Five Year Plan (5YP) 8 outcomes in total; highlight reports have been received in time for this report.

10.4 Of the eight highlight reports which have been RAG-rated as at September 2015 the overall status of three has been assessed as 'Green', three as 'Amber' one as 'Amber/Green' and one 'Red'.

10.4.1 For 'Timeline' five projects have been evaluated at 'Green' status, two at 'Amber' and one 'Red'.

10.4.2 For 'Budget' two are assessed at 'Green', five at 'Amber' and one 'Red'.

10.4.3 For 'Issues and Risks' one has been evaluated at 'Green' status, five at 'Amber', one at 'Amber/Green' and one 'Red'.

Fuller details are provided in the table beneath, and in the Appendix F.

### Outcome Leads assessed status of 5YP 8 Outcomes as at: 30<sup>th</sup> September 2015

	5YP Outcome	Overall status	Timeline	Budget	Issues + Risks	Key issues of risk / obstacles to progress
1	Slough will be the premier location in the south east for businesses of all sizes to locate, start, grow and stay	GREEN	Green	Green	Green	
2	There will be more homes in the borough, with quality improving across all tenures to support our ambition for Slough	AMBER	Green	Amber	Amber	<ul style="list-style-type: none"> <li>Increased PS market rent levels rendering the sector inaccessible to households on benefits.</li> <li>Exponential growth in homelessness due to welfare reform and demand for private sector accommodation.</li> <li>Lack of HRA investment funding for new build following Emergency</li> </ul>

						<p>Budget plans to impose 4% rent reduction.</p> <ul style="list-style-type: none"> <li>• Increase in construction costs rendering small and infill site development non-viable.</li> <li>• Staff vacancy rate and inability to recruit to undertake housing regulation functions.</li> <li>• Legislation and CLG guidance on site viability undermining S106 negotiations for provision of affordable housing.</li> <li>• Planning policy weakened by results of SMA and UCS identifying requirement for step change in housing delivery rates.</li> <li>• National delays in providing clarity on RTB extension, Pay to Stay, compulsory sale prevent scheme development for affordable housing leading to delays.</li> </ul>
3	The centre of Slough will be vibrant, providing business, living, and cultural opportunities	<b>GREEN</b>	<b>Green</b>	<b>Amber</b>	<b>Amber</b>	<ul style="list-style-type: none"> <li>• Resource allocation</li> <li>• Budget identification</li> </ul>
4	Slough will be one of the safest places in the Thames Valley	<b>AMBER/GREEN</b>	<b>Green</b>	<b>Amber</b>	<b>Amber/Green</b>	<ul style="list-style-type: none"> <li>• Interim Community Safety Partnership manager and Interim DA Partnership Manager appointed. Permanent CS post offered to candidate.</li> <li>• Vacancies in Neighbourhood Services and capacity to deliver.</li> <li>• Staff attendance at WRAP training session; need to maintain momentum.</li> <li>• Prevent Co-ordinator in place 1st September.</li> <li>• CSE Co-ordinator currently being recruited.</li> </ul>
5	Children and young people in Slough will be healthy, resilient and have positive life chances	<b>RED</b>	<b>Red</b>	<b>Red</b>	<b>Red</b>	<ul style="list-style-type: none"> <li>• Provision of children's social care services outside of local authority control, whilst SBC retains statutory responsibility for provision.</li> </ul>

						<ul style="list-style-type: none"> <li>• Introduction of fully operational MASH delayed until spring 2016.</li> <li>• Review of services provided by Cambridge Education to include services which will transfer into the SCST following ministerial direction, and services which will need to be re-commissioned.</li> <li>• School places: Higher than expected numbers of school applications years 1-6. Possible impact of further inward migration and asylum seeker arrivals.</li> </ul>
	More people will take responsibility and manage their own health, care and support needs	AMBER	Amber	Amber	Amber	<ul style="list-style-type: none"> <li>• Timescale for delivery of all actions not achieved.</li> <li>• Ability to deliver the revenue savings.</li> <li>• Impact on key performance targets.</li> <li>• Key prevention services do not reduce the number of people requiring support or reducing level of needs for care support.</li> <li>• More people request support than anticipated for new responsibilities under the care act – demand for services outstrips available funding.</li> <li>• Lack of agreement of use of contingency funding in BCF from CCG.</li> <li>• Management of lots of change at same time – capacity and change fatigue.</li> <li>• Management information and data.</li> </ul>
7	The council's income and the value of its assets will be maximised	GREEN	Green	Green	Amber	<ul style="list-style-type: none"> <li>• Maximising the use of capital resources - Ability to deliver the capital programme in line with expectations of spend.</li> <li>• Maximising savings from procurement / commissioning – Ensuring that the strategic commissioning cycle is embedded across the organisation / complied with to</li> </ul>

						<p>deliver best value.</p> <ul style="list-style-type: none"> <li>Maximising savings from procurement / commissioning – Ability to deliver savings of 30% from commissioning &amp; ensuring an effective link to Outcome Based Budgeting.</li> </ul>
8	The council will be a leading digital transformation organisation	<b>AMBER</b>	<b>Amber</b>	<b>Amber</b>	<b>Amber</b>	<ul style="list-style-type: none"> <li>Capital investment requirements higher than present budget allocation.</li> <li>Lack of in house capacity to deliver transformation.</li> </ul>

The individual 5YP Outcome Updates are provided as **Appendix F**.

## 11 Capital

11.1 The summary of projected capital expenditure as at month 6 on a consolidated and directorate basis can be shown as follows:

	Revised 15-16 Budget	Actual Sept 2015	Projected Outturn	Slippage %
Directorate	£000s	£000s	£000s	
Resources	26,133	5,665	19,530	25.27%
Wellbeing	15,025	4,598	12,764	15.05%
Customer & Community Services	13,331	1,886	6,537	50.96%
Housing Revenue Account	19,838	3,906	9,285	53.20%
<b>Total</b>	<b>74,326</b>	<b>16,055</b>	<b>48,116</b>	<b>35.26%</b>

11.2 The Council expects to spend 65% of the total programme by the end of the 2015/16 financial year. A more detailed directorate narrative is attached as Appendix B.

## 12 Write Offs

12.1 A net total of £0.892m has been written off during the second quarter of 2015/16. As in the previous reports the largest area of write offs total relates to NNDR debt (a net £0.948m). The overall total has been reduced as there have been some credit write backs. The write off across the council's services for the first quarter, including the reason for write off, can be summarised as follows. The write offs below are requested for approval.

Reason	NNDR	Council Tax	Former Tenants Arrears	Sundry Debtors	Housing Benefits	Total
	Value £	Value £	Value £	Value £	Value £	Value £
Unable to trace / Absconded	462,254.46	36,232.11	3,169.40	2,463.21	339.93	504,459.11
Vulnerable persons		636.57	78.60	4,453.96	966.27	6,135.40
Deceased		2,382.08	7,494.65	5,923.01		15,799.74
Statute Barred / Unable to Enforce	250,833.65	1,517.36		8,281.77		260,632.78
Instruction from Client				141.59		141.59
Dissolved / Proposal to Strike / Liquidation / Receivership / Administration	382,049.04					382,049.04
Misc. (incl uneconomical to pursue Credit Balances)	37,231.72	418.53	315.18	632.85	0.04	38,598.32
	(184,586.64)	(130,799.87)				(315,386.51)
	947,782.23	(89,613.22)	11,057.83	21,896.39	1,306.24	892,429.47

### 13 Conclusion

- 13.1 The Council overspend continues to is currently estimated to be £2.046m at year end although work is ongoing to reduce this and the council remains hopeful that it will be able to take appropriate action to ensure that this position is mitigated at least in part by the end of the financial year.
- 13.2 Of the seven Gold project updates submitted five have been assessed as 'Amber', one as 'Green'/'Amber' and one as 'Green'.
- 13.3 Of the seven 5 Year Plan outcome highlight reports three have been assessed to have an overall status of 'Green', two as 'Amber', one as 'Amber'/'Green' and one as 'Unassigned'.

### 14 Appendices Attached

- 'A' - Summary Revenue Forecasts
- 'B' - Capital Monitor
- 'C' - Revenue Narrative
- 'D' - Savings RAG
- 'E' - Gold Projects Summary
- 'F' - 5YP Outcome Performance Updates

### 15 Background Papers

- '1' - Supporting working papers held in finance