

Summary Variance Analysis

For the Period Ended: 31st December 2008

Education & Childrens Services

Pressures / Savings	Projected Variance £'000	Description
Children & Families	430	<p>This reflects an increase in the number of external residential placements during the first part of this year together with the part year withdrawal of health funding for one client resulting in a cost pressure of £130k. Also an adverse pressure exists as a result of legislative change in respect of increased liabilities for children in Foster care that want to pursue Further Education which extends the borough's financial commitment to their foster support beyond their 18th birthday until they are 21, together with an increase in the number of clients and extensions to placements within foster settings costs £200k.</p> <p>The Public Law Outline (PLO) will replace the existing Protocol for Judicial Case Management in Public Law Children Act Cases from 1 April 2008 which aims to reduce unnecessary delay and is designed to promote better co-operation between all the parties involved in care and supervision cases. A result of this is that there has been a dramatic increase in the demand placed upon the provision of Family Group Conferences which is expected to create a pressure of £50k.</p> <p>A continued trend of increases in demand led intervention to prevent children from becoming looked after evidenced from a previously raised issue regarding referral and assessment activity creates a pressure of £90k. Linked to this an increase in the number of foreign clients requiring support has produced a pressure in respect of the interpretation services being accessed at a cost of £40k.</p> <p>Clients leaving care qualify for financial allowance support for 3 years up until their 21st birthday (or 24th depending on whether they pursue FE). A detailed analysis of activity indicates that not all clients exercise this right following changes in their circumstance thus resulting in a cost reduction to the borough. The cost of providing supported lodgings for children leaving care is also expected to reduce this year following expectation that a publicity campaign to recruit carers will not take place until later this financial year. Together these 2 save £100k.</p>
Inclusion	(212)	<p>The requirement to support clients via direct payments has seen a reduction in the rate of growth that was previously experienced due to parental capacity saving around £40k. A reduction of 1 client from within a residential setting from a full year to a 3 month placement saves in excess of £40k. Other savings of £60k have arisen following the utilisation of DSG funds for additional management support and an extended period of unpaid leave for an employee.</p>
Raising Achievement	(381)	<p>An estimated under spend reflecting current school children take up linked to efficient procurement of contracts across Home to School, the successful sale of school crossing patrol services to schools and the application of grant funding to offset costs as a one-off in 2008-09.</p>
Resources, Commissioning & Performance	(363)	<p>Primarily as a result of successful negotiation to recover the costs of Capita EMS licences from schools saving £49k, the anticipated reduction in costs associated with both the Primary & Secondary Assessment centres, each of £50k, the expected underspend on the joint arrangement for Teachers Premature Retirement Costs of £23k and an underspend on the budget b/fwd to undertake school suitability surveys of £16k. Savings from the PFI c/fwd request following a reduction in services accessed and deliberate management action across several budget heads have contributed further savings of approximately £100k.</p>
	(526)	

Appendix B (Cont.)

Community & Wellbeing

Pressures / Savings	Projected Variance £'000	Description
Care Packages	666	This is due to overspends of £277k on residential care; £103k on nursing care and £197k on Direct Payments (all client groups), and offset by an underspend of £7k on Day, Home & Other Care.
Internal Residential Homes	278	These are additional costs being incurred by the Internal Residential Homes mainly due to the reprovision programme, and includes an overspend of £134k relating to Langley Day Centre which has not been closed/ changed in line with the 2008-09 Star Chamber decision.
Staffing and Other Budgets	(484)	This has a net underspend due to vacancies and includes a significant under spend of £160k relating to social work teams and other services in Business Resources & C&CE. This is partially offset by an over spend due to unbudgeted legal fees.
	460	

Green & Built Environment

Pressures / Savings	Projected Variance £'000	Description
Waste Disposal	(75)	Contractual dispute - disposal of fridges offset by trade waste income maximisation; Capitalisation of costs and early service impact of the red bin recycling scheme.
Slough Enterprise/APCOA	40	Contracts - index linked inflation uplifts, partly offset by reduction in works programme.
Concessionary Fares	274	Increased demand/Shortfall of government grant
Housing	248	L & Q Housing - contractual settlement
Staffing	(300)	Potential savings from staff vacancies (net)
Other Variances under £50K (net)	(12)	Wexham Nursery rent income; Chalvey Depot business rates; Flood Defence Levy; Alcohol intervention; Joint Strategic Planning Unit; highways rents; traffic management.
	175	

Appendix B (Cont.)

Central Directorates

Pressures / Savings	Projected Variance £'000	Description
CSC	123	Targeted savings through BPR not likely to be achieved.
Fundamental Review	384	Anticipated savings not achievable due to delays in the implementation of the Fundamental Review.
Commercial Rents	171	Reduction in Commercial rental income due to a number of vacant units, unachievable accruals from last financial year and loss of income from Accord (c£74k).
Accommodation Strategy	287	Unachievable savings for Accommodation Strategy.
Capital Disposal & Feasibility costs	425	Pressure from Capital Disposal and Feasibility costs (figure to be confirmed).
Slough Music Event	74	Loss on the Slough Music Event.
Targeted Salary Savings	476	Targeted savings from Vacancy Factors/Self Funding Harmonisation.
All Cost Centres	(866)	Gross savings from vacant posts.
Building Maintenance	(100)	Savings on the costs of the corporate building maintenance contract.
Income	7	Expected additional income generated over all cost centres.
Running Costs	70	Additional running costs at St. Martin's Place (Service charges + Building Cleaning).
Running Costs	(44)	Miscellaneous Savings on Running Costs
All Cost Centres	(861)	Possible funding from contingencies & earmarked reserves.
	146	

CAPITAL PROGRAMME MONITORING 2008 / 2009

Line	EXPENDITURE	Funding Source	2008/2009	2008/2009	2008/2009	2008/2009	2008/2009	% of	2008/2009	2008/2009	% of
			March 2008 Budget £'000	July 2008 Approved Budget £'000	March 2009 Provisional Budget £'000	Spend per Oracle to Dec. 08 £'000	Variance to July 08 Budget £'000	Spend to July 08 Budget %	Budget Committed to Date £'000	Budget Profile to Dec. £'000	Spend to March 09 Budget £'000
Community and Wellbeing											
1	Cippenham Library Extension	G	0	621	657	182	-439	29%	620	459	28%
2	Community Care / Day Care Project	M	584	459	459	6	-453	1%	300	306	1%
3	Herschel Park Project (Heritage Lottery Parks)	G / M	1,500	546	0	2	-544	0%	2	0	----
Education and Children's Services											
4	Amalgamation/School Reorganisation - Lea School	M	2,287	1,584	1,069	738	-846	47%	1,366	584	69%
5	DDA/SENDA Access Works	G / M	300	247	247	121	-126	49%	125	152	49%
6	Education Capital - Improvements to Schools Portfolio	M	410	307	207	2	-305	1%	42	0	1%
7	Lynch Hill School - External Surfaces	G / M	295	370	201	22	-348	6%	200	370	11%
8	Slough & Eton CE School (TCF)	G / M	3,785	2,651	3,001	2,684	33	101%	2,851	2,651	89%
9	Wexham School for the Future (TCF)	G / M	2,908	6,301	6,301	3,201	-3,100	51%	6,735	4,341	51%
10	St. Mary's Graduated Childrens Centre	G	506	568	568	563	-5	99%	563	449	99%
11	Godolphin Infant - Roof Replacement	G / M	263	359	339	305	-54	85%	311	339	90%
Green and Built Environment											
12	20 mph Speed Zones	M	300	281	281	16	-265	6%	281	155	6%
13	Art at the Centre - Revitalising the High Street	G / M	3,160	4,032	4,032	2,453	-1,579	61%	4,032	2,000	61%
14	Britwell & Northborough Regeneration	M	1,000	1,240	1,240	0	-1,240	0%	0	0	0%
15	Greener Travel	M	805	795	500	30	-765	4%	500	400	6%
16	Highway Reconfiguration & Resurface	M	600	600	600	258	-342	43%	600	400	43%
17	Housing Imp. Grants: Disabled Facilities (Mandatory)	G / M	503	642	642	415	-227	65%	642	276	65%
18	Housing Imp. Grants: Landlord (Private Rented)	G / M	558	454	214	44	-410	10%	42	84	21%
19	Housing Imp. Grants: Minor Works	G / M	300	300	300	19	-281	6%	130	170	6%
20	Local Safety Scheme Programme	M	375	373	150	8	-365	2%	60	200	5%
21	Street Lighting Improvements Programme	M	500	500	500	290	-210	58%	500	300	58%
22	Subway Closure Programme	M	375	375	0	0	-375	0%	0	250	----
23	Waste & Recycling Containers	M	1,075	1,075	1,125	310	-765	29%	1,085	1,075	28%
Green & Built Environment: Affordable Housing											
24	A2 Housing - Slough Garages Phase 3 (Other)	G / M	0	420	420	0	-420	0%	420	0	0%
25	Sovereign HA - Misc. family homes purchases	G / M	0	500	160	0	-500	0%	0	250	0%
26	Warden - Slough Garages Phase 1	G / M	332	332	332	159	-173	48%	332	332	48%
Resources/Improve & Development/C. Executive											
27	Accommodation Strategy	M	2,130	3,770	3,770	60	-3,710	2%	583		2%
28	Computer Hardware & Operating Systems	M	250	250	200	96	-154	38%	175	115	48%
29	Customer Service Centre	M	1,624	1,692	1,692	845	-847	50%	1,500	750	50%
30	DDA Improvement Works	M	1,000	500	280	219	-281	44%	208		78%
31	Heart of Slough Project	M	5,779	3,670	1,670	756	-2,914	21%	163	630	45%
Housing Revenue Account											
32	ALMO - Internal Package Improvements	M	5,460	13,096	13,096	10,008	-3,088	76%	15,237	9,750	76%
33	ALMO - External Package Improvements	M	1,954	3,020	3,020	92	-2,928	3%	95	2,135	3%
34	Improvements for Sustainability	M	314	615	615	0	-615	0%	0	312	0%
35	Integrated Housing IT System	M	491	542	542	51	-491	9%	260	400	9%
36	Major Aids & Adaptions (C.Tenants)	M	682	788	788	434	-354	55%	1,187	585	55%
37	Window Replacement Programme	M	683	685	685	221	-464	32%	515	445	32%
38	Winvale Refurbishment	M	749	749	749	0	-749	0%	26	499	0%
39	TOTAL CAPITAL SPEND		43,837	55,309	50,652	24,610	-30,699	44%	41,688	31,164	49%

Appendix C Prudential Indicators

5. Prudential indicators as at 31st December 2008:

	Indicator	2008-09 July 08 Budget £'000	2008-09 Dec. 08 Actual £'000
1	Capital Expenditure General Fund HRA Total	45,077 21,309 66.386	18,374 10,731 29,105
2	Capital Financing Sources Grants & Contributions Capital Receipts Revenue and Major Repair Allowance Supported Borrowing Self Financed Borrowing Total	13,682 18,523 7,917 15,396 10,868 66.386	8,565 9,148 6,973 4,419 0 29,105
3	Capital Financing Requirement HRA General Fund Total CFR	7,591 41,678 49,269	964 26,460 27,424
4	Actual Net Borrowing	-2,571	-52,313
5	Authorised Limit for External Debt	113,000	75,000
6	Operational Boundary for External Debt	109,600	73,200
7	Incremental Impact on Band D Council Tax	-£0.25	-£15.02
8	TREASURY MANAGEMENT: (a) CIPFA Code Adopted (b) Interest Rate Exposure - Fixed Rate Borrowing - Variable Rate Borrowing (c) Investment Longer than 364 days (d) Maturity Structure of Borrowing: - Under 12 months - 1 to 2 years - 2 to 5 years - 5 to 10 years - 10 years+	Yes 75 - 100% 0 - 25% £35.000 0-25% 0-25% 0-50% 0-75% 25-90%	Yes 100% 0% £23.200 0.11% 4.22% 11.64% 23.43% 60.60%

PRUDENTIAL INDICATORS – A GUIDE

1. **Capital Financing Summary** – Although this indicator is not required by the Prudential Code, it is included within the monitoring so that the capital financing sources can be clearly identified.
2. **Capital Financing Requirement** – This is derived by aggregating specified items from the Council's balance sheet and represents the underlying level of borrowing required to finance historic capital expenditure. The actual **net borrowing** is lower than this because of the reserve part of capital receipts accumulated till 31st March 2004, the beginning of the Prudential system.
3. **Actual Net Borrowing** – represents actual long term borrowing needs (including forward funding for future years) less temporary investments. This is a key indicator and Section 3 of the Local Government Act 2003 requires the Council to ensure that net borrowing does not exceed the Capital Financing Requirement.
4. **Authorised Borrowing Limit and Operational Boundary for external debt** – the former represents a maximum limit for borrowing, which must not be breached and therefore additional headroom has been included to cater for unplanned cash flow situations. The latter is a better benchmark as it represents a more likely scenario.
5. **Incremental Impact on Band D Council Tax** – This represents the interest and Minimum Revenue Provision (Principal repayments) of all General Fund Borrowing gross of capital financing FSS. This indicator is calculated by taking the difference between debt charges based on the existing approved capital programme and the debt charges based on the actual spend to-date and dividing the result by the tax base for Council Tax. As the actual capital spend to the end of December 2008 has been funded mainly from capital grants and capital receipts, i.e. non-borrowing sources, indicator 7 reflects the negative impact on council tax compared to the July 2008 approved budget for the full year.
6. **Treasury Management** – these indicators form part of the treasury management strategy and policy statement approved each year before the beginning of the financial year. The main indicator is the adoption of CIPFA Code of Practice for Treasury Management, which the Council adopted before the current Prudential System was introduced.