

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 18th June 2018

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WARD(S): All

PORTFOLIO: Councillor Nazir, Lead Member for Corporate Finance & Housing

PART I **NON-KEY DECISION**

REVENUE FINANCIAL REPORT – 2017-18 (PROVISIONAL OUTTURN)

1 Purpose of Report

This report provides Cabinet with an update on the provisional financial outturn for the Council for the 2017-18 financial year.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- a) That the provisional outturn financial position of the council for 2017/18 be noted,
- b) That the budget virements as listed in paragraph 7 be approved,
- c) That the write offs as requested in paragraph 8 be approved, and
- d) That the resolution in paragraph 9.5 in relation to the tender for the Council's insurance contract be approved.

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

This report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of excellent governance within the Council helps to ensure that it is efficient, effective and economic in everything it does. It helps to achieve the corporate objectives by detailing how the Council is delivering services to its residents within the financial parameters of the approved budget.

4 Other Implications

(a) Financial

The financial implications are contained within this report.

(b) Risk Management

Risk	Mitigating action	Opportunities
Legal	N/A	N/A
Property	N/A	N/A
Human Rights	N/A	N/A
Health and Safety	N/A	N/A
Employment Issues	N/A	N/A

Equalities Issues	N/A	N/A
Community Support	N/A	N/A
Communications	N/A	N/A
Community Safety	N/A	N/A
Financial	N/A	N/A
Timetable for delivery	N/A	N/A
Project Capacity	N/A	N/A
Other	N/A	N/A

(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 **Key Messages**

5.1 **GENERAL FUND**

5.1.1 **The Outturn Position**

The Council's approved budget for the 2017/18 financial year is a net total of **£100.476m**. Additional monies released from the Transformation Fund totalling **£3.900m** increases the available resources for the year to **£104.376m**.

5.1.2 The provisional total net expenditure recorded against this allocation is **£104.152m**. This gives a provisional underspend of **£0.224m** which is **£0.875m** less than the last quarter.

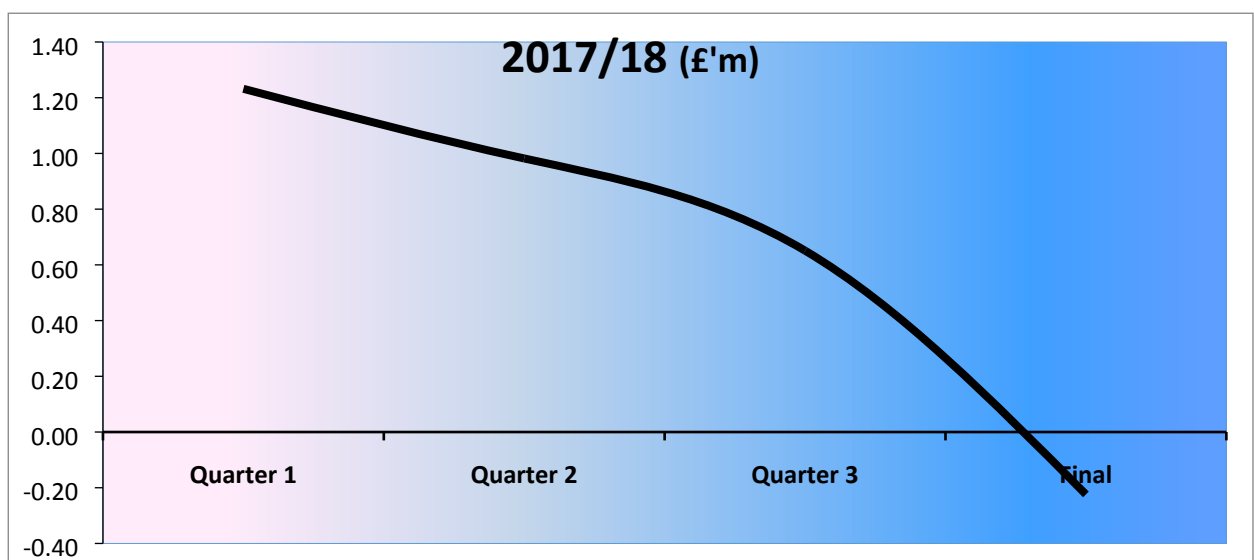
5.1.3 This shows an underspend of **£0.224m** which is 0.21% of the Council's overall total final resources. This is summarised in the table below and full details are shown on Appendix A, (page 18) both of which are now presented to reflect the updated Council structure.

SUMMARY - FORECAST (YEAR END) POSITION					
Directorate	Revised	Final	Full Year Variance	Previous Variance	Change
	Full Year Budget	Outturn			
	£'M	£'M	£'M	£'M	£'M
Adults & Communities	37.106	37.169	0.063	0.250	-0.187
Children Learning & Skills	30.411	30.411	0.000	0.354	-0.354
Place & Development	23.836	23.805	-0.031	0.285	-0.316
Regeneration	-2.298	-3.355	-1.057	0.000	-1.057
Finance & Resources	15.810	16.437	0.627	0.175	0.452
Chief Executive	0.773	0.706	-0.067	-0.070	0.003
Non Departmental Items	-1.262	-1.021	0.241	-0.343	0.584
Total General Fund	104.376	104.152	-0.224	0.651	-0.875
% of revenue budget over/(under) spent			-0.21%	0.62%	

5.1.4 Since the last report the financial position has improved by **£0.875m**. A summary of the main reasons for the movement for each Directorate since the last report is given in brief below with further details provided in the main body of the report.

- **Adult & Communities** – has improved by **£0.187m** mainly because the Wellbeing & Communities service incurring less expenditure due to delayed recruitment and other planned spending commitments not going ahead;
- **Children Learning & Skills** – has improved by **£0.354m** because it has now received additional corporate funding of the same value;
- **Place & Development** – shows an improvement of **£0.316m** due to the surplus achieved by the DSO;
- **Regeneration** – has also improved, it is **£1.057m** better than the amount reported in the previous quarter because of the increased levels of revenue achieved on its planned investment activities;
- **Finance & Resources** – has worsened by **£0.452m** due mainly to a late budget pressure from Housing Benefits payments;
- **Non-Departmental** – shows additional expenditure totalling **£0.584m**, **£0.354m** relates to the transfer to the CLS Directorate referred to above, the remainder relates to an adverse variance on the Council's Treasury Management activities.

5.1.5 The graph below shows the reported budget variance over the financial year.



5.2 HOUSING REVENUE ACCOUNT (HRA)

5.2.1 The final position for the HRA is shown in the table below.

HOUSING REVENUE ACCOUNT SUMMARY			
Directorate	Annual Budget	Projected Outturn	Variance
	£'M	£'M	£'M
Total Expenditure	38.219	37.440	-0.779
Total Income	-36.517	-36.567	-0.050
Outturn Position	1.702	0.873	-0.829

5.2.2 The planned net budget for the HRA is **£1.702m**. This budget deficit is the result of the funding for the new build programme which will partly be funded from the Housing Development Fund.

5.2.2 The total expenditure for the HRA in 2017/18 is **£37.440m** and with income of **£36.567m** this gives a total net expenditure of **£0.873m**. This expenditure includes the release of funding for HRA Capital works.

5.2.3 When compared to the planned net budget for the HRA of **£1.702m** this gives an underspend of **£0.829m**. In quarter 3, the reported variance on the HRA was an overspend of **£0.500m**. This has changed due to lower borrowing costs of **£0.700m**. There have also been lower staff costs reflecting the transfer of staff to the new provider and lower energy costs. These together account for most of the remaining difference in the final outturn compared to the variance reported in the previous quarter.

5.2.4 Full details are given in paragraph 6.8.

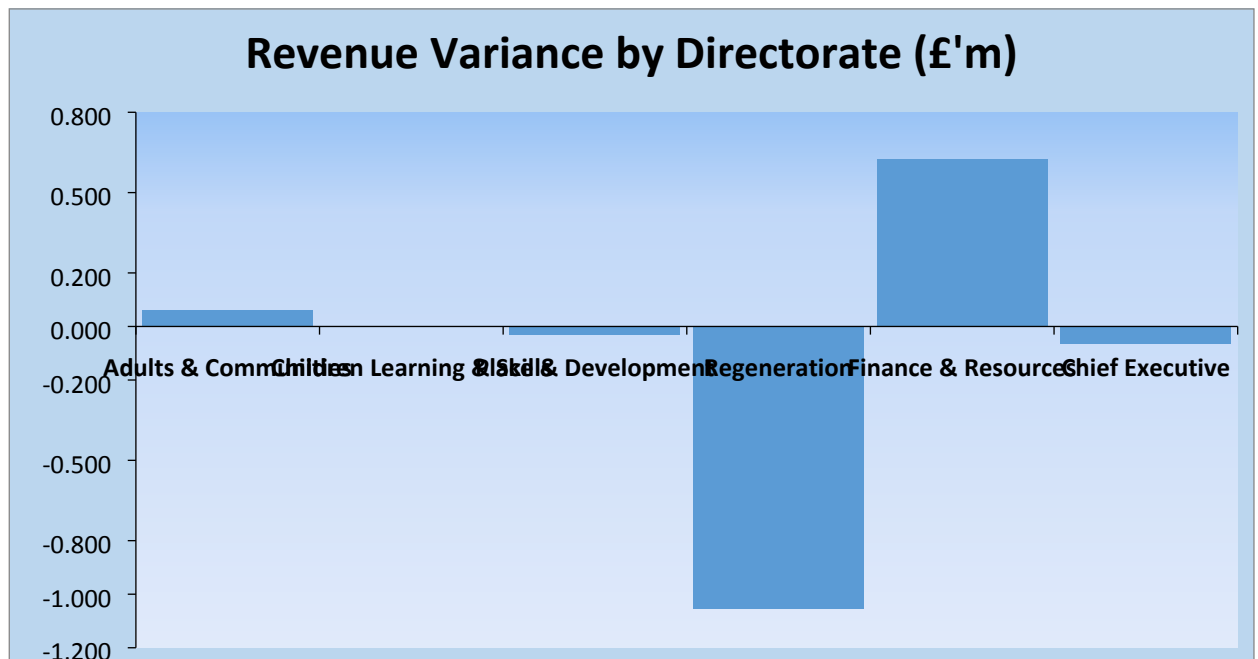
EXECUTIVE REPORT

6 Outturn by Directorate

6.1.1 The provisional year-end figures show that there will be an overall underspend of **£0.224m** (0.21%) of the total net General Fund resources. Four of the six Directorates (including the Chief Executive Services) are reporting either a break even position or near break even position with only the Regeneration and Finance & Resources Directorates having significant variances. The full list of budget variances by Directorate is shown in the table below.

Directorate	Final Variance £'m	%age
Adults & Communities	0.063	0.17%
Children Learning & Skills	0.000	0.00%
Place & Development	-0.031	-0.13%
Regeneration	-1.057	45.96%
Finance & Resources	0.627	3.96%
Chief Executive	-0.067	-8.61%
Non Departmental Items	0.241	-19.10%
Total General Fund	-0.224	-0.21%

6.1.2 Regeneration is expected to exceed its net income budget by 45.96% and Finance and Resources will overspend by 3.96%. This is illustrated in the graph below.



6.2 ADULTS & COMMUNITIES

6.2.1 The final outturn for this Directorate is expected to be an overspend of **£0.063m** or 0.17% of its budget. This has improved from the **£0.250m** overspend that was reported to Cabinet in the quarter 3 report.

6.2.2 Since then, lower net expenditure has been recorded in the Wellbeing & Communities area due to delayed recruitment and other planned spending commitments not going ahead resulting in additional savings of **£0.232m**.

6.2.3 A summary of the Directorate's budget position is shown in the table below followed by an explanation for the main variances within the Directorate.

Directorate	Revised Full Year Budget	Final Outturn	Full Year Variance	Previous Variance	Change
	£'M	£'M	£'M	£'M	£'M
Adult Social Care	31.735	31.826	0.091	0.000	0.091
Public Health	-0.611	-0.611	0.000	0.000	0.000
Community and Skills	1.996	1.597	-0.399	-0.300	-0.099
Wellbeing & Community	3.654	3.380	-0.274	-0.042	-0.232
Enforcement & Regulation	0.332	0.977	0.645	0.592	0.053
Total Wellbeing	37.106	37.169	0.063	0.250	-0.187

6.2.4 Adult Social Care

This major budget of nearly **£32m** will overspend by **£0.091m**, which is 0.29% of its budget. The main reason for the overspend is an increase in the total cost of providing nursing and residential care packages over the year. This is caused by rising demand and increases in the prices paid for providing care. This increase has been offset, but not fully covered, by underspends elsewhere within the service.

6.2.5 Community & Skills

This service area will have an underspend of **£0.399m**. This is due to budget savings on the Library Services caused by multiple staff vacancies as a result of the delay in the implementation of the service restructure until 2018-19. This will result in an underspend of approximately **£0.300m**. There will also be underspend of just under **£0.100m** within the Community Services area due to delays in staff recruitment.

6.2.6 Wellbeing & Community

Overall this service area will underspend by **£0.274m** in 2017/18. This is mainly due to a positive variance in Parks Services which will spend less than budgeted amount of **£0.114m** due to planned works such as bulb planting being delayed until 2018-19. There will also be an underspend in Youth Services of **£0.160m** resulting from savings in the staffing budget caused by delays experienced in the recruitment of youth workers leading to a saving of **£0.075m**. The remaining saving was on running costs such as commissioning and premises costing less than planned.

6.2.7 Enforcement & Regulation

This service will overspend by **£0.645m**. This significant budget pressure is due to an income shortfall resulting from the partial closure of the Cemetery and Crematorium earlier in the financial year. There has also been a downturn in the income generated by the Registrars service since its relocation to the Curve. Together the income shortfall for these areas totalled **£0.517m**. The remaining

£0.132m is due to mainly to Regulatory Services. Specifically CCTV and Careline where there was an income shortfall due less than planned income being generated from outside agencies and an overspend in staffing due to sickness and disciplinary issues.

6.3 CHILDREN, LEARNING & SKILLS (CLS)

6.3.1 This Directorate has achieved a break even position. This compares with a budget forecast of **£354k** overspend which was reported at Quarter 3. However it was reported then that this overspend would be covered by a year end transfer from corporate funds. This has now happened resulting in the final net breakeven position.

6.3.2 This final position is summarised in the table below and an explanation for the main variances within the Directorate is also provided.

Service	Revised Budget	Final Outturn	Variance	Previous Variance	Change
	£'M	£'M	£'M	£'M	£'M
CLS Directorate Services	1.809	2.123	0.314	-0.012	0.326
Slough Children Services Trust	24.101	24.101	0.000	0.140	-0.140
Early Years and Development	1.281	1.223	-0.058	-0.019	-0.039
Access and Inclusion	2.578	2.431	-0.147	0.394	-0.541
Education Standards & Inclusive Learning	0.615	0.542	-0.073	-0.149	0.076
SEND	0.364	0.328	-0.036	0.000	-0.036
Sub Total	30.748	30.748	0.000	0.354	-0.354
Schools	-0.337	-0.337	0.000	0.000	0.000
TOTAL	30.411	30.411	0.000	0.354	-0.354

6.3.3 CLS Directorate

This service area will have an overspend of **£0.314m**. This is because the budget for the council's General Fund contribution to its PFI schemes is insufficient to meet the expenditure commitments by a total of **£0.430m**. This has been partially offset by savings elsewhere within the service.

6.3.4 Access & Inclusion

The Access & Inclusion service will have a final budget variance of **£0.147m** underspent. This is due to the Attendance Service which following of a review of the final expenditure saw a greater proportion of its costs being recharged to the DSG compared to the amount originally estimated in the budget.

6.3.5 SEND

This service has transferred back from to the Council from the Slough Children Services Trust (SCST) during this financial year. It has final year end outturn of **£0.036m** underspend. This favourable variance is attributable to Occupational Therapy invoices which are now being settled by the SCST. Previously these were included in the SEND forecast as costs to be met by the Council.

6.3.6 Early Years & Development

The final year end position for this service is an underspend of **£0.058m**, this is mostly the result of staffing costs being less than the amount originally budgeted due to some staffing vacancies.

6.4 PLACE & DEVELOPMENT

6.4.1 The Place & Development Directorate has achieved a provisional year end position of **£0.031m** underspend a budget variance of 0.13%. This compares with a forecast overspend of **£0.285m** at Quarter 3 which is an improvement of **£0.316m**.

6.4.2 The main reason for the improved position is the surplus achieved by the DSO which has now been included in the Directorate's final outturn.

6.4.3 The final position is shown in the table below.

Directorate	Revised Full Year Budget	Final Outturn	Full Year Variance	Previous Variance	Change
Building Management	3.455	2.566	-0.889	-0.609	-0.280
Environment Services	12.155	11.878	-0.277	0.400	-0.677
Neighbourhood Services	1.316	1.212	-0.104	0.000	-0.104
Planning and Transport	6.288	5.837	-0.451	0.000	-0.451
Strategic Housing	0.763	1.924	1.161	0.494	0.667
Strategic Management	-0.141	0.388	0.529	0.000	0.529
TOTAL	23.836	23.805	-0.031	0.285	-0.316

An explanation for the main variances within the Directorate is provided as follows:

6.4.4. Building Management

This service area will close with a final budget variance of **£0.889m** underspent. The main reason for this is the additional income realised by the service due to management fees charged on capital projects. In addition to this there has been a cost saving on Facilities Management of approximately **£0.200m** as the new building contract (for reactive repairs) was much less than expected. This reduced cost is due to lower program management fees, which cost much less in the new contract and a significantly reduced number of repairs being undertaken within the first few months of the new contract.

6.4.5. Environmental Services

The final variance for Environmental Services is an underspend of **£0.277m**. This contrasts sharply with the previous reported variance of **£0.400m** overspent. The reason for this movement and the reason of the final budget saving is the inclusion of a trading surplus from the DSO which was not previously included as this variance was not known earlier.

6.4.6. Neighbourhood Services

This service has a final year end outturn of **£0.104m** underspend. This is due to a saving on its staffing budget due to vacancies.

6.4.7. Planning & Transport

The final year end position for Planning & Transport is an underspend of **£0.451m**. The main reasons for this favourable variance are income from Car Parks which will exceed its budgeted target by **£0.150m**. This is due to increased usage as well as an unplanned recharge from the HRA. Also there will be less expenditure on Roads & Highways totalling approximately **£0.100m** due to delays in some works on highways and some road maintenance costs being less than previously forecasted.

6.4.8. Strategic Housing

Strategic Housing final outturn is an overspend of **£1.161m**. This service has been reporting a significant budget pressure since the start of the financial year. These are mainly in the areas of Temporary Accommodation and Homelessness which will overspend by a total of **£0.600m** and is due to the rising numbers of statutory homeless persons being accommodated. Also the Home Improvements service will also under recover their costs by **£0.200m** due to shortfall in the amount of income raised. They have struggled this year to undertake enough projects to raise the level of income required to meet the new income targets that were recently increased.

6.4.9. Strategic Management

This service area will have a final year end position of a **£0.529m** overspent. This is the result of cumulative savings over the past 3 years totalling **£0.641m** for the Directorate that have not been allocated to individual service areas. The savings have been achieved by compensating underspends elsewhere within the Directorate. These savings will be reallocated to their respective service areas in the new financial year.

6.5 REGENERATION

6.5.1 The Regeneration Directorate has achieved a final variance of **£1.056m** underspent. This represents an overachievement of its net budget income of 45.6%. This is due to the levels of revenue achieved on its planned investment activities being greater than the amount originally budgeted.

6.5.2 The final summary for this Directorate is shown in the table below.

Directorate	Full Year Budget	Projected Outturn	Full Year Variance	Last Month Variance	Change
	£'M	£'M	£'M	£'M	£'M
Emergency Planning	0.098	0.095	-0.004	0.000	-0.004
Regeneration	-2.397	-3.450	-1.053	0.000	-1.053
TOTAL	-2.298	-3.355	-1.056	0.000	-1.056

6.6 CHIEF EXECUTIVE SERVICE

6.6.1 The Chief Executive's service will underspend its budget allocation by £0.067m as a result of savings on its staffing budget. The final summary for this service is shown in the table below.

Directorate	Full Year Budget	Projected Outturn	Full Year Variance	Last Month Variance	Change
	£'M	£'M	£'M	£'M	£'M
Chief Executive	0.773	0.706	-0.067	-0.070	0.003
TOTAL	0.773	0.706	-0.067	-0.070	0.003

6.7 FINANCE & RESOURCES

6.7.1 This Directorate has a final variance of **£0.627m** overspent, 3.96% of its budget and **£0.452m** more than was reported at Quarter 3.

6.7.2 This additional net expenditure since the last report is due mainly to a late budget pressure from Housing Benefits payments, this is explained in more detail later and the final summary for this Directorate is shown in the table below along with an explanation for the main variances.

Directorate	Full Year Budget	Projected Outturn	Full Year Variance	Last Month Variance	Change
	£'M	£'M	£'M	£'M	£'M
Customer and Communications	8.183	8.611	0.428	0.221	0.207
Digital and Strategic IT	0.362	0.273	-0.090	-0.013	-0.077
Finance	2.312	2.819	0.507	0.065	0.442
Governance	2.441	2.325	-0.116	-0.057	-0.059
People	1.242	1.248	0.006	-0.010	0.016
Strategy and Performance	1.269	1.161	-0.109	-0.031	-0.078
TOTAL	15.810	16.437	0.627	0.175	0.452

6.7.3. Customer & Communication

This service area will have a final budget variance of **£0.428m** overspent. The main reason for this is that avarto contracts (Phases 1 & 2) will overspend by **£0.290m** and **£0.090m** respectively due to the impact of the unexpected level of increase in the rate of inflation on the annual contract price increase, reductions in Government administration subsidy grant, and a savings target related to the introduction of Agresso and the assumed reduction in the avarto transactional charges which has not proved possible to achieve.

6.7.4. Digital & Strategic IT

The final variance for Digital & Strategic Services is an underspend of **£0.090m**. This is due to some staffing vacancies over the year which has resulted a saving on the budgets for salaries and staff costs within this service area.

6.7.5. Finance

The Finance service will overspend by **£0.507m** for the current financial year. Most of this relates to a shortfall in the level of Housing Benefits recovered compared to the amount paid out. The shortfall can be attributed to a loss in Housing Benefit subsidy on Temporary Accommodation. This has increased by **£0.342m** between 2016-17 and 2017-18, **£0.286m** of this increase is directly attributable to the increase in rents for these properties and the remaining **£0.056m** is due to overpayments.

6.7.6. Governance

This service will achieve a final outturn of **£0.116m** underspent. This is due to staffing vacancies in the System & Development and Procurement teams resulting in an underspend on the respective staffing budgets.

6.7.7. People

The People service area will overspend by **£0.006m**.

6.7.8. Strategy & Performance

The service area will achieve a final year end position of a **£0.109m** underspent. This is savings resulting from staffing vacancies.

6.8 HOUSING REVENUE ACCOUNT (HRA)

- 6.8.1 The HRA was budgeted to spend **£38.219m** this financial year and with budgeted income of **£36.517m** expected, it was planned that there would be a net budget for the HRA of **£1.702m**.
- 6.8.2 This planned deficit was to fund the revenue contributions to the new build programme and was partly to be made up by a transfer from the Housing Development Fund.
- 6.8.3 The final outturn shows that the HRA will achieve a net spend of **£0.873m** which is **£0.829m** less than budgeted.

Housing Revenue Account - Budget Monitor 2017/18			
Division	Year End Forecast		
	Budget	Outturn	Variance
	£ 000's	£ 000's	£ 000's
HRA Expenditure	38,219	37,440	(779)
Tenant Services	2,213	1,793	(420)
Neighbourhood Housing Areas North/South/East	1,323	1,579	257
Arears & Investigation	499	473	(26)
Tenant Participation	270	214	(56)
Housing Allocations/Lettings	210	266	56
Leaseholder Team	194	255	61
Housing Repairs	9,085	10,160	1,075
Management & Services	5,502	5,591	89
Loans, Bad Debt, Council Tax	6,269	5,399	(870)
Depreciation and Funding Of Capital Projects (RCCO)	12,655	11,710	(945)
HRA Income	(36,517)	(36,567)	(50)
Dwelling Rents	(32,514)	(32,351)	163
Garage Rents	(476)	(506)	(30)
Shop Rent	(666)	(462)	204
Other Rents e.g. Ground, Wayleaves, Land	(478)	(966)	(489)
Leaseholder Service Charges Income & Chargeable Works	(717)	(761)	(44)
General Service Charges	(1,651)	(1,437)	214
Interest	(16)	(84)	(68)
Total HRA Outturn Position	1,702	873	(829)

- 6.8.4 The main expenditure variance was on Housing Repairs which was overspent by **£1.075m**. However this was more than offset by savings on lower bad debt provision and lower borrowing costs.

6.9 SAVINGS SUMMARY

6.9.1 The Council committed to service area savings of **£6.398m** at the start of the financial year. The final review shows that all savings were achieved either as originally proposed or by finding alternatives elsewhere within the service during the financial year.

6.9.2 This is summarised in the table below.

RAG SAVINGS SUMMARY			
RAG Status	Saved	Not Saved	TOTAL
GREEN	6,398		6,398
RED		0	0
TOTAL	6,398	0	6,398
%age	100.00%	0.00%	100%

6.9.3 When analysed by Directorate, (under the old council structure), the performance for each Directorate can be seen. This is summarised in the table below.

SAVINGS SUMMARY BY DIRECTORATE					
Directorate	Savings Agreed	Amount Saved	Slippage	%age	Comments
CCS	1,732	1,732	0	100%	All savings achieved
CE	50	50	0	100%	All savings achieved
Wellbeing	1,450	1,450	0	100%	All savings achieved
RHR	2,816	2,816	0	100%	All savings achieved
CLS	350	350	0	100%	All savings achieved
TOTAL	6,398	6,398	0	100%	

Full details are shown in Appendix B.

7 Virements

7.1 The following virements have been prepared since the last quarter. Cabinet is requested to approve the transfer of budgets between the services shown in accordance with the financial procedure rules.

Ref	Budget Transfer From		Value	Budget Transfer To		Value	Reason
	Directorate	Service		Directorate	Service		
1	Children, Learning & Skills	CLS - Directorate	-380,630.00	Children, Learning & Skills	SEND	380,630.00	SEND transferred to SBC from SCST
2	Children, Learning & Skills	DSG: High Needs Block	-278,100.00	Children, Learning & Skills	DSG: Schools Block	278,100.00	Budget changes to reflect latest Pupil Premium funding
3	Children, Learning & Skills	DSG: Schools Block	-341,839.00	Children, Learning & Skills	DSG: Schools Block	341,839.00	Adjustment for growth fund payment
4	Children, Learning & Skills	Early Years & Development	-67,833.00	Children, Learning & Skills	Early Years & Development	67,833.00	Additional resources provided
5	Children, Learning & Skills	DSG: High Needs Block	-5,562.20	Children, Learning & Skills	DSG: High Needs Block	2,583.33	Additional resources provided
					DSG: Schools Block	2,978.87	
6	Children, Learning & Skills	DSG: Early Years Block	1,211,751.00	Children, Learning & Skills	Early Years & Development	1,211,751.00	Transfer of "2 Year Olds" funding to a separate cost centre
7	Children, Learning & Skills	DSG: Schools Block	-330,062.15	Children, Learning & Skills	DSG: Early Years Block	330,062.15	Additional resources provided
8	Children, Learning & Skills	Early Years & Development	-106,411.56	Children, Learning & Skills	DSG: Early Years Block	29,692.08	Additional resources provided
					DSG: High Needs Block	1,125.60	
					DSG: Schools Block	75,593.88	
9	Children, Learning & Skills	DSG: Early Years Block	-486,218.15	Children, Learning & Skills	DSG: Early Years Block	486,218.15	Additional resources provided
10	Children, Learning & Skills	DSG: Schools Block	-37,120.92	Children, Learning & Skills	DSG: Early Years Block	37,315.92	Additional resources provided
		DSG: High Needs Block	-195.00				
11	Children, Learning & Skills	DSG: Schools Block	-20,361.43	Children, Learning & Skills	DSG: Early Years Block	20,568.13	Additional resources provided
		DSG: High Needs Block	-206.70				
12	Adults & Communities	Community & Skills	-5,000.00	Adults & Communities	Community & Skills	5,000.00	Adjust non-staffing budget for the Curve
13	Children, Learning & Skills	Early Years & Development	1,105,339.44	Children, Learning & Skills	DSG: Early Years Block	1,105,339.44	Transfer of "2 Year Olds" funding to a separate cost centre
14	Children, Learning & Skills	Early Years & Development	-33,882.00	Children, Learning & Skills	Early Years & Development	33,882.00	Reallocation of staffing budgets

	Skills	Development		Skills	Development		between children centres
15	Children, Learning & Skills	DSG: Early Years Block	-33,882.00	Children, Learning & Skills	DSG: Early Years Block	33,882.00	
16	Children, Learning & Skills	Early Years & Development	-33,882.00	Children, Learning & Skills	Early Years & Development	33,882.00	
17	Children, Learning & Skills	DSG: Early Years Block	-33,882.00	Children, Learning & Skills	DSG: Early Years Block	33,882.00	
18	Children, Learning & Skills	SEND	-79,870.00	Children, Learning & Skills	CLS - Directorate	79,870.00	SEND transferred to SBC from SCST
19	Children, Learning & Skills	DSG: High Needs Block	-564,700.00	Children, Learning & Skills	DSG: High Needs Block	564,700.00	Reallocation of budgets within the HNB
20	Place & Development	Planning & Transport	-566,699.00	Place & Development	Planning & Transport	566,699.00	Budget adjustment to set up the DSO
Ref	Budget Transfer From		Value	Budget Transfer To		Value	Reason
21	Children, Learning & Skills	DSG: Schools Block	13,207.69	Children, Learning & Skills	DSG: High Needs Block	-15,791.02	Additional resources provided
					DSG: Early Years Block	2,583.33	
22	Children, Learning & Skills	DSG: Schools Block	-57,371.85	Children, Learning & Skills	DSG: High Needs Block	67,163.52	Additional resources provided
		DSG: Early Years Block	-9,791.67				
23	Finance & Resources	Customer and Communications	-36,500.00	Finance & Resources	Finance	36,500.00	Accounting Technicians budgets transferred from Arvato
24	Housing Revenue Account	Housing Revenue Account	-680,000.00	Housing Revenue Account	Housing Revenue Account	680,000.00	Increase to the Housing Repairs budget from underspending budgets elsewhere within the HRA
25	Housing Revenue Account	Housing Revenue Account	-95,000.00	Housing Revenue Account	Housing Revenue Account	95,000.00	
26	Housing Revenue Account	Housing Revenue Account	-245,000.00	Housing Revenue Account	Housing Revenue Account	245,000.00	
27	Children, Learning & Skills	DSG: Schools Block	-95,973.90	Children, Learning & Skills	DSG: Early Years Block	95,973.90	Additional resources provided
28	Children, Learning & Skills	DSG: Schools Block	-12,000.00	Children, Learning & Skills	DSG: High Needs Block	12,000.00	Additional resources provided
29	Finance & Resources	Customer and Communications	-36,500.00	Finance & Resources	Customer & Communications	36,500.00	Accounting Technicians budgets transferred from Arvato
30	Adults & Communities	Adult Social Care	-50,000.00	Adults & Communities	Adult Social Care	50,000.00	To set up the Joint Safeguarding Board
31	Children, Learning & Skills	CLS - Directorate	3,658,400.00	Non-Departmental	Treasury Management	3,658,400.00	PFI Grant Income budget added

32	Finance & Resources	Customer and Communications	-425,690.00	Non-Departmental	Treasury Management	1,133,540.00	Minimum Revenue Provision (MRP) year end budget adjustment
	Regeneration	Regeneration	-348,750.00				
	Children, Learning & Skills	CLS - Directorate	-200,000.00				
	Place & Development	Environmental Services	-159,100.00				
33	Children, Learning & Skills	DSG: High Needs Block	-4,315.88	Children, Learning & Skills	DSG: Schools Block	5,029.39	Additional resources provided
		DSG: Early Years Block	-713.51				
34	Children, Learning & Skills	DSG: High Needs Block	-4,315.88	Children, Learning & Skills	DSG: Schools Block	5,029.39	Additional resources provided
		DSG: Early Years Block	-713.51				
35	Children, Learning & Skills	DSG: High Needs Block	-15,800.01	Children, Learning & Skills	DSG: High Needs Block	15,800.01	Additional resources provided
36	Children, Learning & Skills	DSG: Early Years Block	-401.70	Children, Learning & Skills	DSG: High Needs Block	401.70	Additional resources provided
37	Children, Learning & Skills	DSG: Early Years Block	-21,708.00	Children, Learning & Skills	DSG: High Needs Block	884.40	Additional resources provided
					DSG: Schools Block	20,823.60	
38	Children, Learning & Skills	DSG: Early Years Block	-74,663.16	Children, Learning & Skills	DSG: Schools Block	74,663.16	Additional resources provided
39	Children, Learning & Skills	DSG: Early Years Block	-5,053.45	Children, Learning & Skills	DSG: Schools Block	5,053.45	Additional resources provided
40	Children, Learning & Skills	DSG: Early Years Block	-7,494.47	Children, Learning & Skills	DSG: Schools Block	7,494.47	Additional resources provided
41	Children, Learning & Skills	DSG: Schools Block	-5,053.5	Children, Learning & Skills	DSG: Early Years Block	5,053.45	Additional resources provided
42	Children, Learning & Skills	DSG: Schools Block	-7,494.47	Children, Learning & Skills	DSG: Early Years Block	7,494.47	Additional resources provided
43	Children, Learning & Skills	DSG: Early Years Block	8,555.15	Children, Learning & Skills	DSG: Schools Block	-8,555.15	Additional resources provided

Ref	Budget Transfer From		Value	Budget Transfer To		Value	Reason
44	Children, Learning & Skills	DSG: High Needs Block	-2,189.71	Children, Learning & Skills	DSG: Early Years Block	18,916.50	Additional resources provided
		DSG: Schools Block	-16,726.79				
45	Children, Learning & Skills	DSG: High Needs Block	-2,189.71	Children, Learning & Skills	DSG: Early Years Block	2,189.71	Additional resources provided
							Additional resources provided
46	Children, Learning & Skills	DSG: Schools Block	-40,807.80	Children, Learning & Skills	DSG: Schools Block	40,807.80	Additional resources provided

47	Adults & Communities	Food Safety	-6,000.00	Adults & Communities	Trading Standards	6,000.00	Income budget corrected
48	Children, Learning & Skills	DSG: Early Years Block	-15,276.00	Children, Learning & Skills	DSG: Early Years Block	15,276.00	Additional resources provided
49	Housing Revenue Account	Housing Revenue Account	-490,000.00	Housing Revenue Account	Housing Revenue Account	490,000.00	Increase to the Housing Repairs budget
50	Children, Learning & Skills	DSG: High Needs Block	-56,040.00	Children, Learning & Skills	DSG: Schools Block	104,690.00	Additional resources provided
		DSG: Early Years Block	-48,650.00				
51	Children, Learning & Skills	DSG: Early Years Block	-22,930.00	Children, Learning & Skills	DSG: High Needs Block	50,720.00	Additional resources provided
		DSG: Schools Block	-27,790.00				
52	Children, Learning & Skills	DSG: Schools Block	-28,810.00	Children, Learning & Skills	DSG: Early Years Block	28,810.00	Additional resources provided
53	Children, Learning & Skills	DSG: Schools Block	-3,900.00	Children, Learning & Skills	DSG: High Needs Block	3,900.00	Additional resources provided
54	Children, Learning & Skills	DSG: Schools Block	-7,740.00	Children, Learning & Skills	DSG: Schools Block	11,620.00	Additional resources provided
		DSG: Early Years Block	-3,880.00				
55	Children, Learning & Skills	DSG: High Needs Block	-3,910.00	Children, Learning & Skills	DSG: Schools Block	3,910.00	Additional resources provided

8 Write Offs

- 8.1 Write offs totalling **£308,554.42** have been agreed over the past 3 months. Cabinet is requested to approve these write offs in accordance with the council's financial procedures rules. These are detailed in the table below.

WRITE-OFF SCHEDULE						
4th Quarter 2017/18						
Reason	NNDR	Council Tax	Former Tenant Arrears	Sundry Debtors	Housing Benefits	Total
	£	£	£	£	£	£
Unable to trace/ Absconded	58,911.96		476.43	1,033.93		60,422.32
Deceased			2,440.01	56,243.45		58,683.46
Statute Barred/Unable to Enforce			33,586.89	-746.01		32,840.88
Bankruptcy		488.42				488.42
Instruction from Client				2,477.33		2,477.33
Dissolved/Proposal to Strike/Liquidation/Administration	119,010.21			368.00		119,378.21
Miscellaneous (including uneconomical to pursue)	8,912.25	46.49	1,719.41	22,386.24	33,781.45	66,845.84
Credit Balances	-32,582.04					-32,582.04
TOTAL	154,252.38	534.91	38,222.74	81,762.94	33,781.45	308,554.42

9. **Insurance**

- 9.1 The current insurance contract expires on the 31st March 2019 and is required to be renewed. The annual cost of the insurance is in the region of £450,000 per year.
- 9.2 Following a review of the insurance provision it would appear prudent to increase the self insured levels from £60k to £100k for liability claims and £50,000 to £100,000 for property claims. This means that the Council will fund the first £100,000 of any claim. The market for local authority insurance is currently relatively buoyant with new entrants Protector and Maven increasing competition and it is hoped that response will be received from both these companies.
- 9.3 The council currently does not insure building against acts of Terrorism. Previously under the Government-backed scheme those wishing to purchase Terrorism Insurance were required to take this insurance for all the properties that were owned. This made the insurance relatively expensive. However it is now possible to purchase Terrorism insurance. It is now possible to select individual properties to insure which makes the insurance more affordable.
- 9.4 The Council currently have a contract with Jardine Lloyd Thompson whose role will be to assist the Council in preparing the tender documentation, generating interest in the insurance market and assisting in evaluating the responses.
- 9.5 Cabinet is requested to resolve:
- a) That officers are instructed to undertake a tender process to purchase insurance cover for the Council for a period of three years with the possibility of a two year extension.

b) That Terrorism insurance is included within the tender mentioned above.

10 Conclusion

- 10.1 The General Fund revenue position for the Council is an underspend of **£0.224m**.
- 10.2 The forecast for the Council's Housing Revenue Account (HRA) is an underspend of **£0.829m** which will be carried forward to the next financial year.

11 Appendices Attached

- 'A' - General Fund Revenue Summary
'B' - Savings Summary

12 Background Papers

- '1' - Supporting working papers held in finance

SLOUGH BOROUGH COUNCIL
APPENDIX A - Provisional Outturn – 2017/18

Directorate	Revised Full Year Budget	Projected Outturn	Full Year Variance	Previous Variance	Change
	£'M		£'M	£'M	£'M
<u>Adult & Communities</u>					
Adult Social Care	31.735	31.826	0.091	0.000	0.091
Public Health	-0.611	-0.611	0.000	0.000	0.000
Community & Skills	1.996	1.597	-0.399	-0.300	-0.099
Wellbeing & Community	3.654	3.380	-0.274	-0.042	-0.232
Enforcement & Regulation	0.332	0.977	0.645	0.592	0.053
Total Wellbeing	37.106	37.169	0.063	0.250	-0.187
<u>Children Learning & Skills</u>					
CLS - Directorate	1.809	2.123	0.314	-0.012	0.326
SCST	24.101	24.101	0.000	0.140	-0.140
Early Years and Development	1.281	1.223	-0.058	-0.019	-0.039
Access and Inclusion	2.578	2.431	-0.147	0.394	-0.541
Education Standards & Inclusive Learning	0.615	0.542	-0.073	-0.149	0.076
SEN	0.364	0.328	-0.036	0.000	-0.036
Total Children Learning & Skills (GF)	30.748	30.748	0.000	0.354	-0.354
Total Schools (DSG)	-0.337	-0.337	0.000	0.000	0.000
Total Children Learning & Skills	30.411	30.411	0.000	0.354	-0.354
<u>Place & Development</u>					
Building Management	3.455	2.566	-0.889	-0.609	-0.280
Environment Services	12.155	11.878	-0.277	0.400	-0.677
Neighbourhood Services	1.316	1.212	-0.104	0.000	-0.104
Planning and Transport	6.288	5.837	-0.451	0.000	-0.451
Strategic Housing	0.763	1.924	1.161	0.494	0.667
Strategic Management	-0.141	0.388	0.529	0.000	0.529
Total Place & Development	23.836	23.805	-0.031	0.285	-0.316
<u>Regeneration</u>					
Emergency Planning	0.098	0.095	-0.004	0.000	-0.004
Regeneration	-2.397	-3.450	-1.053	0.000	-1.053
Total Regeneration	-2.298	-3.355	-1.056	0.000	-1.056
<u>Finance & Resources</u>					
Customer and Communications	8.183	8.611	0.428	0.221	0.207
Digital and Strategic IT	0.362	0.273	-0.090	-0.013	-0.077
Finance	2.312	2.819	0.507	0.065	0.442
Governance	2.441	2.325	-0.116	-0.057	-0.059
People	1.242	1.248	0.006	-0.010	0.016
Strategy and Performance	1.269	1.161	-0.109	-0.031	-0.078
Total Finance & Resources	15.810	16.437	0.627	0.175	0.452
Chief Executive	0.773	0.706	-0.067	-0.070	0.003
<u>Non Departmental Items</u>					
Treasury Management	2.204	2.700	0.496	0.000	0.496
Corporate & Departmental	-3.466	-3.721	-0.255	-0.343	0.088
Total Non-Departmental	-1.262	-1.021	0.241	-0.343	0.584
Total General Fund	104.376	104.152	-0.224	0.651	-0.875

% of revenue budget over/(under) spent in total

-0.21%

APPENDIX B

SAVINGS SUMMARY - 2017/18

Directorate	Service	Amount Agreed	Amount Saved	Slippage	Savings Item	RAG	Comments
CCS	Learning and Community Services	25	25	0	Expansion of Apprenticeship Scheme attracting additional SFA funding.	GREEN	
CCS	Learning and Community Services	10	10	0	Adult learning and skills - reduction in data and performance information	GREEN	
CCS	Public Protection	10	10	0	Additional Income from the switch of alarm monitoring	GREEN	Saving found elsewhere
CCS	Public Protection	30	30	0	Re-commissioning Domestic Abuse Contract	GREEN	
CCS	Public Protection	10	10	0	Increase in income	GREEN	
CCS	Planning and Building Control	11	11	0	Extra additional income from pre-application and more planning applications	GREEN	
CCS	Planning and Building Control	4	4	0	Reducing specialist consultancy support	GREEN	
CCS	Public Protection	5	5	0	Partnership with approved trader scheme	GREEN	
CCS	Planning and Building Control	3	3	0	Re-negotiate landfill monitoring contract	GREEN	
CCS	Learning and Community Services	104	104	0	Reduction in overhead costs following the library service being brought "in house".	GREEN	
CCS	Wellbeing & Community Services	25	25	0	Community & Skills restructure 2015/16 – removal of service transition budgets	GREEN	
CCS	Contracts, Commissioning & Procurement	50	50	0	Reduction in budget lines across Procurement Team service area.	GREEN	
CCS	Learning and Community Services	780	780	0	Libraries' Contract Overpayment (one-off)	AMBER	Savings not fully achieved but hopeful the full amount will be recovered

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
CCS	Legal	300	300	0	Increase internal legal capacity to reduce spend on external legal advice	GREEN	Met for this year only using one off resources
CCS	Planning and Building Control	35	35	0	Expected compensating savings following introduction of the fleet of electric vehicles	GREEN	
CCS	Wellbeing & Community Services	2	2	0	Increase in Fees and Charges	GREEN	
CCS	Learning and Community Services	1	1	0	Increase in Fees and Charges	GREEN	
CCS	Wellbeing & Community Services	229	229	0	Increase in Fees and Charges	GREEN	Alternative one of savings found
CCS	Wellbeing & Community Services	73	73	0	Increase in Fees and Charges	GREEN	Alternative one of savings found
CCS	Planning and Building Control	8	8	0	Increase in Fees and Charges	GREEN	
CCS	Public Protection	11	11	0	Increase in Fees and Charges	GREEN	
CCS	Public Protection	2	2	0	Increase in Fees and Charges	GREEN	
CCS	Public Protection	4	4	0	Increase in Fees and Charges	GREEN	
Directorate Total		1,732	1,732	0			
CE	Professional Services	50	50	0	Reduction in budget lines across HR service area.	GREEN	
Directorate Total		50	50	0			

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
Wellbeing	Public Health	156	156	0	Review and reduction of Public Health Contracts	GREEN	
Wellbeing	Adult Social Care	44	44	0	Use of Telecare and Equipment to reduce Personal Budget Levels	GREEN	
Wellbeing	Adult Social Care	200	200	0	Continuing Health Care (transfer of funding responsibility from NHS)	GREEN	
Wellbeing	Adult Social Care	220	220	0	Re-assessments to reduce Personal Budget levels	GREEN	
Wellbeing	Adult Social Care	250	250	0	Housing related support review	GREEN	
Wellbeing	Adult Social Care	150	150	0	Voluntary sector strategy planned funding reduction	GREEN	
Wellbeing	Adult Social Care	300	300	0	Adult Social Care Restructure	GREEN	
Wellbeing	Adult Social Care	100	100	0	Extend use of supported living provision to support moderate to severe needs Mental Health Clients following successful Hope House project.	GREEN	
Wellbeing	Adult Social Care	30	30	0	Fees and charges increase for client contributions	GREEN	
Directorate Total		1,450	1,450	0			

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
RHR	Environmental Services (WASTE)	475	475	0	Amey 'profit' element in contract removed following new service provision in December 2017.	AMBER	Partially achieved due to cost of new service specification & the new DLO/DSO operating costs Remainder achieved elsewhere
RHR	Housing and Environment	50	50	0	Temporary Accommodation - Reduce staffing costs by transferring some of these to the subsidiary housing company	GREEN	
RHR	Housing and Environment	114	114	0	Home improvements- Income generation from fees	GREEN	
RHR	Housing and Environment	100	100	0	Savings from sourcing temporary accommodation through the activity of the subsidiary housing company.	AMBER	Partly achieved due to the time needed for the new housing company to acquire suitable properties. Balance achieved elsewhere
RHR	Housing and Environment	6	6	0	Home Improvements & Strategic Housing - Capitalisation	GREEN	
RHR	Finance & Audit	50	50	0	Increased Treasury Management Returns	GREEN	
RHR	Finance & Audit	165	165	0	Mortgages deposits being offered with rental	GREEN	Other savings found
RHR	Facilities	10	10	0	Maximise Use of Office Space	GREEN	
RHR	Facilities	5	5	0	FM Contracts Review	GREEN	
RHR	Transport & Highways	524	524	0	Capitalisation of Highway Maintenance	GREEN	
RHR	Transport and Highways	150	150	0	a) Replace council fleet & hire vehicles resulting in reduced maintenance & hire costs. b) Increase charges for Community Transport	GREEN	

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
RHR	Transport and Highways	250	250	0	Reduction in Revenue budget as a result of new street lighting contract including further energy savings, reduction in scouting and reduction in cleaning of lanterns.	GREEN	
RHR	Transport and Highways	100	110	10	Reduction in management costs for the current professional services contract.	GREEN	
RHR	Various	300	300	0	Creation of dedicated SUR Team and capitalise costs	GREEN	Slippage on the original proposal but alternatives found to the full value
RHR	Transport and Highways	17	17	0	Increase in Fees and Charges	GREEN	
RHR	Asset Management	500	500	0	Additional income generated via the Strategic Acquisition Fund in 17/18	GREEN	
Directorate Total		2,816	2,816	0			

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
CLS	Cambridge Education Contract	350	350	0	Review of Cambridge Education Trust Budgets to reflect reduction in Mott MacDonald profit element	GREEN	Saving now covered by from internal resources
Directorate Total		350	350	0			