

## APPENDIX C

### Summary Variance Analysis for the Period Ended: 31<sup>st</sup> July 2009

#### Community & Wellbeing

<b>Pressures/ Savings</b>	<b>Variance £000</b>	<b>Comment</b>
Residential & Nursing Care	418	Extra growth resulting from the increases in care packages last winter and a lower than expected attrition rate this year has had the net effect of adding pressure on this year's budget of about £222k. There are further pressures relating to Older People internal residential service resulting from the reprovion programme and causing a pressure of £133k. These have been offset by actual savings to reduce and restrict care packages. Most of these savings were removed last month as high risk, but where concrete evidence of savings have been identified these have been added back.
Home Care	125	A total of 9,000 extra hours (from April 2009 to March 2010) had been forecast above the amount estimated in the budget in the first 3 months of this financial year. In response, managers have sought to reduce and restrict care packages to bring this budget back under control. This month has seen a further reduction in the overspend as a result of these measures. Further reductions are likely as a result of recent action negotiations to reduce price with a major supplier
Direct Payments	120	New growth being greater than budgeted and several packages being increased beyond full year budget. Slight improvement over last month as a result of ongoing action to reduce and restrict care packages.
Day Care & Community Services	-66	This net underspend masks significant overspends on Wexham & Langley units due to savings not yet achieved. At the same time however, substantial actual and planned savings to counteract these adverse variances are being made on other day centres, community services and elsewhere.
Staffing Budgets	-122	Vacancies on a number of teams where the savings have not been offset by expenditure on agency staff costs. These are the OT Team (5 FTEs vacancies), Sensory Needs Team (3 FTEs vacancies), Intermediate Care Team (1 FTE vacancy) & Care Team (8 FTEs vacancies)
TOTAL	476	

## Education & Children's Services

Pressures/ Savings	Variance £000	Comment
Children and Families	649	<p><b>New this month:</b> Increases across Children Looked After foster settings costing £20k offset by a reduced client levels in residential settings saving £57k and vacancy savings with Mallards of £13k. The expected reduction in the purchase of adopters and specialist aids and equipment for adoptive placements saves £32k. Increased section 17 activities to prevent children from becoming LAC costs £13k. "A recent court judgement which requires local authorities to assess and respond to homeless 16 year old as in need of Local Authority Care, rather than supporting them under homelessness legislation, is creating considerable pressure on social work assessment resources and is likely to have a financial impact on placement budgets. Work is currently underway with housing colleagues to quantify the likely impact of this." Costing received suggest a £90k pressure;</p> <p><b>Previously reported:</b> Increases in the level of Looked After Children across all settings result in pressures of £463k (which includes £120k one-off income from the sale of a bed within Mallards to W&amp;M) and increases in activity across Family support services including Family Group Conferencing, Kinship Care and the prevention of children becoming looked after result in pressures of £176k. Late notification of increased costs for Joint Arrangements for the Legal Team and the Berkshire Advisory service will result in pressures of £118k. This is offset by one-off savings in respect of grant receipts for Asylum Seeking children of £60k. Adoption activity based on current client numbers awaiting placement results in an estimated saving of £90k.</p>
Youth	-25	<p><b>New this month:</b> Staffing vacancy and reduced premises rental liability create savings of £25k.</p>
Inclusion	-213	<p><b>New this month:</b> Re-assessment of financial support to be provided to organisations and service areas that access the Children's Fund costs £27k. <b>Previously reported:</b> Increased home care and school holiday support to Children with Disabilities costs £22k, offset by savings of £10k from Health Improvement team from reduced requirement to procure and distribute promotional and educational media and materials. Reduction in CWD client levels including successful removal of LAC status for 1 client has saved £201k. £27k saving through reduced demand from Voluntary sector placed on the Children's Fund and £19k saving through the delayed appointment to an Assistant Manager post for Children with SEN. £10k through management of discretionary spend.</p>
Raising Achievement	-259	<p><b>New this month:</b> Management decision to hold post vacant to year end saves £27k and reduction in hours for advisor saves £6k. <b>Previously reported:</b> Additional income contribution from Arts Council £15k, re-configure delivery of Early Years extended schools services saves £49k. Additional income generation of £50k by the Advisory Service. Expected saving against Home to School Transport following a successful re-tendering of contracts of £139k. £60k pressure in respect of the Connexions service and £10k reductions through management of discretionary spend offset by the utilisation of grants against core costs and receipt of DCSF support totalling £30k.</p>

Strategy, Information and Resources	-177	<b>New this month:</b> No material developments. <b>Previously reported:</b> Additional income of £62k from schools for EMS licences and use of grant to support Assessment Centre saves £40k. This is mainly in respect of the one off receipt of a rates refund and expected continuation of reduced Joint Arrangement charges in respect of PRC and Dismissal costs together totalling £60k.
Schools ABG Services	-27	The management decision to hold a vacant post in the team that supports schools for the Excellence in Clusters service until the year end without the requirement for agency cover or backfilling arrangements will provide a one-off saving of £27k.
TOTAL	-52	

### **Green & Built Environment**

<b>Pressures/ Savings</b>	<b>Variance £000</b>	<b>Comment</b>
Waste Disposal	60	Charges from a neighbouring authority for use of disposal facilities have been increased (£50K); plus prior year contractual indexation of costs is not fully funded (£50K). Pressures are partly offset by efficiencies in waste disposal emanating from diversion of landfill tonnage (£40K).
Planning Fee income	100	Current indications are that small household applications are fairly constant but there is a lack of major applications which yield significant fee income. Budgeted income is over £600K, and, as a result of this economic climate, a shortfall representing 17% of budget is predicted.
Other demand-led income	41	Potential shortfall in demand-led income across the directorate, other than Planning Fees above, due to economic recession. This assumes a 1% shortfall on £4M budget which includes car parking; licensing; building control; trade waste; and registrars.
Concessionary Fares	-125	Estimated saving of £100k from reassessed level of scheme take up/demand for service. Against a £2.4M budget, this represents a 4% saving. A further £25k saving from the provision made for outstanding 2008/09 reimbursement claims from bus operators which have not materialised.
NRSWA	-50	Anticipated additional fees through increased activity of statutory undertakers on highway. Against a budget of £75K, this represents an additional 66% of income.
Parks & Open Spaces	-55	Reprofiling the expenditure of the £117K agreed growth from PPRG 2009/10, plus reduced in-year maintenance following capital expenditure can produce a one-off saving.
Staffing	-44	Slippage of £60K on implementing proposed savings in PPRG of £500K across all service areas is more than offset by delayed restructure/recruitment to new & vacant posts.
Other variances under £50K (net)	161	Wexham Nursery reduced income from client recharges & letting of buildings £55K; Chalvey Depot & MSCP late notification of Business Rates increases £21K; Flood Defence Levy increased £10K; People 1st contribution to community safety reduced by £28K through withdrawal from SLA; Bulky waste collection charges

		for pensioners ceased as per Members' wishes £10K; Roundabout sponsorship income unlikely to be achieved due to economic recession £12K; Coroners' Joint Arrangement contribution increased £25K.
TOTAL	88	

### **Central Directorates**

<b>Pressures/ Savings</b>	<b>Variance £000</b>	<b>Comment</b>
Chief Executive	8	Maternity & agency offset by vacant posts
Resources	107	<p><b>Audit &amp; Risk Management</b> -£16k: Due to delays in filling vacant posts within Audit and Health &amp; Safety offset by cost of covering the audit work still needed</p> <p><b>Borough Secretary</b> -£24k: local land charges income still down, but offset by holding vacant posts in land charges and other services;</p> <p><b>Management Action</b> The vacant posts will now be held to allow any pressures from the reduced Land Charges income to be absorbed.</p> <p><b>IT</b> -£6k: Delays in filling vacant posts across all IT areas offset, by cost of temporary staff to cover these posts;</p> <p><b>Revenues</b> -£25k: Vacant posts partially offset by the employment of temporary staff.</p> <p><b>HR</b> £13k: The turnover cut (+£38k) accounts for the major part of the overspend. There is no funding (part of the Savings Plan) for a union post that was vacated at the end of June (+£22k). This is partially offset by a vacant post in another area (-£31k) The vacancy factor has not yet been achieved.</p> <p><b>Management Action</b> Vacant posts that arise &amp; those currently filled by agency staff will be looked at to manage any pressures.</p> <p><b>Property Services &amp; Regeneration</b> £103k: Pressures are in the following areas:</p> <ul style="list-style-type: none"> <li>• Commercial rents loss of income from property sold £12k</li> <li>• Commercial rents insufficient bad debt to cover backdated rents £153k</li> <li>• Rent from Accord in dispute £75k</li> <li>• Unbudgeted management fees for The Centre +£15k.</li> <li>• Advertising income loss though Planning permission not being agreed £50k</li> </ul> <p>Total costs pressures = £305k</p>

		<p><b>Management Action</b> Pressures will be contained through management of vacant posts and savings on the repairs and maintenance and Legionella budgets. There will also be a follow up on the Accord rent dispute with Green and Built Environment.</p> <p>Total anticipated savings = £202k Net Costs/(Savings) = £103k</p> <p><b>Strategic Management</b> £61k: To meet the costs of recruitment and pay for an interim Director of Resources.</p>
Improvement and Development	-84	<p><b>Commissioning, Procurement &amp; Shared Services</b> -£49k: AD on lower grade than budgeted + 2 staff on reduced hours</p> <p><b>Management Action</b> Savings to be utilised to meet pressures in other areas.</p> <p><b>Economic Development</b> -£44k: vacant posts not filled reduced by pressure from voluntary capacity funding reduced by pressure from voluntary capacity funding</p> <p><b>Management Action</b> Savings to be utilised to meet pressures in other areas (see below).</p> <p><b>Housing Benefits</b> -£57k: Delays in filling vacant posts following some additional funding from the DWP;</p> <p><b>Management Action</b> Full review of allowances paid and overpayments currently being undertaken.</p> <p><b>Transformational Change</b> £64k: pressures from costs of secondment and member of staff still in posts where budgeted to be vacant and turnover not yet being achieved</p> <p><b>Management Action</b> Holding vacant posts and the utilisation of projected savings across the service area.</p>
TOTAL	31	