

## Slough Borough Council

**REPORT TO:** Cabinet

**DATE:** 17 June 2024

**SUBJECT:** Revenue and Capital Budget Outturn 2023/24

**CHIEF OFFICER:** Annabel Scholes – Interim Executive Director,  
Finance & Commercial (Section 151 Officer)

**CONTACT OFFICER** Neil Haddock – Interim Strategic Finance  
Manager, Financial Planning & Reporting

**WARD(S):** All

**PORTFOLIO:** Councillor Smith – Leader of the Council  
Councillor Chahal – Lead Member Financial  
Oversight

**KEY DECISION:** YES

**EXEMPT:** NO

**DECISION SUBJECT TO CALL IN:** YES

**APPENDICES:** A Adults Services  
B Children’s Services  
C Regeneration, Housing & Environment  
D Chief Executive’s Office  
E Finance & Commercial  
F Law & Governance, Public Health & Public  
Protection  
G Asset Sales  
H Capital Outturn

### **1 Summary and Recommendations**

- 1.1 This report sets out the Provisional revenue and capital outturn position for Slough Borough Council for the year 2023/24. The report does not report on the position on the Dedicated Schools Grant, and a summary of the DSG outturn position is expected to be brought to Schools Forum on 27<sup>th</sup> of September 2024 and the cabinet meeting on 21<sup>st</sup> October 2024.

## **Recommendations:**

*Cabinet is recommended to note the following:*

1. The Provisional overspend, prior to use of reserves, is £15.511m.
2. The Council's Provisional overspend is £14.182m, after some accounting adjustments and this will need to be financed from the Council's reserves.
3. The Budget for 2024/25 contained investment of £9.883m aimed at re-basing those budgets that were overspending the most in 2023/24. Analysis of the outturn suggests a pressure in 2024/25 of £11.7m that will need to be managed and requires immediate mitigating action.
4. A refresh of the medium-term financial plan will be presented to the next available Cabinet meeting, and this will include proposals for changes to the capital programme.

*Cabinet is recommended to agree the following:*

5. The transfer to Housing Revenue Account (HRA) General Reserves the surplus on the HRA of £3.393m in the year, as laid out in paragraphs 5.1 to 5.3.
6. The draw down request from the Redundancy Reserve of £1.549m to cover the costs of redundancies agreed in 2023/24, and the associated budget transfer to those areas that incurred these costs as set out in paragraphs 10.3 and 10.4.
7. The draw down request from the Budget Smoothing Reserve attributable to the Balance Sheet and ledger reviews, and note that these mitigate the headline forecast overspend, reducing it from £15.511m to £14.182m. This is set out in more detail in paragraphs 10.6 and 10.7.
8. The Revenue carry forwards, relating to unspent specific grants and earmarked funding for transformation, as set in paragraphs 8.1 - 8.6 and Table 7.
9. A transfer to Public Health reserves of £1.095m, being the unspent element of the 2023/24 Public Health ring-fenced grant, as set out in paragraph 3.11.
10. The addition of the following new projects to the 2024/25 Capital Programme, totalling £0.740m
  - Childcare expansion (£0.220m, grant funded)
  - Upton Court Pathway (£0.075m, section 106 funded)
  - Cippenham Bridges (£0.150m, section 106 funded)
  - Swimming Pool Support Fund initiative (£0.295m, grant funded),

## **Reasons**

The recommendations are intended to inform Cabinet of the Council's actual financial performance against budget in 2023/24, and the implications of that.

## **Commissioner Review**

This report sets out the Council's draft financial position for 2023/24 after the end of the financial year. The position should be considered provisional until the balance sheet reviews are concluded, all years' accounts have been prepared and the audits from 2019/20 to 2023/24 signed off by the Council's external auditors.

The Commissioners note the key elements of this report, summarised position for each of the ring-fenced funds (excluding DSG), forecasted residual level of the Budget Smoothing Reserve and recurrent pressures for 2024/25. The Exceptional Financial Support by way of a Capitalisation Direction as at 31 March 2024 is estimated to be £298.6m (subject to the outcome of the external audits) and financed by net capital receipts from asset disposals. The asset sales completed as at 31 March 2024 is currently below this target and increasing the revenue pressures from borrowing required to support the budget.

Work is ongoing to finalise the legacy balance sheet reviews and associated issues may continue to be resolved or identified that could affect the financial position and require further draw down from the Budget Smoothing Reserve. Any movements in this regard and the assessed impact of the recurrent pressures will need to be reflected in the refreshed medium term financial outlook, anticipated July 2024.

The Council is facing a challenging financial situation and the focus of moving towards a sustainable financial position is urgent and essential for the Council.

## **2 Report – Introduction**

- 2.1 Effective management of Slough Borough Council's budget is critical to its financial recovery and the restoration of a balanced budget without the extraordinary use of capital receipts to support revenue expenditure. This report sets out the Provisional outturn position for the Council's budget in 2023/24 and makes recommendations to recognise and mitigate the risks arising from the underlying position reflected within the outturn position.
- 2.2 Slough Borough Council has been balancing its revenue budget via the support of capital receipts under a capitalisation direction authorised by the Department of Levelling Up, Housing & Communities (DLUHC) since October 2021. In support of this approach, Slough Borough Council developed a capitalisation direction model to estimate the level of capital receipts that would be required to support the revenue budget, as part of a broader financial recovery plan.
- 2.3 In 2023/24 the assumed capitalisation direction (CD) required to balance the revenue budget was £31.575m. There is no scope to increase the total CD figure of £348m, although the figure for individual years is not yet fixed, until accounts are

closed. As such, the working assumption in this report is a figure for 2023/24 of £31.575m.

- 2.4 2023/24 was a challenging year for the Council, due to the actions, savings and transformation needed due to its unique circumstances arising from the issuing of a S114 notice in 2021. In addition, national economic factors have impacted local government, such as inflation and the continuing increase in demand for services, in particular for Homelessness and Adult social care. These pressures created significant overspends in 2023/24, and a need for additional investment in those areas in the 2024/25 Budget and Medium-Term Financial Strategy (MTFS).
- 2.5 In terms of the financial management and associated financial controls and processes operating within Slough Borough Council, there continues to be a lot of work undertaken to establish a solid foundation of good practice and prudent financial management. Some progress has continued to be made in finalising Statements of Accounts for prior years, but further work is needed to ensure systems, reporting, risk management and effective outturn forecasting and budget management are fully embedded. The departure of the permanent Executive Director of Finance & Commercial, and Deputy Directors in the last quarter of the year inevitably creates a degree of uncertainty, given the constant churn at this level in the organisation over the last few years. However, at the Strategic Finance Manager level most posts do now have permanent members of staff in posts and this is anticipated to provide a valuable source of consistent and sustained financial management good practice, advice and leadership. This will be essential to the continued improvement of financial management practices within the Council.
- 2.6 In this context, the approach being taken in 2024/25 is building and improving upon the approach in 2023/24, for example by ensuring budget monitoring is undertaken and reported to CLT monthly, with formal reports submitted to Commissioners and Cabinet on a quarterly basis, reflecting best practice. Furthermore, quarterly Star Chamber sessions, led by the Deputy Leader of the Council, (in the role of Lead Member for Finance, Council Assets and Transformation), will undertake a rigorous review of budgets and the delivery of approved savings.

### **3 General Fund – Provisional outturn position**

- 3.1 The budget for 2023/24 required a Capitalisation Direction of £31.575m in order to balance. Even with this exceptional support, the Provisional outturn position indicates that there is an overspend of £15.511m. Within this overall position there are a number of significant variations, summarised in table 1 below.



3.2 The position is mitigated to an extent by a recommended draw down from the Budget Smoothing Reserve of £1.329m, which is in respect of a number of items that neutralise the impact of a number of accounting adjustments across financial years. Table 2 shows the outturn in more detail, with commentary provided from 3.5 onwards. The accounting adjustments are covered in section 10 of this report.

3.3 The outturn position for 2023/24 has on-going impacts into 2024/25 which must be addressed as a matter of urgency. These are estimated to be approximately £11.7m, and principally arise from on-going pressures in:

- Adults Services £ 4.8m
- Homelessness £ 5.6m
- Interest Costs £ 1.2m
- Total £11.7m (minor difference due to rounding)

The 2024/25 budget invested heavily in these areas, with growth of £9m (Adults) £3m (Homelessness) and £3m (Interest) built into the budgets based on the pressure on these areas in 2023/24, but the level of demand in those areas has been such that this level of investment may prove to be insufficient. Most of the other variances (both overspends and underspends) are considered to be one-off.

3.4 The estimated impact on 2024/25 for Adults Services is being scrutinised through the early stages of the 2024/25 Budget Monitoring and in preparation for a refresh of the MTFs programme. Ongoing pressures on demographic and increased complexity of care packages reflect national pressures. In addition there may be upward pressure in the uplift of fees for care providers beyond what has been allowed for in the budget. To offset these pressures the service will be considering measures to be pursued to contain costs. The figure of £4.8m used in para 3.3 is therefore to be taken as a very early estimate that is subject to a lot of current ongoing work.

For Homelessness, the initial position is £5.6m, which is the current overspend less than the net increase in the budget after taking into account planned savings. This is on the basis of demand not increasing yet further. Interest costs are now estimated to be £1.2m higher in 24/25 than budgeted for as we have had to refinance more debt at higher rates of interest than planned.

A report will be brought to the 15<sup>th</sup> July cabinet with a refresh of the MTFs and proposed measures for addressing the 2024/25 implications of this outturn report, and for addressing the implications of the draw down on reserves to balance the 2023/24 position.

3.5 As has been reported throughout the financial year the predominant themes with the overspend are the demand levels in Adults Services and Homelessness. These resulted in increasing overspends throughout the financial year, which worsened after the work to set the budget and MTFs for 2024/25 onwards had been completed. The most significant variances comprise:

- Adult Social Care, an overspend of £12.3m, a further worsening on Quarter 3 of £0.445m, and almost all of which is explained by increased expenditure on care placements and packages due to increased demand; there were areas

of the directorate that had overspends on employee costs, with other areas having overspends on employee costs due to the need to employ more expensive interim staff, but these broadly cancelled each other out.

However, it must also be noted that the Q3 position was after £0.800m of prior year costs not originally accrued for in 2022/23 being deducted. The final outturn has uncovered that the unaccrued amount is £2.817m not £0.800m. The £12.3m figure is after deducting for this and therefore the underlying position has deteriorated by £2.462m.

- Homelessness, which saw an overspend of £6.984m, marginally reduced from the Quarter 3 figure of £7.156m (note in Table 2 Homelessness is within the Regeneration, Housing and Environment directorate). The directorate had some mitigating underspends (partly one-off) that reduce the overall position to £5.918m.
- Within Finance & Commercial there is an overspend of £4.896m, an increase of £3.071m from Quarter 3. The change is mostly to do with a change in the accounting approach to Benefits which has a negative impact of £3.345m in 2023/24 but a positive impact in 2022/23 of £8.459m. As this change is due to accounting adjustments, with a neutral overall impact but changes costs across years, it is recommended that the £3.345m is covered by a draw-down from the Budget Smoothing Reserve, which is part of recommendation 4. This is addressed in more detail in paragraphs 3.19 and 3.20.
- Within “Corporate Budgets / Drawn from Reserves” there is a variance of an underspend of £8.265m compared to February’s position of £9.017m. Subsequent to the February meeting a virement of £700k was made to service departments from the Corporate Contingency budget to cover the cost in 2023/24 of an increase in the Employer’s superannuation contribution to the Local Government Pension Scheme, and this explains the change. The balance of the variance is in respect of not utilising the Contingency budget, and it therefore nets off the overall Council position.
- Minimum Revenue Provision (MRP) saw an overspend of £3.237m, almost the same as the £3.228m reported to Cabinet in February. The overspend has arisen as a consequence of fewer asset disposals being achieved than had been assumed in the budget, meaning the outstanding debt has remained higher than planned. This includes the Akzo Nobel sale.
- There is a favourable variance on interest costs payable of £1.498m. Costs of loans in total amount to £9.236m. Of the total, costs of loans with the Public Works Loans Board have increased, from a budgeted £10.634m to a total of £13.257m, but this is netted off by a contribution from the HRA in respect of its share of £4.608m
- Also included within the figures are sums earned on investments and interest from loans to subsidiaries. The total budgeted income on investments is £4.197m, however only £2.938m was earned in the year, a shortfall of £1.259m, as our cash position was severely impacted by the fewer asset disposals referred to above. The 2024/25 budget addresses this shortfall.

The net position for interest, taking account of both interest costs, and interest receipts, is a favourable variance of £0.240m.

The interest movements are shown in Table 3 below:

**Table 3 Movements in Net Cost of Interest**

	Budget	Amount	Variance	Q3 Variance
	£000	£000	£000	£000
<b>Interest Payments</b>				
PWLB Interest	10,634	13,257	2,624	-53
<i>less HRA share of interest costs</i>	-4,912	-4,608	304	4,912
Market Loans	4,500	-855	-5,354	-4,055
Temporary Loans Internal	351	1,797	1,445	1,419
Other Interest Costs	162	-355	-518	-162
<b>Sub Total Interest Payments</b>	<b>10,735</b>	<b>9,236</b>	<b>-1,499</b>	<b>2,061</b>
<b>Interest etc Receipts</b>				
Interest on Investments - Deposits	-4,197	-4,862	-666	272
Miscellaneous Interest	0	-15	-15	0
James Elliman Homes	0	1,940	1,940	0
<b>Sub Total Interest Receipts</b>	<b>-4,197</b>	<b>-2,938</b>	<b>1,259</b>	<b>272</b>
<b>Sub Total Interest Receipts</b>	<b>6,539</b>	<b>6,298</b>	<b>-240</b>	<b>2,333</b>

### *Adults Services*

- 3.6 Within Adults Services there were overspends related to the costs of services for all areas of on-going long-term support and care, including Older People (£6.779m), People with Learning Disabilities (£3.001m) and Mental Health (£2.472m). There were underspends on Employee costs in long-term support teams for the above areas, however there was a large adverse variance on employee costs in the service areas providing rehabilitation and recovery, and occupational therapy.
- 3.7 There was over-recovery of income against budget in respect of client contributions, of £476k. This is consistent with a greater number of clients and consequent higher spend on care and support packages. The overall position is also mitigated by additional receipts of grants, and from a contribution from the Public Health grant towards some housing related programme activity, which is eligible expenditure within the Public Health ring-fenced grant conditions.

More detail on individual variances is provided in Appendix A.

### *Children's Services*

- 3.8 The overall position for Children's Services was an overspend of £37k, against a forecast position in February of £524k overspend, an improvement of £487k. Most areas had minor variances, and the most significant variance, and the most significant change, came with Children's Centres with a £415k underspend, a change of £532k from the previous forecast. Budget virements covering the pay



award, increased Employer Superannuation contribution, and a drawdown from the Redundancy Reserve (total £231k) had not been factored into previous forecasts, and in addition income from fees to parents and activities were £305k above the Quarter 3 forecast.

- 3.9 Other variances include an underspend in the Management team budget following savings made in the last quarter on agency staff costs (£50k) and Regional Adoption Agency costs (£55k); an underspend in School Services totalling £173k, primarily driven to underspend reported on Home to School Transport, a mixture of slightly lower costs, more income and a higher level of grant than had been anticipated; and finally in Inclusion, where there was an overspend of £258k, which was nevertheless a £50k improvement on the February position. There are overspends in this area driven by recruitment difficulties and the need to employ more expensive interims, however some of this cost has been met from the Dedicated Schools Grant (DSG) High Needs Block.
- 3.10 There was in addition a variance against an accounting adjustment that needed to be made of £0.336m; an error in building the 2023/24 budget was made that gave the DSG a credit (or negative) budget of £336k, which should have been against the main Directorate budget. The 24/25 budget has corrected for this.

More detail on variances is provided in Appendix B.

#### *Public Health & Public Protection*

- 3.11 There were underspends across all of the service areas in Public Health & Public Protection, amounting to an initial £1.835m. Of this, £1.095m is within Public Health and is an underspend against the ring-fenced Public Health grant and is therefore recommended to be transferred to a ring-fenced Public Health reserve. This brings the level of the Public Health reserve to just over £3m. Part of the reason for an ongoing underspend in this area is that there continue to be Public Health activities that can be funded (until September 2024) from a Covid grant called the "Containing Outbreak Management Fund (COMF)", however the recent restructure, putting in place a Slough focussed Director of Public Health gives the opportunity to consider how the use of the Public Health grant funds can best be deployed going forward. The draw down of the COMF money is shown against Finance & Commercial in Table 2 above.
- 3.12 Elsewhere, there were underspends due to increased income within Community Safety and Housing Regulation, and Licensing, and underspends on employee costs through proactive vacancy management.

More detail on variances is provided in Appendix F.

#### *Regeneration, Housing and Environment (RHE)*

- 3.13 The overall position for RHE was an overspend of £5.918m, an improvement on the position reported in February for Quarter 3 (£7.556m) of £1.638m. The position on

Homelessness is provided in paragraph 3.5 above. There are 2 other areas of significant variance within RHE.

- 3.14 The first of these is within the Regeneration Management team. It reflects an unrealised savings target of £1.8m that was inherited from the former Place directorate following the corporate restructure during the last financial year. This is an on-going pressure that the Directorate needs to address.
- 3.15 The second is a favourable variance of £2.5m within Environmental Services, an increase from £1.2m in Quarter 3. Of this, £650k is a reduction in waste disposal costs due to lower than expected household waste tonnage during the year; there are a number of other minor variances, but the bulk of the rest of the underspend is one-off based on releasing previous years' grant income unapplied in line with expenditure, from a number of different grants and totalling £1.346m where assessments indicate that there is no ring fenced. There is a degree of risk that some element of these grants would be deemed refundable, but this risk is considered low.

More detail on variances is provided in Appendix C.

*Central areas: Chief Executive's Office, Law & Governance, Finance & Commercial*

- 3.16 Collectively, these budget areas had an overspend of £1.437m compared to a Quarter 3 position of £1.760, an improvement of £323k. This is excluding the impact of accounting adjustments for Benefits, which is addressed separately.
- 3.17 The various different teams across Chief Executive's office showed relatively minor under and overspends that balanced to an overall position of £87k over. The most significant overspend reflected the partial non achievement (£366k) of the Vacancy Factor savings target (£500k), with underspends elsewhere in the directorate mostly coming from staffing savings, and a reduction in the Quarter 3 forecast following a phasing out of several interim posts.
- 3.18 Within Finance and Commercial the major pressure comes from the number of interim staff that have been employed in Strategic Finance over the course of the last financial year. Although at one point all of the Director posts, and most of the Strategic Finance manager posts did have permanent recruits employed, this has now changed. This remains a financial pressure in 2024/25. Other pressures include External Audit fees, which has been addressed in the 2024/25 budget build.
- 3.19 In addition to the above, the final outturn for Finance includes an adverse movement of £3.435m in respect of Benefits. This primarily arises from a change in accounting policy from cash accounting to accruals basis. As a result of this an amount of £14.038m of income due to the Council as at 31 March 2024 (and including previous years) from benefit claimants and court costs has been recognised in the balance sheet. However, it is also necessary to take into account in recognising this income the risk of default; 39.75% is the required increase in the provision for bad debts to reflect the recoverability of the debts taking into account the age of most of the debt, leaving a balance of £8.459m.

- 3.20 This £8.459m needs to be credited to the 22/23 accounts, as to keep it in 2023/24 would materially mis-state the position for both 2022/23 and 2023/24. The impact on 2023/24 is to reduce income compared to what it would otherwise be stating, by £3.435m. To ensure the impact is neutral in 2023/24, it is recommended that Cabinet give approval to draw down from reserves to smooth out the overspend.
- 3.21 Within Corporate Budgets there is an overall underspend of £5.743m compared to the position reported at Quarter 3 of £3.456m. The position on Corporate Budgets is as outlined in the summary paragraph 3.5 above.
- 3.22 The final variance to be reported is in respect of Council Tax and Business Rates. The 2023/24 Budget contained an error whereby the Council Tax Surplus of £1,578m was inadvertently deducted from the Council Tax requirement. The budgeted level of Council Tax was £71.416m against an actual Council Tax requirement of £73.027m. This is a one-off windfall to the accounts in 2023/24. This is partly offset by reduced Government Grant income relating to business rates. This amounts to £499k. The net impact is therefore £1.079m.

More detail on variances is provided in Appendices D, E and F.

## **GENERAL FUND – SAVINGS DELIVERY**

- 4.1 Service directorates were required to deliver savings of £22.422m in 2023/24, and progress against meeting the savings targets was monitored and reported on throughout the year. Of the target £20.250m (90%) was reported as having been delivered; this compares to a forecast position for Quarter 3 of £21.170m being delivered, so represents a slight worsening of the position.
- 4.2 The overall shortfall of £2.172m hides an over-delivery, due to mitigating savings, being reported in Adults Services, of £848k; without this over-delivery in Adults the position would have been under-delivery of £3.020. Nevertheless, the net position compares favourably to the fact that a contingency against non-delivery of £3m was being held. Of the total mitigating savings of £3.513m, it is estimated that £0.711m are non-recurrent - £0.356m in Adults, £0.25m for Waste, and the £0.105m in Childrens. The on-going shortfall on savings is therefore £2.883m (the reported £2.172m plus the £0.711m of mitigating savings that are considered temporary). This is incorporated into the £11.7m pressure for 2024/25 referenced above, and needs to be added to the 2024/25 savings target.

The areas of non-delivery are as follows:

- In Adults services, across a range of individual programmes as detailed in Appendix A, there were shortfall against the original plan, with mitigating savings being found principally from over-delivery against that plan in Reablement, Practice and Process Development and Direct Payment recoupment.
- In Children's Services, the delay to the staff restructure meant the saving was not delivered, but there was some mitigation from one-off staff savings in the year.
- In Regeneration, Housing and Environment, there was a shortfall in the savings against the Green Waste Collection subscriptions scheme, with only 50% of the

expected number of households taking up a subscription. Mitigation came from additional one-off savings from the waste disposal contract.

- In Strategy and Transformation a Vacancy Factor of £500k fell short by £366k, and the savings for Strategic Commissioning was also not delivered.
- In Finance and Commercial, the vacancy factor of £399k was not achieved, as the finance section is particularly heavily reliant on interims covering essential posts. The saving in respect of the audit fee was not delivered due to more audit work being required, and only part of the saving on the Minimum Revenue Provision was delivered, due to Asset Sales not progressing in line with the original plan, as discussed elsewhere in this report (and as has been previously reported to Cabinet).

The summary of savings delivery is shown in Table 4 below, with more detail being given within the Appendix for each service area.

**Table 4 – Saving delivery Summary**

<b>2023-24 Savings</b>	<b>Savings Target</b>	<b>Delivered</b>	<b>Not Delivered</b>	<b>Mitigating Savings</b>	<b>Savings Forecast</b>	<b>Over / (Under) delivery</b>
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Service Budgets</b>						
Adults Services	5,688	6,536	2,173	3,021	6,536	848
Public Health & Public Protection	46	46	0	0	46	0
Children's Services	805	595	105	105	700	-105
Regeneration, Housing & Environment	4,128	3,778	0	350	4,128	0
Strategy & Transformation	2,099	1,733	366	0	1,733	-366
Law and Governance	0				0	0
Finance & Commercial (S151)	7,506	5,707	1,799	0	5,707	-1,799
	<b>20,272</b>	<b>18,395</b>	<b>4,443</b>	<b>3,476</b>	<b>18,850</b>	<b>-1,422</b>
<b>Corporate Budgets</b>						
Other Corporate Budgets	2,150	863	500	37	1,400	-750
<b>Total Corporate Budgets</b>	<b>2,150</b>	<b>863</b>	<b>500</b>	<b>37</b>	<b>1,400</b>	<b>-750</b>
<b>Total</b>	<b>22,422</b>	<b>19,258</b>	<b>4,943</b>	<b>3,513</b>	<b>20,250</b>	<b>-2,172</b>

More detail on savings delivery can be found in the relevant appendix for the service area.

## **5 HOUSING REVENUE ACCOUNT (HRA)**

- 5.1 The HRA accounts for revenue expenditure and income relating to the Council's housing stock and is ringfenced from the General Fund. It must include all costs and income relating to the Council's housing landlord role (except in respect of households owed a homeless duty and provided accommodation in accordance with Part 7 of the Housing Act 1996).
- 5.2 The HRA saw an in-year surplus of £3.393m in 2023/24 with favourable variances on both the expenditure (£2.999m) and income (£394k) side. This is detailed in the table below. The surplus will be transferred to HRA general reserves at the end of the financial year. See section 7 for a review of the HRA Capital budget.

### 5.3 Key areas of variance include –

- Repairs & Maintenance Services - £0.635m mainly due to reduced expenditure on voids, electrical works, and lift maintenance.
- Central Support Services, with an underspend of £3.205m arising from the release of budget to offset pressures elsewhere. There was a £775k favourable movement in variance on these in the last quarter due to the final release of unrequired recharges budget.
- Bad Debt Provision – there was a £1.500m favourable variance, all arising in the last quarter of the year. A review of the existing bad debt provision showed that there was no need to utilise the revenue budget for increasing the provision.
- Supervision and Management, where there was an underspend of £1.9m.
- Rents – £637k over-recovery, compared to a Quarter 3 forecast of £100k under-recovery arising from one-off income for shops after a balance sheet review was carried out; there was in addition a favourable variance arising from Investment Income which had not previously been forecast.

The outturn position is summarised in Table 5 below.

**Table 5: HRA Outturn Position**

HRA	Final Budget £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000
<b>Expenditure</b>				
Repairs & Maintenance	12,479	11,844	(635)	(664)
Neighbourhood Services	2,072	2,294	222	297
Central Support Recharges	5,348	2,323	(3,025)	(2,250)
Estate Services	3,448	3,213	(235)	561
Other Services	2,030	2,633	603	660
Bad Debt Provision	1,500	0	(1,500)	0
Depreciation & other charges	13,479	15,050	1,571	0
<b>Total HRA Expenditure</b>	<b>40,356</b>	<b>37,357</b>	<b>(2,999)</b>	<b>(1,396)</b>
<b>Income</b>				
Rents - Dwellings	(36,907)	(36,867)	40	0
Service Charges	(2,809)	(2,063)	746	119
Rents - Shops	(558)	(1,195)	(637)	100
Rents - Garages	(530)	(333)	197	188
Rents - Other	(336)	(264)	72	150
Investment Income	(15)	(827)	(812)	0
<b>Total HRA Income</b>	<b>(41,155)</b>	<b>(41,549)</b>	<b>(394)</b>	<b>557</b>
<b>Net Total</b>	<b>(800)</b>	<b>(4,192)</b>	<b>(3,393)</b>	<b>(839)</b>

## **6 ASSET SALES**

- 6.1 The Council's financial recovery plan is heavily dependent on the delivery of the asset disposal strategy. The Asset Disposal programme yielded capital receipts of £195m in 2022/23 and £29.7m in 2023/24 totalling £224.7m to date gross (£223.5m net).
- 6.2 This compares to a cumulative target of £400m to the year ended 31 March 2024, and £600m up to 31 March 2027, as per the Treasury Management Strategy. This target has proved unrealistic given the assets available for disposal and is currently under review. The timing of many disposals has been pushed back to 2024/25 and 2025/26, when a further £72.8m of sales income is expected. This will be discussed in more detail in a separate Asset Disposals report.
- 6.3 A total of 20 asset sales have completed to the end of March, equating to £29.7m in capital receipts to date, offset by £1.5m costs relating to the sales.

## **7 CAPITAL PROGRAMME**

- 7.1 The General Fund capital budget in 2023/24 was £40.27m following approval of slippage requests of £3.95m at September Cabinet.
- 7.2 As set out in Table 6 below and Appendix H, the General Fund capital outturn, at £8.06m, represents an underspend of £32.22m for 2023/24. This compares to a forecast underspend in Quarter 3 of £29.53m. The change is due to continued delays in the start of projects which will result in a request for further slippage to 2024/25.
- 7.3 Of the £32.22m, £22.9m is due to delayed starts on various projects and the budget will need to be re-profiled to future years, £1.3m is savings, £0.2m is unspent grant returnable to the funder and £1.83m is reclassified revenue expenditure; the balance of £5.9m is comprised of variances on projects that are not being carried forward. Details of the slippage we be brought back in a separate report to Cabinet.
- 7.5 There have been savings identified of £1.10m mainly from the Hub Development (£1.00m) which was duplicated in the budget.
- 7.6 Due to the level of carry forward (slippage) from 2023/24 it is now clear that there is a need for a substantial review and reprofile of the 2024-2028 capital programme approved by Full Council on March 7<sup>th</sup>. Initial indication of the need for the carry forward of unspent capital resources is some £23.3m. But it is also now clear there are a number of schemes in the 2024/25 programme that will not be able to spend in line with expenditure assumptions when the budget report was written and with new pipeline schemes, a total additional programme over the 4 years of some £32m (including the £23.3m requested carry forwards). The implications for the refreshed medium term financial plan will be presented to Cabinet in July. It is likely, given the scale of the change, that Full Council approval will be required.
- 7.7 Pending this review Cabinet is asked to approve a number of small additions to the 2024/25 capital programme. These are detailed below, and total £740k, funded

either from specific grants which had not been approved at the time the budget was agreed, or from section 106 contributions.

#### 7.8 Cippenham Bridges

Replacement of life expired bridges in Cippenham Meadows estate, at a cost of £0.150m. This will be funded by S106.

#### 7.9 Swimming Pool

Sports England have awarded Slough £0.295m as part of the Swimming Pool Support Fund initiative which must be spent before the end of March 2025. This will be used to install Photo Voltaic panels at Langley Leisure Centre, currently leased by Everyone Active.

#### 7.10 Childcare Expansion

The Department for Education have allocated additional funding from the Childcare Expansion Capital Grant of £0.220m to support the development of new early years and childcare places. The purpose of the capital funding is to ensure that additional early years and childcare places can be created and that families are able to access places in high quality, local provision. Early Years Capital Funding will support the development of places as identified in the prioritisation matrix, to enable providers to expand or adapt their space and facilities.

#### 7.11 Upton Court Pathway

The Parks Team has been instructed to procure a path extension in Upton Court Park following enquiries from members responding to complaints from park users about the condition of the current route and its unsuitability and potential danger to park users. S106 has been allocated to this project and will cover the entire cost, of £0.075m, which is to be completed in 2024/25.

#### HRA Capital

7.12 The HRA Capital budget in 2023/24 was £11.36m following approval of slippage requests of £1.27m.

7.13 The HRA capital outturn is underspent against the budget by £0.6m, largely due to delays in the starting of projects with the RMI Capital Programme. Most of these projects have been incorporated into the 24/25 budget.

7.14 The overspends within Planned Maintenance Capital (£0.5m) are largely due to additional roof replacements and will be funded from the remaining underspend in the RMI Capital Programme.

7.15 Affordable Homes is overspent by £0.1m due to additional demolition and security cost required for the site. This cost will be funded from the Major Repairs Reserve (MRR in the table below) and this will be reimbursed by the capital receipt when the site is sold, disposal expected by the end of 24/25.

Table 6 below summarises the financial position for capital expenditure.

**Table 6: Provisional Capital Outturn**

CAPITAL	Current Budget	Approved Slippage	Revised Budget	Actuals to date	Projected Outturn	Variance	Previous Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund:</b>							
Adults	1,169	476	1,645	1,434	1,439	-211	-206
Children Services	4,323	100	4,423	1,176	1,815	-3,247	-2,608
Regeneration, Housing & Environment	30,825	3,379	34,204	5,446	7,898	-28,758	-26,306
<b>GF Total</b>	<b>36,317</b>	<b>3,955</b>	<b>40,272</b>	<b>8,056</b>	<b>11,152</b>	<b>-32,216</b>	<b>-29,120</b>
<b>Housing Revenue Account:</b>							
RMI Capital Programme	6,154	1,022	7,176	5,950	7,277	-1,226	101
Planned Maintenance Capital	3,139	245	3,384	3,926	3,222	542	-162
Affordable Homes	800	0	800	914	900	114	100
<b>HRA total</b>	<b>10,093</b>	<b>1,267</b>	<b>11,360</b>	<b>10,790</b>	<b>11,399</b>	<b>-570</b>	<b>39</b>
<b>CAPITAL Total</b>	<b>46,410</b>	<b>5,222</b>	<b>51,632</b>	<b>18,846</b>	<b>22,551</b>	<b>-32,786</b>	<b>-29,081</b>

Funding Sources	Current Budget	Approved Slippage	Revised Budget	Actuals to date	Projected Outturn	Variance	Previous Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Fund</b>							
External Grants	27,346	3,435	30,781	6,384	8,515	-24,397	-22,266
Capital Receipts	8,714	520	9,234	1,672	2,380	-7,562	-6,854
Developer Contributions	257	0	257	0	257	-257	0
<b>GF Total</b>	<b>36,317</b>	<b>3,955</b>	<b>40,272</b>	<b>8,056</b>	<b>11,152</b>	<b>-32,216</b>	<b>-29,120</b>
<b>Housing Revenue Account</b>							
MRR	10,093	1,267	11,360	10,790	11,399	-570	39
Capital Receipts	0	0	0	0	0	0	0
<b>HRA Total</b>	<b>10,093</b>	<b>1,267</b>	<b>11,360</b>	<b>10,790</b>	<b>11,399</b>	<b>-570</b>	<b>39</b>
<b>CAPITAL Total</b>	<b>46,410</b>	<b>5,222</b>	<b>51,632</b>	<b>18,846</b>	<b>22,551</b>	<b>-32,786</b>	<b>-29,081</b>

## 8 Carry Forward Requests (Revenue)

### Revenue

- 8.1 There are 5 carry forward requests coming from service and corporate departments, amounting to a total of £3.84m. As a working assumption the reported outturn has assumed they will be approved. Of the 6 requests, 3 are particularly significant.
- 8.2 The first is the IT Transformation Fund. A budget of £3.5m for 2022/23 and £1.0m for 2023/24 was created in 2022/23, from the Capitalisation Direction model. At the end of 2022/23 only £1.62m of the fund had been spent, and so a carry forward of £1.88m was approved by Cabinet in September 2023 and added to the 2023/24 budget. Of the total aggregated budget a balance remains of £0.97m. It is requested that this balance is carried forward.
- 8.3 The second is also an IT carry forward from 2022/23. A grant for Cyber Security was awarded by Department of Levelling Up Housing and Communities (DLUHC) of £200,000. This was unspent and Cabinet approved its carry forward in September 2023. As at March 31<sup>st</sup> £24,770 remains of the grant, with 20 of 33 identified actions to improve cyber security having been implemented, the remainder being



subject to reliance on other projects and replacement infrastructure. It is requested that the balance of the grant is carried forward.

- 8.4 The Transformation Budget was, like the IT Transformation Fund, also created in 2022/23 from the Capitalisation Direction, and is for £2.5m in each of 2022/23 and 2023/24, a total of £5.0m. The programme was slower to start than the budget timetable allowed for and as at the end of 22/23 financial year there was a balance of £1.810m which Cabinet approved for carry forward in September 2023. This has been added to the 2023/24 budget. Of the total combined budget a balance remains of £2.731m, and it is requested that this is carried forward for a further financial year.
- 8.5 The final carry forward is from the Children’s directorate, in respect of the Early Years Supplementary Grant. Grant conditions allow it to be carried forward into the following financial year rather than being clawed back by Central Government. Of the total grant of £565k, £63k remains unspent and is requested for carry forward.
- 8.6 The list of revenue carry forwards is detailed in the table below

**Table 7: Revenue carry-forward requests**

Carry Forward Requests - Revenue					Amount	Total
Directorate	Service Area	Heading	Description	£000	£000	
Children's Services	Other School Grants	Early Years	Early Years Supplementary Grant, unspent balance	63		
	<b>Total People (Adults)</b>				<b>63</b>	
Chief Exec's Office	IT	IT Transformation	Continuation of previous carry forward	973		
	IT	DLUHC - ICT Grant	further c/f of grant to reduce Cyber Risks and attacks	25		
	<b>Total CEX Office</b>				<b>998</b>	
Corporate Budgets	Below the line	Transformation	Senior Management & PMO Office, continuation of c/f	1,810		
	Below the line	Transformation	Senior Management & PMO Office, new request	921		
	<b>Total Corporate Budgets</b>				<b>2,731</b>	
<b>Grand Total</b>					<b>3,792</b>	

## 9 FUNDING

- 9.1 Funding from Council Tax and Business Rates receipts and Government Grants was £1.1m more than budgeted for. The final position for the Capitalisation Direction was £31.575m, as this is capped and the budget represents that cap. Whilst we recognise that the initial request for CD may have been overstated the outturn indicates that the pressures were greater than anticipated.

### *Capitalisation Direction*

- 9.2 The Capitalisation Direction (CD) model shows the annual budget gap in Slough’s finances for a period projected forward until the year 2028/29.

9.3 The annual budget gap exists primarily because of the significant unfunded debt as well as other financial pressures. The total deficit was originally estimated to be £781.809m, but as of the beginning of the 2023/24 financial year was estimated at £357.085m in total, of which £31.575m was in 2023/24. The in-year overspend cannot be financed from the CD, so the end of year position is unchanged. However, following the setting of the 2024/25 budget, and 2024/25 to 2027/28 MTFS the total is now revised down to £348.045m.

9.4 The changes in the CD level over time are shown in the table below

**Table 8: Capitalisation Direction Summary**

	Up to 2022/23 £'000	Forecast 2023/24 £'000	Budget 2024/25 £'000	Projected 2025/26 on £'000	Total £'000
Original submission	307,119	78,490	67,100	329,100	781,809
Submission for 23/24	267,070	31,575	23,100	35,340	357,085
23/24 Outturn	267,070	31,575	23,100	35,340	357,085
Submission for 24/25	267,070	31,575	23,100	26,300	348,045

9.6 The CD needs to be funded. The gap changes in the light of changing circumstances; for example, control of in year budgets, delivery of savings, achievement of capital receipts and the optimal strategy for utilizing those capital receipts, linked to the Treasury Management strategy.

9.7 The 23/24 budget assumed capital receipts of £31.575m would be needed to balance the budget. The total funding including capital receipts required was £151.137m. In relation to this the outturn expenditure was £167.758m with funding excluding capital receipts of £119.561m. With capital receipts, and the recommended draw down from the Budget Smoothing Reserve the total funding is £153.577m, and so there remains a shortfall of £14.182m (minor rounding difference) which can only be funded from reserves.

## **10 RESERVES**

10.1 Table 9 shows a summary of the reserves as at 31 March 2024. There are a number of drawdowns from Reserves being requested in this report; for clarity the figures for 31 March 2024 are on the basis these are approved. There are several years of unaudited accounts prior to 2022/23, so the figures at 31 March 2023 (and therefore 31 March 2024) are subject to change.

10.2 The table shows that there are £53.159m of reserves, of which the largest item is the General Reserve at £21m. The Budget Smoothing Reserve is £10.713m. Of note is that the Budget Smoothing Reserve position as at 31st March 2023 has been restated from an original £38.604m to a revised £35.536m. It is also to be emphasized that if the implications of the 2023/24 outturn in terms of its ongoing

impact are not addressed – that is an underlying overspend of £11.7m - then the Budget Smoothing Reserve will be depleted in the current financial year.

**Table 9: Summary of Reserves**

	Balance at 31/3/2023	Transfers out	Transfers in	Balance at 31/3/2024
	£	£	£	£
<b>MTFS Reserve</b>				
- Test and trace support grant	-384,735	0	0	-384,735
- Contain Outbreak Management Fund	-1,038,707	662,367	0	-376,340
- Client Management SCF	0	59,000	0	59,000
- Transformational Reserve	-4,469,449	1,809,840	0	-2,659,609
- Directorate Carry forwards	-2,457,030	2,457,030	-3,792,001	-3,792,001
<b>MTFS Reserve total</b>	<b>-8,349,921</b>	<b>4,988,237</b>	<b>-3,792,001</b>	<b>-7,153,686</b>
Better Care Fund	-4,631,351	466,330	-1,136,716	-5,301,737
Public Health Reserve	-1,945,187	496,515	-1,094,602	-2,543,274
Public Health Contingency Funding	-7,725	0	0	-7,725
Proceeds of Crime POCA	-323,876	0	0	-323,876
Insurance	-231,802	0	0	-231,802
Budget Smoothing reserve	-35,535,970	24,823,000	0	-10,712,970
Redundancy/Severance Payments	-7,500,000	1,615,967	0	-5,884,033
<b>Earmarked reserves total</b>	<b>-58,525,833</b>	<b>32,390,049</b>	<b>-6,023,319</b>	<b>-32,159,103</b>
Unallocated general fund balance	-20,000,000	0	-1,000,000	-21,000,000
<b>General fund reserves total</b>	<b>-78,525,833</b>	<b>32,390,049</b>	<b>-7,023,319</b>	<b>-53,159,103</b>

#### Drawdowns from Reserves

There is a total of £3.269m of requests for drawing down from Reserves in 2023/24, which are detailed in Table 11 below, and explained in the following paragraphs, in addition to the carry forward requests which are also shown in the above table as transfers from reserves.

- 10.3 There were a number of redundancies made in 2023/24, mainly although not entirely via the Senior Management restructure. A reserve was created in 2022/23 out of the Capitalisation Direction of £7.5m specifically to cover redundancy costs. The total cost of redundancies agreed in 2023/24 amounts to an estimated £1.616m, which have been borne by service areas. A recommendation is being made to approve a draw-down from the reserve of £1.549m, noting that September meeting Cabinet has already approved (at its September 2023 meeting) a draw-down of £67k in respect of Children’s Centre redundancies. The total virement by Directorate is as follows:

**Table 10 Redundancy Virement by Directorate**

Public Health & Public Protection	259
Regen, Housing & Environment	876
Chief Exec's Office	350
Law and Governance	64
Corporate Budgets	(1,550)

- 10.4 The draw-down will be made to a central Corporate Budget. It is therefore further recommended that a virement is made from this budget to the relevant Service budgets that incurred the redundancy costs, in line with the position Cabinet took at its September meeting when reviewing the 2022/23 outturn that as far as possible all expenditures and budgets would be held at service level.
- 10.5 In addition to the drawdown from the Redundancy reserve, the other requested draw-downs are as follows:

*Slough Children First (SCF) Client Management*

A drawdown of £59k to cover the costs of a credit note issued to SCF in 2023/24 in respect of activities funded by government grants in 22/23, for which a provision was created

*Better Care Fund*

A drawdown totaling £466,330 in respect of a number of time-limited projects and activities, some of which were incurred in 2022/23 and for which provision was made, some of which were activities in 2023/24. The table lists the projects.

*Public Health Funding*

From the Public Health grant, a total of £496,515 covering the cost of 2 different schemes, funding towards Housing Related Support activities undertaken in 2022/23 but where the costs were paid in 2023/24 and costs of Universal Drug Treatment, where provision was made at the end of 2021/22 and the costs incurred in 2023/24.

*Contain Outbreak Management Fund (COMF)*

The Covid COMF grant was issued to Councils during the pandemic; Councils have been given authority to continue spending the grant on supporting responses due to the impact of Covid on population health and wellbeing up until 30 September 2024, at which point unspent grant will need to be refunded to Government. In 2023/24 the Council spent £662,367 on such projects, which were all approved by the Public Health Board:

- Universal Healthy Start. £25,000
- Whole School Approach to Health and Wellbeing. £136,000
- SEND outreach officer. £172,880
- Workforce to support COVID recovery: £328,487

**Table 11: Drawdown from Reserves requests**

Reserves Draw Down Requests				
Reserve	Directorate	Description	Amount (£)	Total
Redundancy	Below the line	To cover costs of Redundancies agreed in 23/24	1,584,940	
	<b>Total Non Department Budget</b>			<b>1,584,940</b>
Slough Children First Client Management	Children's Services	To cover costs of credit note in 23/24 to SCF related to activities in 22/23; the 22/23 balance was placed there	59,000	
	<b>Total Children's Services</b>			<b>59,000</b>
Better Care Fund	Adults Services	Accessible	8,330	
		Send Participation Officers Post 22/23	39,100	
		Anchor Employment Project. Slough Refugee Support	10,000	
		NHS project with Community & Voluntary Sector	5,000	
		Community Dev.officer funding (22/23 paid in 23/24)	152,425	
		Interim Care beds contribution to extend Care contracts	148,000	
		East Berks Complex Residential Placements Project ( SCF)	20,000	
		CQC Inspection Readiness Programme	83,475	
		<i>sub total Better Care Fund</i>	<i>466,330</i>	
Public Health		Public Health funding of Housing Related Support	374,515	
		Public Health funding of Universal Drug Treatment	122,000	
		<i>sub total Public Health funding</i>	<i>496,515</i>	
	<b>Total Adults Services</b>			<b>962,845</b>
Contain Outbreak Management Fund	Finance & Commercial (S151)	Use of COMF funding to support public health initiatives aimed at reducing the incidence of Covid outbreaks	662,367	
	<b>Total Finance &amp; Commercial</b>			<b>662,367</b>
<b>Grand Total</b>				<b>3,269,152</b>

### Balance Sheet Review

- 10.6 It is also recommended that there is a virement to give effect to adjustments made to this and prior year accounts, and keep those adjustments neutral between years, with a draw from the Budget Smoothing Reserve, with a further sum to draw from the reserve to mitigate some of the effect of the volatility seen within 2023/24 with the Minimum Revenue Provision.
- 10.7 This was first noted in the February 2024 Quarter 3 Monitoring Cabinet paper, when the figure was estimated at £6.978m (the final figure is £1.329m) which was comprised of the list that follows. This is summarised by the following table, with explanatory narrative following the table note number indicated in brackets at the end of each point below

**Table 12: Balance Sheet Review Adjustments**

	2022/23	2021/22	Total	Reported Q3	Note
	£'000	£'000	£'000	£'000	
Interest	-1,551	-1,941	-3,492	-3,627	1
Loan repayment	-2,808		-2,808	-2,735	2
Adults Prior Year Spend	2817		2,817	800	3
Childrens Prior Year Spend	948	-205	743	519	4
MRP	3,368	10,975	14,343		5
Benefits Adjustment	-8,328		-8,328		6
Capitalisation Direction	-2,608		-2,608		7
Other	-53		-53		8
Total	-8,215	8829	614	-5,043	
Deduct 23/24 MRP increase			-1,943	-1,935	5
<b>Recommended Drawdown</b>			<b>-1,329</b>	<b>-6,978</b>	

- i. Prior Year adjustments totalling £5.043m; this covered the following:

In Capital Financing, interest receipts within the financial year from subsidiaries that related to previous years, amounting to £3.627m (note 1). This figure has been refined during the close down period and is confirmed as £3.492m

In Capital Financing, the repayment of a loan in 23/24 that had been part written off in the 22/23 accounts on the expectation it would not be fully repaid. The impact was a £2.735m receipt in 23/24 that needed to be written back to 22/23; the figure has been refined in the close-down period and is confirmed as £2.808m (note 2)

In Adult Services, costs in the 23/24 accounts that should have been accrued for within 22/23, amounting to £0.800m. Work over the course of the last quarter of the year confirmed that the total accrual required was in fact £2.817m (note 3)

In Childrens' Services, costs in the 23/24 accounts that should have been accrued for within 22/23, amounting to £0.519m (note 4); the figure has been refined in the close-down period and is confirmed as £0.743m

In addition to the amendments to the Quarter 3 position outlined above::

The work on Benefits amounting to a negative impact within the financial year of £3.435m within 23/24 but a beneficial impact in 22/23 of £8.328m (note 6) as discussed in paragraphs 3.19 and 3.20.

- ii. Volatility within the Minimum Revenue Provision of £1.935m; the final position on this item is £1.943m, in line with a minor change to the MRP figure, where the outturn was £16.629m. The position outlined in the Quarter 3 report only focussed on the 2023/24 impact of the specialist review undertaken into the MRP, but there were further adjustments required to previous years (note 5), amounting to £3.368m in 2022/23 and £10.975m in 2021/22

- iii. Capitalisation Direction (CD). The 2022/23 provisional outturn showed a CD figure of £59.222m; however, the budget setting report for 2023/24 in February 2023 indicated a forecast CD figure of £56.614m would be required, and therefore the review has amended this figure, with a corresponding reduction in the Budget Smoothing Reserve (note 7).
- iv. An accrual that had been posted twice in the accounts in 2022/23 for Storage charges, and therefore needing one entry reversed (note 8)

As a consequence of these changes the final recommendation is for a draw down from the Budget Smoothing Reserve of £1.329m. In addition to this there was an original budget requirement to draw from the Reserve a sum of £4m, an in year approval to draw £5.312m from the Reserve, and a requirement due to the year-end overspend to draw a further £14.182m from the same Reserve. It should be noted that this is the position at the end of the 2023/24 financial year, but the Balance Sheet review is ongoing work.

## **11 IMPLICATIONS OF THE REPORT**

### **11.1 Financial Implications**

11.1.1 These are set out within the report.

### **11.2 Legal Implications**

11.2.1 Section 31 of the Local Government Finance Act 1992 requires the Council to set a balanced budget at the start of each financial year. Section 28 of the Local Government Act 2003 requires all local authorities to review actual expenditure against this budget on a regular basis during the year. Where it appears that there has been a deterioration in the financial position, the local authority must take such action as is necessary to deal with the situation.

11.2.2 The Secretary of State for Levelling Up, Housing and Communities made a direction under s.15 of the Local Government Act 1999 on 1 December 2021 (which has subsequently been updated). The Direction required an action plan to achieve financial sustainability and to close the long-term budget gap. This report contains significant information on the work undertaken to achieve financial sustainability and to close the long-term budget gap, although the Council will still need a capitalisation direction for some years to come. In addition, the appointed commissioners have reserve powers to exercise the function of proper administration of the Council's financial affairs and all functions associated with the strategic financial management of the Council, including providing advice and challenge of the budget and scrutinising all in-year amendments to annual budgets.

### 11.3 Risk Management Implications

11.3.1 The 2023/24 outturn is subject to External Audit which may lead to revisions to the numbers presented and a consequent impact on the Council's finances.

11.3.2 There are a number of significant variations to budget included in this report with the consequence being these could impact over more than one year. These are managed through the revised Budget Management process for 2024/25 and need to be considered as part of the Budget Setting process for 2025/26. In addition, a revised budget for 2024/25 will be brought to Cabinet for approval on 15 July 2024.

### 11.4 Environmental implications

11.4.1 There are no specific environmental implications arising from this report.

### 11.5 Equality implications

11.5.1 There are no specific equality implications from this report.



## Appendix A Adults Services

**Table 1 – Provisional Outturn**

PEOPLE (Adults)	Current Budget £'000	Virement Requests £'000	Final Budget £'000	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes
Commissioning	(718)	0	(718)	(2,763)	0	246	(2,518)	(1,799)	(1,708)	1
Community Team for People with Learning Disabilities	12,634	0	12,634	16,537	0	(1,212)	15,325	2,691	1,515	2
Localities Social Work	15,706	0	15,706	23,639	0	(1,181)	22,459	6,753	7,028	3
Mental Health	4,656	0	4,656	7,050	0	(336)	6,714	2,058	2,426	4
People Adults Management	(4,447)	0	(4,447)	(3,025)	0	(160)	(3,185)	1,262	1,134	5
Rehabilitation, Recovery and Reablement & Long Term Occupational Therapy	185	0	185	1,350	0	0	1,350	1,165	1,357	6
Safeguarding Partnership Team	533	0	533	683	0	0	683	150	82	7
<b>Grand Total</b>	<b>28,548</b>	<b>0</b>	<b>28,548</b>	<b>43,471</b>	<b>0</b>	<b>(2,643)</b>	<b>40,828</b>	<b>12,279</b>	<b>11,834</b>	

### Notes

- The outturn reflects additional receipts including Rough Sleeping Drug & Alcohol Treatment grant (£0.475m); Supplementary Misuse Treatment & Recovery grant (£0.296m); Public Health Housing related programme funding (£0.375m); Drug Alcohol Action Team grant (£0.122m); employee vacancies net (£0.237m) a Directorate freeze on all non-essential spend (£0.110m); Housing Related Support release of programme underspend (£0.094m). The movement from Q3 reflects the release of Integrated Commissioning programme underspends (£0.127m).
- The outturn reflects an overspend relating to services to clients of £3.001m (23%) including Direct Payments which demonstrates the drive to increase independence and choice by giving individuals the control to purchase and manage their own support to meet their needs; partly offset by an underspend in employee related expenditure of (£0.355m) (37%). The quarter on quarter movement reflects a net increase in the cost of care packages of £1.106m 7% mainly within Nursing & Residential £0.760m due to reporting of transformation savings and increased provider fee uplifts £0.077m.
- The outturn reflects an overspend relating to employees costs due to reliance on interims £0.320m (10%); payments to third party organisations who provide accommodation and support of £6.779m (36%); increased receipts primarily in respect of Deferred Payment Packages (£0.379m) (6%). The quarter on quarter movement reflects a net reduction in the cost of care packages of (£0.312m) (1%) of net expenditure.
- The outturn reflects an overspend relating to payments to third party organisations who provide accommodation and support of £2.472m (81%); partly offset by an underspend in employee related expenditure of (£0.322m) (16%). The quarter on quarter movement reflects a net reduction in the cost of care packages of (£0.388m) (7%) of net expenditure.
- The outturn reflects receipt of the additional Market Sustainability and Improvement Fund (£0.725m); Integrated Care Board (ICB) Discharge Grant (£0.508m); Urgent & Emergency Care Support Fund Grant (£0.241m); Capacity Grant (£0.130m); Implementation Grant (£0.106m); Community Discharge Grant allocation (£0.080m); budgeted transformation savings reported in individual service areas across the Directorate £3.036m. Out of Hours joint arrangement projected in line with 2022/23 activity levels £0.100m. There are no material movements in quarter.
- The outturn reflects an overspend relating to increased employee costs of £1.338m (53%) within the Rehabilitation, Recovery and Reablement & Long Term Occupational Therapy Service. The quarter on quarter movement reflects a reduction in the cost of care packages (£0.142m) following a detailed review across the Directorate.
- The outturn reflects the Safeguarding Partnership Team employee related overspend £0.068m (10%); other operational pressures including reduced income from external partners £0.072m and the budget carry forward from 2022/23 to 2024/25 £0.046m transacted April 2024. The quarter on quarter movement reflects the carry forward from 2022/23 to 2024/25 £0.046m transacted April 2024.

**Table 2 – Adults Services Savings Delivery**

Savings Description	Total £000's	Delivered	Not Delivered	Mitigating Savings	Savings Forecast	Over / (Under) delivery	Notes
<b>Adults Services</b>							
Reablement Efficiencies	650	2,164	0	1,514	2,164	1,514	1
Accommodation with Support	652	261	391	0	261	-391	3
Joint Funding	330	474	0	144	474	144	1
Practice and Process Development including reviews	810	1,459	0	649	1,459	649	1
Better use of Disabled Facilities Grant and equipment	100	44	56	0	44	-56	3
Align and integrate the range of ASC and PH services with the NHS and/or across East Berks Councils/better use of PH Grant	250	0	250	0	0	-250	2
Mental Health	500	349	151	0	349	-151	3
Transitions	400	105	295	0	105	-295	3
Diverting demand	270	258	12	0	258	-12	3
Focused & Locality Reviews	0	279	0	279	279	279	1
Review of hospital discharge/6-week review	350	52	298	0	52	-298	3
Financial Assessments	150	100	50	0	100	-50	3
Direct Payment recoupment	200	515	0	315	515	315	1
Levying the OPG determined charge rate	100	100	0	0	100	0	4
Further cost reductions, efficiencies and vacancy factor including alternative use of Adult Social Care grant	300	50	250	0	50	-250	3
Assistive Technology	420	0	420	0	0	-420	3
Reduce Block Beds	206	327	0	121	327	121	1
<b>Adults Services Total</b>	<b>5,688</b>	<b>6,536</b>	<b>2,173</b>	<b>3,021</b>	<b>6,536</b>	<b>848</b>	<b>5</b>

Notes:

1. Savings exceeded original savings plan; including "cost avoidance".
2. Transformation Saving is part of the wider Corporate exercise on integration and is currently reflected as not being delivered in 2023/24.
3. Savings not delivered against original plan; position reported since Q1; other mitigating savings delivered across Adult Social Care.
4. Savings delivered matched to original savings plan.
5. Not Delivered against Plans is £2.173m; offset by Mitigating Savings of £3.021m.

## Appendix B Children's Services

**Table 1 – Provisional Outturn Position**

PEOPLE (Childrens)	Current Budget	Virement Requests	Final Budget	Actuals to date	C/F Requests	Other Adjs Requests	Draft Outturn	Variance	Prv Var P9	Notes
	£'000			£'000	£'000	£'000	£'000	£'000	£'000	
Early Help Hub	207	0	207	310	0	0	310	103	(1)	2
Management	2,651	0	2,651	2,612	0	(59)	2,553	(98)	159	3
Other School Grants	0	0	0	(42)	63	0	21	21	0	4
School Effectiveness	301	0	301	343	0	0	343	42	95	
School Services	3,751	0	3,751	3,578	0	0	3,578	(173)	142	5
Children's Centres / Family Hubs	790	0	790	376	0	0	376	(415)	117	6
Music Service	3	0	3	1	0	0	1	(2)	0	
Inclusion	1,253	0	1,253	1,511	0	0	1,511	258	308	7
Learning, Skills & Employment	209	0	209	291	0	0	291	81	(65)	8
School Transport	305	0	305	234	0	0	234	(70)	0	8
Place Management Ch	316	0	316	274	0	0	274	(42)	(102)	8
DSG Accounting Adjustment	(331)	0	(331)				0	331	175	
Unallocated budget virements	0	0	0	0	0	0	0	0	(305)	1
<b>General Fund Total</b>	<b>9,454</b>	<b>0</b>	<b>9,454</b>	<b>9,487</b>	<b>63</b>	<b>(59)</b>	<b>9,491</b>	<b>37</b>	<b>524</b>	

### Notes

- The P9 budget included £305k budget virement for the 2023/4 pay award as a single line for quarterly reporting. This was subsequently split out into the corresponding areas. Further budget virements were approved prior to outturn for £67k redundancies in the Childrens' Centres and £96k for pension contributions. Redundancy costs were excluded from forecast in P9, awaiting approval of the budget virement.
- Early Help Hub overspends were mainly in relation to staff costs not covered by EY DSG, and £50k of costs which were expected to be covered by a grant received and recognised in 2022/23 which was not carried forward to 2023/4.
- Management outturn has improved compared to P9 due to :-£125k cost recharges not previously accounted for;savings on PFI for legal and other fees and agency staff £50k; savings on Regional Adoption Agency costs £55k.
- Other school grants introduced as separate category for financial control purposes. The majority of these grants are pass through grants, hence the zero budget. The Early Years Supplementary Grant was underspent by £63k in 2023/4 and grant conditions allow for a carry forward for spend in 24/25
- School services have seen a £315k swing to end up £173k favourable to budget. There has been a £200k saving compared to P9 due HTST (£80k release on travel costs inclusive of £50k release on bus pass accrual, higher than expected grant income £30k and SLA costs of £90k now remaining under transport). There was a £17k saving on computing costs and an additional income of £30k on fees and fines in the attendance service.
- Children's Centres outturn is £415k favourable to budget. Because of the cost profile they benefitted from £169k budget virements for pay awards and pension costs. The budget virement for £67k of redundancy costs was offset by inclusion of the actual costs. Fee and grant income exceeded the P9 forecast by £305k.
- Inclusion outturn was £258k adverse to budget, which was £50k favourable to P9. Of this, £241k was due to Educational Psychology which is budgeted to be a traded service, but has not been run as such due to resource constraints. Significant overspend in SEND due to the use of interims has been mitigated in the General Fund due to the funding of most of these posts by the DSG High Needs Block. As pressure increases in the high needs budget, these interim costs may be more difficult to fund from the High Needs Block going forwards.
- Transferred services from place, no significant variances to report. Overall position is favourable.

**Table 2 – Savings Position**

Savings Description	Total £000's	Delivered	Not Delivered	Mitigating Savings	Savings Forecast	Over / (Under) delivery	Notes
<b>Children's Services</b>							
Home to School Transport - various initiatives to reduce spend	595	595	-	-	595	-	1
Education & Inclusion Staff Restructure	210	-	105	105	105	(105)	2
<b>Children's Services Total</b>	<b>805</b>	<b>595</b>	<b>105</b>	<b>105</b>	<b>700</b>	<b>(105)</b>	

### Notes

- Delivered
- Staff restructure is delayed. £105k saved from one-off staff savings in 2023-24. Full on-going savings to be achieved in 2024-25.

## Appendix C – Regeneration, Housing and Environment

**Table 1 – Provisional Outturn Position – General Fund**

REGENERATION, HOUSING & ENVIRONMENT	Current Budget £'000	Virement Requests	Final Budget	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes
Housing (excluding HRA)	989	0	989	7,972	0	0	7,972	6,984	7,156	1
Planning	655	0	655	581	0	0	581	(73)	(0)	2
Property Management	1,779	0	1,779	1,416	0	0	1,416	(363)	(260)	3
Regeneration Management	(451)	876	426	2,298	0	0	2,298	1,873	1,861	4
Environmental Services	14,095	0	14,095	11,593	0	0	11,593	(2,502)	(1,201)	5
<b>Grand Total</b>	<b>17,067</b>	<b>876</b>	<b>17,943</b>	<b>23,861</b>	<b>0</b>	<b>0</b>	<b>23,861</b>	<b>5,918</b>	<b>7,556</b>	
HRA	0	0	0	(14,636)	0	0	(14,636)	0	0	

### Notes

- 1 A net overspend of £7m due to the higher than expected numbers of homeless families in Temporary Accommodations (TA). Numbers have increased to 846 families in TA at the end of the year with a significant number of large families requiring multiple emergency accommodations. In addition to the rising numbers, the costs of providing suitable accommodation on short notice were also high. A number of mitigating measures have been identified and are being implemented to reduce provider rents and reduce the number of families presenting as homelessness next year. There is a small positive movement in variance from P9 due to additional rental income. As the mitigating measures are implemented and embedded, it is estimated the impact of the outturn variance on 24/25 will be about £5.6m reflecting the agreed MTFs savings & growth.
- 2 A net underspend of £75k resulting from higher than expected income from demand led pre application planning advice. There is a small positive movement in variance due to the additional income.
- 3 A net underspend of £366k due to additional rental income arising from delay in the planned disposal of assets held for sale. There is a small positive variance from P9
- 4 A net overspend of £1.8m due to unfeasible historic savings in the directorate budget, this has been fully netted off by underspend elsewhere. There is a small positive variance from P9.
- 5 A net underspend of £650k from waste disposal costs due to lower than expected household waste and £1.9m from Transport & Highways mainly due to general underspends plus the release of prior years unutilised grant income. The underspend will fully net off unfeasible historic savings in the directorate budget. The movement in variance is due to unutilised prior year grant income recognised in year.

**Table 2 – Outturn Position, Housing Revenue Account**

HRA	Current Budget £'000	Virement Requests	Final Budget	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes
<b>Expenditure</b>										
Repairs & Maintenance	12,479	0	12,479	11,844	0	0	11,844	(635)	(664)	1
Neighbourhood Services	2,072	0	2,072	2,294	0	0	2,294	222	297	2
Central Support Recharges	5,348	0	5,348	2,323	0	0	2,323	(3,025)	(2,250)	3
Estate Services	3,448	0	3,448	3,213	0	0	3,213	(235)	561	4
Other Services	2,030	0	2,030	2,633	0	0	2,633	603	660	5
Bad Debt Provision	1,500	0	1,500	0	0	0	0	(1,500)	0	6
Depreciation & other charges	13,479	0	13,479	15,050	0	0	15,050	1,571	0	7
<b>Total HRA Expenditure</b>	<b>40,356</b>			<b>37,357</b>			<b>37,357</b>	<b>(2,999)</b>	<b>(1,396)</b>	
<b>Income</b>										
Rents - Dwellings	(36,907)	0	(36,907)	(36,867)	0	0	(36,867)	40	0	8
Service Charges	(2,809)	0	(2,809)	(2,063)	0	0	(2,063)	746	119	8
Rents - Shops	(558)	0	(558)	(1,195)	0	0	(1,195)	(637)	100	8
Rents - Garages	(530)	0	(530)	(333)	0	0	(333)	197	188	8
Rents - Other	(336)	0	(336)	(264)	0	0	(264)	72	150	8
Investment Income	(15)	0	(15)	(827)	0	0	(827)	(812)	0	9
<b>Total HRA Income</b>	<b>(41,155)</b>	<b>0</b>	<b>(41,155)</b>	<b>(41,549)</b>	<b>0</b>	<b>0</b>	<b>(41,549)</b>	<b>(394)</b>	<b>557</b>	
<b>Net Total</b>	<b>(800)</b>	<b>(1)</b>	<b>(41,156)</b>	<b>(4,192)</b>	<b>0</b>	<b>0</b>	<b>(4,192)</b>	<b>(3,393)</b>	<b>(839)</b>	

- 1 **Repairs & Maintenance** - Net underspend of (£0.635m), arising from savings in Staff Cost, Training, Project Work and Security, Guaranteed Work Management Cost, Contingency and Asbestos Management. The has off set overspends in Electrical Installations, Responsive repairs
- 2 **Neighbourhood Services** - Net overspend of £0.222m, arising from higher than expected Council Tax charges on void properties and staffing costs. The implementation of the new Housing Management System is ongoing and has resulted in delays, albeit improving, to void turn around processes.
- 3 **Central Support Recharges** - Underspend of (£3.205m), arising from release of over budget to offset pressures elsewhere. The movement in variance is due to final release of unrequired recharges budget.
- 4 **Estate Services** - Net underspend of £0.234m, arising from lower than expected expenditure on Ground Maintenances, Gas, Electricity and Water Charges. This has offset higher than budget expenditure on Insurances.
- 5 **Other Services** - Net overspend of £0.603m, arising from unbudgeted NEC project team costs, computer licences and business rates. These will be fully offset by underspend elsewhere.
- 6 A final review of provision did not require any further top up from revenue and this is the reason for the movement from P9.
- 7 The overspend is mainly due to higher estimated depreciation charge compared to budget.
- 8 **Rents & Service Charges** – Overall showing an over-recovery of (£0.66m) arising from one off income of (£0.521m) for shops after a balance sheet review was carried out, this has offset loss of income on Void Properties and Garages. Also included is the loss of Service Charges income in relation to Voids and the difference between the over estimated Leaseholder Services Charges and lower than expected actual Leaseholder Service Charges.

**Table 3 – Savings Position**

Savings Description	Total £000's	Delivered	Mitigating Savings	Savings Forecast	Over / (Under) delivery	Notes
<b>Regeneration, Housing &amp; Environment</b>						
Reduce spend on repairs and maintenance at Corporate Buildings	300	300		300	-	1
Reduce spend on cleaning at Corporate Buildings	200	200		200	-	1&2
Corporate Contract efficiencies	50	50		50	-	
Savings from reduction in building management costs	100	100		100	-	2
Savings from additional efficiencies in facilities management	100	100		100	-	3
Reduce spend on repairs and maintenance at Corporate Buildings	-			-	-	1
Reduce staff costs in Planning Development	100	100		100	-	5
Adopt fortnightly waste collections	424	424		424	-	6
Chalvey HWRC Management Fee	40	40		40	-	7
Borough Wide Controlled Parking Zones	200	200		200	-	8
Dimming of streetlighting and park lighting after midnight	25	25		25	-	9
Stop Bus Subsidy - Service 4, 5 and 6	160	160		160	-	10
Government tapering of concessionary fares	300	300		300	-	11
Improve Trade Waste Business	10	10		10	-	12
Increase charges for Parking permits	48	48		48	-	13
Transport and Highways grant swap	1,071	1,071		1,071	-	14
Green waste collection charges	700	350	350	700	-	15
Reduce Highways maintenance works	100	100		100	-	16
Delete vacant AD post	100	100		100	-	17
Streetworks Section 50 licences	35	35		35	-	18
Streetworks Road Closure fees	65	65		65	-	19
<b>Regeneration, Housing &amp; Environment Total</b>	<b>4,128</b>	<b>3,778</b>	<b>350</b>	<b>4,128</b>	<b>-</b>	<b>4</b>

## NOTES

1. This is dependent upon the timing of the sale of Corporate Buildings, with prospects are that this will be slower than envisaged
2. Dependent upon a restructure and review of TUPE'd Ts and Cs, delayed until probably to year end, and therefore the full year effect would not come in until 2024/25
3. Efficiencies identified through upskilling of in-house technical team and reduction in third party spend.
4. £137K savings was delivered by Building Management through previous directorate Strategy & Improvement under Reference RES-2324-18A & RES-2324-53
5. Confirmation required on whether there is a reduction in spend. Saving needs moving to Housing, Property & Planning. With restructure will allow this to happen naturally as a consequence.
6. Went live 26th June and has delivered and expedited to be achieved. Logically as part year effect this implies achievement of next years full year saving is on track.
7. Household waste management centre- new charge introduced for tipping waste. 28% of waste RBWM. Management fee charge- possibly higher.
8. Implemented new zones. Resident permits issued. Enforcement and permit fee income.
9. A further £100k is in MTFs for 24/25. Though strictly at risk, overall alternatives and energy cost reductions have been met. Work and plans in process for next years larger target. Note the electricity budget does not sit in old Place and this saving should be moved internally within the new directorate post restructure. Note budgets for electric in property not old place where saving is.
10. Bus operators now receive subsidy from Heathrow - external funding received
11. Paying on tapering basis DfE changed rules
12. Businesses contribute to trade waste- under consideration for scrapping the scheme
13. Existing residence permits - fee increase 300-400%. Also additional parking income is helping to balance in year and ongoing.
14. Highway maintenance block - Grant utilised to resurface the roads- - Eligible Transport highway spend chargeable to grant
15. Income was based on 50% of households (14,000 of 28,000) taking up the service. Outturn suggests take up rate was actually 25% hence the shortfall. However, this was mitigated by additional one off savings from the waste disposal contract.
16. Residual saving is linked to grant swap.
17. Post has been deleted
18. Generated by applications - S50 - road closures/licence to do work - Council fee charged- charge doubled in the last year
19. Generated by applications - S50 - road closures/licence to do work - Council fee charged

## Appendix D – Chief Executive’s Office

**Table 1 Provisional Outturn Position**

CHIEF EXEC'S OFFICE	Current Virement Budget Requests £'000	Final Budget	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes	
Chief Executive	356	0	356	370	0	0	370	14	0	1
Communications	288	0	288	202	0	0	202	(86)	(13)	2
Customer Services	1,909	74	1,983	1,974	0	0	1,974	(9)	157	3
Human Resources	2,107	186	2,293	2,252	0	0	2,252	(41)	(110)	4
IT	8,886	0	8,886	7,722	998	0	8,720	(166)	31	5
Strategy	(387)	31	(356)	10	0	0	10	366	336	6
Strategy & Innovation	767	59	826	906	0	0	906	81	114	7
Transformation	(103)	0	(103)	(94)	0	0	(94)	9	0	
Libraries	864	0	864	784	0	0	784	(80)	(113)	8
<b>Grand Total</b>	<b>14,687</b>	<b>350</b>	<b>15,037</b>	<b>14,127</b>	<b>998</b>	<b>0</b>	<b>15,125</b>	<b>87</b>	<b>402</b>	

### Notes

- Chief Executive: The outturn reflects an overspend of £0.014m attributed to an increase in the salary rate for a specific position (£9.44k) and the balance due to higher expenses reflecting heightened operational demands.
- Communication: the service is reporting an underspend of £0.086m compared to budget primarily due to opportunities from fun fairs, Town centre promotion, and additional recharge income from SCF printing and scanning.
- Customer Services reports an outturn of an underspend of £0.009m due to the phasing down of interim staff within the department.
- Human Resources: The outturn reflects an underspend of £0.041m primarily due to lower-than-expected costs on recruitment.
- The IT outturn shows an underspend of £0.166m, arising from lower-than-expected staff costs due to vacant positions not filled during the year
- Strategy is reporting an overspend of £0.366 million arising from higher than expected costs on employees.
- Strategy & Innovation's outturn reflects an overspend of £0.081m, a movement of £0.034m since the previous position. The overspend primarily stems from higher-than-expected costs on staff arising from interim staff aimed at implementing improvements within the council and SCF
- The line includes Library Services, Archives, and The Curve, following senior management restructure. Overall, the outturn shows an underspend of £0.080m. This aligns with agreed temporary management actions aimed at controlling staffing costs for this fiscal year

**Table 2 – Savings Position**

Savings Description	Total £000's	Delivered	Not Delivered	Mitigating Savings	Savings Forecast	Over / (Under) delivery	Notes
<b>Strategy &amp; Transformation</b>							
Events and Slough Citizen	150	150			150	-	1
IT contract savings	505	505			505	-	2
Vacancy factor	500	134	366		134	(366)	3
Reduction in services and efficiencies	668	668			668	-	4
Library Service model	276	276			276	-	
<b>Strategy &amp; Transformation Total</b>	<b>2,099</b>	<b>1,733</b>	<b>366</b>	<b>-</b>	<b>1,733</b>	<b>(366)</b>	

### Notes

- Savings achieved and match to original plan
- savings delivered ,matched to the original plan
- Achieved savings fall short: £366k, balanced by AD post deletion (-£134k) and corporate wide integration efforts not being delivered in 2023/24.
- Achieved, budget deleted.

## Appendix E – Finance and Commercial

**Table 1 Provisional Outturn Position**

FINANCE OUTTURN 2023-24	Current Budget £'000	Virement Requests	Final Budget	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes
Commercial	782	0	782	956	0	0	956	174	55	1
Finance	964	0	964	1,981	0	(662)	1,319	355	702	2
Financial Governance	1,591	0	1,591	1,223	0	0	1,223	(368)	205	3
Revenues, Benefits & Charges	2,046	0	2,046	6,013	0	0	6,013	3,967	473	4
Strategic Finance	52	0	52	936	0	0	936	883	575	5
Transactional Services	725	0	725	607	0	0	607	(118)	(184)	6
<b>Grand Total</b>	<b>6,160</b>	<b>0</b>	<b>6,160</b>	<b>11,715</b>	<b>0</b>	<b>(662)</b>	<b>11,052</b>	<b>4,893</b>	<b>1,825</b>	

### Notes

- Commercial -is reporting an overspend of £0.174 million primarily due to an overspend of £0.168 million on salaries and an IT license fee of £6k for e-procurement.
- Finance, overspend of £0.355m relates to employee costs, primarily due to reliance on interim staff to cover vacant positions within the finance department, totalling £0.302m. Additionally, there is an ASC Workforce Capacity Grant refund of £0.057m.
- Finance Governance is reporting an underspend of £ 0.368m primarily due to the recharge of insurance to the departments based on actual spending rather than on budgeted amounts.
- Revenue, Benefits & Charges: The service is reporting an outturn of an overspend of £3.97m, stemming from various factors. Major contributors are staff costs, amounting to £1.8m, reflecting reliance on interim staff to cover vacant positions. Computing costs surpassed expectations by £147k. Court recovery saw a reduction of £546k in income arising from decrease in legal proceedings. Additionally, there's a £2.8m shortfall in DWP subsidy, attributed to a change in the method of calculating TA costs. However, fees and charges surged by £1.5m mitigating the overall deficit.
- Strategic Finance is reporting an outturn of overspending amounting to £0.883m. The overspend is primarily attributed to several factors, including £0.316m on External Audit fees, £0.128m on credit charges, £0.324m on Telecommunication expenses, and £0.384m on pensions.
- Transactional services is reporting an outturn of underspending amounting to £0.118 million. This is primarily attributed to not filling vacant posts within the department

**Table 2 Savings**

Savings Description	Total £000's	Delivered	Not Delivered	Mitigating Savings	Savings Forecast	Over / (Under) delivery	Notes
<b>Finance &amp; Commercial</b>							
Staffing reduction - Fraud dept	12	12			12	-	1
Vacancy factor	399		399		-	(399)	2
Increased taxbase and collection rate	917	917			917	-	3
Reduced audit fee, reduced duplicate payments and income	400		400		-	(400)	4
Single Person Discount monitoring and other initiatives	600	600			600	-	5
Budgeted overheads cleanse	788	788			788	-	
Efficient working practices in Revenues and Benefits	440	440			440	-	6
Revenues and Benefits agency savings	450	450			450	-	
MRP reduction as a consequence of asset disposal decisions	3,500	2,500	1,000		2,500	(1,000)	7
<b>Finance &amp; Commercial Total</b>	<b>7,506</b>	<b>5,707</b>	<b>1,799</b>	<b>-</b>	<b>5,707</b>	<b>(1,799)</b>	
<b>Other Corporate Budgets</b>							
Fees & Charges increases	900	863		37	863	(37)	8
Review of Strategic Commissioning	750				-	(750)	
Support Services	500		500		-	(500)	9
<b>Other Corporate Budgets Total</b>	<b>2,150</b>	<b>863</b>	<b>500</b>	<b>37</b>	<b>863</b>	<b>(1,287)</b>	
<b>Finance &amp; Commercial &amp; Other Corporate Budgets Total</b>	<b>9,656</b>	<b>6,570</b>	<b>2,299</b>	<b>37</b>	<b>6,570</b>	<b>(3,086)</b>	

### Notes

- Achieved and matched to plan
- Savings not met, recruitment issues persist, heavy reliance on interims to impact 24/25.
- savings delivered, increase in the number of properties and improved collection.
- Not achieved, more audit work undertaken
- Achieved
- Achieved
- Partially achieved. Asset sales have fallen behind and it is expected targets for 24/25 may not be achieved.
- Partially achieved: £0.037m saving missed, Registrar held unfilled positions through the year major contributor. grant reduction yearly.



## Appendix F – Law and Governance, Public Health & Public Protection

**Table 1 Provisional Outturn Position – Law and Governance**

LAW and GOVERNANCE	Current Budget £'000	Virement Requests	Final Budget	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes
Democratic Services	1,925	64	1,990	1,893	0	0	1,893	(97)	(497)	1
Emergency Planning	168	0	168	140	0	0	140	(28)	58	2
Registrars and Coroners	245	0	245	260	0	0	260	15	(27)	3
<b>Grand Total</b>	<b>2,339</b>	<b>64</b>	<b>2,403</b>	<b>2,294</b>	<b>0</b>	<b>0</b>	<b>2,294</b>	<b>(110)</b>	<b>(467)</b>	

1 The Democratic Service is reporting an underspend of £0.097m in 2023/24, totalling £1.89m against a budget of £1.93m.

This underspend is attributed to unfilled vacant positions throughout the year.

2 The outturn is an underspend of £0.028m, due to underspends on training, joint arrangements, and standby allowances

3 The service is reporting an overspend of £0.015m, primarily attributed to insufficient income generated from weekday weddings and ceremonies. This shortfall is compounded by staff illnesses and absences, exacerbating the financial strain.

**Table 2 Provisional Outturn Position – Public Health & Public Protection**

Public Health & Public Protection	Current Budget £'000	Virement Requests £'000	Final Budget £'000	Actuals to date £'000	C/F Requests £'000	Other Adjs Requests £'000	Draft Outturn £'000	Variance £'000	Prv Var P9 £'000	Notes
Public Health	0	0	0	(1,095)	0	1,095	0	(0)	0	1
Community Safety, Housing Regulation & Enforcement	2,021	259	2,280	2,125	0	0	2,125	(154)	(58)	2
Leisure	(1,266)	0	(1,266)	(1,681)	0	0	(1,681)	(415)	(245)	3
Public Protection	596	0	596	427	0	0	427	(170)	(111)	4
<b>Grand Total</b>	<b>1,352</b>	<b>259</b>	<b>1,611</b>	<b>(224)</b>	<b>0</b>	<b>1,095</b>	<b>871</b>	<b>(740)</b>	<b>(414)</b>	

### Notes

1 The Public Health outturn is matched to the budget of £8.092m with an in-year underspend of (£1.095m) (14%) which will be transferred to a ringfenced reserve. Therefore, there are no material variances to report and no material quarter on quarter forecast movements.

2 Community Safety, Housing Regulation & Enforcement employee related overspends £0.297m (15%) matched to Leisure employee underspends; other operational variances including overachieved income net (£0.321m); Corporate funding of redundancy costs (£0.153m). The quarter on quarter forecast movement relates to Corporate funding of redundancy costs previously reflected within the Directorate forecast (£0.153m).

3 Leisure employee related underspends (£0.329m) (72%); other operational variances net (£0.089m). The quarter on quarter forecast movement relates to vacancy management (£0.151m).

4 Public Protection employee related underspends (£0.108m) (11%); increased licensing income (£0.055m) (13%). The quarter on quarter movement relates to the vacancy management (£0.030m) and increased licensing income (£0.035m).

**Table 3 Savings - Public Health & Public Protection**

Savings Description	Total £000's	Delivered	Mitigating Savings	Savings Forecast	Over / (Under) delivery	Notes
<b>Public Health &amp; Public Protection</b>						
All leisure services to be externally funded	20	20	0	20	-	1
Stop SBC funded CCTV Monitoring of public spaces	26	26	0	26	-	1
<b>Public Health &amp; Public Protection Total</b>	<b>46</b>	<b>46</b>	<b>-</b>	<b>46</b>	<b>-</b>	

### NOTES

1. Savings delivered.

## Appendix G: Asset Sales

Property	Completion Date	Acquisition Price	Net Book Value 31st March 2023	Capital Receipt (£)	Cost of Disposal (£)	Profit/(loss) on Disposal
<b>2022-23</b>						
21 Roysdale Way Euroway Bradford	15/11/2023	12,746,000	13,518,700	14,476,630	49,896	908,034
Akzo Nobel	24/11/2023	40,900,000	23,856,000	143,737,616	99,192	119,782,424
Odeon Churchill Way West, Basingstoke	25/11/2023	8,480,000	3,940,600	3,565,133	19,880	-395,347
Wickes Wolverhampton	09/12/2023	6,959,000	7,150,200	6,774,612	18,540	-394,128
Lavendar Farm	15/12/2023	n/a	6,325,000	1,775,000	20,871	-4,570,871
129 Stoke Road, Gosport, Hampshire	16/12/2023	3,710,000	2,884,700	1,889,041	35,406	-1,031,065
SUR - North West Quadrant site (former Thames Valley University)	17/03/2024	28,092,000	20,548,349	22,820,327	541,512	1,730,466
<b>Sub-Total 2022-23</b>				<b>195,038,359</b>	<b>785,297</b>	<b>116,029,513</b>
<b>2023-24</b>						
380 Bath Road	05/04/2023	4,238,400	4,025,400	4,155,000	108,737	20,863
3 Bath Road (Buzz Bingo)	06/05/2023	421,100	2,360,500	5,000,000	24,155	2,615,345
233 - 249 High Street (Wilkos)	07/05/2023	3,245,100	2,884,500	2,850,000	17,631	-52,131
SUR - Montem	08/03/2023	unknown	30	6,445,243	33,636	6,411,577
Earl Of Cornwall Public House	08/10/2023	301,200	301,500	831,000	19,106	510,394
3/5 Mackenzie St	08/10/2023	166,200	155,300	460,500	16,713	288,487
7 Mackenzie St	08/11/2023	unknown	337,100	370,500	19,693	13,707
314 High Street	08/11/2023	137,600	175,000	275,000	38,813	61,187
4 Ragstone - school house	29/08/2023	229,500	251,500	363,500	13,653	98,347
100a Wexham Road	31/08/2023	269,501	268,800	438,000	15,097	154,104
7 Trelawney Avenue Ind Court	09/06/2023	256,500	331,700	579,000	17,345	229,955
546 Bath Road	09/06/2023	18,820	N/A	503,500	13,444	490,056
7 - 9 Elliman Ave	09/06/2023	48,750	350,000	376,000	14,154	11,846
150 - 160 Bath Road	10/04/2023	4,500	11,200	953,000	28,239	913,561
22, 24 & 26 Windsor Road	10/10/2023	unknown	unknown	936,143	31,381	904,762
26 Wexham Business Village	11/02/2023	575,000	408,700	426,500	14,011	3,789
Serena Hall	11/02/2023	572,814	390,000	878,000	14,253	473,747
Merry Makers + 313/323 Trelawney Av	30/11/2023	1,031,877	281,100	2,910,000	23,237	2,605,663
27-28 Wexham Business Village	30/11/2023	702,900	750,000	562,000	22,374	-210,374
10-12 Wheelwrights	28/03/2024	unknown	N/A	429,000	0	429,000
<b>Sub-Total 2023-24</b>				<b>29,741,886</b>	<b>485,672</b>	<b>15,973,885</b>
<b>Total</b>				<b>224,780,245</b>	<b>1,270,969</b>	<b>132,003,398</b>

## Appendix H – Detailed Capital Outturn

Table 1 – General Fund

CAPITAL PROJECTS	Current Budget	Slippage - approved	Revised Budget	Actuals to date	Projected Outturn	Variance	Previous Variance	Notes
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>GENERAL FUND</b>								
Learning Disability Change Programme	29	0	29	27	27	(2)	(29)	
HOLD Ownership for people with Long-term Disabilities		204	204	0	0	(204)	(204)	1
Disabled Facilities Grant	1,140	272	1,412	1,407	1,407	(5)	0	
<b>Adults TOTAL</b>	<b>1,169</b>	<b>476</b>	<b>1,645</b>	<b>1,434</b>	<b>1,434</b>	<b>(211)</b>	<b>(233)</b>	
Primary Expansions	167	0	167	0	0	(167)	(87)	
Schools Modernisation Programme	810	90	900	609	609	(291)	50	2
SEN Resources Expansion	1,250	0	1,250	193	193	(1,057)	(780)	
Special School Expansion-Primary,Secondary & Post 16	1,675	10	1,685	181	181	(1,504)	(1,549)	
Secondary Expansion Programme	315	0	315	40	40	(275)	(275)	
Schools Devolved Capital	80	0	80	153	153	73	0	3
323 High St/Haybrook	26	0	26	0	0	(26)	(26)	
<b>Children's Services TOTAL</b>	<b>4,323</b>	<b>100</b>	<b>4,423</b>	<b>1,176</b>	<b>1,176</b>	<b>(3,247)</b>	<b>(2,667)</b>	<b>4</b>
Loan to GRE5-for Nova House remedial work	5,000	0	5,000	400	400	(4,600)	(4,600)	5
Capital Works following Stock Condition Survey	400	247	647	70	70	(577)	(347)	
Hub Development	1,047	273	1,320	0	0	(1,320)	(995)	6
B4899 Localities Strategy North (Britwell)				55	55	55	0	
B4900 Localities Strategy South (Chalvey)				7	7	7	0	
Thames Valley University Site	0		0	0	0	0	0	
Leisure Centre Farnham Road	100		100	22	22	(78)	(78)	
Asset Disposal			0	1,059	1,059	1,059	0	7
Urban Tree Challenge Fund	82		82	0	0	(82)	(82)	
Compulsory Purchase Order Reserve	0		0	0	0	0	1	
Cornwall House-Fire Strategy	950		950	8	8	(942)	(700)	
Office Accommodation Strategy	900		900	25	25	(875)	0	
Refuse fleet & Grounds Plant equipment		114	114	214	214	100	0	
Local Sustainable Transport Fund	222	0	222	0	0	(222)	(222)	
Flood Defence (Sponge City)	1,482	766	2,248	673	673	(1,575)	(1,248)	
Zone 1 - Sutton Lane Gyratory (MRT)		868	868	658	658	(210)	0	
Zone 4 - Stoke Road (Stoke Rd TVU junction)	2,500	397	2,897	779	779	(2,118)	0	
Langley High Street Improvements LEP		511	511	325	325	(186)	0	
A4 Safer Roads	1,511	137	1,648	46	46	(1,602)	(1,148)	
A4 Cycle Lane	10,168	0	10,168	655	655	(9,513)	(9,668)	
Electric Vehicle Network	157	0	157	0	0	(157)	(157)	
Car Club	100	0	100	0	0	(100)	(100)	
Carbon Management - Public Sector Decarb. Scheme	22	0	22	0	0	(22)	0	
Reading Archives - Extension (SBC Contribution)	188	0	188	0	0	(188)	0	
Traffic Signals Maintenance Grant		66	66	71	71	5	0	
Cemetery Extension	100	0	100	0	0	(100)	0	
Additional Transport & Highways Grant funded projects	2,489		1,944	198	198	(1,746)	(1,587)	
Patching, surfacing and highway replacement works			261	0	0	(261)	0	
LTP Implementation Plan	139		423	4	4	(419)	(139)	
Eden School			0	40	40	40	34	
DSO Replacement Fleet	500		500	0	0	(500)	0	
Destination Farnham Road	2,768		2,768	125	125	(2,643)	(2,468)	
Parlaunt Road	0		0	12	12	12	750	8
<b>Regeneration, Housing &amp; Environment TOTAL</b>	<b>30,825</b>	<b>3,379</b>	<b>34,204</b>	<b>5,446</b>	<b>5,446</b>	<b>(28,758)</b>	<b>(22,754)</b>	
<b>GENERAL FUND TOTAL</b>	<b>36,317</b>	<b>3,955</b>	<b>40,272</b>	<b>8,056</b>	<b>8,056</b>	<b>(32,216)</b>	<b>(25,654)</b>	

Table 2 – HRA

CAPITAL PROJECTS	23/24 Budget	Slippage - to be approved	Revised Budget	Actuals to date	Projected Outturn	Variance	Variance	Notes
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>HRA</b>								
<b>RMI Capital Programme</b>								
Commissioning of Repairs Maintenance and Investment Contract	250		250	4	4	-246	-200	
Boiler Replacement and heating	317		317	354	354	37	0	
Kitchen & Bathroom Replacement	415	31	446	464	464	18	0	
Electrical Systems	138	0	138	99	99	-39	0	
External rendering, repairs and redecoration of housing block	2,134	0	2,134	993	993	-1,141	385	
Garage & Environmental Improvements		527	527	794	794	267	0	
Capitalised Repairs	100	210	310	314	314	4	-10	
FRA & Asbestos Removal Works	2,000	173	2,173	1,939	1,939	-234	7	
Major Aids & Adaptations	300	0	300	660	660	360	0	
Decarbonisation Works	500	81	581	329	329	-252	-81	
<b>RMI Capital Programme Total</b>	<b>6,154</b>	<b>1,022</b>	<b>7,176</b>	<b>5,950</b>	<b>5,950</b>	<b>-1,226</b>	<b>101</b>	
<b>Planned Maintenance Capital</b>								
Windows and Door Replacement	842		842	668	668	-174	0	
Roof Replacement	1,726	136	1,862	2,338	2,338	476	-62	
Structural	211	109	320	201	201	-119	-80	
Security & Controlled Entry Modernisation	300		300	658	658	358	0	
Capitalised voids	60		60	61	61	1	-20	
<b>Planned Maintenance Capital Total</b>	<b>3,139</b>	<b>245</b>	<b>3,384</b>	<b>3,926</b>	<b>3,926</b>	<b>542</b>	<b>-162</b>	
<b>Affordable Homes</b>								
Tower and Ashbourne	0		0	791	791	791	900	9
Affordable Homes	800		800	123	123	-677	-692	
<b>Total Affordable Homes</b>	<b>800</b>	<b>0</b>	<b>800</b>	<b>914</b>	<b>914</b>	<b>114</b>	<b>0</b>	
<b>HRA TOTAL</b>	<b>10,093</b>	<b>1,267</b>	<b>11,360</b>	<b>10,790</b>	<b>10,790</b>	<b>-570</b>	<b>-61</b>	
<b>CAPITAL PROJECTS TOTAL</b>	<b>46,410</b>	<b>5,222</b>	<b>51,632</b>	<b>18,846</b>	<b>18,846</b>	<b>-32,786</b>	<b>-25,715</b>	

**Notes**

- 1 Project has completed. Funds to be returned if CCG have no further uses for monies (awaiting clarification on this from CCG)
- 2 Annual programme of condition works at slough schools, projects at 9 schools underway. Priory door project now going ahead summer 24 - t
- 3 Overspend being investigated - budget is issued to schools for petty cash so should not be in overspend.
- 4 SEN projects in various schools that are unable to be completed this year due to capacity - to be slipped to 24/25.
- 5 Nova House loan, previously identified as savings but department has now confirmed that this may be needed in 24/25 (Homes England and I
- 6 HUB Development budget duplication - saving.
- 7 Asset disposal costs funded by capital receipts (year to date receipts total £29.2m).
- 8 New project to provide new traffic signals - awaiting consultation approval from Cabinet to proceed. LEP funding previously had to be spent before end 23/24 - project manager to provide evidence that this is no longer the case
- 9 Asset is due for disposal - overspend will be funded from capital receipts.