

### REVENUE BUDGET MONITORING

At the end of the first quarter the budgetary control reports for the General Fund reported a potential overspend of £1.634m. Details of individual variances are outlined in each department's Performance Management Report (PMR).

The main reasons for this projected overspend are:

- The cost of placements for Looked After Children is projected to overspend by £0.200m. A new residential placement costing £0.090m has been required and three Independent Fostering Agency placements have broken down requiring considerably more expensive residential placements.
- The PCT routinely reviews individuals eligibility for Continuing Health Care support and therefore funding. Since the start of the financial year, £0.330m of funding has been withdrawn and is therefore being reported as an over spending. There remains a risk to the budget of changes in individual circumstances which will be monitored closely.
- The significant reduction in income as a consequence of the recession and credit crunch. Those income budgets experiencing the greatest pressure are:
  - Car parks (both cash sales and season tickets) - £0.210m
  - Easthampstead Park Conference Centre - £0.200m
  - Bracknell Leisure Centre/Coral Reef - £0.080m
  - Interest - £0.200m

At this stage in the financial year there remain significant risks to the budget arising principally from the credit crunch and the economic slowdown. Some of these risks are reported above and those budgets representing the greatest risk will continue to be scrutinised in detail as part of the Council's usual budget monitoring arrangements.

A projected overspend of this magnitude is not without precedent at this point in the financial and there remains sufficient time to identify and take corrective action between now and 31 March 2010 to bring spending in line with the budget. Corporate Management Team will be reviewing updated projections in September and will bring forward proposals to manage the predicted overspend, if necessary.