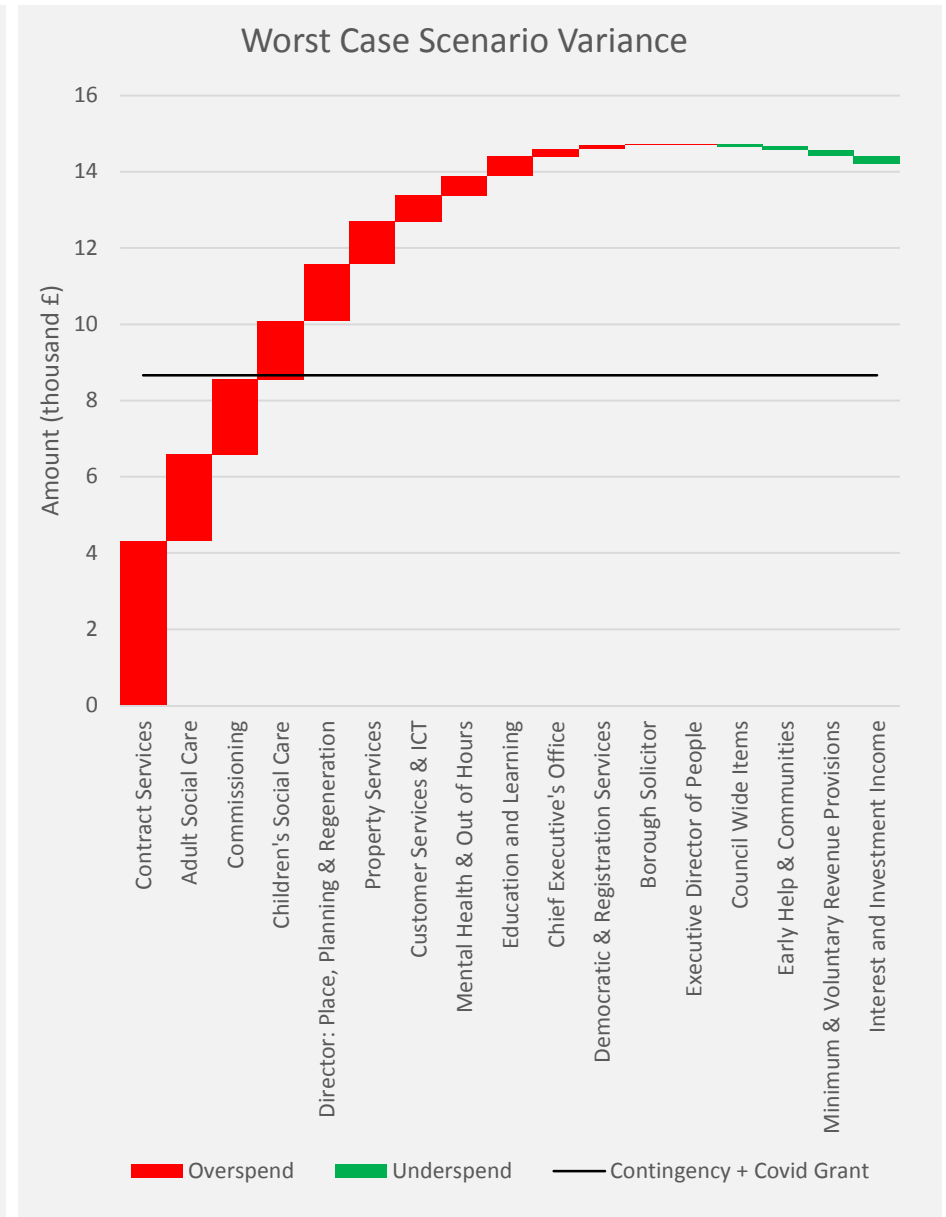
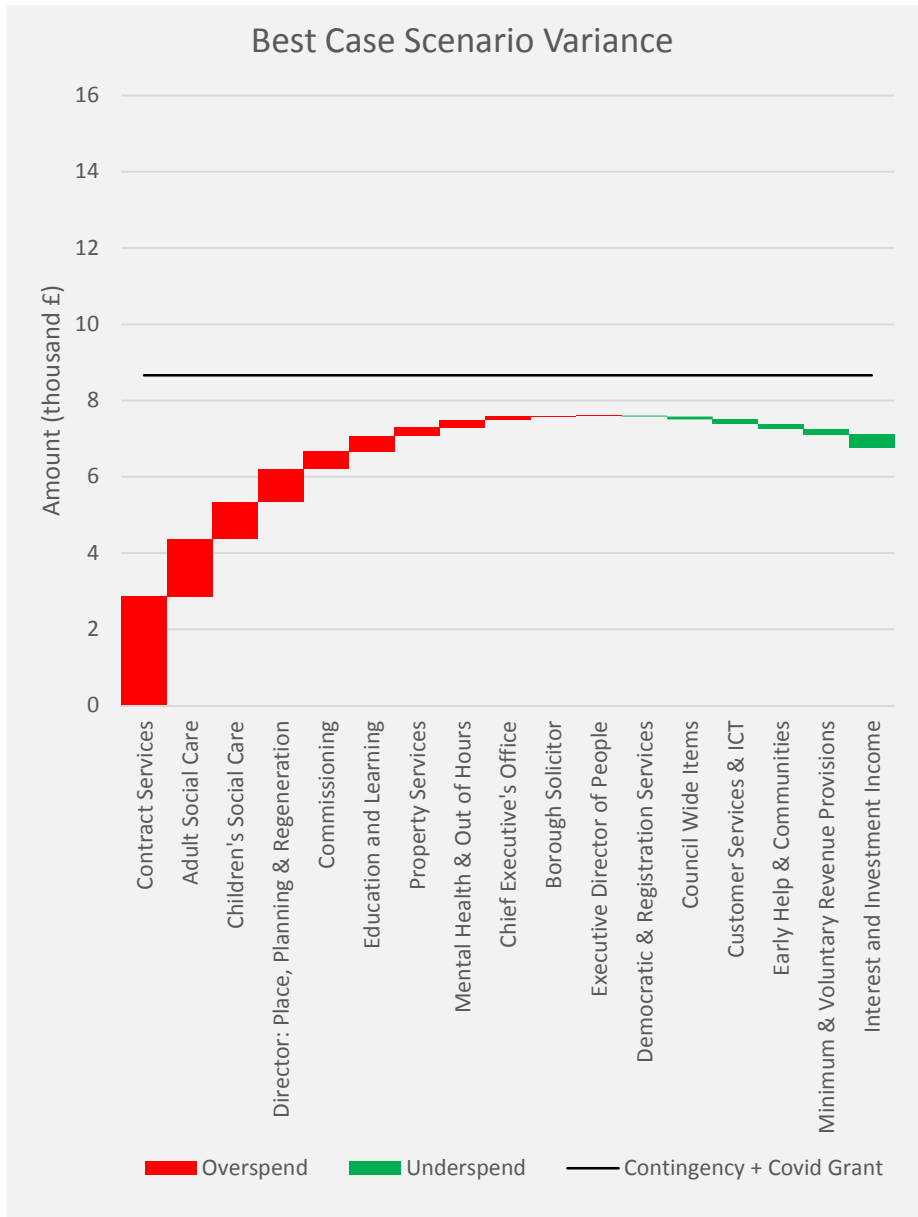


Budget Monitoring

End of Year Projections

Cash Budget Summary – Projected Variances



Overall Summary

	Original Cash Budget (£'000)	Virements & Budget C/Fwds (£'000)	Current Approved Cash Budget (£'000)	Variance - Best Case Scenario (£'000)	Variance - Worst Case Scenario (£'000)
Central	13,738	1,136	14,874	944	1,686
Delivery	15,550	-501	15,049	2,958	6,253
People	53,989	889	54,878	3,433	6,708
Non-Departmental	-4,051	-578	-4,629	-575	-425
TOTAL	79,226	946	80,172	6,760	14,222
Contingency	2,250	-43	2,207	-2,207	-2,207
Covid Grant Funding				-6,457	-6,457
TOTAL	81,476	903	82,379	-1,904	5,558
Transfer to/from Earmarked Reserves	8,348	-903	7,445	0	0
TOTAL CASH BUDGETS	89,824	0	89,824	-1,904	5,558
Central	4,878	-78	4,800	0	0
Delivery	-1,688	78	-1,610	0	0
People	22,930	0	22,930	0	0
Non-Departmental	-26,666	0	-26,666	0	0
TOTAL NON-CASH BUDGETS	-546	0	-546	0	0
TOTAL	89,278	-26	89,278	-1,904	5,558
SCHOOLS BUDGET	1,929	0	1,929	703	703
OVERALL TOTAL	91,207	-26	91,207		

Virements (Proposed Budget Movements Between Directorates and Reserves)

Directorate	Staff Reorganisation (£'000)	Council-Wide Allocations (£'000)	Section 106 Allocations (£'000)	Earmarked Reserves Allocations (£'000)	Total (£'000)
Central	-28	140	640	209	961
Delivery	-217	-206	0	0	-423
People	245	644	0	0	889
Non-Departmental / Council-Wide	0	-578	0	0	-578
Earmarked Reserves	0	0	-640	-209	-849
TOTAL	0	0	0	0	0

Cash Budget Summary

Key variances: CENTRAL

- Net income lost due to the closure of The Look Out and the need for social distancing upon reopening is forecast to be between £0.690m (Best Case) and £0.909m (Worst Case).
- There has been a downturn in Planning and Development Control income in the first two months of the financial year. It is too early to project the full impact of Covid-19 but early projections indicate a pressure of between £0.153m (Best Case) and £0.461m (Worst Case).

Key variances: DELIVERY

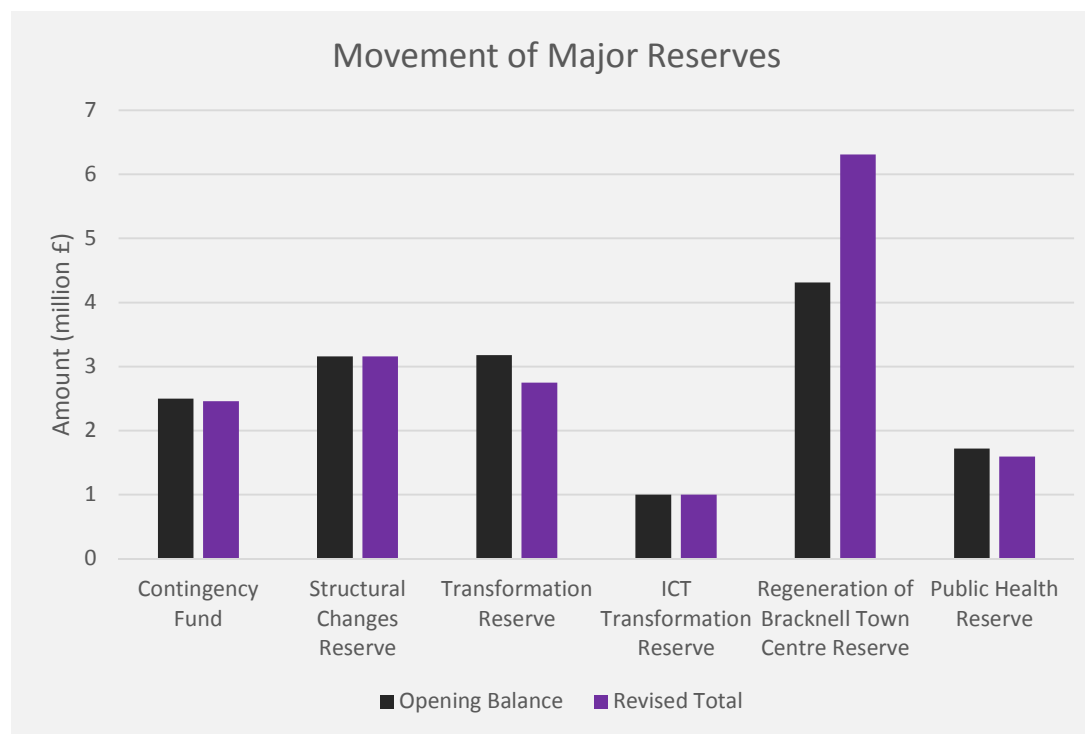
- Within Leisure a management fee payment holiday has now been agreed for the whole year (a quarter of which will be repayable over the life of the contract) along with support for staff costs operating costs. Dependant on the profits achieved, it is hoped that the remaining 9 months of the management fee and the other costs will also be recouped over the contract by adjusting the existing profit share ratio in the Council's favour (£2.389m Best Case and £2.490m Worst Case).
- A lack of income from daily charges, PCNs and staff parking from Apr-Jun has resulted in a pressure of £0.760m. Whilst charges were reintroduced on 1 July current figures suggest that the numbers of cars returning are down 45% on budgeted figures but are expected to increase over time. The overall pressure is estimated to be between £0.426m (Best Case) and £1.676m (Worst Case) with the main difference being the speed/size of recovery and the assumption that the government will provide income support in the Best Case scenario.
- A budget pressure has been identified for Commercial Property of between £0.217m (Best Case) and £1.119m (Worst Case). The best case scenario assumes no further lockdowns or financial difficulty of the tenants but that the larger units currently vacant remain vacant until the end of the financial year. The worst case scenario assumes further lockdowns, some of our tenants requiring rent free periods and increased write-offs and voids.

Key variances: PEOPLE

- Within Children's Social Care an overspend is projected on Children Looked After which will also have a knock on effect to other demand led services, such as Special Guardianship Orders and Childcare Solicitors, and the Devolved Staffing Budget (DSB). The forecast pressure is between £0.970m (Best Case) and £1.531m (Worst Case) depending on the forecast increase in numbers (20% up to 35%).
- Within Adult Social Care, pressures continue to be experienced on both Learning Disability and Adult Community Team placement costs. These make up the bulk of the projected variance of between £1.510m (Best Case) and £2.258m (Worst Case), with the Worst Case scenario assuming a more significant increase in both client numbers and package costs.
- Within commissioning a process of one-off payments to Adult Social Care providers has been implemented to help sustain the marketplace during the pandemic. There is much uncertainty over how long these payments will be required for resulting in an overall pressure of between £0.471m (Best Case) and £0.971m (Worst Case).
- Further pressures are being experienced within Education and Learning, due to DSB and income pressures and within Mental Health from placement costs. The combined impact is between £0.606m (Best Case) and £1.030m (Worst Case).

Earmarked Reserves

Description	Contingency Fund (£'000)	Structural Changes Reserve (£'000)	Transformation Reserve (£'000)	ICT Transformation Reserve (£'000)	Regeneration of Bracknell Town Centre Reserve (£'000)	Public Health Reserve
OPENING BALANCE 1/4/2020	2,500	3,158	3,179	1,000	4,313	1,719
One-off funding of an increase in establishment in HR	-43		-58			
Budgeted increase			500		2,000	
Transformation Team			-870			
In-year overspend						-127
REVISED BALANCE 31/3/2021	2,457	3,158	2,751	1,000	6,313	1,592



Central Directorate Variances

Department	Description	BCS (£'000)	WCS (£'000)
PPR: Land Charges and Building Control	<p>It is assumed any shortfall in Local Land Charges (Chargeable) will be met from reserve, the non-chargeable and Building Control income (which is in deficit and therefore no reserve held) are currently reporting a pressure of £0.023m.</p> <p>There has been a downturn in income seen in the first two months of the financial year - it is too early to project, but it appears in April we were down about 2/3 on income. If May continues its current course it looks as if we will only be down about 1/3. It would appear the construction market is on the up again so the projection may be revised downwards in future months if the housing and construction sectors continue to re—open. However there are concerns that a resurgence of COVID 19 in the winter months may again impact on future income.</p>	46	141
PPR: Parks and Countryside Timber Sale	One off income from the sale of timber from Bigwood	-51	-51
PPR: Parks and Countryside Contractors	<p>Cost of contractors required to backfill volunteers who provide assistance to Rangers = £18k variance.</p> <p>The use of volunteers amounts to approximately 3.5 FTE completing a mixture of routine maintenance and essential safety related works within public open spaces. All these works will be deferred to future years or completed in-house wherever possible. Contractors will only be used to deliver essential safety works if these are shown to fall outside the capacity of the team.</p>	18	36
PPR: TLO	Net income lost due to closure of The Look Out to date is £322k. When The Look Out re-opens there will be a need for social distancing which will impact on the income for the Visitor Centre and Catering. It is hoped that income for car parking will pick up after the re-opening in June.	690	909
PPR: Planning and Development Control	There has been a downturn in income seen in the first two months of the financial year (£19k), it is too early to project the full impact of COVID 19 but early projections are a pressure on income of between 10-30% of budget of £1.075m, so estimates are currently at the upper end of this range.	153	461
CHIEF EXECUTIVE'S OFFICE: In Phase	Number of In-phase user licences has increased to 80 from the budgeted 42, the current licence budget therefore does not support the increase in costs.	5	5
CHIEF EXECUTIVE'S OFFICE: Voluntary Sector	CMT has agreed to provide Involve with £0.03m to fund a bid writer. A request for funding is to be made against the Covid-19 grant. The Council may choose to support additional charities and whilst the aim is that funding would be sought from the Government COVID 19 grant, it is not guaranteed. It has been agreed that the Council will support Healthwatch at a cost of £48k.	83	185
		944	1,686

Delivery Directorate Variances

Department	Description	BCS (£'000)	WCS (£'000)
CONTRACT SERVICES: Leisure	<p>Financial package agreed with EA to support the pay of skeleton staff across the 3 sites and provide a payment holiday for the first quarter's management fee (this will be repayable over the remaining contract term, however it will be a pressure within this current financial year) from Apr-July.</p> <p>EA have approached us for a second package of financial support and this includes 2 different scenarios: 1) BLC and more of DGC reopen 25.07 and CR reopens 01.10, 2) BLC and more of DGC reopen 25.07 and CR remains closed until the end of the financial year. Dependant on the profits achieved, it is hoped that the total value of underwriting and management fee payment holiday will be recouped by adjusting the existing profit share ratio and BFC will get this money back over the course of the rest of the contract. This request includes payment holiday for the remainder of the financial year along with support for staff costs and operating costs due to reduced income.</p>	2,389	2,490
CONTRACT SERVICES: Car Parking	<p>A lack of income from daily charges, PCNs and staff parking from Apr-Jun resulted in a pressure of £0.76m.</p> <p>Car Parking charges were reintroduced from 1st July at 100% of what they were prior to lockdown. Current figures suggest that the numbers of cars returning are at approx. 55% of what they were for the same period last year and so this has been used as the starting point for both the best and worst case scenarios.</p>	426	1,676
CONTRACT SERVICES: Cem and Crem	<p>The set up and first 2 months of the TPOR has cost a total of £0.032m for BFC. Each additional month of use will cost £0.008m, however there will be termination costs or hibernation costs depending on what is decided for the future requirements of the site. Monthly hibernation costs will be £0.005m, however the termination cost will be £0.002m.</p> <p>BSC = set up and first two months, WCS = use through to the end of year (9 additional months)</p>	32	104
CONTRACT SERVICES: Waste	<p>Additional costs relating to the reopening of the tip sites are approx. £0.008m per week (split by 3 LA's). In addition to this there were some one off costs relating to signage and cameras £0.003m. Initially it is expected that Ringway will be required on site for 3 weeks. The total cost of this for the first 3 weeks is £0.008m for BFC. Each additional week will cost a further £0.001m for BFC.</p>	14	51
CUSTOMER SERVICES AND ICT: ICT	<p>The prior year required significant agency spend and this is likely to continue in 2020/21. The worst case scenario is that the current 3x agency members are required for the full financial year.</p>	154	307
CUSTOMER SERVICES AND ICT: Home to School Transport	<p>Due to Covid-19, there are underspends to report for April and May relating to contractor invoicing and fuel, plus corresponding reductions in recharges which reduces the underspend. The number of pupils travelling to school has reduced significantly during the pandemic however the cost per pupil is significantly higher. There is however an overall underspend against the profiled budget of £0.074m.</p> <p>Analysing the costs of the new providers, taking into account the underspend seen and reported thus far, BCS produces an overall underspend. However, the WCS, which assumes a Covid multiplier is applied to the normal number of routes/journeys to take account of social distancing and bubbles within schools produces an overspend.</p>	-274	276
CUSTOMER SERVICES AND ICT: South Hill Park	<p>SHP currently owe approx. £74k in relation to prior years' utilities costs. There is a danger this cannot be met and may therefore become a pressure in the current year if it is to be written off. We have not yet invoiced for the first quarter of this financial year and the current year costs may also not be met. It is assumed that the worst case scenario is a pressure of £0.100m, with the best case being that all costs will be met by SHP and invoices paid correctly.</p>	0	100

Delivery Directorate Variances

Department	Description	BCS (£'000)	WCS (£'000)
DEMOCRATIC AND REGISTRATION SERVICES	<p>Birth registrations and notices of marriage can now be taken face to face. Ceremonies can take place from 4 July if the venue is large enough to allow social distancing with no more than 30 participants. Notices of marriage for Register Officer weddings will resume in July and ceremonies can take place as soon as 28 days' notice of the marriage has been given.</p> <p>The best case scenario assumes a high uptake on additional appointments that have been made available for each activity – namely significant increases for RO and small ceremony weddings, which could become more popular over the next months until things are more settled. The worst case scenario assumes that the majority of ceremonies do not take place or the majority of couples postpone until 21/22 and as such we only achieve approx. 20% of our income target.</p>	-26	104
LEGAL SERVICES	Due to Covid-19 the Asst. Borough Solicitor has been asked to stay an additional 3 months beyond the date he was due to leave. The cost of this is £0.026m for the period April - June.	26	26
PROPERTY SERVICES	<p>We have been notified that Age Concern are in financial difficulty and after a rent free period of 3 months they will be surrendering the lease of the property in Forest Park. In this current climate it is highly unlikely that this unit will be re-let during this financial year.</p> <p>The current best case scenario assumes no further lockdowns or financial difficulty of the tenants (beyond what has been provided for by the government already), but that the larger vacant units remain vacant until the end of the financial year. The worst case scenario assumes further lockdowns and some of our tenants requiring rent free periods.</p>	217	1,119
		2,958	6,253

People Directorate Variances

Department	Description	BCS (£'000)	WCS (£'000)
ASC: LD Packages	<p>Forecast overspend on LD care packages of £871k, with an additional £350k pressure under the BCS and £783k pressure under the WCS.</p> <p>Since the budget was set there continues to be pressure on costs due to the size of packages rather than client numbers. Whilst changes in CHC funding are an issue the main factor appears to be increases in existing packages. <u>Best Case</u> additional overspend assumes residential clients increase slightly linked to transition, others increase slowly increase over remainder of year, prices increase gradually. <u>Worst Case</u> additional overspend assumes residential clients increase slightly, others increase quickly and exceed previous levels due to transitions, residential prices increase gradually others more significantly.</p>	1,510	2,258
ASC: ACT Packages	<p>Forecast overspend on ACT care packages of £77k which is made up of an underspend on residential services (-£346k) and an overspend on community services (423k), with an additional £344k pressure under the BCS and £651k pressure under the WCS.</p> <p>This latter includes expenditure supporting the Clement House supported living facility (£112k) for which there is no budget. <u>Best Case</u> additional overspend assumes clients remain at reduced levels until August, slowly increase over remainder of year, peaking with winter pressures, residential prices stay flat recognising greater competition, other prices slowly increase. <u>Worst Case</u> additional overspend assumes clients increase rapidly from July then stabilise and increase again with winter pressures, relatively high price increases representing higher cost of providing services during Covid and provider instability.</p>		
ASC: Waymead Income	Waymead respite centre is currently closed and as a result costs are being incurred whilst no income is generated. The timing of reopening remains unclear. The pressure under the best and worst case scenario is £23k and £46k respectively.		
ASC: AD Budgets	Forecast surplus of £80k made up of a number of miscellaneous budgets including advocacy, grants and Bridgewell.		

People Directorate Variances

Department	Description	BCS (£'000)	WCS (£'000)
CHILDREN'S SOCIAL CARE: Placements	<p>The CLA care and accommodation budget is forecasting an over spending of £0.614m with an additional 5.9 FTE placements since the budget was set. There have been a further 2.3 FTE placements in residential care (£0.502m), 6.8 FTE with Independent Fostering (£0.382m) and 1.6 FTE in semi-independent settings (£0.063m). These have been partially offset by a 4.8 FTE reduction in lower cost placements (£0.213m). A provision for the further in-year increases that would generally be expected of £0.380m has also been added for which there is an unallocated budget of £0.500m.</p> <p>It is not yet clear whether £0.5000m will be enough to meet demand due to Covid – there is no robust data to confidently predict future changes. Limited Social Worker contact with children at risk. 80% not been to school or seen a Social Worker since end March. Assessments by CSC and referrals from Police are down 25%. A number of other LAs are using BI to predict the likely “surge” when lockdown eases although neighbouring LAs have not undertaken any significant modelling. The forecasts available from other LAs indicate a 180-200% increase above the norm for contacts and assessments which will impact on costs but unclear on what numbers would ultimately come into care. (Work from Portsmouth and Kent).</p>	970	1,531
CHILDREN'S SOCIAL CARE: Other Demand Led Services	<p>There are a number of mainly demand-led services that at this stage of the year are reporting under spending's, totalling -£0.484m. This includes Special Guardianship Orders (-£0.039m), payments to care leavers (£0.191m), support for disabled children (£0.097m), Childcare Solicitors (£0.170m) with a £0.066m provision for cost increases that are expected from normal in-year growth. Additionally, the anticipated loss of grant funding to the Youth Offending Service (£-0.053m) will not occur. However, areas such as Special Guardianship Orders, payments to care leavers, support for disabled children and Childcare Solicitors are forecast to be subject to the same changes as CLA care and accommodation costs above.</p>		
CHILDREN'S SOCIAL CARE: DSB	<p>The DSB is forecast to over spend by £0.223m, with agency staff costs over by £0.128m and a 25% underachievement against the vacancy factor (£0.060m) together with other general variances (£0.035m).</p> <p>There will be £0.220m of anticipated costs on the Family Safeguarding Model - Clinical Psychologist and Mental Health Workers - that it has now been confirmed will be funded by Health.</p>		

People Directorate Variances

Department	Description	BCS (£'000)	WCS (£'000)
COMMISSIONING	A process of one-off payments to Adult Social Care providers has been implemented to help sustain the marketplace during the Covid pandemic. There is much uncertainty over how long these payments will be required for.		
	Quality Assurance: The underspend (£41k) is primarily due to vacancy staff posts.	471	1971
	Connections Hub: Overspend (£24k) includes £10k in respect of the loading of pre-paid cards in preparation for the Covid pandemic. The balance is additional staffing costs.		
EARLY HELP AND COMMUNITIES	Housing & Welfare Operational: Forecast underspend (£231k) due to there being a high number of vacant posts – 10 fte are currently vacant. Though it should be noted that it is slightly offset by an overspend on staff costs in Housing management & property.		
	Welfare & Benefits: Forecast underspend (£84k) but this is a highly volatile budget (which a gross value of £24m) and so will change through the year. The variances is made up of a surplus on the HB payments (£172k) offset by an overspend on the administration team (£88k).	-126	-84
	Housing management & Property: Forecast overspend (£64k) mainly due to staff costs though this is more than offset by the underspend in Housing & Welfare operational.		
	Impact on rental and lettings income in the Youth Service and Early Help – BCS = £0.06m, WCS - £0.102m		
EDUCATION AND LEARNING	The DSB is forecast to overspend through agency staff in the SEN Team and a 25% shortfall on achieving the vacancy factor (£0.162m). There is also loss of income at the OLC (£0.091m) and trading with schools by Standards and Effectiveness (£0.028m), which are expected to increase.	397	506
MENTAL HEALTH AND OUT OF HOURS	Uncertainty over the future demand for social care placement costs		
	Forestcare: Forecast overspend (£120k) reflecting the losses that are incurred on the existing portfolio of contracts. Work is ongoing to review contracts and move Forestcare to a breakeven position.	209	524
	Care management: Forecast overspend (£104k) primarily due to agency staff employed to cover vacant staff posts.		
		3,433	6,708

Non-Departmental Variances

Department	Description	BCS (£'000)	WCS (£'000)
INTEREST AND INVESTMENT INCOME	The improved cash balances position achieved at the end of last year has continued. The worst case scenario assumes that this position won't be maintained for the whole year.	-350	-200
MINIMUM & VOLUNTARY REVENUE PROVISION	Higher than forecast capital receipts in 2019/20 and significant capital carry forwards into 2020/21 have created an under spend against the Minimum Revenue Provision.	-148	-148
COUNCIL WIDE ITEMS	The full allocation was not required to meet the non-schools share of the Council's lump sum deficit.	-77	-77
		-575	-425

Schools Budget

SCHOOLS BUDGET	Budget	Variance
Schools Block	75,933	-10
High Needs Block	18,685	717
Early Years Block	7,561	-4
Contribution from BFC	253	0
Dedicated Schools Grant	-100,503	0
Draw down from New School Reserve	0	0
TOTAL	1,929	703

Summary significant issues to date:

1. High Needs Block (+£0.717m): increase in additional placements in BF mainstream schools (+£0.278m); additional placements in other LA schools (+£0.204m); provision for further cost increase +£0.250m
2. Core placement number data on a range of significant budgets that total circa £9m (50% of the budget) are not yet available from the SEN Team which presents a significant risk to the accuracy of forecasts.
3. Effect of Covid has slowed down progress and achieving the £1.24m savings required for 2020-21 that are included in the budget are at significant risk.

Future years:

1. A £4.8m deficit is forecast on the HNB for the medium term. Further cost reductions are required to be identified in partnership with the Schools Forum to balance the budget.
2. DfE have introduced a phased funding reduction to Combined Services. There is a 20% cut in 2020-21 (£0.082m) with the expectation that the full £0.406m will be withdrawn at 20% per annum reduction.