

To: Councillor Brock (Chair)
Councillors Page, Barnett-Ward, Emberson,
Ennis, Hoskin, Leng, McElroy, McEwan,
Mitchell, Robinson, Rowland, Terry,
Thompson and White

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3 March 2023

Your contact is: **Simon Hill - Committee Services (simon.hill@reading.gov.uk)**

NOTICE OF MEETING - POLICY COMMITTEE 13 MARCH 2023

A meeting of the Policy Committee will be held on Monday, 13 March 2023 at 6.30 pm in the Council Chamber, Civic Offices, Reading, RG1 2LU. The Agenda for the meeting is set out below.

1. **CHAIR'S ANNOUNCEMENTS**
2. **DECLARATIONS OF INTEREST**
3. **MINUTES** 5 - 12
4. **PETITIONS AND QUESTIONS**

To receive any petitions from the public and any questions from the public and Councillors.
5. **DECISION BOOKS**
6. **ADULT SOCIAL CARE ASSETS - RESPITE PROVISION** **BOROUGH WIDE** 13 - 46

This report focuses on the Council's delivery of an Adult Social Care respite service to support carers and vulnerable people who have complex needs and proposes the development of a respite facility at Amethyst Lane.
7. **2022/23 QUARTER 3 PERFORMANCE AND MONITORING REPORT** **BOROUGH WIDE** 47 - 102

This report sets out the projected revenue and capital outturn positions for the General Fund and Housing Revenue Account as at the end of 2022/23 Quarter 3 (December 2022) as well as performance against the measures of success published in the Council's Corporate Plan.

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ITEM TO BE CONSIDERED BY THE COMMITTEE ACTING AS SOLE MEMBER OF BRIGHTER FUTURES FOR CHILDREN LIMITED

8. BRIGHTER FUTURES FOR CHILDREN 2023/2024 BUSINESS PLAN **BOROUGH WIDE** **103 - 126**

This report, submitted to the Committee in its capacity as the sole member of Brighter Futures for Children Limited (BFfC), sets out for approval the BFfC Business Plan and Contract Sum.

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Present: Councillor Brock (Chair);

Councillors Barnett-Ward, Emberson, Ennis, Leng, McElroy (via Microsoft Teams), McEwan, Mitchell, Page, Robinson, Rowland, Terry, Thompson (via Microsoft Teams) and White

Apologies: Councillors Hoskin

RESOLVED ITEMS

51. MINUTES

The Minutes of the meeting held on 23 January 2023 were agreed as a correct record and signed by the Chair.

52. PETITIONS AND QUESTIONS

Questions on the following matters were submitted by Councillors:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Cllr McElroy	Licensing Houses in Multiple Occupation	Cllr Emberson
2.	Cllr White	Tackling Rat Problems	Cllr Rowland

(The full text of the questions and responses was made available on the Reading Borough Council website).

53. 2023/24 BUDGET & MEDIUM-TERM FINANCIAL STRATEGY 2023/24 - 2025/26

Further to Minute 39 of the meeting held on 15 December 2022, the Director of Finance submitted a report setting out for recommendation to Council the 2023/24 Budget and 2023/24-2025/26 Medium-Term Financial Strategy and updating the Committee on the results of the budget consultation exercise, changes arising from the publication of the Local Government Finance Settlement (LGFS) as well as other changes that had arisen. The following documents were attached to the report:

- Appendix 1 - The Medium-Term Financial Strategy (MTFS) 2023/24 - 2025/26
- Appendix 2 - Summary of the General Fund (GF) budget proposals 2023/24 - 2025/26
- Appendix 3 - General Fund Revenue Budget by Service 2023/24 - 2025/26
- Appendix 4 - Detailed General Fund Budget Changes 2023-24 to 2025-26
- Appendix 5 - The Housing Revenue Account (HRA) budget proposals 2023/24 - 2025/26
- Appendix 6 - The Dedicated Schools Budget proposals 2023/24 - 2025/26
- Appendix 7 - The General Fund and HRA Capital Programmes 2023/24 - 2025/26
- Appendix 8 - The Flexible Use of Capital Receipts Strategy 2023/24 - 2025/26

POLICY COMMITTEE MEETING MINUTES - 20 FEBRUARY 2023

- Appendix 9 - Fees and Charges proposals from April 2023
- Appendix 10 - Equality Impact Assessment of the budget proposals
- Appendix 11 - Summary of the Response to the Budget Consultation
- Appendix 12 - Summary of the Results of the Residents Survey 2022

The report explained that the underpinning rationale of the Medium-Term Financial Strategy was to deliver a balanced and affordable 2023/24 budget and ensure that the Council's finances were robust and sustainable over the medium term, and that in the longer term the Council's finances were not reliant on the unsustainable use of one-off reserves or funding. The Strategy was informed by the Council's Vision: "to ensure that Reading realises its potential - and that everyone who lives and works in Reading can share in the benefits of its success" and the Corporate Plan themes of Healthy Environment, Thriving Communities and Inclusive Economy.

The report set out the budget assumptions which included: Council Tax increases of 2.99% plus an Adult Social Care precept of 2.0% for the first two years of the MTFs (2023/24 to 2025/26) with increases of 1.99% and 1.0% respectively in 2025/26; Delivery of £9.841m (£9.591m services and £0.250m corporate) of efficiencies and increased income across the period; a contingency provision over the three years (£4.1m 2023/24; £4.9m 2024/25; and £5.1m 2025/26) to mitigate possible slippage or non-achievement of higher risk savings and/or income targets over the period; a housing rent increase of 7.0% (Government Cap) in 2023/24, returning to a rent increase in line with approved policy of CPI + 1% in subsequent years; General Fund capital investment of £188.0m and Housing Revenue Account (HRA) capital investment of £151.3m over the period 2023/24 to 2025/26; and £3.580m of transformation funding (over the period 2023/24 to 2024/25) to support delivery of efficiency savings assumed within the MTFs, taking the total transformation funding to £21.729m across the whole life of the Delivery Fund.

The deficit on the Dedicated Schools Grant High Needs Block was anticipated to be £4.3m by 31st March 2023. An updated deficit recovery plan would be presented to Schools Forum in March 2023. The Government recognised that there was a national SEND funding crisis and in 2022/2023 the Department of Education had launched a "Delivering Better Value" programme inviting 55 local authorities to take part. Reading was one of the 55 authorities invited to join the programme and work had started in February 2023. Further details were set out in paragraphs 4.5 and 4.6 and in Appendix 6 of the report.

The preparation of the 2023/24 Budget and MTFs 2023/24 - 2025/26 had again been challenging due to the continuing uncertainty caused by the wide-ranging implications of inflation and the cost of living crisis, Covid-19, the war in Ukraine, climate change, and, despite a multi-year Autumn Statement, yet another one-year Local Government funding settlement from Central Government.

The report stated that the Government had announced that the Culture and Community at Minster Quarter bid, which included the new performance space at the Hexagon and the re-provisioning of the Central Library at the Civic Offices, had been successful and would receive funding from the Levelling Up Fund (LUF). The grant awarded in respect of this bid was £19.164m. The Council would need to enter into a funding agreement and

POLICY COMMITTEE MEETING MINUTES - 20 FEBRUARY 2023

agree variations as necessary. The next step would be for the Council to agree the delivery programme, including all necessary procurements and to agree any variations as necessary and go out to consultation, including statutory, to progress delivery of the LUF projects.

The report explained that the Council had an obligation to deliver works to Ranikhet School as part of the Dee Park Regeneration Scheme. A decision was currently awaited on the redesignation of funding from Homes England regarding the works. Therefore, the report was seeking authority to tender and award contracts for the works, subject to approval of the Homes England funding being received.

The report had been prepared with reference to the following documents: 2022/2023 Budget & Medium Term Financial Strategy 2022/23 - 2024/25 Report approved by Full Council (23rd February 2022); Autumn Statement 2022 - HM Treasury (17th November 2022); Provisional Local Government Finance Settlement 2022/23 - DLUHC (19th December 2022); Final Local Government Finance Settlement 2023/24 - DLUHC (6th February 2023); and Medium-Term Financial Strategy 2023/24- 2025/26 Update Report approved by Policy Committee (15th December 2022).

Items 53-55 were considered together for recommendation to the Council meeting on 28 February 2023.

Resolved -

- (1) That, taking due regard of the results of the budget consultation exercise and residents' survey (as outlined in Appendices 11 and 12), that Council be recommended to approve the 2023/24 General Fund and Housing Revenue Account budgets, Capital Programme and Medium-Term Financial Strategy as set out in Appendices 1-10, noting the following:**
 - a) the Council's General Fund Budget Requirement of £164.411m for 2023/24 and an increase in the band D Council Tax for the Council of 2.99% plus an additional 2.00% Adult Social Care Precept, or £91.30 per annum, representing a band D Council Tax of £1,921.02 per annum, excluding precepts from Police and Fire, as set out in paragraph 4.3;**
 - b) the proposed efficiency and invest to save savings of £3.810m together with additional income of £1.485m in 2023/24 required to achieve a balanced budget for that year as set out in Appendices 2 and 3;**
 - c) the overall savings proposed within the MTFs of £9.841m (of which increases to income, fees and charges was £2.902m) and three-year growth changes to service budgets of £20.431m as set out in Appendices 3 and 4;**

POLICY COMMITTEE MEETING MINUTES - 20 FEBRUARY 2023

- d) the budgeted net contribution to earmarked reserves totalling £6.128m, as set out in paragraph 3.24 of Appendix 1;
 - e) the Housing Revenue Account budget for 2023/24 of £49.229m as set out in Appendix 5 and the average increase of 7.0% in social dwelling rents from April 2023;
 - f) the allocation of £93.765m Dedicated Schools Grant (DSG) as set out in Appendix 6;
 - g) the General Fund and Housing Revenue Account Capital Programmes totalling £188.045m and £151.304m respectively, as set out in Appendices 7a and 7b;
 - h) the Strategy for the use of flexible capital receipts to deliver future transformation and ongoing savings as set out in Appendix 8;
 - i) the Fees and Charges set out in Appendix 9 of the report; and
 - j) the Equalities Impact Assessment as set out in Appendix 10.
- (2) That, in respect of the Levelling Up Fund award:
- a) the grant funding of up to £19.164m from the Department of Levelling Up, Housing and Communities and additional capacity building funding of £0.060m in 2023/24 and £0.050m in 2024/25 be accepted, to deliver the Levelling Up Fund projects, and match funding be committed from approved capital budgets as per the Council's Levelling Up Fund bid set out in the report to Policy Committee on 11 July 2022 (Minute 12 refers);
 - b) the Executive Director of Economic Growth and Neighbourhood Services be authorised, in consultation with the Director of Finance, Assistant Director of Legal and Democratic Services and the Leader of the Council, to enter into the relevant grant agreement and agree variations as necessary;
 - c) the Executive Director of Economic Growth and Neighbourhood Services be authorised, in consultation with the Director of Finance, Assistant Director of Procurement and Contracts, the Chief Executive and the Leader of the Council, to agree delivery of the Levelling Up Fund (LUF) programme, including all necessary procurements;
 - d) permission be granted to go out to consultation, including statutory, to progress delivery of the Levelling Up Fund projects;

POLICY COMMITTEE MEETING MINUTES - 20 FEBRUARY 2023

- (3) That the Assistant Director of Property & Assets be authorised, in consultation with the Assistant Director for Housing & Communities and the Director of Finance, to tender and award contracts for the programme of works to Ranikhet school.

54. CAPITAL STRATEGY 2023/24

The Director of Finance submitted a report setting out for recommendation to Council the draft Capital Strategy 2023/24, which was attached to the report at Appendix 1.

The report noted that the CIPFA 2021 Prudential and Treasury Management Code required the Council to prepare a Capital Strategy report which set out the Council's capital requirements arising from policy objectives, as well as the associated governance procedures and risk appetite of the Council. The Strategy provided an overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of services; along with an overview of how associated risk was managed and the implications for future financial sustainability. It showed how revenue, capital and balance sheet planning were integrated and set out, among other things, the Council's approach to asset management planning, development and monitoring of the Capital Programme.

This year, the Capital Strategy had been subject to updates arising from the revised Prudential Code for Capital Finance in Local Authorities 2021. The figures in the various tables, most particularly the Capital Programme itself had been updated to reflect the latest position consistent with the MTFs report (Minute 53 above refers). During 2022/23, a Capital Programme had been established to increase oversight of the Capital Programme and its delivery. Terms of Reference for the Board were included at Appendix C to the Strategy document.

The revised Code also clarified that non-treasury management investments would need to be reported as part of the Capital Strategy rather than within the Treasury Management Strategy. Consequently, where the Council had loaned funds to or held equity investments in its wholly owned companies to facilitate service provision/investment this was now incorporated into the Capital Strategy (Appendix 1 - Section 4). Appendix A to the Strategy set out a prioritisation matrix for new capital schemes. The proposed Action Plan at Appendix D of the Strategy identified four areas of ongoing work required for the Council to remain compliant with the CIPFA Code requirements.

Items 53-55 were considered together for recommendation to the Council meeting on 28 February 2023.

Resolved -

- (1) That the Council be recommended to adopt the Capital Strategy as attached at Appendix 1 to the report;

- (2) That the updated Action Plan set out at Appendix D of the Capital Strategy, together with the associated financial implications, be noted.

55. TREASURY MANAGEMENT STRATEGY STATEMENT (2023/24); MINIMUM REVENUE PROVISION POLICY (2023/24); ANNUAL INVESTMENT STRATEGY (2023/24)

The Director of Finance submitted a report setting out a Treasury Management Strategy for endorsement and recommendation to Council. The Strategy required approval before the start of the new financial year in accordance with the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 and the CIPFA Prudential Code for capital finance in local authorities (2021). The Treasury Management Strategy Statement (TMSS) was attached to the report at Appendix A.

The report explained that the TMSS set out the parameters for the Council's planned treasury activity during 2023/24 under which the Council's Treasury Team would manage day to day activity, and that the successful identification, monitoring and control of financial risk were central to the Strategy. Included in the TMSS alongside the Treasury Management Strategy were Capital Prudential Indicators, a Minimum Revenue Provision (MRP) Policy Statement, a Borrowing Strategy and an Annual Investment Strategy.

The CIPFA 2021 Prudential and Treasury Management Code also required the Council to prepare a Capital Strategy report which set out the Council's capital requirements arising from policy objectives, as well as the associated governance procedures and risk appetite. The Capital Strategy included non-treasury investments and was reported separately from the TMSS (Minute 54 above refers). The CIPFA Treasury Management Code 2021 further broke down non-treasury investment into: Investments for service purposes - taken or held primarily for the provision and purpose of delivering public services (including housing, regeneration, and local infrastructure), or in support of joint working with others to deliver such services; Investment for commercial purposes - taken or held primarily for financial return and were not linked to treasury management activity or directly part of delivering services.

The report had been prepared with reference to the following documents:

- CIPFA Code of Practice for Treasury Management in the Public Services 2021;
 - CIPFA The Prudential Code 2021;
 - MHCLG Statutory Guidance on Local Government Investments (February 2018);
- and
- CIPFA Bulletin Treasury and Capital Management Update (October 2018).

Items 53-55 were considered together for recommendation to the Council meeting on 28 February 2023.

Resolved -

- (1) That Council be recommended to approve:
 - a) The Treasury Management Strategy Statement for 2023/24 as set out in Appendix A, section 2;
 - b) The Capital Prudential Indicators as set out in Appendix A section 3;
 - c) The Minimum Revenue Provision (MRP) Policy for 2023/24 as set out in Appendix A, section 5;
 - d) The Borrowing Strategy for 2023/24 as set out in Appendix A, section 5;
 - e) The Annual Investment Strategy for 2023/24 as set out in Appendix A, section 6;
 - f) The Prudential and Treasury Management indicators as set out in Appendix A, Annex 1;
- (2) That the requirement within the Prudential Code 2021 for quarterly reporting on the Council's Treasury Management activities from 2023/24 be noted and that in future these reports would be presented to Audit & Governance Committee in line with the current delegation.

56. BRIGHTER FUTURES FOR CHILDREN LIMITED - RESERVED MATTERS

In accordance with Section 100B (4)(b) of the Local Government Act 1972, the Chair had agreed that this item be considered as a matter of urgency to fill the vacancy for a Council Nominated Director as soon as possible to ensure the Brighter Futures for Children Board could continue to meet its minimum requirements, which included having a Council Nominated Director and avoid any unnecessary delay to the Company's decision making and administrative arrangements.

The Executive Director of Resources submitted a report, in the Committee's capacity as the sole member of Brighter Futures for Children Ltd (BFfC), seeking to fill the vacancy for the Council Nominated Director on the BFfC Board, which had arisen due to the retirement of the former Executive Director of Adult Care and Health Services. The report explained that the minimum requirements for the Board were specified in the Company's Articles of Association (Article 9.2) and included the appointment of a Council Nominated Director. The report recommended making an interim appointment pending the recruitment of a new permanent Executive Director of Adult Care & Health Services.

Resolved -

That, in its capacity as sole member for BFfC, the appointment of Mike Graham, Assistant Director for Legal and Democratic Services be agreed as the

interim Council Nominated Director until such time as a new permanent Executive Director of Adult Care and Health Services was in post.

57. EXCLUSION OF THE PRESS AND PUBLIC

Resolved -

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of item 58 below as it was likely that there would be a disclosure of exempt information as defined in the relevant paragraphs specified in Part 1 of Schedule 12A to that Act.

58. LAND AT ISLAND ROAD

The Executive Director of Economic Growth & Neighbourhoods submitted a report on three interlinked transactions involving Council land holdings at Island Road. The report was seeking approval to progress the recommendations as set out in the report in respect of the land interests and to agree a delegation to allow officers to negotiate and complete the necessary transactions, in consultation with the Lead Councillor for Planning & Assets and the Leader of the Council.

Resolved -

That the recommendations, as set out in Section 2 of the report, be approved with the addition of the Leader of the Council to the list of consultees.

(Exempt information as defined in paragraph 3).

(The meeting started at 6.30 pm and closed at 7.15 pm)

READING BOROUGH COUNCIL

REPORT BY ACTING EXECUTIVE DIRECTOR FOR ADULT SOCIAL CARE AND HEALTH AND EXECUTIVE DIRECTOR FOR ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	13 MARCH 2023		
TITLE:	ADULT SOCIAL CARE ASSETS - RESPITE PROVISION		
LEAD COUNCILLOR:	CLLRS ENNIS & EMBERSON	PORTFOLIO:	ADULT SOCIAL CARE HOUSING & COMMUNITIES
SERVICE:	DACHS/DEGNS	WARDS:	BOROUGHWIDE
LEAD OFFICER:	CHRIS GREENWAY ZELDA WOLFLE	TEL:	0118 937 2576 0118 937 2285
JOB TITLE:	ASSISTANT DIRECTOR COMMISSIONING AND TRANSFORMATION & ASSISTANT DIRECTOR HOUSING AND COMMUNITIES	E-MAIL:	Chris.greenway@reading.gov.uk Zelda.wolfle@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The report focuses on the Council’s delivery of an Adult Social Care respite service to support carers and vulnerable people who have complex needs.
- 1.2 It was agreed at Policy Committee in January 2021 that there was a need for a respite facility, and this would be delivered at Hexham Road. The Council subsequently took the decision that it was too much of a risk to proceed with the build on Hexham Road as originally planned, due to the Care Quality Commission (CQC) advising that they were unable to grant registration until the building was completed as per their policy and the co-location of a respite service with sheltered and general needs housing may not meet the regulatory guidance.
- 1.3 Consequently, alternative proposals have been considered to deliver a respite facility. The recommended option proposes the development of a respite facility at Amethyst Lane which will deliver a respite service that meets peoples’ personalised expectations and outcomes whilst meeting the Care Quality Commission’s regulatory requirements.
- 1.4 In order to proceed it is proposed that the land required to deliver the Respite Service (known as Amethyst Lane) is, under Section 19 of the Housing Act 1985, transferred from the Council’s Housing Revenue Account to the General Fund.

- 1.5** The report also provides an update on the progress to utilise Battle Street and Hexham Road to deliver Adult Social Care services, sheltered housing and general needs housing, which was agreed at Policy Committee in January 2021 as outlined in Appendix 1 attached.

Appendices:

Appendix 1 - Policy Committee report - Adult Social Care Asset Review and Capital Strategy - January 2021

Appendix 2 - Equality Impact Assessment

2. RECOMMENDED ACTION

- 2.1** That Policy Committee endorse the recommendation to utilise the Amethyst Lane site to deliver a respite facility for Adult Social Care subject to capital funding approval by Council in February 2023.
- 2.2** That Policy Committee approves the appropriation of the land know as Amethyst Lane from the Housing Revenue Account to the General Fund to enable the delivery of the proposed Respite Service, with effect from 1st April 2023.
- 2.3** That Policy Committee:
- (a) notes the procurement process to date;
 - (b) delegates authority to the Executive Director for Economic Growth and Neighbourhood Services in consultation with the Executive Director for Adult Social Care and Health, the Assistant Director for Legal and Democratic Services, the Director of Finance, the Lead Councillor for Housing and the Lead Councillor for Adult Social Care, to enter into all necessary works and agreements, including with Gleeds Cost Management and HTA Design, the multi-disciplinary team, and Hampshire County Council for the development of the site at Amethyst Lane, including detailed designs, the securing of planning permission and the procurement of a main building contractor for the construction works;
 - (c) delegates authority to the Executive Director for Economic Growth and Neighbourhood Services, in consultation with the Executive Director for Adult Social Care and Health, Assistant Director for Legal and Democratic Services, the Director of Finance, the Lead Councillor for Housing and the Lead Councillor for Adult Social Care, to procure, award and enter into a contract with the main building contractor for the construction works at Amethyst Lane; and
 - (d) authorises and allocates additional spend approval of capital of £1.8m from the General Fund in addition to the £5,993m already in the capital programme to deliver an adult social care respite facility.

3. POLICY CONTEXT

3.1 The approach to utilising Adult Social Care Capital Assets aligns with the overall direction of the Council by meeting the following Corporate Plan priorities:

- Inclusive economy
- Healthy environment
- Thriving communities

3.2 There is no statutory duty to provide services internally to meet eligible needs however the Local Authority does have a Statutory Duty under the Care Act 2014 to:

- Ensure there is a range of high quality & appropriate services to choose from.
- Ensure that those Adults are able to receive services that prevent their care needs from becoming more serious.
- Meet an Adult's need if they meet the eligibility criteria.

3.3 **Relevant background reports:**

Policy - January 2021 - This report adopted a cross Directorate approach in considering assets to:

- a. deliver options which met the needs of Adult Social Care service users in the short, medium and longer term
- b. accorded with the Council's Housing objectives
- c. maximised opportunities to offset capital expenditure.

Policy approved the recommendation to utilise Battle Street and Hexham Road sites to deliver both Adult Social Care and general housing provision subject to approval by Council in February 2021 in the Housing Revenue Account Capital Programme. This was subsequently approved by Council in February 2021.

Policy report - Adult Social Care Asset Review and Capital Strategy - January 2021 is included as appendix 1.

4. THE PROPOSAL

4.1 **Current Position:**

4.1.1 Battle Street

This site will deliver 13 Mental Health Supported Living flats, 35 places for Older Persons Day Opportunities, 49 affordable dwellings including sheltered housing and general needs housing.

Work on this site is well progressed with the completion of the design phase and public consultation events. The planning application was submitted in September 2022 and subject to approval in March 2023. Following completion of the detailed design and procurement of contractor, works on site is due to commence Autumn 2023. Completion is planned for 2025.

4.1.2 Hexham Road

The proposal approved by Policy Committee in 2021 was to develop the site to build a Profound and Multiple Learning Disabilities (PMLD) day opportunities service and a Profound and Multiple Learning Disabilities Respite facility alongside sheltered housing.

The respite service provides regulated activity which necessitates a requirement to be registered with the Care Quality Commission (CQC). Initial engagement took place with CQC in summer 2021 and as the conversations developed in line with the design development, CQC raised some concerns about the size, setting and layout of the building. They felt that it deviated from guidance for Services for Autistic People and People with a Learning Disability (*Right Support, Right Care, Right Culture*), as the proposal also included a day service and sheltered accommodation on the same site. They described this as having a 'campus feel' which in their view was not aligned to best practice in the guidance.

CQC have advised that they are only able to grant registration once an application has been made and the building is completed. Considering the feedback from CQC and being unable to mitigate against some of the issues raised by CQC, it was deemed too much of a risk to proceed with the build of respite provision on Hexham Road when CQC could then take the decision to not register the service for use.

As the respite service will no longer be at Hexham Road, this allowed a review of the site to determine how best to use the space created by the respite service. The outcome of the review, based on need and the site feasibility was that it will deliver PMLD day opportunities and sheltered housing as planned and in addition deliver some general needs housing flats.

Work on this site is progressing to plan. Public consultation events were held in November 2022 to share the proposals and seek community engagement. It is expected that the planning application will be made in March 2023 and subject to approval and procurement of the contractor, it is anticipated that work will start on site early 2024 with completion in 2025.

4.2 Option Proposed

It is proposed that a PMLD respite facility for up to 6 people is built at Amethyst Lane. This would offer short term support to people with complex needs and provide their carers with a break from their caring role.

In addition, it is proposed that the service will be developed to deliver a more flexible and person-centred service including offering support to young people transitioning to adult services to develop their life skills.

A site at Amethyst Lane has been assessed as meeting the requirements to develop a respite service. It delivers in terms of space, location, accessibility, it is on a public transport route and local amenities including a park and shops are nearby.

The design will respond to the feedback received from CQC in relation to the previously proposed development at Hexham Road. The site allows the respite facility to be designed as a standalone building and therefore will not have

multiple uses on one site, the number of rooms has been reduced to 6 and there will be a designated entrance to the building. Engagement with CQC has already commenced to ensure that the building is designed to meet the guidance outlined in the guidance, *Services for Autistic People and People with a Learning Disability (Right Support, Right Care, Right Culture)*.

The area at Amethyst Lane will also allow development of general needs housing with the site being split into 2 with housing and respite being built on adjacent sites.

A needs analysis was carried out at the beginning of this process and has since been refreshed and it continues to demonstrate the need for this service.

Projected need

There are currently estimated to be 3,051 adults 18 years and older with a Learning Disability and 658 predicted to have a profound and multiple learning disability in Reading¹

Respite services: projected need		
Year	Number of people requiring service	Number of places
Current provision	11 people	4
2025	74 (11 current + 65 new people)	6
2030	139 (11 current + 130 new people)	6
<p>Rationale: Projections are based on young people who have Education and Health Care Plans and projecting these figures forward to anticipate the potential number of places. Note whilst the numbers of people requiring the service grow rapidly, we are retaining a broadly similar sized service as a more flexible service model will be developed to support the projected demand.</p>		

Timeframes

The projected high level timeframes for this work are outlined below:

Milestone	Timeframe
Planning submission	Spring 2023
Commencement on site	Winter 23/24
Building completion	25/26

Project delivery

Project delivery will be managed by Gleeds Cost Management and HTA Designs. They will provide the multi-disciplinary role with support from Hampshire County Council (HCC) to provide a link between the work previously undertaken by HCC on the respite and the new scheme at Amethyst.

Officers from Reading Borough Council in Property Development, Housing and Adult Social Care will act as the Client Project Officers.

¹ Projecting Adult Needs and Service Information (PANSI) and Projecting Older People Population Information (POPPI) system, Office of National Statistics (ONS)

Governance will be managed through the DACHS and DEGNS Governance processes through the Transformation Board and Local Authority New Build Programme respectively.

4.3 Other Options Considered

Option 1: That the Council no longer provide an inhouse respite service provision for people who have complex needs.

The current service at 188 Whitley Wood is a 4 bedded unit which supports people with complex needs who mainly require 1:1 support. It provides planned respite to support carers. In addition, it offers the option to support people who require an emergency respite placement depending on staff capacity and resource and bed availability. People who require lower levels of support benefit from support from Community Services. In addition, Whitley Wood has some emergency beds which are well used to support with for example, carer breakdown.

An assessment of the condition of the current building and suitability to meet future need was carried out by Hampshire County Council in 2020. The existing property does not meet the service's full needs with a poor layout, narrow corridors and inadequate circulation spaces. The building is therefore considered sub-optimum for its current purpose. It is also the view of Officers and Hampshire that the building has reached the end of its design life and cannot be reconfigured to create a suitable environment to provide facilities to meet future need.

Consequently, the service will be unable to continue to operate from the current building and a decision should be made whether it is prudent to close the building in the next 3 years.

Not reprovisioning the service would have a significant impact on service users and carers in terms of, supporting people to remain in their home of choice, providing respite for carers, preventing or delaying a move to permanent care and supporting people to have opportunities to develop their life skills and personalised outcomes.

There is very little in the current market which supports people with the complexity of needs being presented. The services which may be able to meet this need within the Berkshire area are at or near capacity, so the best that could be offered currently is an occasional spot purchase. This has impacts in terms of travel costs and time, people will not be local to their family/friends and other community services, including health services if they are placed out of borough.

Option 2: Alternative sites

As part of the review of Adult Social Care accommodation review as outlined in **Appendix 1 - Policy report - Adult Social Care Asset Review and Capital Strategy - January 2021** several options were considered, and sites assessed for suitability to deliver the respite service. The outcome of this was that Amethyst Lane and Hexham Road were considered appropriate sites for respite.

The sites where the current services are situated at Strathy Close (PMLD day service) and 188 Whitley Wood Lane (current site for respite) were also considered, however, both sites would require either the PMLD day opportunities or the respite to close for the duration of the construction. This was considered unacceptable as there is no alternative provision in the Borough which can offer similar support to people who have complex needs.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 Reading Borough Council's vision is:

To help Reading realise its potential - and to ensure that everyone who lives and works here can share the benefits of its success.

5.2 The recommendations contribute to the following Corporate Plan Themes:

Healthy Environment

The respite provision will support people who need adult social care support to have time away from their usual environment. It will provide them with support and give them the opportunity to have a break, as well as taking advantage of the support and opportunities on offer through the respite provision. It will also support carers to have a break and by doing so supports carers to carry out their role and sustain it.

The design will consider a fabric first approach by applying passivhaus house principles reducing greenhouse gas emissions and delivering significant long-term energy savings to the service. The low running costs and higher quality buildings mean that costs are significantly reduced over the life of the building.

The site is well located with good public transport links and access to local amenities. It will also encourage and support sustainable travel and will provide charging points for electric vehicles where appropriate.

Thriving Communities

The proposal supports vulnerable adults who have complex needs and their carers through offering a range of support.

We will be working with stakeholders to design a service to support collaborative working with the voluntary community sector and health colleagues through offering shared spaces and opportunities for joint working.

5.3 Full details of the Council's [Corporate Plan](#) are available on the website and include information on the projects which will deliver these priorities.

5.4 The proposal supports the TEAM Reading values as follows:

Together - How does it promote working together?

Joint working across Directorates between DEGNS and DACHS are delivering this project. Consultation and community engagement events will take place with all relevant stakeholders to shape the service.

Efficiency - How does it drive efficiency?

The building will be designed to passivhaus principles and will therefore deliver significant long term energy savings.

Ambitious - How does it support the Council's ambitions?

The development of a new respite service allows us to review the service model and our offer to service users and carers. This will allow us to develop an ambitious service model which delivers a flexible and creative approach to delivering respite support.

Make a Difference - How does it make a positive difference?

The respite facility will support service users and their carers to achieve their personalised outcomes and support carers in their caring role, thus sustaining the service user in their home of choice.

6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 6.1 The proposal has been designed to achieve Zero Carbon in using Passivhaus principles incorporating features such as air source heat pumps, PV panels, increased insulation and triple glazed windows. The approach to sustainability is not limited to energy performance, the integration of cycle stores along with improved cycle and pedestrian routes supports active lifestyles and reduces reliance on car use. Easily accessible recycling facilities are intended to encourage waste recycling, whilst enhanced tree planting and vegetation will help improve air quality, health and wellbeing.

7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1 Public consultations have already been carried out in terms of shaping the future of the Learning Disability respite service. Service users, carers, families, staff, partner organisations and anyone with an interest in these services were encouraged to engage in the consultations (carried out Nov/Dec 2018). The key findings have been used to identify and shape options going forward.
- 7.2 Further engagement events will be held at key stages of the project to ensure that all relevant stakeholders have an opportunity to feedback and shape the development of the service.

8. EQUALITY IMPACT ASSESSMENT

- 8.1 An equality impact assessment has been carried out and is attached as **Appendix 2: Equality Impact Assessment**.

9. LEGAL IMPLICATIONS

- 9.1 A local authority can allocate land held for specific purposes under different statutory powers. If a local authority decides it needs to transfer land from one purpose or function to another, then it may appropriate the land under section 122 LGA 1972. Under this section, a local authority may appropriate land belonging to it, in the public interest of the locality for the purpose for which it is held immediately before appropriation.

- 9.7 Works contracts worth £5,336,937 (Works Threshold) and Services or Goods worth £213,477 (Services or Goods Threshold) or more must be advertised in the UK's e-notification service Find a Tender and then tendered or be procured via a framework agreement which itself has already been advertised in Find a Tender (and undergone a tender process). The Public Contracts Regulations 2015 do not require a Find a Tender advertised tendering process in the case of below Works or Services and Goods Threshold contracts. Such contracts must be awarded in line with the Council's Standing Orders.
- 9.8 It will be necessary to enter into contracts with all successful contractors.
- 9.9 The development of this site, will lead to the delivery of a Service which will require registration with the Care Quality Commission. It is not possible to obtain registration for a Service at this stage of development.

10. FINANCIAL IMPLICATIONS

The financial implications arising from the proposals set out in this report are set out below:-

10.1 Capital Implications

The capital development costs include all project costs and fees.

Through a previous years MTFs process a capital investment of £7m was agreed to fund the development of Adult Social Care services including the development of PMLD day opportunities and respite on Hexham Road.

The remaining capital budget now stands at £5.993m across the years 2023/24 to 2025/26 following expenditure on the Hexham Road project and will be used to continue the build of PMLD day opportunities on Hexham Road as well as part fund the proposal to build respite at Amethyst Lane.

An additional investment of £1.8m is required to build the respite service. This has been submitted as a business case in the 2023/24 budget setting process and is subject to approval by Council as part of the General Fund Capital Programme.

The additional investment is based on information known at this time, but until the final design and tender prices are known it should be noted that these costs are subject to change.

The revenue impact of the capital funding is included within the MTFs 23/24 - 25/26 which will be considered by Policy Committee in February prior to recommendation to Council.

10.3 Risk Assessment.

The proposed capital requirement is subject to cost inflation, the agreed tender price with the contractor and land valuation at the point of appropriation of land from HRA to General Fund.

11. BACKGROUND PAPERS

11.1 None

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READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR FOR SOCIAL CARE AND HEALTH AND EXECUTIVE DIRECTOR FOR ECONOMIC GROWTH AND NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	18 JANUARY 2021		
TITLE:	ADULT SOCIAL CARE ASSET REVIEW AND CAPITAL STRATEGY		
LEAD COUNCILLOR:	CLLR TONY JONES CLLR JOHN ENNIS	PORTFOLIO:	ADULT SOCIAL CARE HOUSING
SERVICE:	DACHS / DEGNS	WARDS:	BOROUGHWIDE
LEAD OFFICER:	MELISSA WISE & ZELDA WOLFLE	TEL:	937 4945
JOB TITLE:	ASSISTANT DIRECTOR COMMISSIONING, TRANSFORMATION & PERFORMANCE ASSISTANT DIRECTOR OF HOUSING AND COMMUNITIES	E-MAIL:	Melissa.wise@reading.gov.uk Zelda.wolfle@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Our vision for the Adult Social Care in-house provision is to deliver modernised, sustainable services that meet peoples' personalised expectations and outcomes whilst delivering value for money. However, our current accommodation offer is not sufficient in terms of building structure, layout, size & adaptability, yet it supports some of our most vulnerable service users.
- 1.2 This report provides an overview of the Adult Social Care Asset Review and Capital Strategy and the recommended option. This option meets the requirement to adopt a cross Directorate approach to considering assets in that it:
 - a. delivers options which will meet the needs of Adult Social Care service users in the short, medium and longer term
 - b. accords with the Council's Housing objectives
 - c. maximises opportunities to offset capital expenditure.
- 1.3 The recommended option proposes the development of two sites to provide a consolidation of Adult Social Care services which allows the needs of Adult Social Care service users to be met and enables housing opportunities to be maximised.

Appendices:

- Appendix 1 - Detail of Recommended Option
- Appendix 2 - Adult Social Care Pathway and Case Studies
- Appendix 3 - Summary of costs
- Appendix 4 - Adult Social Care Capital Strategy - Governance
- Appendix 5 - Project Programme for delivery of assets
- Appendix 6 - Images of current Adult Social Care Assets
- Appendix 7 - Equality Impact Assessment

2. RECOMMENDATION

That Policy Committee:

- 2.1 notes the completion of the Adult Social Care Asset Review and Capital Strategy and its findings.
- 2.2 endorses the recommendation to utilise Battle Street and Hexham Road sites to deliver both Adult Social Care and general housing provision subject to approval by Council in February 2021 in the HRA Capital Programme.
- 2.3 delegates authority to the Executive Director for Economic Growth and Neighbourhood Services, Executive Director for Social Care and Health and the Assistant Directors for Legal and Financial Services, in consultation with the Lead Member for Housing and Lead Member for Adult Social Care subject to approval by Council in February 2021 in the HRA Capital Programme to:
 - 2.3.1 procure a multi-disciplinary team to carry out all necessary work towards site development, including detailed designs, securing planning permission and assisting in the procurement of a main contractor for the development.
 - 2.3.2 appoint a demolition and main contractor to undertake all necessary works to deliver the proposal.
 - 2.3.3 allocate capital and spend up to £44 million (including contingency) of Housing Revenue Account (£38m) and General Fund (£6m) spend to deliver Profound and Multiple Learning Disabilities day opportunities, respite, mental health supported living, older people day opportunities and new Council homes on the sites outlined in the report.

3. POLICY CONTEXT

- 3.1 The Adult Social Care Capital Strategy aligns with the overall direction of the Council by meeting the following Corporate Plan priorities:
 - Protecting and enhancing the lives of vulnerable adults and children
 - Ensuring access to decent housing to meet local needs

- Ensuring the Council is fit for the future

3.2 There is no statutory duty to provide services internally to meet eligible needs however the Local Authority does have a Statutory Duty under the Care Act 2014 to:

- Ensure there is a range of high quality & appropriate services to choose from.
- Ensure that those Adults are able to receive services that prevent their care needs from becoming more serious.
- Meet an Adult's need if they meet the eligibility criteria.

3.3 **Relevant background reports:**

- *Adult Social Care, Children's Services and Education Committee (ACE Committee) July 2017* - Review of Focus House, Castle Crescent (mental health supported living service), and decision by ACE Committee to retain this particular service as in-house and transition 14 Castle Crescent from a residential to a supported living service. The review included a public consultation, which resulted in a petition to protect the service attracting 351 signatures. A consultation followed this, with formal feedback provided and subsequent informal updates with staff and service users & their families.
- *ACE Committee, Sept 2018* - Following a public consultation, a Committee decision was made to temporarily close The Willows (Residential Dementia service) in March 2019 and relocate the Discharge to Assess service to Charles Clore Court.

4. THE PROPOSAL

Current Position

4.1 Phase 1 of the Adult Social Care Asset Review and Capital Strategy reviewed Adult Social Care's current assets to understand the suitability and condition of the properties, carried out a needs analysis to identify the projected needs in the medium to longer term and reviewed service delivery models. The outcome of this work identified 5 priorities in terms of assets and services as follows -

- 2 properties in Castle Crescent (Focus House - Mental Health supported living / step down from hospital)
- Whitley Wood Lane (Learning Disability Respite)
- Hexham Road (The Willows)
- Strathy Close (Learning Disabilities Day Services)
- Rivermead (The Maples Older Persons Day Services)

Photographs of the active Adult Social Care Assets are detailed in **Appendix 6: Images of Current Adult Social Care Assets.**

4.2 Phase 2 focused on Hampshire County Council carrying out feasibility studies of the available assets and options. It allowed the broader options to be considered including the co-location of services both of Adult Services and Housing Services, to look at wider development opportunities, taking into account current and

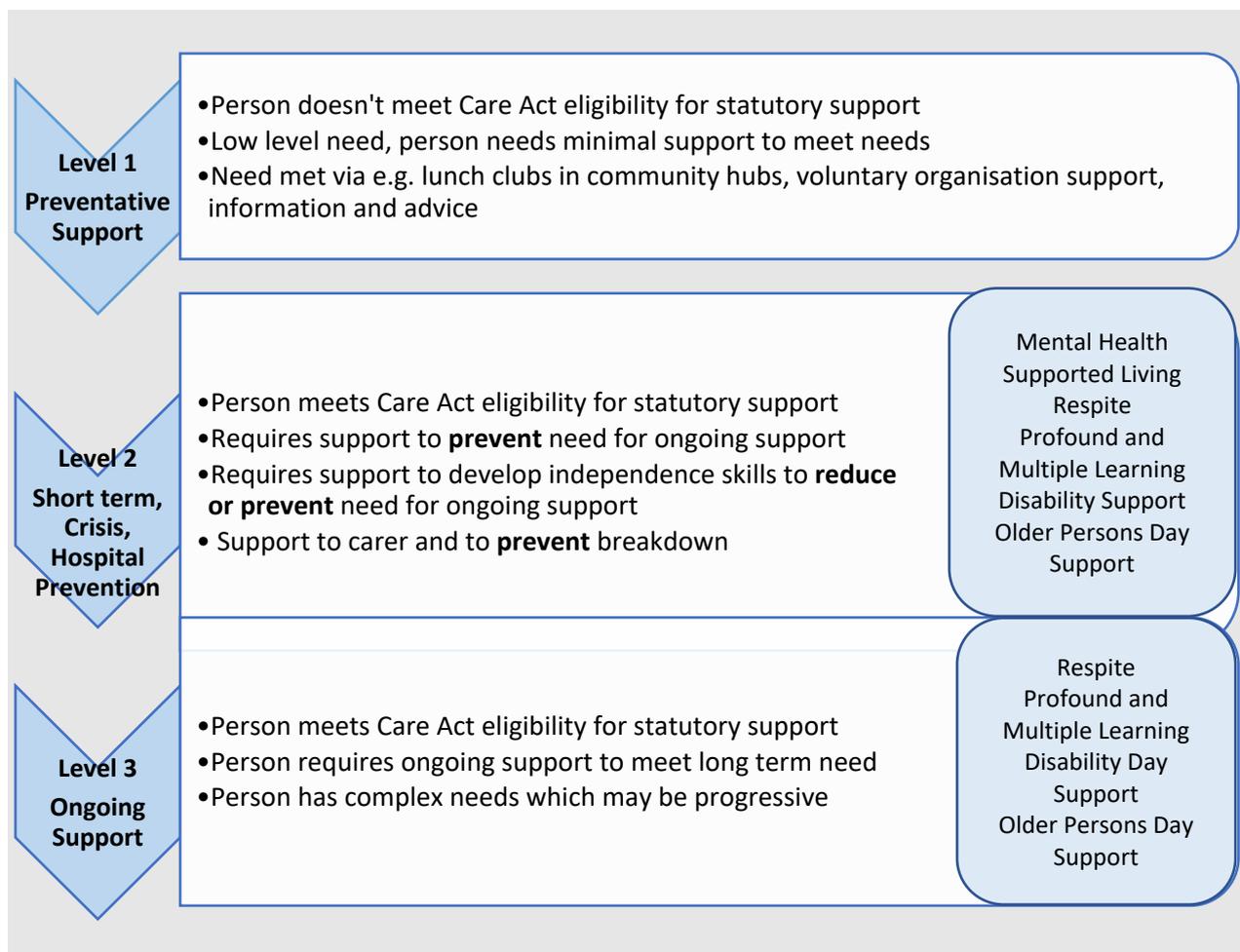
potentially available land and property assets. The asset scope was therefore widened to include general fund sites including:

- Dwyer Road
- Amethyst Lane
- Battle Street

4.3 Options were presented from the review which aimed to meet the needs identified by Adult Social Care but at the same time were aligned to the broader housing and wider capital receipt objectives. A number of these assets were previously identified for disposal to generate capital receipts to support the Medium Term Financial Strategy. From the options identified, development of the Battle Street and Hexham Road sites met all the specified objectives.

Adult Social Care need

4.4 The accommodation needs, needs analysis and service model for people supported through Adult Social Care is outlined below. Adult Social Care support people through a range of commissioned services provided through the external market and through inhouse services. This is broadly managed through a pathway as outlined below where Social Care support people at level 2 and 3, to provide short term support to prevent a hospital admission or support a crisis, or ongoing support where required, with the most complex needs met through in-house services. This review focuses on meeting the needs of people at levels 2 and 3.



Details and case studies reinforcing the levels within the Pathway is included in **Appendix 2: ASC Pathway & Case studies**

4.5 Mental Health Supported Living

Current provision

Focus House, across two properties in Castle Crescent provides supported living accommodation for 14 adults. The accommodation provides single bedrooms, shared bathrooms and shared living space, the latter providing the opportunity for staff to carry out therapy and enabling activities to support people's recovery.

Staff are on site 24 hours to support people who live at Focus House. It also provides an outreach service for people who live in 2 group homes and for people who have moved from Focus House into more independent living.

Building condition and suitability to meet future need

The building is no longer considered optimum for the needs of the residents due to its layout including narrow corridors, stairs and level changes. The shared bathrooms and lack of independent facilities inhibits the service's ability to offer service users the opportunities to re-establish the skills required to move on into general needs accommodation. In addition to lack of suitability the building condition needs improvement. With significant investment it may be possible to improve the condition of the building. However, this would reduce capacity and the building would remain suboptimal for the needs of service users as it cannot be upgraded fully to meet the required standards and service model.

Projected need

Mental Health Supported Living - projected need	
Year	Need
Current provision	14 people
2025	14 people
2030	14 people
Rationale: Evidence from the Adults Accommodation Needs Analysis suggests that the number of people requiring supported living will remain fairly static although the new model of working will result in more move on so this will not be the same 14 people year on year.	

Future service model

The service to offer a step down and outreach model to support people with complex mental health needs, including those who are discharged from hospital. Staff support people to develop their life skills to enable them to move on to more independent living.

4.6 Profound and Multiple Learning Disability Day Opportunities

Current provision

The current service is provided at Strathy Close, and provides support to people with complex learning disability and physical disability needs who require a high ratio of care, many needing one staff member to support them all the time that they are at the service (1:1 care). Service users will have a personalised programme to support intended outcomes which could include support to

develop life skills such as cooking and accessing the community; using the sensory room to provide them with a range of sensory experiences and support with maintaining their range of movement via muscle manipulation.

Building condition and suitability to meet future need

The current building needs some remodelling and refurbishment work to meet the needs of the current service users and develop it to support people who have challenging behaviours. However, this would only be short term fix and based on the projected need in the medium to long term, to ensure the service is able to accommodate this projected need a new facility would be required as the current site has limited room for expansion and can only accommodate minor increases in numbers.

Projected need

Profound and Multiple Learning Disabilities Day Opportunities: projected need		
Year	Number of people requiring service	Number of places at proposed resource
Current provision	27 people	24
2025	52 (27 current and 25 new people)	31
2030	77 (27 current and 50 new people)	31
Rationale: Projections are based on young people who have Education and Health Care Plans and projecting these figures forward to anticipate potential number of places required. Note whilst the numbers of people requiring the service grow rapidly we are retaining a broadly similar sized service.		

Future service model

The service will continue to support people with the most complex needs requiring up to 1:1 support. There is currently provision to support people with lower level needs through community support such as support offered by Mencap. As the projected need is anticipated to increase, the service model will offer a more flexible service operating over longer hours and make better use of the building to accommodate the increase in need while not significantly increasing the number of places. This could, for example, mean that the resource is open 8am to 8pm and people attend on a sessional basis for half of the day, over a number of days to achieve this objective.

4.7 Respite support

Current provision

The current service is provided at Whitley Wood Lane offering respite to people with profound and multiple learning disabilities, many needing 1:1 support. It offers a service primarily 3pm to 9am and in general doesn't provide day time respite as most service users do other things during the day to meet this need. The amount of respite a person requires is based on assessed need, but on average each person receives 50 days respite per year. The service also provides support to people who require emergency placements.

Building condition and suitability to meet future need

The existing property does not meet the service’s full needs with a poor layout, narrow corridors and inadequate circulation spaces. The building is therefore considered suboptimum for its current purpose. It is also the view of Officers and Hampshire that the building has reached the end of its design life and cannot be reconfigured to create a suitable environment to provide facilities to meet future need.

Projected need

Respite services: projected need		
Year	Number of people requiring service	Number of places
Current provision	9 people	2 + emergency beds
2025	74 (9 current + 65 new people)	9
2030	139 (9 current + 130 new people)	9
Rationale: Projections are based on young people who have Education and Health Care Plans and projecting these figures forward to anticipate the potential number of places. Note whilst the numbers of people requiring the service grow rapidly we are retaining a broadly similar sized service.		

Future service model

Co-locate with Profound and Multiple Learning Disability Day Services as many of the service users access both services. This provides benefits for service users as they will have less travel time between services and improved continuity of care. This will also provide some staffing cost efficiencies as there is the opportunity to share staff across sites and has positive environmental impacts, as co-location allows travel to be reduced between sites.

It is planned to develop a flexible service offer to meet individuals’ needs. This offer will be enhanced by the provision of two respite flats. These can be used as self-contained flats to support people to either develop their life skills, for example young people transitioning to adulthood or for people who have very complex needs and find it difficult to be with other people or complex physical needs.

Although the projected number of people who will require respite is anticipated to increase, the number of places required for 2030 is not expected to increase as the service model will allow for respite to be delivered in a more flexible way which will maximise the use of the building and ensure equity in the number of nights offered for each person.

4.8 Older Persons Day Opportunities

Current provision

The current service is provided at the Rivermead Site and offers day opportunities to older people who require physical or cognitive support. It has a focus on providing support to people who have dementia and require a safe environment to prevent wandering and provides respite to carers.

Building condition and suitability to meet future need

The existing service needs to be re-located due to the redevelopment of the Rivermead Leisure facilities. The timescale for the current service moving from the Rivermead site is currently estimated to be at the beginning of January 2023 when the new leisure facilities are due to open later that month. However, this is caveated as discussions are still on-going with Covid impact still relevant to construction time frames.

Projected need

Older Persons Day Opportunities: projected need		
Year	Number of people requiring service	Number of places
Current provision	56 people	35
2025	56 people	35
2030	56 people	35
Rationale: Demographic data is showing an increase in people over 65 years of age. However, the current trend of attendance at the service is not showing an increase in demand as although new people commence the service, a number of people leave the service each year due to changing needs. It is worth noting that we are seeing an increasing number of younger people accessing the service e.g. 50+.		

Service model

Co-locate with extra care or sheltered housing accommodation to support an environment of people with mixed needs and provide healthy communities who can support each other. This gives an opportunity for the service to act as a Hub and deliver personalised support by offering placed based support and / or support people to access community resources.

4.9 Housing Services Need

There are three blocks of sheltered housing flats which do not meet the needs of all older people. Two of the blocks are far from local services and amenities and all three do not have the facility to install lifts and as such are unsuitable for those who are frail, have mobility issues or who are disabled. The service ambition is to re-provide new homes for older people within modern facilities that meet the needs of existing tenants and new tenants including those who wish to downsize from family sized homes. The re-provision of homes would enable the service to eventually phase out the use of three current blocks releasing further site opportunities to develop new housing. It would also enable older people currently under occupying larger family home to relocate into more suitable accommodation.

Developing new homes for older people alongside the provision of older persons day services provides an opportunity to provide a dynamic and exciting new model of delivery with a level of cross fertilisation of services that improves the wellbeing of customers of both services.

In addition, the development of an older persons' day centre within the confines of a sheltered housing scheme would enable the development to be built out within the Housing Revenue Account saving the General Fund the cost of development. On completion a small rental cost would be required from the General Fund to the Housing Revenue Account for the use of the facility

5. RECOMMENDED OPTION

5.1 Based on the feasibility studies carried out by Hampshire County Council the recommended option is outlined below. This option recommends the consolidation of services over two sites which allows the needs of Adult Social Care service users to be met and enables housing opportunities to be maximised.

In addition, this approach releases sites to provide further opportunities for development or to generate capital receipts to support the Medium Term Financial Strategy.

A visual outlining the detail of the recommended option is included as Appendix 1: Details of recommended option

5.2 Recommended Option: Battle Street and Hexham Road

This option will provide the following:

- Battle Street - 74 flats split between sheltered housing flats and general needs, 35 places for Older Persons Day Opportunities, 14 Mental Health Supported Living Flats and 6 family size houses.
- Hexham Road - 36 sheltered housing flats, 31 places for the Profound and Multiple Learning Disabilities services and 9 Respite places.

Benefits of this combination of sites

The current sites are vacant and are therefore available to develop without phasing. This means that for example that a current Adult Social Care service will not be required to move to a temporary site to free up a site for redevelopment.

The sites will provide a significant number of housing units of a varied type.

Project risks are likely to be reduced by using two sites in comparison to using three sites to build. This would reduce preliminaries (site set up, site management etc) and design costs and would only require two main contractors rather than three and two planning applications instead of three.

The desired co-location of sites is achieved.

Benefits of Battle Street site

The use of the Battle Street site to support older people day opportunities, mental health supported living as well as provide a range of housing creates a dynamic mixed community.

A central location with good accessibility to the town centre and transport links would support all people who live, attend services or work on the site to access it easily via walking or by using public transport.

Co-locating the Older Persons Day Opportunities with sheltered housing flats, allows for a hub approach to be taken to support older people and for the

services to be mutually beneficial. Economies of scale mean it could potentially support a range of services such as podiatry, hairdressing and a hot meal service.

The nearby sheltered housing, Trinity Place allows synergies to be made as residents will have the opportunity to use facilities which will be on site such as podiatry, hairdressing and social activities.

A central location is a priority for the mental health flats to enable the service users to access the town centre (ideally walking distance), access public transport and medical and health facilities easily.

The introduction of additional general need family houses and flats would provide much needed homes for people on the housing register and allow for the development of a mixed and sustainable community on the site.

Benefits of Hexham Road site

Co-locating respite and Profound and Multiple Learning Disabilities services is a priority as it will allow efficiencies in terms of staff resources and benefits for service users. There will be the option to share staff across sites with an associated reduction in staff travel time. In terms of benefits to service users, many of the service users attend both services so travel time will be reduced, this will reduce the impact of sitting in transport for service users and there will be a positive environmental impact. It also allows staff to provide a more streamlined handover resulting in improved continuity of care.

It creates greater flexibility around the use of the building and sharing of space and resources which creates efficiencies and a more dynamic space.

The site has good access which is important as many of the people who attend are wheelchair users as well as having good access to local transport and shops.

Disadvantages

There are no service disadvantages in delivering Adult Social Care Services on either of these two sites, or to providing the suggested new build properties.

From a site perspective, it should be noted that the Battle Street site is close to neighbouring houses and other dwellings and will be subject to car parking requirements. There are some potential constraints on the Hexham Road site to note around legal restrictions as there is a sewer across part of the site; significant mature trees and a view from planning on parking requirements as well as noting that the building line is forward of the other properties on Northumberland Road. At this stage it is not anticipated that these will prohibit the development of this site.

6. CONTRIBUTION TO STRATEGIC AIMS

6.1 The Adult Social Care Asset Review aligns with the overall direction of the Council by meeting the following Corporate Plan priorities:

- To protect and enhance the lives of vulnerable adults and children
- Improving access to decent housing to meet local need
- Ensuring the Council is fit for the future

6.2 It would also support the delivery of the following strategic aims:

- To promote equality, social inclusion and a safe and healthy environment for all

7. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

7.1 On the 26th of February 2019 the Council declared a Climate Emergency and resolved to take action to accelerate a carbon neutral Reading to 2030. Reading Climate Change Partnership's Reading Climate Emergency Strategy 2020-25 and the new RBC corporate Carbon Plan 2020-25 was adopted in November 2020. The Council will therefore seek to ensure that all the schemes deliver on this commitment by developing designs that adhere to passivhaus principles.

7.2 The designs will consider a fabric first approach by applying passivhaus house principles reducing greenhouse gas emissions and delivering significant long-term energy savings to the tenants. The low running costs and higher quality buildings mean that costs are significantly reduced over the life of the building for the occupiers.

7.3 Studies undertaken by the Passivhaus House Trust indicate that buildings achieve a 75% reduction in space heating requirements and costs, compared to standard UK new build.

7.4 The use of sustainable material will play an important role in the design. This, combined with the high quality of building physics achieved through insulation, thermal bridge-free design and airtightness ensures that a Passive House will last.

7.5 In addition to the above, the sites offer sustainable locations for residents in terms of access to employment, schools and other local services via good public transport, pedestrian and cycling networks. While seeking to encourage and support sustainable travel, the scheme will provide charging points for electric vehicles where appropriate.

8. COMMUNITY ENGAGEMENT AND INFORMATION

8.1 Public consultations have already been carried out in terms of shaping the future services in relation to Focus House and the Learning Disability respite service. Service users, carers, families, staff, partner organisations and anyone with an interest in these services were encouraged to engage in the consultations (carried out Nov/Dec 2018). The key findings have been used to identify and shape options going forward.

8.2 Further consultation/s is expected once a proposal has been developed and agreed.

9. EQUALITY IMPACT ASSESSMENT

9.1 The Council's duty to eliminate discrimination, promote equality of opportunity and consider those who fall under the Equality Act has been considered throughout the process to date. An initial Equality Act Assessment has been

completed and will be reviewed and amended at all relevant stages of the project.

This is attached in Appendix 7: Equality Impact Assessment

10. LEGAL IMPLICATIONS

- 10.1 There are potential implications with Care Quality Commission regulations which are being explored.
- 10.2 Section 122 of the Local Government Act 1972 enables the Council to appropriate land for any statutory purpose for which it is authorised to acquire land.
- 10.3 Section 9 of the Housing Act 1985 enables the Council to develop housing Accommodation.
- 10.4 As the land for the proposed development sites is currently held by the General Fund, it would be necessary to first appropriate it into the Housing Revenue Account. Section 19 of the Housing Act 1985 allows any land to be appropriated into the Housing Revenue Account providing it is for use under Part II of the Housing Act 1985 (Provision of Housing). The appropriation results in a transfer of debt, equivalent to the value of the land, from the General Fund to the Housing Revenue Account, resulting in an ongoing interest and MRP saving to the General Fund.
- 10.5 Once the land has been appropriated, the Housing Revenue Account is able to construct the proposed developments in line with Section 9 of the Housing Act 1985, which permits Reading Borough Council to provide housing accommodation by construction, conversion and acquisition, and Section 12 of the Housing Act 1985, which permits the Council to provide other buildings which will serve a beneficial purpose in connection with the requirements of the persons for who the housing accommodation is provided.
- 10.6 It should be noted that the housing and living costs are anticipated to be met by the residents themselves (through rents and service charges) however in most cases these costs will be funded by the range of benefits they are entitled to. Therefore, only care costs are required to be funded by Adult Social Care. This essentially means that supported living is on average less expensive than a broadly comparable residential home but that the amount and quality of support is at least as good if not better because it can be more personalised for each resident.
- 10.7 Unlike most Housing Revenue Accounts homes, the Right to Buy will not be applicable for homes let as sheltered housing or designated for people with Mental Health issues, as Schedule 5 of the Housing Act 1985 will exempt them, even if secure tenancies are granted. Properties let as General Needs homes will be subject to Right to Buy.

11. FINANCIAL IMPLICATIONS

Capital and Medium Term Financial Strategy Implications

11.1 The following assumes that all the sites discussed in this report are appropriated to the Housing Revenue Account, details of which are included in a separate report to Policy Committee. It also assumes the scheme will be approved by Council in February 2021 as part of the HRA Capital Programme.

The capital development costs include all project costs and Hampshire County Council costs.

11.2 The Council's Housing Revenue Account is able to deliver much of the proposed developments leaving the Council's General Fund with the ongoing operational costs of delivering the Adult Social Care service. As far as the financial impact on the Housing Revenue Account is concerned, providing the General Fund builds the Profound and Multiple Learning Disability Day Opportunities and Respite Service, the Housing Revenue Account development costs are subsidised by Right to Buy Receipts or Homes England Grant, and rents and service charges to residents are sufficient to cover the housing and living costs, none of the options proposed will result in the Housing Revenue Account being put into an adverse financial position.

11.3 The service is currently provided across four sites; Castle Crescent, Strathy Close, Whitley Wood and Rivermead, with a proposal to run the service from two surplus general fund sites; Battle Street and Hexham Road. This option would allow Castle Crescent to be sold and is on the capital receipts schedule and sale date of 23/24. Strathy Close and Whitley Wood are not currently listed on the Medium Term Financial Strategy schedule.

11.4 The work required at Battle Street to develop the site for Older Persons Day Services, 14 Mental Health Supported Living Flats and general needs council housing (including 74 flats split between sheltered housing flats and general needs and 6 family sized houses) would be funded by the Housing Revenue Account subject to the approval of the capital programme in February 2021.

11.5 Adult Social care would need to fund 30% of the works at Hexham Road providing Profound and Multiple Learning Disabilities Day Service, Respite services and 36 sheltered flats. The Capital Programme has an approved £6.2m budget remaining for the social care funded works with approval needed to fund the remaining 70% from the Housing Revenue Account. To note that Adult Social Care will fund 100% of the costs of the Profound and Multiple Disabilities Day Services and Respite but this will equate to 30% of the total costs of the works at Hexham Road.

11.6 The tables below show the, demolition costs and development costs showing the impact on the Capital Programme;

Costs

Site	Demolition £000's	Development £000's	Total £000's
Battle Street	1,200	25,220	26,420
Hexham Road	150	18,653	18,803
Total	1,350	43,873	45,223

Funding

	Homes England £000	HRA funding % £000	Adults Capital Programme £000	Total £000
Battle Street	1,000	25,420	0	26,420
Hexham Road	0	13,057	5,746	18,803
Total cost	1,000	38,477	5,746	45,223

11.7 The table below illustrates the phasing of the development costs.

Phasing

Capital Programme	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total
Costs Battle Street and Hexham Road	406*	2,219	5,453	29,246	5,929	620	43,873
Funding HRA Homes England	355	940 1,000	4,767	25,567	5,106	542	37,277 1,000
GF Borrowing/ Section 106 TBC	51	279	686	3,679	823	78	5,596
Total	406	2,219	5,453	29,246	5,929	620	43,873

*20/21 costs are mainly fees for Hexham Road.

Revenue Implications

11.8 The table below shows the current cost of operating of the buildings and services provided, the current number of service users each site has and the average cost per service user.

Need	Employee	Running	Income	Net Budget	Current Users	Average Cost Per User
	£	£	£	£	People	£
Mental Health Supported Living	325,000	42,400	(44,100)	323,300	14	23,093
Profound and Multiple Learning Disability	553,500	45,000	(80,000)	518,500	27	19,204
Respite	411,800	38,800	0	450,600	9	50,067
Older Persons Day Services	232,700	44,100	(58,800)	218,000	56	3,893
Total	1,523,000	170,300	(182,900)	1,510,400	106	

11.9 The table below shows the expected cost of operating the future service provision based on the expected service users in 2025 if the proposal did not go ahead.

Care Type	Current Users	Unit Cost	Annual Cost
	People	£	£
Mental Health Supported Living	14	22,333	312,666
Profound and Multiple Learning Disability	52	16,424	854,053
Respite	74	12,600	932,400
Older Persons Day Services	56	5,281	295,751
Total	196	12,219	2,394,870

11.10 If the proposal is adopted projected costs are anticipated to be £295,383 lower at £2,099,487.

Care Type	Employee	Running	Income	Net Budget	Current Users	Average Cost Per User
	£	£	£	£	People	£
Mental Health Supported Living	325,000	31,800	(44,100)	312,700	14	22,336
Profound and Multiple Learning Disability	670,445	33,750	(80,000)	624,195	52	12,004
Respite	926,517	29,100	0	955,617	74	12,914
Older Persons Day Services	232,700	33,075	(58,800)	206,975	56	3,696
Total	2,154,662	127,725	(182,900)	2,099,487	196	50,949

11.11 Assuming the people supported changes incrementally each year this would equate to 6 new Profound and Multiple Learning Disability users per annum and 16 respite users. If the buildings are completed and fully operational by the end of 2023/24, the running costs and income are unlikely to be less with fewer service users however it may be less staff are required.

It is estimated that at the start of 2024/25 there would be 46 people using the Profound and Multiple Learning Disabilities service as opposed to full capacity of 52 people, if staffing could be reduced proportionally this would equate to an in year saving of up to £77k depending on when the new people begin using the service.

It is estimated that at the start of 2024/25 there would be 58 people using Respite as oppose to full capacity of 74 people, if staffing could be reduced proportionally this would equate to an in year saving of up to £200k depending on when the new people begin using the service.

11.12 The key assumptions behind these figures are:

Employee costs for mental health supported living and Older Persons day services stay consistent with the current levels as the same number of service users are supported. The employee costs for Profound and Multiple Learning Disabilities and respite would increase significantly due to the increase in demand and therefore service users receiving the service.

Running costs for all sites have been assumed to reduce by at least 25% due to more energy efficient buildings which would be easier to clean. The preferred option utilises two sites in the borough as opposed to the current use of four sites.

Income levels are assumed to stay consistent, there may be scope to generate additional income providing a service to residents of other boroughs.

The number of service users is based on work completed by the service to establish the demand on the service in 2025, further demand is expected by 2030 but it is proposed to spread the service received to encompass more users without changing the above costs.

11.13 The two services with additional demand are Profound and Multiple Learning Disabilities who are providing a service to 25 more people and Respite services who will be supporting 65 more people. This increases the running costs by £0.589m per annum.

11.14 The aim of utilising in-house facilities is to keep people at home with support which is financially beneficial compared to the costs incurred when someone is placed in residential and nursing placements. The table below shows the average annual cost per person of the in-house service and how this compares to the average residential or nursing package.

11.15 The above gives confidence in the delivery of the £0.250m saving within the current Medium-Term Financial Strategy and there is the potential for further cost avoidance once the services are operational as the demographic growth or cost of children transitioning to Adults could be reduced.

Benchmarking

11.16 Net costs for housing are based on the Reading Borough Council, North Street scheme. The Respite Accommodation, Profound and Multiple Learning Disabilities Day Services, Mental Health Flats, and Old Persons Day Opportunities, are based on Hampshire County Council Property Services built schemes.

Contingency

11.17 There is a design and construction contingency within the costs. The Contingency included as Design Risk is (5%), Construction risk is (5%) and Refurbishment Risk (where applicable) is (7.5%).

Fees

11.18 An allowance for professional fees of (16.5%) and surveys of (0.25%) is included.

The costs exclude:

11.19 VAT and site clearance/demolition.

A summary of the costs for each option including contingencies is detailed in **Appendix 3 - Summary of costs.**

12. VALUE FOR MONEY (VFM)

12.1 The delivery of the work through the Housing Revenue Account would enable Reading Borough Council to bid for Homes England funding and to appropriate the land from the general fund to offset borrowing costs.

13. PROJECT DELIVERY

13.1 The project governance is detailed in **Appendix 4 - Adult Social Care Capital Strategy - Governance.**

13.2 Hampshire County Council will project manage the delivery of the project with Officers from Reading Borough Council in Property Development, Housing and Adult Social Care acting as the Client Project Officers.

13.3 A high level project programme is outlined in **Appendix 5 - Project Programme for delivery of assets.**

14. BACKGROUND PAPERS

14.1 Appropriation of Land from the General Fund to the Housing Revenue Account - submitted at Policy 18/01/2021.

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Provide basic details

Name of proposal/activity/policy to be assessed

Directorate: Adult Care & Health Services and DEGNS

Service: Adult Care, Housing and Communities

Name and job title of person doing the assessment

Name: Karla Vickers

Job Title: Senior Transformation Project Manager

Date of assessment: 30/01/23

Scope your proposal

What is the aim of your policy or new service/what changes are you proposing?

Policy approval was given in January 2021 to develop a respite service for people with profound and multiple learning disabilities (PMLD) at Hexham Road.

The Care Quality Commission who are required to register the service on completion, have advised that they had some concerns about the proposal in terms of the size, setting and layout of the building in that it deviated from the best practice guidance as there were 3 services on the same site, albeit managed separately.

It is therefore proposed that a PMLD respite facility for up to 6 people is built at Amethyst Lane. This will offer short term support to people with complex needs and provide their carers with a break from their caring role.

To note: The Equality Impact Assessment will be reviewed and updated at appropriate points as the project progresses.

Who will benefit from this proposal and how?

People who use Adult Care Services will benefit and in particular those who require -

*People who require respite to support their carer

*People who require a resource which supports people with Profound and Multiple Learning Disabilities

What outcomes does the change aim to achieve and for whom?

The proposal will deliver the following outcomes -

1. Adult Social Care Service user outcomes - A respite service which is designed to support people with complex needs (e.g. wheelchair access, sensory rooms, accessible bathrooms); a service model which is person centred, takes an enabling approach and builds on people's strengths to support them to maximise their outcomes.
2. Carer outcomes - respite for carers through an appropriate respite offer.
3. Organisational outcomes - facilities which are designed to meet the projected needs of adult social care service users in the medium to long term as well as enabling a service model to be implemented which supports the vision of Adult Care.
4. Financial benefits - a strengthened respite offer supports our preventative and enabling approach by supporting people to remain in their homes for longer. This has the potential avoid costs in the longer term.

Who are the main stakeholders and what do they want?

People who access Adult Social Care and use the facilities outlined above. A consultation exercise was completed in 2018/19 to ascertain the views of people who used some of Adult Social Care's services including the respite at Whitley Wood Lane. This proposal broadly supports their feedback and specifically people said they would like a facility with increased accessibility.

Assess whether an EqlA is Relevant

How does your proposal relate to eliminating discrimination; promoting equality of opportunity; promoting good community relations?

Do you have evidence or reason to believe that some (racial, disability, gender, sexuality, age and religious belief) groups may be affected differently than others? (Think about your monitoring information, research, national data/reports etc.)

No *(delete as appropriate)*

Is there already public concern about potentially discriminatory practices/impact or could there be? Think about your complaints, consultation, and feedback.

No *(delete as appropriate)*

If the answer is **Yes** to any of the above you need to do an Equality Impact Assessment.

If No you **MUST** complete this statement

An Equality Impact Assessment is not relevant because: At this current time there is no evidence to suggest that any groups may be affected differently from others. As the project progresses an EqlA will be completed at relevant stages to assess the impact of this work.

Signed (completing officer) Karla Vickers

Date 30/01/23

Signed (Lead Officer) Melissa Wise

Date 02/02/23

Assess the Impact of the Proposal

Your assessment must include:

- **Consultation**
- **Collection and Assessment of Data**
- **Judgement about whether the impact is negative or positive**

Think about who does and doesn't use the service? Is the take up representative of the community? What do different minority groups think? (You might think your policy, project or service is accessible and addressing the needs of these groups, but asking them might give you a totally different view). Does it really meet their varied needs? Are some groups less likely to get a good service?

How do your proposals relate to other services - will your proposals have knock on effects on other services elsewhere? Are there proposals being made for other services that relate to yours and could lead to a cumulative impact?

Example: A local authority takes separate decisions to limit the eligibility criteria for community care services; increase charges for respite services; scale back its accessible housing programme; and cut concessionary travel.

Each separate decision may have a significant effect on the lives of disabled residents, and the cumulative impact of these decisions may be considerable.

This combined impact would not be apparent if decisions are considered in isolation.

Consultation

How have you consulted with or do you plan to consult with relevant groups and experts. If you haven't already completed a Consultation form do it now. The checklist helps you make sure you follow good consultation practice.

[My Home > Info Pods > Community Involvement Pod - Inside Reading Borough Council](#)

Relevant groups/experts	How were/will the views of these groups be obtained	Date when contacted
To consult with people who will use the service and their carers and external stakeholders.	Via a variety of means determined by type of engagement / consultation required.	To be determined in line with programme timeframes.

Collect and Assess your Data

Using information from Census, residents survey data, service monitoring data, satisfaction or complaints, feedback, consultation, research, your knowledge and the knowledge of people in your team, staff groups etc. describe how the proposal could impact on each group. Include both positive and negative impacts.

(Please delete relevant ticks)

Describe how this proposal could impact on Racial groups

Is there a negative impact?	Yes	No	Not sure
-----------------------------	-----	----	----------

Describe how this proposal could impact on Gender/transgender (cover pregnancy and maternity, marriage)

Is there a negative impact?	Yes	No	Not sure
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Describe how this proposal could impact on Disability

Is there a negative impact?	Yes	No	Not sure
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Describe how this proposal could impact on Sexual orientation (cover civil partnership)

Is there a negative impact?	Yes	No	Not sure
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Describe how this proposal could impact on Age

Is there a negative impact?	Yes	No	Not sure
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Describe how this proposal could impact on Religious belief?

Is there a negative impact?	Yes	No	Not sure
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Make a Decision

If the impact is negative then you must consider whether you can legally justify it. If not you must set out how you will reduce or eliminate the impact. If you are not sure what the impact will be you **MUST** assume that there could be a negative impact. You may have to do further consultation or test out your proposal and monitor the impact before full implementation.

Tick which applies (Please delete relevant ticks)

1. No negative impact identified Go to sign off

2. Negative impact identified but there is a justifiable reason

You must give due regard or weight but this does not necessarily mean that the equality duty overrides other clearly conflicting statutory duties that you must comply with.

Reason

3. Negative impact identified or uncertain

What action will you take to eliminate or reduce the impact? Set out your actions and timescale?

How will you monitor for adverse impact in the future?

Signed (completing officer)

Date

Signed (Lead Officer)

Date

Agenda Item 7

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE		
DATE:	13th MARCH 2023		
TITLE:	2022/23 QUARTER 3 PERFORMANCE AND MONITORING REPORT		
LEAD COUNCILLOR:	COUNCILLOR TERRY	PORTFOLIO:	CORPORATE SERVICES AND RESOURCES
SERVICE:	FINANCE POLICY, PERFORMANCE & CUSTOMER SERVICES	WARDS:	BOROUGHWIDE
LEAD OFFICER:	STUART DONNELLY	TEL:	01889 373468
JOB TITLE:	FINANCIAL PLANNING & STRATEGY MANAGER	E-MAIL:	stuart.donnelly@reading.gov.uk

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report sets out the projected revenue and capital outturn positions for 2022/23 for both the General Fund and the Housing Revenue Account as at the end of Quarter 3 (December 2022).

General Fund (Revenue)

- 1.2 The forecast General Fund (GF) revenue outturn position at the end of Quarter 3 includes a projected adverse net variance on service expenditure of £3.985m. The forecast adverse variance on services includes net pressures totalling £1.316m within Adult Care and Health Services relating to care cost pressures; £1.369m within Economic Growth and Neighbourhood Services, primarily relating to ongoing income shortfalls in Car Parking and Planning as an ongoing impact of Covid-19; £0.871m within Brighter Futures for Children (BFfC), primarily relating to Childrens' Social Care; £0.290m within Resources and £0.139m within Chief Executive Services. Detailed explanations for these variances are contained in Section 4 of this report.
- 1.3 A corporate contingency of £3.627m was set for 2023/24 following a detailed assessment of risk. This contingency is now released to offset most of the adverse variance on service expenditure. In addition, other Corporate Services budgets are forecast to deliver a positive net variance of £3.665m, including a positive variance of £2.505m against the Capital Financing budget (further details are set out in paragraph 4.44).
- 1.4 Other Corporate Budgets are forecasting a positive net variance of £1.160m. This variance includes a pressure of £0.954m relating to the 2022/23 pay award. This pressure on pay inflation is more than offset by positive net variances of £2.114m within Other Corporate Budgets due to the release of all unspent contingencies and the forecast reduction in the bad debt provision.
- 1.5 Overall, this results in a projected overall positive net variance of £3.307m, which is an improvement of £2.040m from Quarter 2.

- 1.6 It is recommended that should the forecast positive variance on the General Fund revenue budget crystallise at the end of the financial year, that this balance is transferred into earmarked reserves to support the Capital Programme.
- 1.7 £5.289m (52%) of budgeted savings have been delivered (blue) to date in this financial year, with a further £1.745m (17%) of savings on track to be delivered (green) by March 2023. £2.601m (25%) of savings are currently categorised as non-deliverable (red) and £0.589m (6%) categorised as at risk of delivery (amber). There is therefore a potential impact on the 2023/24 budget should these savings not be deliverable on a recurring basis. These savings are being reviewed as part of the 2023/24 budget setting and 2023/24-2025/26 Medium Term Financial Strategy processes.

Housing Revenue Account

- 1.8 The Housing Revenue Account (HRA) is projecting a positive net variance of £2.103m as at the end of Quarter 3, which results in a forecast contribution to HRA reserves of £0.051m. Further detail is provided in Section 10.1.

Capital

- 1.9 The General Fund Capital Programme is forecasting a positive net variance of £1.671m against a proposed revised budget of £74.517m in 2022/23. This variance relates to £0.817m of the Delivery Fund that has not yet been allocated to specific proposals as at the end of Quarter 3 and a forecast positive variance of £0.854m on approved Delivery Fund allocations.
- 1.10 The HRA Capital Programme is forecasting an adverse variance of £0.098m against a revised budget of £29.987m in 2022/23.

Performance

- 1.11 The report also sets out performance against the measures of success published in the Council's Corporate Plan.
- 1.12 Of the 27 Corporate Plan Performance Measures monitored monthly or quarterly, 70% are currently "green", 15% "amber" and 15% "red". 56% have improved since Quarter 2, whilst 30% have gotten worse.
- 1.13 Of the 52 Corporate Plan Projects, 56% are currently "green", 38% "amber" and 6% red".
- 1.14 Those measures that have shown significant change since Quarter 2 are set out in Appendix 6.
- 1.15 The detail supporting this report is included in:
- Appendix 1 - Financial Monitoring for Quarter 3
 - Appendix 2 - Capital Programme for Quarter 3
 - Appendix 3 - Debt Write-Offs.
 - Appendix 4 - Corporate Plan Measures for Quarter 3
 - Appendix 5 - Corporate Plan Projects for Quarter 3
 - Appendix 6 - Corporate Plan Measures Charts for Quarter 3

2 RECOMMENDED ACTIONS

That Policy Committee notes:

- 2.1 The forecast General Fund revenue outturn position as at the end of Quarter 3 is a positive net variance of £3.307m;
- 2.2 The Housing Revenue Account (HRA) is projecting a positive net variance of £2.103m as at the end of Quarter 3, which results in a forecast contribution to HRA reserves of £0.051m;
- 2.3 £5.289m (52%) of savings have been delivered (blue) to date in this financial year, with a further £1.745m (17%) of savings on track to be delivered (green) by March 2023. £2.601m (25%) of savings are currently categorised as non-deliverable (red) and £0.589m (6%) categorised as at risk of delivery (amber);
- 2.4 There is a total £4.065m Delivery Fund available for 2022/23 (inclusive of 2021/22 approved carry forwards). At Quarter 3, £3.248m of this funding has been allocated out to approved schemes;
- 2.5 The General Fund Capital Programme is reporting a positive net variance of £1.671m against a proposed revised budget of £74.517m;
- 2.6 The HRA Capital Programme is forecasting an adverse variance of £0.098m against a revised budget of £29.987m.
- 2.7 The performance achieved against the Corporate Plan success measures as set out in Section 12 of this report and Appendices 4 and 5.

That Policy Committee approves:

- 2.8 The intent to transfer the balance of any positive General Fund revenue budget variance at the end of the financial year to earmarked reserves to support the Capital Programme;
- 2.9 The amendments to the General Fund Capital Programme (as set out in further detail in Section 12 of this report and Appendix 2) resulting in a revised budget of £74.517m;
- 2.10 Spend approval for the Bus Service Improvement Plan as set out in paragraph 12.9;
- 2.11 The amendments to the HRA Capital Programme (as set out in further detail in Section 12 of this report and Appendix 2) resulting in a revised budget of £29.987m;
- 2.12 The write-off of debts as set out in Section 8 and Appendix 3 relating to:
 - a) Non-Domestic Rates - £111,313.32;
 - b) Housing Benefit Overpayments - £57,120.48;
 - c) Sundry Debt - £90,858.25.

3 POLICY CONTEXT

- 3.1 The Council approved the 2022/23 Budget and Medium-Term Financial Strategy 2022/23 - 2024/25 in February 2022.

4 GENERAL FUND REVENUE

4.1 The forecast outturn as of Quarter 3 is a net positive variance of £3.307m and is broken down by service in the following table:

Table 1. General Fund Forecast 2022/23

	Budget	Forecast Outturn	Variance	Movement from Quarter 2
	£m	£m	£m	£m
Adult Care and Health Services	43.921	45.237	1.316	0.084
Economic Growth and Neighbourhood Services	19.837	21.206	1.369	(0.020)
Resources	18.388	18.678	0.290	0.165
Chief Executive Services	1.556	1.695	0.139	0.106
Children's Services retained by Council	0.781	0.781	0.000	0.000
Children's Services delivered by BFFC	48.958	49.829	0.871	0.141
Total Service Expenditure	133.441	137.426	3.985	0.476
Capital Financing Costs	16.381	13.876	(2.505)	(0.597)
Contingency	3.627	0.000	(3.627)	0.000
Other Corporate Budgets	(3.459)	(4.619)	(1.160)	(1.919)
Total Corporate Budgets	16.549	9.257	(7.292)	(2.516)
Net Budget Requirement	149.990	146.683	(3.307)	(2.040)
Financed by:				
Council Tax Income	(104.403)	(104.403)	0.000	0.000
NNDR Local Share	(26.510)	(26.510)	0.000	0.000
New Homes Bonus	(2.038)	(2.038)	0.000	0.000
Section 31 Grant	(12.580)	(12.580)	0.000	0.000
Revenue Support Grant	(2.108)	(2.108)	0.000	0.000
Other Government Grants	(2.404)	(2.404)	0.000	0.000
One-off Collection Fund Deficit	19.981	19.981	0.000	0.000
Section 31 Grants Released from Reserves	(19.928)	(19.928)	0.000	0.000
Total Funding	(149.990)	(149.990)	0.000	0.000
Over / (under) Budget	0.000	(3.307)	(3.307)	(2.040)

4.2 These variances have been categorised and summarised in the following table, which highlights that the Council is forecasting a total of £9.901m of pressures comprising:

- £1.925m of inflationary pressures, of which £0.954m relate to the agreed employer's pay offer for 2022/23;
- £2.445m of demand pressures across Adult's and Children's Social Care;
- £3.108m of income pressures, predominantly within Economic Growth and Neighbourhood Services, partially due to the ongoing impacts of Covid-19 e.g. the reduced demand on car parking spaces;
- £2.423m of other expenditure pressures across Economic Growth and Neighbourhood Services, Resources, Chief Executive and Children's Services delivered by BFFC.

4.3 These pressures are offset by a total of £13.208m of the following savings and contingencies:

- £3.872m of expenditure savings across services, mainly within Economic Growth and Neighbourhood Services and in particular Environmental and Commercial Services due to lower waste disposal tonnage levels and staffing

vacancies, and £1.415m within BfFC mainly due to forecast pressure reductions as reported by the finance team;

- £1.090m of income savings across services, mainly due to £0.410m of additional grant income within BfFC and £0.340m of income over-achievement in Bus Lane Enforcement and On Street Pay & Display Car Parking within Economic Growth and Neighbourhood Services;
- £2.505m of net savings within Capital Financing Costs mainly resulting from the 2021/22 Capital Programme Outturn position;
- £3.627m of unallocated Corporate Contingency;
- £2.114m of savings within Other Corporate Budgets.

4.4 The £0.954m of pressures relating to the agreed employers' pay offer will have an ongoing impact on the Council's Medium Term Financial Strategy as this is a recurring pressure. The other pressures and savings have been reviewed to assess whether or not they are recurring as part of the 2023/24 budget setting and 2023/24-2025/26 Medium Term Financial Strategy processes.

Table 2. General Fund Forecast Variance by Type 2022/23

	Expenditure Pressures			Income Pressures	Total Pressures	Savings			Total Pressures
	Inflation	Demand	Other			Expenditure	Income	Total	
	£m	£m	£m			£m	£m	£m	
Adult Care and Health Services	0.000	1.316	0.000	0.000	1.316	0.000	0.000	0.000	1.316
Economic Growth and Neighbourhood Services	0.335	0.000	0.953	2.749	4.037	(2.247)	(0.421)	(2.668)	1.369
Resources	0.000	0.000	0.683	0.076	0.759	(0.210)	(0.259)	(0.469)	0.290
Chief Executive Services	0.000	0.000	0.107	0.032	0.139	0.000	0.000	0.000	0.139
Children's Services retained by Council	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Children's Services delivered by BfFC	0.636	1.129	0.680	0.251	2.696	(1.415)	(0.410)	(1.825)	0.871
Total Service Expenditure	0.971	2.445	2.423	3.108	8.947	(3.872)	(1.090)	(4.962)	3.985
Capital Financing Costs	0.000	0.000	0.000	0.395	0.395	(1.991)	(0.514)	(2.505)	(2.505)
Contingency	0.000	0.000	0.000	0.000	0.000	(3.627)	0.000	(3.627)	(3.627)
Other Corporate Budgets	0.954	0.000	0.000	0.000	0.954	(1.723)	(0.391)	(2.114)	(1.160)
Total Corporate Budgets	0.954	0.000	0.000	0.000	0.954	(7.341)	(0.905)	(8.246)	(7.292)
Total	1.925	2.445	2.423	3.108	9.901	(11.213)	(1.995)	(13.208)	(3.307)

Adult Care and Health Services - £1.316m adverse variance

- 4.5 Adult Care and Health Services is forecasting an adverse net variance of £1.316m at Quarter 3, which is an adverse movement of £0.084m since Quarter 2. This pressure relates to the current care cost forecast being £37.111m compared to a budget of £35.795m.
- 4.6 The forecast adverse variance includes a number of factors:
- Further package reviews to identify savings have been completed during this quarter, but some resources have been re-prioritised to manage the additional flow from hospitals and tackling waiting lists. Additional funding has been provided to support this work and has been factored into the Quarter 3 monitoring;
 - DACHS has a total savings target of £1.735m - At Quarter 3, they have achieved £1.443m which is 83% of the target (£1.093m of this has been verified through the transformation/finance challenge, £0.292m is still to be completed which is why it still shows in green within the savings tracker). The directorate also has an internal recovery plan in place with a further target of £2.189m, at Quarter 3, they have achieved £1.499m which is 68% of the target.
 - DACHS are still working strongly towards those targets and are forecasting a further £0.300m in year from reviews including CHC work, additional staff have been recruited to support this work. If the £0.300m is achieved as planned we would have achieved the full £1.735m savings target, with achievement of 68% of recovery, which is explained in the forecast overspend.
 - Public Health grant is forecast to budget.

Economic Growth and Neighbourhood Services - £1.369m adverse variance

- 4.7 Economic Growth and Neighbourhood Services is forecasting an adverse net variance of £1.369m at Quarter 3 as set out in the following paragraphs. This is a positive movement of £0.020m from Quarter 2.

Transportation - £0.459m adverse variance

- 4.8 This variance arises mostly from an anticipated income shortfalls still attributable to the aftermath of Covid-19. Based on year-to-date activity levels in parking and traffic enforcement, income levels as at Quarter 3 are above those in the same period last year and the recovery is gaining momentum, particularly for Off-Street Car Parking - the most material Parking income stream by budget. The table below shows the position since 2019/20 the baseline year before the impact of the Covid Pandemic.

Table 3. Off Street Car Parking Income Trend

Financial Year	Budget £m	Actual/Forecast £m	Variance £m
2019/20	(4.244)	(4.333)	(0.089)
2020/21	(4.734)	(1.183)	3.551
2021/22	(3.668)	(2.933)	0.735
2022/23	(4.126)	(3.540)	0.586
2023/24	(4.776)		

- 4.9 The adverse variance of £0.586m in Off-Street Car Parking is occurring despite a large increase in income compared to 2021/22. The income budget for this area was increased in 2022/23 towards pre-covid levels and whilst there has been increased

income compared to last year, the level of income has not yet returned to the pre-covid levels. Additionally, the ongoing cost of living crisis with high fuel costs has led to less visits to town centre and renting spaces to Royal Berkshire Hospital at Queens Road has not delivered the income anticipated due to the Hospital trialling other arrangements.

- 4.10 There is a pressure forecast of £0.075m for repairs required on Broad Street Mall Car Park caused by the recent heavy rain.
- 4.11 Additionally, there are pressures across the service on salary and agency costs of £0.138m.
- 4.12 These pressures are partially offset by income overachievements including from On-Street Pay & Display Car Parking and Bus Lane enforcement of £0.340m.

Planning and Regulatory Services - £0.326m adverse variance

- 4.13 There is a forecast income shortfall of £0.594m across the service. These income shortfalls are primarily arising from the ongoing Covid recovery as well as Supporting the Homes for Ukraine scheme. This shortfall consists of;
 - The Building Control shortfall of £0.200m directly relates to the lack of staffing and a lack of availability of suitable agency staff to undertake the fee earning work;
 - Premises licence fees are forecasting an income shortfall of £0.108m. Within this, the largest element relates to a £0.066m shortfall in respect of Reading Festival which is entirely based on Festival Republic's need for a licence variation which has not materialised in 2022/23, the need in future years is under discussion;
 - Planning applications and planning fees shortfall of £0.075m are market driven so it is difficult to control the level of fees particularly as the level of fee is statutorily set. Following on from the Covid recovery the supply chain issues around costs and availability of construction materials, plus skills shortages in the construction and design industry, is holding up the planning application process. Therefore, the ongoing uncertainty following on from the Covid pandemic and the ongoing Inflation and risk of recession is having a direct impact on fee generation that is likely to be an ongoing issue;
 - Houses of Multiple Occupancy is forecasting an income shortfall of £0.211m. There is a requirement to inspect homes under the Homes for Ukraine scheme, so the decision to undertake this work has a direct impact on the ability to generate income in this area. The Council receives income under the Homes for Ukraine scheme, and it is being investigated as to whether this could be applied to cover the staffing costs of inspecting the properties.
- 4.14 There are also forecast pressures relating to ongoing public enquiries arising within Planning, forecast at £0.175m for 2022/23. There are some residual costs from a previous prosecution with sentencing of the Plaintiff due to be heard in October 2022. One public enquiry has been withdrawn with one further public enquiry to be heard by April 2023 with spend likely to be incurred until Summer 2023.
- 4.15 These pressures are partially mitigated by a positive variance on staff costs due to vacancies arising within the service and lack of suitable agency staff of £0.279m, miscellaneous Fees & Charges overachievement of £0.071m and a positive variance of £0.093m on other supplies and Services.

Housing and Communities - balanced budget

- 4.16 An area of ongoing concern is the potential impact of the cost-of-living crisis affecting the Homelessness budgets. Private sector evictions have been steadily rising following on from the Covid restrictions being released, with additional cost of living pressures placed on the sector. High Inflation pressures are being seen in the cost of Bed and Breakfast and short-term accommodation as well as a reduction in available properties to use. As this area is a demand led service, it is under close monitoring as the winter pressures continue and there is concern that the ability to prevent homelessness is further reduced. It is anticipated that emergency accommodation budgets are manageable with existing numbers, which have been stable, however an increase in placements would result in budget pressure.

Culture - £0.304m adverse variance

- 4.17 Culture is forecasting an overall net pressure of £0.304m at Quarter 3. This is mainly due to a projected under recovery of income in the Hexagon and Concert Hall against pre-covid income targets in a challenging financial climate. There are also pressures relating to contract inflation and income delays in the Play Service.

- 4.18 The forecast variance is comprised of the following elements:

- £0.124m under recovery of income in Reading arts and venues. Despite strong sales, programming and bar sales, the service is not expected to make pre-covid income targets due to the challenging financial climate. Within this there is a £0.050m under recovery of income in respect of Concert Hall Events for the same reason.
- £0.035m pressures due to higher than anticipated contractual inflation within the GLL Leisure contract as this contract is based on CPI inflation as at March 2022;
- A net £0.195m pressure is being experienced in leisure services. This is comprised of £0.215m loss of income from Play due to the rangers station opening later than planned, adverse weather conditions and staff sickness. There has been additional expenditure of £0.035m for external paddling pool technical support. The pressure has been reduced through increased income from events contributing £0.010m and overall staff vacancies contributing £0.013m as well as other underspends of £0.032m.
- £0.030m of net pressures in Libraries including reduced level of rent from the top floor of the library. The service is reducing levels of any additional spend to attempt to reduce this pressure as much as possible.
- £0.080m positive variance for 2022/2023 on Reading's contribution to the joint arrangement for the Archives service.

Environmental and Commercial Services - £0.040m adverse variance

- 4.19 Streetscene is forecasting an overall net pressure of £0.050m. A detailed analysis of income shows a shortfall of £0.950m due to staffing shortages in the Arboricultural Team resulting in commercial work not being possible. There are also reductions in income from reduced grounds maintenance/commercial opportunities on industrial sites and New Build Housing developments, as the market continues to recover slowly to post covid levels. Vacancy levels are expected to create a £0.900m positive variance within this area, which will offset most of the shortfall in income.

- 4.20 Recycling and Waste Collection is presently forecasting an overall pressure of £0.500m. The Staffing Establishment will overspend by £0.400m as the budget is not sufficient to cover the full employee costs of the required service, particularly for covering sickness and annual leave to industry standards. It is also forecast that a £0.100m pressure will arise from the cost of food waste bags and an expected decline in Garden Waste and Trade Waste collections income. These pressures are expected to continue throughout the year and the minimum staffing establishment requirement has been considered within the budget setting process for 2023/24.
- 4.21 Fuel costs are currently around a third higher than a year ago and this will create a £0.100m adverse variance for Fleet Management. Five electric refuse freighters have recently been introduced to the fleet and these should help to prevent the overspend increasing. The increased cost of fuel has been considered as part of the 2023/24 budget setting process.
- 4.22 Highways and Drainage is forecasting an overall adverse variance of £0.200m. This primarily relates to inflationary pressures leading to increased costs of direct materials, paying for waste disposal arising from our work programme and paying increased subcontractor rates totalling £0.350m of additional pressures. The service is also forecasting an underachievement of income of £0.100m due to the number of vacancies in the team and also the use of driving staff by the Waste Collection team, both of which have reduced capacity. These pressures are partly offset by a positive variance of £0.250m relating to the aforementioned staffing vacancies within the team.
- 4.23 Civil Engineering is forecasting a positive variance of £0.050m due to vacancies within the team.
- 4.24 Network Management is forecasting an adverse variance of £0.040m primarily due to a reduction in the income from the Pan Berkshire Urban Traffic Control joint arrangement which arose due to National Highways having pulled out of the scheme. There is a mitigation plan in place for 2023/24 onwards to offset this loss of income. This will be partly offset by vacancies in the team creating a £0.040m underspend on staffing costs, and also by a £0.070m underspend on contracted services spend.
- 4.25 Waste Disposal is forecasting £0.800m positive variance. It has arisen from reduced waste disposal costs, as a result of circa 8% less residual waste per household being presented for disposal. In addition, reductions in costs have been negotiated, reduced insurance premiums are being sought and values from the sale of re3 recycling have been higher than predicted. Each of those factors is helping to maintain this level of underspend. The expected cost of new Persistent Organic Pollutants (POPs) legislation, likely from February, will cost £0.050m which is included in the overall £0.800m position. This positive position for Waste disposal has been considered within the 2023/24 budget setting process.

Property & Asset Management - £0.100m adverse variance

- 4.26 Property & Asset Management is forecasting a pressure of £0.100m at Quarter 3. There has been a decline in income from the Oracle shopping centre following on from the Covid-19 pandemic affecting footfall, which has had a knock-on effect of reducing the base rent received, which in turn affects the amount passed to the Council, as owners of the land of the site.

Management & Sustainability - £0.140m adverse variance

- 4.27 The Business Development service is forecasting a pressure of £0.140m on advertising income schemes. There have been delays in the planning agreements for some

advertising sites, as well as contractual and developer delays linked to reduced demand for use of advertising screens as an ongoing impact of the Covid-19 pandemic. This pressure is likely to continue and has been considered as part of the 2023/24 budget setting process.

Resources - £0.290m adverse variance

- 4.28 The Directorate of Resources is forecasting an adverse net variance of £0.290m at Quarter 3 which is an adverse movement of £0.165m since Quarter 2.

Policy, Performance & Customer Services - £0.223m positive variance

- 4.29 There is an adverse variance within Customer Fulfilment of £0.131m, which relates to £0.207m of unachieved savings, offset of £0.076m of staffing vacancies. There is an additional positive variance of £0.155m within the Policy Team due to staffing vacancies and a forecast overachievement of income in Bereavement Services of £0.199m.

Human Resources & Organisational Development - £0.050m positive variance

- 4.30 There is a £0.020m pressure relating to Kennet Day Nursery, due to increased catering costs and a shortfall in income. This is more than offset by a positive variance of £0.060m relating to additional recharging of staff costs against eligible grant funding, plus efficiencies in Emergency Planning of £0.010m.

Procurement & Contracts - £0.077m adverse variance

- 4.31 This forecast relates to £0.100m adverse variance due to unachievable Corporate Procurement savings, and £0.023m positive variance on staffing costs, due to the Assistant Director of Procurement and Corporate Contracts Manager posts being vacant or covered on a short-term basis for reduced hours.

Legal & Democratic Services - £0.486m adverse variance

- 4.32 Corporate Legal are forecasting an adverse variance of £0.156m, due to £0.056m of non-achievable HRA and Capital income, and £0.100m additional legal fees where the service is experiencing demand for legal expertise outside of their inhouse capability and capacity, particularly in areas of employment, data protection and where they are having to instruct counsel to covering hearings.
- 4.33 Customer Relations and Information Governance are forecasting an adverse variance of £0.212m due to staffing costs over the budgeted establishment.
- 4.34 Local Elections are forecasting an adverse variance of £0.140m due to the council holding an “all out” local election resulting in the need for an increased number of count staff. Additional costs also arose following the Local Government Boundary review, where the number of councillors increased from 46 to 48 and the number of polling stations increased from 69 to 75, as well as the Covid health and safety measures that were in place for the 2021/22 elections remaining in place for 2022/23.
- 4.35 Minor positive variances of £0.022m are reported across the rest of service.

Chief Executive Services - £0.139m adverse variance

- 4.36 Chief Executive Services is forecasting an adverse net variance of £0.139m at Quarter 3, which is an adverse movement since Quarter 2 of £0.106m.

- 4.37 £0.107m of the variance relates to expenditure pressures within Corporate Management Team budgets, including job advertising and recruitment costs.
- 4.38 £0.032m of the variance relates to the underachievement of advertising income within Communications.

Children's Services Delivered by Brighter Futures for Children (BFfC) - £0.871m adverse variance

- 4.39 BFfC are currently forecasting net budget pressures totalling of £0.871m. This is an adverse movement of £0.141m from Quarter 2.
- 4.40 There are total pressures of £2.696m consisting of:
- £0.700m pressure on transport related budgets due to rising inflation of £0.275m and increasing demand pressures totalling £0.425m;
 - £0.569m due to agency staff within Children's Social Care. This pressure has arisen due to the additional cost of employing agency workers who are all covering vacant posts;
 - £1.065m due to demand for Children's Social Care. This budget variance is the result of £0.361m inflation pressures and £0.704m of demand led pressures;
 - £0.251m pressure on Children's Home income generation;
 - £0.111m of Other Pressures.
- 4.41 These pressures are mainly offset by £0.663m of demand led budget pressure reductions over the remainder of the financial year. Other offsetting positive variances include additional Unaccompanied Asylum-Seeking Children Grant from Central Government of £0.410m and £0.752m of other savings.
- 4.42 As at the end of Quarter 3, against a target of £1.175m, BFfC are reporting that £0.997m of savings have been delivered and are on track to deliver a further £0.178m by the end of the financial year.

Corporate Budgets - £7.292m positive variance

- 4.43 Corporate Budgets are reporting a net positive variance of £7.292m, a positive movement of £2.516m from Quarter 2.
- 4.44 Capital Financing Costs are forecasting a positive total net variance £2.505m. As a result of the slippage on the Capital Programme reported in the 2021/22 Outturn Report, there is a positive variance of £0.718m relating to the Minimum Revenue Provision (MRP). There is a further positive variance of £1.273m on the interest payable budget which has arisen from a combination of the slippage on the Capital Programme and efficient management of the Council's cashflow negating the need to borrow and a revision to the share of the interest costs between the General Fund and the HRA. Finally, there is a positive variance of £0.514m on the interest receivable budget due to a combination of the rises in interest rates during the year, a higher amount of cash available for investment than originally anticipated and a revision to the share of the interest income between the General Fund and the HRA. This is a movement of £0.597m from Quarter 2, reflecting the updated forecast shares of interest expenditure and income between the General Fund and the HRA.

- 4.45 The Corporate Contingency budget of £3.627m is currently not forecast to be used and therefore contributes a further positive variance.
- 4.46 Other Corporate Budgets are forecasting a positive net variance of £1.160m. This is a positive movement of £1.919m from Quarter 2. This variance includes a current forecast pressure of £0.954m relating to the 2022/23 pay award, which is more than offset by positive net variances of £2.114m within Other Corporate Budgets due to the release of all unspent contingencies and the forecast reduction in the bad debt provision.

5 SAVINGS DELIVERY

- 5.1 Delivery of the Council's budget is predicated on achieving savings and additional income as agreed as part of the budget setting process in February 2022. Detailed monitoring of agreed savings is tracked on a monthly basis.
- 5.2 The projected financial impact of any non-delivery of savings has been included in the projected outturn position reported above.
- 5.3 The following table summarises the current forecast savings delivery for 2022/23 (a further detailed breakdown by saving is provided in Appendix 1):

Table 4. General Fund Savings Tracker Summary

Service	Savings At Risk £000	Savings Delayed or at Risk £000	Savings on Track £000	Savings Achieved £000	Directorate Total £000
Adult Care and Health Services	-	292	350	1,093	1,735
Economic Growth and Neighbourhood Services	2,294	220	866	3,199	6,579
Resources	307	-	351	-	658
Corporate	-	77	-	-	77
Children's Services delivered by BFFC	-	-	178	997	1,175
Total	2,601	589	1,745	5,289	10,224
Increase/(Decrease) from Quarter 2	517	(596)	(3,275)	3,354	0

- 5.4 Any savings not delivered in 2022/23 will cause an immediate pressure on 2023/24, unless mitigated with alternative ongoing savings. Delivery of existing savings within the Medium-Term Financial Strategy has been reviewed as part of the 2023/24 Budget setting and 2023/24-2025/26 Medium-Term Financial Strategy processes.

6 DELIVERY FUND

- 6.1 There is a total £4.065m Delivery Fund available for 2022/23 (inclusive of 2021/22 approved carry forwards). At Quarter 3, £3.248m of this funding has been allocated out to approved schemes, leaving £0.817m available to be allocated. At Quarter 3, the forecast spend is £2.394m, which results in an overall forecast positive variance of £1.671m.

7 SUNDRY DEBT

7.1 Total General Fund sundry debt as at the end of Quarter 3 is £8.576m, compared to £9.009m at the end of Quarter 2. In addition to this, the General Fund also has £4.140m of current debt and £0.935m of deferred debt which is not yet considered overdue. The following table shows the overdue debt as at the end of Quarter 3:

Table 5. Overdue Debt

	Under 1 month £000	1 to 2 months £000	2 to 3 months £000	3 to 6 months £000	6 months to 1 year £000	1 to 2 years £000	Over 2 years £000	Total Overdue Debt £000
Adult Social Care	434	389	127	605	929	868	2,170	5,522
Environment & Neighbourhood Services	462	158	66	202	243	250	672	2,053
Resources	189	2	48	76	43	14	72	444
Chief Executive	-	-	9	-	1	-	-	10
Former Children's Directorate	-	-	-	-	-	61	135	196
Corporate Codes	-	250	-	-	-	-	101	351
Total General Fund	1,085	799	250	883	1,216	1,193	3,150	8,576
Housing Revenue Account	2	4	1	2	6	7	15	37
Intercompany Debt	7	-	-	-	-	-	1,435	1,442
Total Including HRA and Intercompany	1,094	803	251	885	1,222	1,200	4,600	10,055

7.2 The Council has several wholly owned active subsidiaries. The outstanding intercompany debt related to these subsidiaries, including loans, is shown in the following table:

Table 6. Outstanding Intercompany Debtors

Debtor	Outstanding Debt £
Reading Transport Ltd	6,907
Homes for Reading Ltd	1,435,264
Total Outstanding Debt from Intercompany Debtors	1,442,171

7.3 The outstanding debt relating to Homes for Reading is due to the company's cashflow position during the early years of the company and a working capital loan was required in 2018/19. A repayment profile is now in place to repay this working capital with the first repayment made in 2021/22. The repayment schedule was agreed with the Homes for Reading board in December 2022.

8 DEBT WRITE-OFF

8.1 Having complied with the requirements of the Council's Debt Management Strategy, all recovery activity has been exhausted and the Director of Finance recommends that

the total amounts submitted to the Committee for write-off for cases above £20,000 are:

- Non-Domestic Rates - £111,313.32;
 - Housing Benefit Overpayments - £57,120.48;
 - Sundry Debt - £90,858.25
- 8.2 The list of specific debts requested to be written-off are set out in Appendix 5. It is considered that information contained within Appendix 3 contains exempt information under the meaning of sections 1, 2 and 3 of Schedule 12A of the Local Government Act 1972, as amended, and therefore cannot be made public.
- 8.3 The write-offs will be contained within the existing respective bad debt provisions. These bad debt provisions are reviewed annually to take account of the likely levels of bad debt write-offs and the potential for any recovery of debt that has been previously written off.
- 8.4 The cost of non-domestic rates write-offs is shared between the Council (49%), Royal Berkshire Fire and Rescue Service (1%) and Central Government (50%).
- 8.5 Statutory Benefit Subsidy Orders specify that Housing Benefit Overpayments, subsequently not recovered, have to be mostly paid for by the Council through loss in Central Government subsidy. Most Housing Benefit paid out under the General Fund is claimed back from the DWP through the annual subsidy claims. The subsidy rules are designed to act as an incentive for authorities to minimise error and overpayments and to maximise recovery of recoverable overpayments. It is therefore financially prudent for Local Authorities both to minimise the incidence of overpayments and to seek to maximise recovery of overpayments.
- 8.6 The standard rate of reimbursement for Housing Benefit paid is up to 100%, reducing to 40% for identified overpayments caused by claimant error and either 100%, 40% or down to 0% for those caused by Authority error if certain thresholds are exceeded. Overpayments caused by fraud are reimbursed at 40% and given the cause of such overpayments, there is an expectation that the overwhelming majority of cases should be considered recoverable from the persons who have either committed or significantly contributed to the fraud. The Council is entitled to keep 100% of the income collected from overpayments recovery in addition to any subsidy claimed.

9 STAFFING

- 9.1 The Council currently has 106 agency contracts across the directorates. £0.183m has been spent on overtime during Quarter 3, bringing the total for the year to £0.520m
- 9.2 There have been nine redundancies to date during 2022/23 at a total cost of £0.113m, there have also been additional severance costs to date of £0.212m. Redundancy expenditure will be funded through the redundancy revenue reserve.

10 COLLECTION FUND

- 10.1 The following table shows the Council’s collection rate to date of the total annual debit raised for Council Tax and Non-Domestic (Business) Rates as at the end of Quarter 3.
- 10.2 Council Tax collection rates are still behind the collection levels at the same point when compared to pre-Covid-19 pandemic rates (2019/20) but are slightly ahead when compared to 2021/22 and 2020/21. This indicates a partial recovery from the impacts of the Covid-19 pandemic which is possibly being restricted due to the impacts of the cost of living crisis beginning to take hold. The December 2022 data below shows that the collection rate is 0.97% behind compared to 2019/20 which is a significant dip compared to previous months. The January 2023 collection data however shows that this position has recovered to 0.51% behind the January 2020 position which is in line with current expectations.
- 10.3 The collection rate for Council Tax has been retained at 98.5% for 2023/24 Council Tax Base setting purposes as the 2022/23 collection rate is 0.51% less compared to 2019/20 where the collection rate for Council Tax Base setting was 99.0%.
- 10.4 Non-Domestic collection rates is now ahead of the collection levels at the same point when compared to pre-Covid-19 pandemic rates (2019/20) as well as when compared to 2021/22 and 2020/21. The improvement compared to the last two financial years is likely due to no periods of national lockdowns as a response to the Covid-19 pandemic having been required in 2022/23. The improvement compared to 2019/20 has only occurred in the December 2022 data. This improvement has reduced slightly in January to 0.83% higher compared to 2019/20.

Table 7. Collection Fund Collection Rates

	2019/20	2020/21	2021/22	2022/23	Comparison to 2021/22	Comparison to 2019/20
	%	%	%	%	%	%
Council Tax	82.84	82.07	82.16	81.87	(0.28)	(0.97)
Non-Domestic Rates	78.02	77.89	75.05	79.60	4.55	1.57

11 HOUSING REVENUE ACCOUNT (HRA)

- 11.1 The approved Housing Revenue Account (HRA) budget assumed a drawdown from HRA reserves of £2.154m. At Quarter 3 the forecast revenue outturn position on the HRA is a positive net variance to budget of £2.103m. Therefore, a transfer to the HRA Reserve is forecast of £0.051m rather than the originally budgeted £2.154m drawdown from reserves. The breakdown of the net variance is set out in the following table and explained below.

Table 8. Housing Revenue Account Forecast 2022/23

	Budget	Forecast Outturn	Variance
	£m	£m	£m
Management & Supervision	9.759	8.621	(1.138)
Special Services	3.606	3.125	(0.481)
Provision for Bad Debts	0.753	0.753	0.000
Responsive Repairs	3.443	3.443	0.000
Planned Maintenance	2.989	2.905	(0.084)
Major Repairs/Depreciation	11.016	11.016	0.000
Debt Costs	6.741	6.025	(0.716)

PFI Costs	7.197	7.350	0.153
Revenue Contribution to Capital	0.600	0.600	0.000
HRA Income	(43.950)	(43.787)	0.163
Over/(Under) Budget	2.154	0.051	(2.103)
Movement to/(from) HRA Reserve	(2.154)	(0.051)	2.103

- 11.2 Within Management and Supervision, there are a large number of vacant posts leading to a current projected positive variance on salary budgets of £0.438m. Additionally, the expected charge to the HRA for the central support costs is currently expected to be around £0.932m less than the maximum budget for these charges available within the HRA. A review of the HRA contribution towards General Fund capital schemes will be factored into the updated HRA Business Plan and future year budgets. There is also a net adverse variance of £0.232m, which is primarily due to additional one-off costs incurred for a 15-year development plan for strategic housing from 2025/2026 to 2040.
- 11.3 Within Special Services, there are also a number of vacant posts leading to a current projected positive variance on salary budgets of £0.152m. Furthermore, there is an additional positive variance of £0.329m in respect of sheltered housing rents and Right-to-buy housing association charges.
- 11.4 Recruitment attempts to fill the aforementioned vacancies are ongoing with some recent success in some roles following a series of unsuccessful rounds of recruitment.
- 11.5 Responsive Repairs is currently expected to be a balanced budget
- 11.6 Planned Maintenance is currently projected to be £0.084m less than budget due to an underspend on electrical checks. This has been caused by vacancies.
- 11.7 Major Repairs/Depreciation is currently expected to be a balanced budget.
- 11.8 Debt costs are lower than budgeted by £0.716m due to less borrowing currently being required within the HRA to meet its capital expenditure as planned expenditure has been re-programmed into future years.
- 11.9 PFI Costs are higher than budgeted by £0.153m due to the monthly affinity payment increasing by £40k on average from 2021/2022.
- 11.10 HRA Income is forecasting an adverse variance of £0.163m. Dwelling rents and Service Charges are currently projected to be underachieving on the budget by a total of £0.464m (1.2% less than budget). In addition, there is a £0.030m underachievement forecast on Other Income. These are due to a delay in the completion of HRA capital schemes resulting in less housing available to be rented. Interest income is forecast to overachieve by £0.331m as the HRA has a higher level of reserve balances than anticipated so it takes a higher share of the interest income on those balances. The recent increases in the Bank of England interest rate have helped push the income up slightly too, and in the future partially offset increases in debt costs.
- 11.11 The collection rate of income within the HRA of income actually collected versus expected income is 99.5%, when incorporating collection of debt in arrears from current and former tenants this figure becomes 96.0%. One item of concern under review is voids turnarounds, due to factors including staffing, the availability of contractors and pressures on materials the time taken to return void properties into circulation is growing, this has an indirect impact on the income collected and the collection rates.

12 CAPITAL PROGRAMME

General Fund

12.1 The General Fund Capital Programme for 2022/23 has an approved budget of £80.027m. The following amendments to the Capital Programme will be requested to be formally approved as part of the next quarterly report to Policy Committee, which would result in a revised Capital Programme budget of £74.517m. These amendments are set out on an individual scheme basis in Appendix 2.

12.2 Against the proposed revised budget of £74.517m there is a forecast positive net variance of £1.671m. This variance relates entirely to the Delivery Fund.

Table 9. General Fund Capital Programme Amendments

General Fund Capital Programme	£m
Revised Budget Quarter 2 2022/23	80.027
Budget Movements Between Schemes	0.000
Additional Budgets added to the Programme - Funded by Grants & Contributions	1.934
Additional Budgets requested to be added to the Programme - Funded by Capital Receipts & Borrowing	0.000
Reduced Budgets - Completed Schemes & Other carry forward budget adjustments	4.659
Budgets reprogrammed (to)/from Future Years	(12.103)
Proposed Revised Budget Quarter 3 2022/23	74.517

12.3 A total of £1.934m of additional budgets that are fully funded by grants and contributions are requested to be formally added into the Capital Programme. These additions include:

- £1.623m of Community Infrastructure Funding (CIL) allocated by committee to CIL Local schemes in March 2022 but not previously included in the capital programme;
- £0.311m of additional grant funding across three schemes.

12.4 A total of £0.250m of budget reductions are requested to be formally approved as set out in Appendix 2 where it has been identified that spend will not go ahead as originally planned. This relates entirely to the Loan to Reading Transport (RTL) Ltd scheme. RTL have advised that they have placed orders for new buses totalling £2.250m in 2022/23, that they will be requesting additional loans from the Council to Finance, therefore the remaining budget of £0.250m will not be required.

12.5 A total of £4.909m of budget increases, of which £4.769m is funded from one-off revenue resources, is requested to be formally approved over eight schemes to correct the 2021/22 budget carry forward figure and the reversal of a budget reduction approved in a prior period.

12.6 A total of £12.103m of budgets are requested to be reprogrammed from 2022/23 into future years of the Capital Programme in line with the latest delivery forecasts. This includes:

- £2.747m for the Leisure Centre Procurement due to the impact of the delay in the granting of a water extraction licence;
- £1.939m for Universal Digital Systems to reflect the revised expenditure projections for the current year;
- £1.627m for Customer Digital Experience to reflect the revised expenditure projections for the current year;

- £1.203m for IT Future Operating Model to reflect the revised expenditure projections for the current year;
 - £1.100m for Highways Structures to reflect the revised expenditure projections for the current year;
 - £3.487m across other schemes.
- 12.7 There is a total £4.065m Delivery Fund available for 2022/23 (inclusive of 2021/22 approved carry forwards). At Quarter 3, £3.248m of this funding has been allocated out to approved schemes, leaving £0.817m available to be allocated. At Quarter 3, the forecast spend is £2.394m, which results in an overall forecast variance of £1.671m.
- 12.8 All other General Fund schemes are forecasting to spend to the proposed revised budgets.
- 12.9 The Quarter 2 Performance & Monitoring Report, presented to Policy Committee in December 2022, approved the addition of a total of £15.939m for the Bus Service Improvement Plan into the capital programme. The scheme is fully grant funded and the majority of the expenditure is expected to be incurred through 2023/24 and 2024/25. At that stage formal confirmation of the grant funding had not been received and so spend approval had not been sought. Spend approval can only be delegated to officers where the scheme is less than £2.5m or is part of a rolling programme. It is therefore requested that spend approval for the total amount of £15.939m across three financial years is now granted. The total is broken down by year as £0.500m in 2022/23, £8.326m in 2023/24 and £7.113m in 2024/25.

Housing Revenue Account (HRA)

- 12.10 The HRA Capital Programme for 2022/23 has an approved budget of £27.828m. The following amendments to the Capital Programme are requested to be formally approved which would result in a revised Capital Programme budget of £29.987m. These amendments are set on an individual basis in Appendix 2.
- 12.11 A total of £2.546m of budgets are requested to be re-profiled from 2023/24 as set out in Appendix 2 to reflect the revised expenditure projections for the current year. This includes:
- £0.586m to be re-profiled into 2023/24 for the Local authority new build programme for Older People and Vulnerable Adults scheme;
 - £3.132m of budget to be brought forward into the current year from 2023/24 for the Local Authority New Build and Acquisitions schemes.
- 12.12 A total of £0.387m of budget reductions are requested to be formally approved as set out in Appendix 2 where it has been identified that spend will not go ahead as originally planned. This relates entirely to the Major Repairs - Zero Carbon Retrofit works scheme.
- 12.13 The Housing Management System scheme is forecasting an adverse variance of £0.098m. A business case for additional funding in 2023/2024 to cover Phase 2 of the project next year also covers the small adverse variance this year.
- 12.14 All other HRA schemes are forecasting to spend to the proposed revised budgets.

13 CORPORATE PLAN PERFORMANCE

- 13.1 A new three-year Corporate Plan for 2022/23-2024/25 was published in March 2022, and a revised set of 58 performance measures were developed for monitoring from April 2022, along with a set of 52 key projects and initiatives which are helping to deliver the Council’s mission and priorities. 31 of the performance measures are annual measures that will not be reported on until after March 2023.
- 13.2 These measures and projects were identified by directorates as those that best demonstrate progress in achieving key outcomes. This report is therefore intended to provide an overview of the contribution that the Council makes across all its activities to improving Reading as a place to live, work and visit.
- 13.3 The performance measures and projects are set against each of themes of the Corporate Plan for 2022/23-2024/25:
- Healthy environment
 - Thriving communities
 - Inclusive economy
- 13.4 The tables below present a summary of performance for Quarter 3 against the target for each of the measures. Direction of travel will be reported next quarter.
- 13.5 The set of monthly/quarterly measures is attached at Appendix 4. For the Corporate Plan projects, a summary of the RAG status is provided below. The full list of projects is provided at Appendix 5.

Corporate Plan Measures

- 13.6 The tables and charts below display an overview of the shifts in performance for the Corporate Plan measures between Q2 and Q3, as well as performance against the target (red/amber/green).

Table 10. Summary of direction of travel

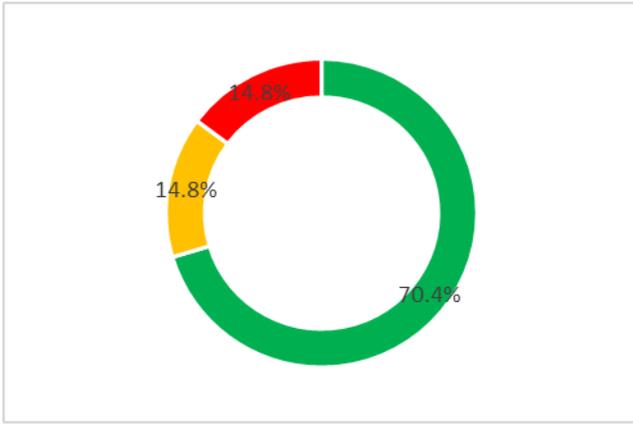
	Number of Measures	Q2 %	Q3 %
Getting better	15	50	55
Getting worse	8	46	30
Unchanged	3	4	11
N/A - No Target/Comparison ¹	1	0	4
Total	27	100	100

Table 11. Summary of performance against target²

	Number of measures	Q2 %	Q3 %
Green	19	54	70
Amber	4	29	15
Red	4	14	15
N/A - No Target/Comparison	0	3	0
Total	27	100	100

¹ Q2 data not available for comparison purposes

² Green = target achieved; Amber = up to 10% below target; Red = more than 10% below target



13.7 The four Corporate Plan measures recorded with a ‘red’ status against 2022/23 targets are listed below. Explanatory commentary is included where appropriate in Appendix 4.

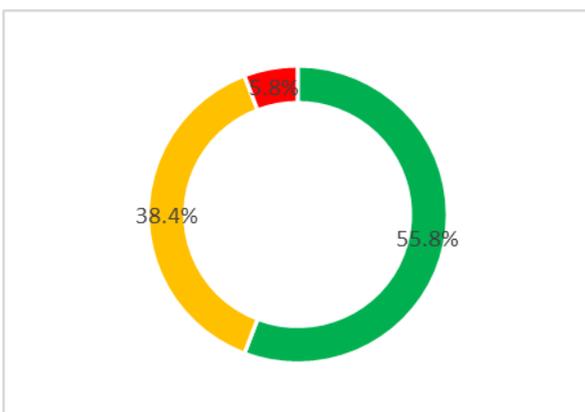
- Customer satisfaction in the Customer Fulfilment Centre
- Number of self- service transactions via My Account self- service
- Percentage of responses to the public on Freedom of Information Act requests made within 20 days
- Percentage of service users in receipt of Adult Social Care Direct Payments

Corporate Plan Projects

13.8 The RAG status for the Corporate Plan projects is shown below.

Table 12. Summary of RAG status

	Number of projects	Q2 %	Q3 %
Green	29	58	56
Amber	20	40	38
Red	3	2	6
Total	52	100	100



13.9 The three Corporate Plan projects recorded with a ‘red’ status this quarter are as follows. Explanatory commentary is included in Appendix 5:

- Implementation of the Customer Experience Programme
- Create a workforce that is fully representative of the population we serve
- Review and expansion of the Community Reablement Team to maximise people’s independence

- 13.10 Appendix 5 sets out the Q3 performance for the full list of measures and projects.
- 13.11 Appendix 6 sets out those measures where there has been a significant change in performance from the previous period.

14 CONTRIBUTION TO STRATEGIC AIMS

- 14.1 The Council's vision is to ensure that Reading realises its potential - and to ensure that everyone who lives and works in Reading can share the benefits of its success. The Council has three inter-connected themes which contribute to delivering this vision. The themes are:
- Healthy environment;
 - Thriving communities;
 - Inclusive economy.
- 14.2 Delivery of the Council's budget is essential to ensuring the Council meets its strategic aims and remains financially sustainable going forward.
- 14.3 Full details of the Council's [Corporate Plan](#) are available on the Council's website.

15 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 15.1 The Council declared a Climate Emergency at its meeting on 26th February 2019. The Corporate Plan monitors our progress in reducing our carbon footprint.
- 15.2 There are no specific environmental and climate implications to report in relation to the recommendations set out in this report.

16 COMMUNITY ENGAGEMENT AND INFORMATION

- 16.1 Budget-related communications and consultations will continue to be a priority over the next three years as we work to identify savings.

17 EQUALITY IMPACT ASSESSMENT

- 17.1 The equality duty is relevant to the development of the Budget and Corporate Plan. The specific savings and income proposals included in the budget are subject to consultation and equality impact assessments where required and these are being progressed as appropriate.

18 LEGAL IMPLICATIONS

- 18.1 The Local Government Act 2003 requires that the Authority reviews its Budget throughout the year and takes any action it deems necessary to deal with the situation arising from monitoring. Currently monitoring reports are submitted to Policy Committee quarterly throughout the year.
- 18.2 the size and complexity of the services we provide and have responsibility for, it is sensible to have a strategic document for the organisation which sets out key priorities and activities against a robust and sustainable financial strategy.

19 FINANCIAL IMPLICATIONS

19.1 The financial implications are set out in the body of this report.

20 BACKGROUND PAPERS

20.1 None.

MONTHLY FINANCIAL REPORT

End of December 2022

CONTENTS

	Page No:
Revenue Position and Forecast - General Fund [GF]	2
Revenue Position and Forecast - Directorate of Adult Social Care and Health Services [DACHS]	3
Revenue Position and Forecast - Directorate of Economic Growth & Neighbourhood Services [DEGNS]	4
Revenue Position and Forecast - Directorate of Resources [DOR]	5
Revenue Position and Forecast - Chief Executive [CEX]	6
Revenue Position and Forecast - Housing Revenue Account [HRA]	7
<u>Other Details</u>	
- Debt Performance	8
- Agency and Overtime Review	9
- Savings and Delivery Fund Summary	10

For further information regarding this report, please contact:

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Total General Fund - Period 9

Latest Revenue Position and Forecast

	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Approved Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
<u>Objective Analysis</u>						
Adults Care and Health Services	32,941	27,196	(5,745)	43,921	45,237	1,316
Economic Growth & Neighbourhood Services	14,878	23,176	8,298	19,837	21,206	1,369
Resources	13,791	26,989	13,198	18,388	18,678	290
Chief Executive Services	1,167	8,231	7,064	1,556	1,695	139
Children's Services retained by the Council	999	4,174	3,174	781	781	-
Children's Services delivered by BFFC *	36,718	36,658	(61)	48,958	49,829	871
TOTAL SERVICE BUDGETS	100,494	126,423	25,929	133,441	137,426	3,985
Capital Financing Costs	12,286	6,389	(5,897)	16,381	13,876	(2,505)
Contingency	2,720	-	(2,720)	3,627	-	(3,627)
Other Corporate Budgets	(2,594)	(174,843)	(172,248)	(3,459)	(4,619)	(1,160)
TOTAL CORPORATE BUDGETS	12,412	(168,454)	(180,865)	16,549	9,257	(7,292)
TOTAL BUDGET	112,906	(42,031)	(154,937)	149,990	146,683	(3,307)
Funding:						
Council Tax Income	(78,302)	-	78,302	(104,403)	(104,403)	-
NNDR Local Share	(19,883)	-	19,883	(26,510)	(26,510)	-
New Homes Bonus	(1,529)	(1,528)	0	(2,038)	(2,038)	-
Section 31 Grant	(9,435)	(15,519)	(6,084)	(12,580)	(12,580)	-
Revenue Support Grant	(1,581)	(190)	1,391	(2,108)	(2,108)	-
Other Government Grants	(1,803)	(2,855)	(1,052)	(2,404)	(2,404)	-
One-off Collection Fund (Surplus)/Deficit	14,986	-	(14,986)	19,981	19,981	-
Section 31 Grants Release from Reserves	(14,946)	-	14,946	(19,928)	(19,928)	-
TOTAL FUNDING	(112,493)	(20,092)	92,400	(149,990)	(149,990)	-
NET CONTROLLABLE COST	414	(62,123)	(62,537)	-	(3,307)	(3,307)
<u>Subjective Analysis</u>						
Employee Costs	101,679	104,254	2,575	135,660	131,007	(4,653)
Premises Costs	17,165	17,980	815	22,876	22,876	-
Transport-Related Costs	1,844	1,892	48	2,458	2,158	(300)
Supplies and Services	48,351	(36,885)	(85,235)	64,284	60,639	(3,646)
Contracted Costs	159,158	179,212	20,054	212,210	214,468	2,258
Transfer Payments	16,098	8,684	(7,414)	21,464	21,940	477
CONTROLLABLE COST	344,295	275,137	(69,158)	458,953	453,089	(5,863)
Fees & Charges	(78,955)	(23,775)	55,179	(106,740)	(105,185)	1,555
Traded Services Income	(33,621)	(152,286)	(118,664)	(43,827)	(42,825)	1,002
Grants & Contributions	(231,304)	(161,199)	70,105	(308,386)	(308,386)	(0)
CONTROLLABLE INCOME	(343,880)	(337,260)	6,620	(458,953)	(456,397)	2,556
NET CONTROLLABLE COST	414	(62,123)	(62,538)	-	(3,307)	(3,307)

Adult Care and Health Services [DACHS] - Period 9

Revenue Forecast

	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Approved Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
<u>Objective Analysis</u>						
Commissioning & Transformation	1,622	(3,469)	(5,091)	2,163	2,163	-
Adult Services Operations	29,685	32,134	2,450	39,580	40,896	1,316
Public Health	(0)	(5,208)	(5,208)	-	-	-
Preventative Services	-	-	-	-	-	-
Directorate Other	368	1,952	1,584	491	491	-
Safeguarding, Quality, Performance & Practice	1,266	1,747	481	1,688	1,688	-
Suspense	-	23	23	-	-	-
Inactive Codes	-	16	16	-	-	-
NET TOTAL COST	32,941	27,196	(5,745)	43,921	45,237	1,316

Subjective Analysis

Employee Costs	11,026	11,814	789	14,701	14,701	-
Premises Costs	199	210	11	265	265	-
Transport-Related Costs	81	54	(27)	107	107	-
Supplies and Services	3,586	3,630	44	4,782	4,782	-
Contracted Costs	35,374	35,078	(295)	47,165	48,481	1,316
Transfer Payments	4,797	41	(4,756)	6,396	6,396	-
TOTAL EXPENDITURE	55,062	50,827	(4,235)	73,416	74,732	1,316
Fees & Charges	(274)	-	274	(365)	(365)	-
Traded Services Income	(6,605)	(5,877)	728	(8,807)	(8,807)	-
Grants & Contributions	(15,242)	(17,755)	(2,513)	(20,323)	(20,323)	-
TOTAL INCOME	(22,121)	(23,632)	(1,510)	(29,495)	(29,495)	-
NET TOTAL COST	32,941	27,196	(5,745)	43,921	45,237	1,316

Revenue Forecast

	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Approved Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
<u>Objective Analysis</u>						
Transportation	(1,366)	(1,247)	119	(1,821)	(1,362)	459
Planning & Regulatory Services	1,985	3,318	1,333	2,647	2,973	326
Housing & Communities	1,516	3,526	2,009	2,022	2,022	-
Culture	2,965	4,302	1,337	3,954	4,258	304
Environmental & Commercial Services	12,365	14,878	2,513	16,487	16,527	40
Property & Asset Management	(2,974)	(2,559)	416	(3,966)	(3,866)	100
Management & Sustainability	386	953	567	515	655	140
Suspense	-	5	5	-	-	-
Inactive Codes	-	0	0	-	-	-
NET TOTAL COST	14,878	23,176	8,298	19,837	21,206	1,369

Subjective Analysis

Employee Costs	29,487	28,249	(1,238)	39,316	38,247	(1,069)
Premises Costs	12,933	14,855	1,922	17,244	17,244	-
Transport-Related Costs	1,726	1,803	77	2,301	2,001	(300)
Supplies and Services	19,523	18,106	(1,417)	26,031	26,050	19
Contracted Costs	7,548	8,426	878	10,064	10,135	71
Transfer Payments	(97)	(462)	(364)	(130)	(130)	(0)
TOTAL EXPENDITURE	71,120	70,977	(143)	94,826	93,547	(1,279)
Fees & Charges	(15,199)	(10,658)	4,541	(20,266)	(18,767)	1,499
Traded Services Income	(34,209)	(29,963)	4,246	(45,612)	(44,462)	1,150
Grants & Contributions	(6,834)	(7,179)	(345)	(9,112)	(9,112)	(0)
TOTAL INCOME	(56,242)	(47,801)	8,441	(74,989)	(72,341)	2,648
NET TOTAL COST	14,878	23,176	8,299	19,837	21,206	1,369

Revenue Forecast

	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Approved Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
<u>Objective Analysis</u>						
Policy, Performance & Customer Services	1,976	3,980	2,005	2,634	2,411	(223)
Human Resources & Organisational Development	1,417	3,205	1,788	1,889	1,839	(50)
Procurement & Contracts	404	517	114	538	615	77
Finance	3,312	4,297	985	4,417	4,417	-
Legal & Democratic Services	1,951	8,101	6,150	2,602	3,088	486
Digital, Technology & Change	4,731	6,261	1,530	6,308	6,308	-
Suspense	-	0	0	-	-	-
Inactive Codes	-	626	626	-	-	-
NET TOTAL COST	13,791	26,989	13,198	18,388	18,678	290

Subjective Analysis

Employee Costs	17,894	20,098	2,204	23,859	23,834	(25)
Premises Costs	289	280	(9)	385	385	-
Transport-Related Costs	24	20	(3)	31	31	-
Supplies and Services	5,718	11,672	5,954	7,624	7,586	(38)
Contracted Costs	4,063	3,444	(619)	5,418	5,418	-
Transfer Payments	937	918	(19)	1,250	1,727	477
TOTAL EXPENDITURE	28,926	36,433	7,507	38,567	38,981	414
Fees & Charges	(1,745)	(158)	1,588	(2,327)	(2,271)	56
Traded Services Income	(3,830)	(2,214)	1,616	(5,106)	(5,286)	(180)
Grants & Contributions	(9,560)	(7,073)	2,487	(12,746)	(12,746)	-
TOTAL INCOME	(15,134)	(9,444)	5,690	(20,179)	(20,303)	(124)
NET TOTAL COST	13,791	26,989	13,198	18,388	18,678	290

Revenue Forecast

	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Approved Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
<u>Objective Analysis</u>						
Corporate Management Team	662	7,616	6,954	883	990	107
Communications	505	615	110	673	705	32
NET TOTAL COST	1,167	8,231	7,064	1,556	1,695	139

Subjective Analysis

Employee Costs	1,519	1,585	66	2,025	2,132	107
Premises Costs	-	-	-	-	-	-
Transport-Related Costs	14	14	0	19	19	-
Supplies and Services	7,888	6,943	(946)	10,518	10,518	-
Contracted Costs	-	1	1	-	-	-
Transfer Payments	(3,496)	(5)	3,491	(4,662)	(4,662)	-
TOTAL EXPENDITURE	5,925	8,538	2,613	7,900	8,007	107
Fees & Charges	-	-	-	-	-	-
Traded Services Income	(26)	(12)	14	(35)	(3)	32
Grants & Contributions	(4,731)	(295)	4,437	(6,309)	(6,309)	-
TOTAL INCOME	(4,758)	(307)	4,451	(6,344)	(6,312)	32
NET TOTAL COST	1,167	8,231	7,064	1,556	1,695	139

Revenue Forecast

	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Approved Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
<u>Objective Analysis</u>						
Dwelling Rents	(28,397)	(27,567)	830	(37,863)	(37,510)	353
Service Charges	(724)	(641)	83	(965)	(854)	111
PFI Credit	(2,998)	(1,999)	999	(3,997)	(3,997)	-
Other Income	(232)	(127)	105	(309)	(279)	30
Interest on Balances	(612)	-	612	(816)	(1,147)	(331)
TOTAL INCOME	(32,963)	(30,334)	2,629	(43,950)	(43,787)	163
Management & Supervision	7,319	2,709	(4,610)	9,759	8,621	(1,138)
Special Services	2,705	2,196	(509)	3,606	3,125	(481)
Provision for Bad Debts	565	-	(565)	753	753	-
Responsive Repairs	2,582	2,032	(550)	3,443	3,443	-
Planned Maintenance	2,242	1,957	(285)	2,989	2,905	(84)
Major Repairs/Depreciation	8,262	4,982	(3,280)	11,016	11,016	-
Debt Costs	5,056	-	(5,056)	6,741	6,025	(716)
PFI Costs	5,398	4,909	(489)	7,197	7,350	153
Revenue Contribution to Capital	450	388	(62)	600	600	-
TOTAL EXPENDITURE	34,578	19,173	(15,405)	46,104	43,838	(2,266)
Movement to/(from) Reserve	(1,616)	-	1,616	(2,154)	(51)	2,103
NET TOTAL COST	-	(11,161)	(11,161)	-	-	-

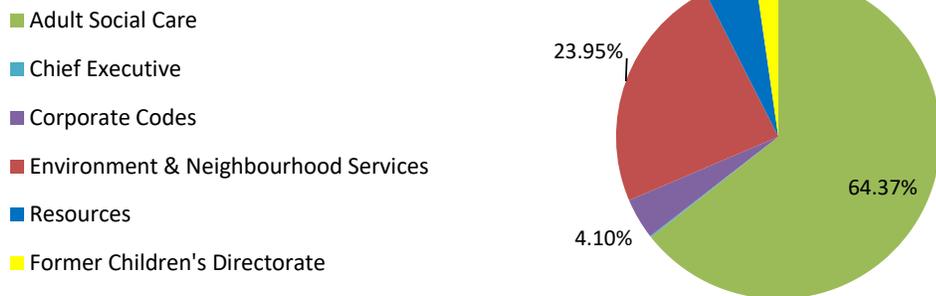
Subjective Analysis

Employee Costs	3,772	3,315	(457)	5,029	4,419	(610)
Premises Costs	20,490	10,664	(9,826)	27,320	25,919	(1,401)
Transport-Related Costs	24	5	(19)	32	15	(17)
Supplies and Services	1,220	508	(712)	1,627	1,705	78
Contracted Costs	5,441	4,919	(522)	7,254	7,063	(191)
Transfer Payments	3,908	95	(3,813)	5,211	5,181	(30)
TOTAL EXPENDITURE	34,855	19,506	(15,349)	46,473	44,302	(2,171)
Fees & Charges	(1,892)	-	1,892	(2,523)	-	2,523
Traded Services Income	(29,965)	(28,597)	1,367	(39,953)	(40,234)	(281)
Grants & Contributions	(2,998)	(2,069)	929	(3,997)	(4,068)	(71)
TOTAL INCOME	(34,855)	(30,666)	4,189	(46,473)	(44,302)	2,171
NET TOTAL COST	-	(11,161)	(11,161)	-	-	-

Debt Performance - End of December 2022

The pie chart below shows the sundry debt as at the end of Period 9, totalling £8.576m.

Pie Chart 1. Split of General Fund Debt by Category



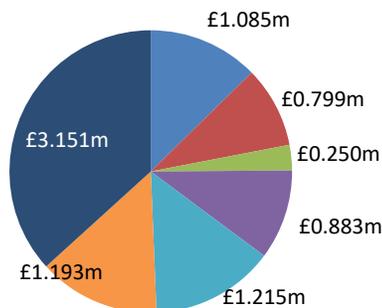
Note: Adult Social Care includes Adult Client debt and invoices relating to NHS/CCG.

As of Period 9, debt totalling £546k has been secured against properties, however there is no guarantee that 100% of this is recovered upon sale of the property. Education Services includes the majority of Schools service level agreement invoices.

Key for Charts

- Under 1 month
- 1 to 2 months
- 2 to 3 months
- 3 to 6 months
- 6 months to 1 year
- 1 to 2 years
- Over 2 years

Pie Chart 2. Split of General Fund Debt Balance by Days Outstanding



Pie Chart 3. Split of HRA Debt Balance

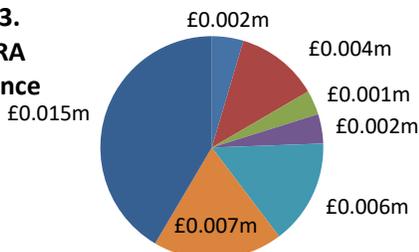
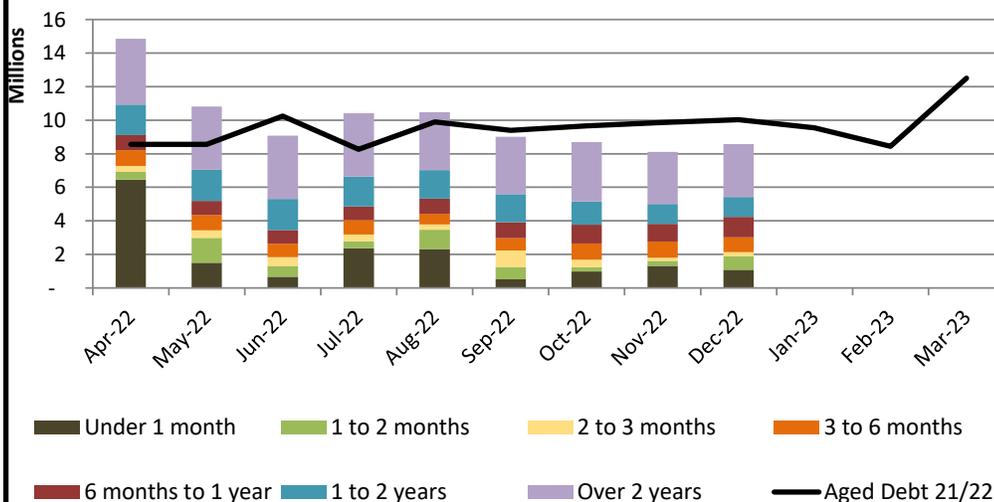


Chart 4. Overdue General Fund Debt Monthly Comparison



Agency and Staffing - End of December

Agency contracts with the council as at the end of Period 9.

Number of agency workers by directorate

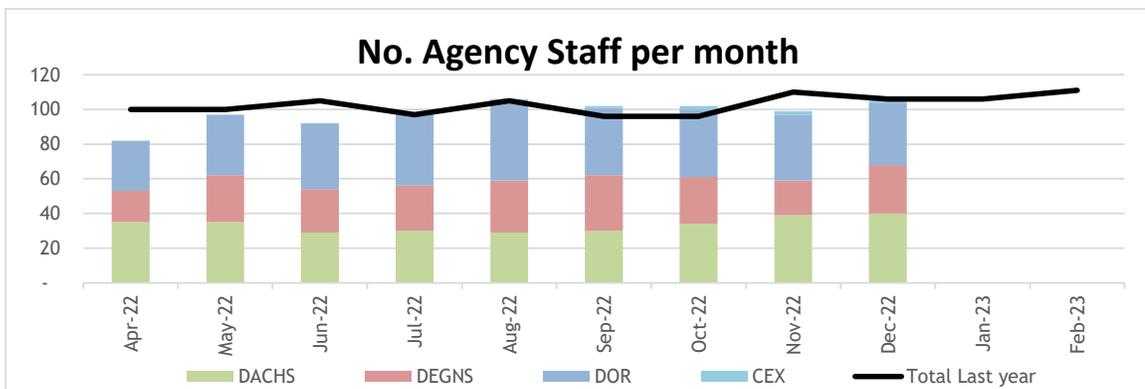
Directorate	Number of Agency Staff Period 9	Number of Agency Staff Period 8
DACHS	40	39
DEGNS	28	20
DOR	36	38
CEX	2	2
Total	106	99

Agency staff by post name (top 5)

Post name	No.
Social Worker	16
Occupational Therapist	9
Driver/Sweeper	8
Refuse Loader	7
Finance System Implementation Staff	6

Agency spend by directorate per quarter (£000s)

Directorate	2021-22 (£000s)				2022-23 (£000s)		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
DACHS	524	572	709	923	607	580	646
DEGNS	288	254	190	281	315	346	464
DOR	436	358	495	599	524	650	861
Total	1,248	1,184	1,394	1,803	1,445	1,576	1,971



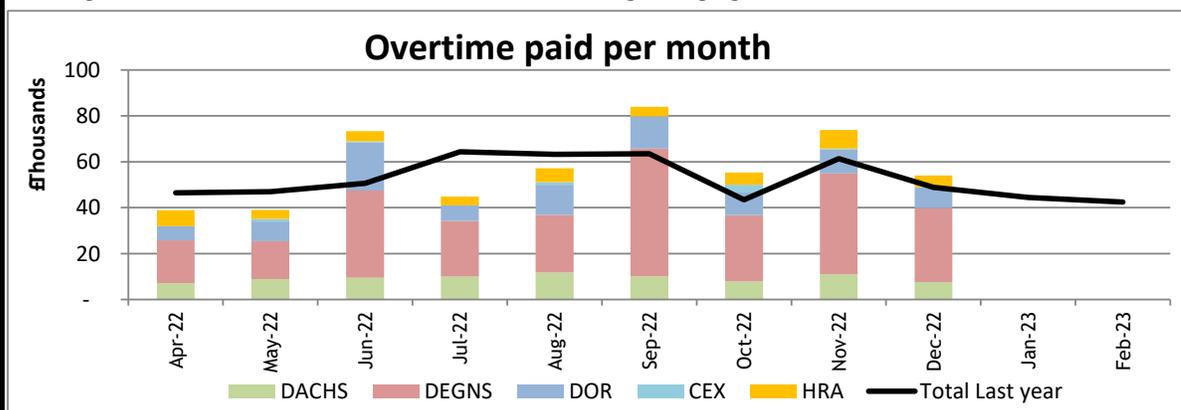
Redundancies & Severance Costs within 22-23

Directorate	December 2022 Only	Actual to Date 2022-23
DACHS	£ -	£ -
DEGNS	£ -	£ 258,444
DOR	£ -	£ 59,147
CEX	£ -	£ 6,649
HRA	£ -	£ -
Total	£ -	£ 324,240

Overtime paid by directorate 22-23

Directorate	December 2022 Only	Actual to Date 2022-23
DACHS	£ 7,614	£ 83,949
DEGNS	£ 32,247	£ 283,191
DOR	£ 8,875	£ 98,612
CEX	£ 274	£ 6,923
HRA	£ 5,032	£ 47,685
Total	£ 54,041	£ 520,360

Redundancy expenditure will be funded from the redundancy revenue reserve. Currently no redundancy charges have been reflected in the Period 9 monitoring, bringing the total to 9 redundancies to date.



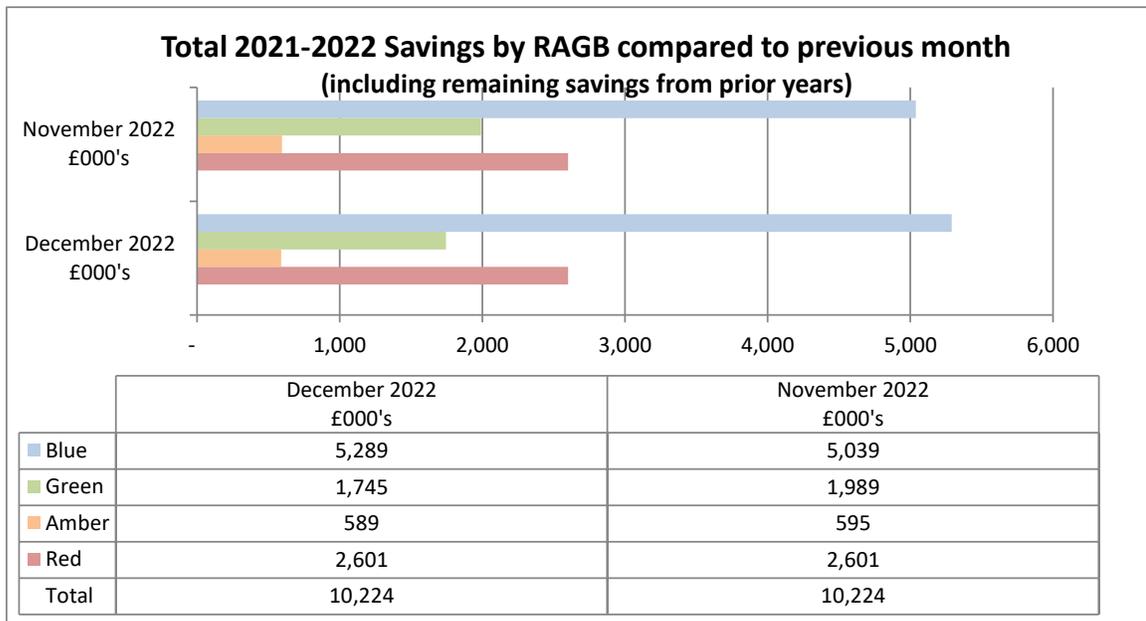
Savings and Delivery Fund 2022-2023 - End of December 2022

Savings

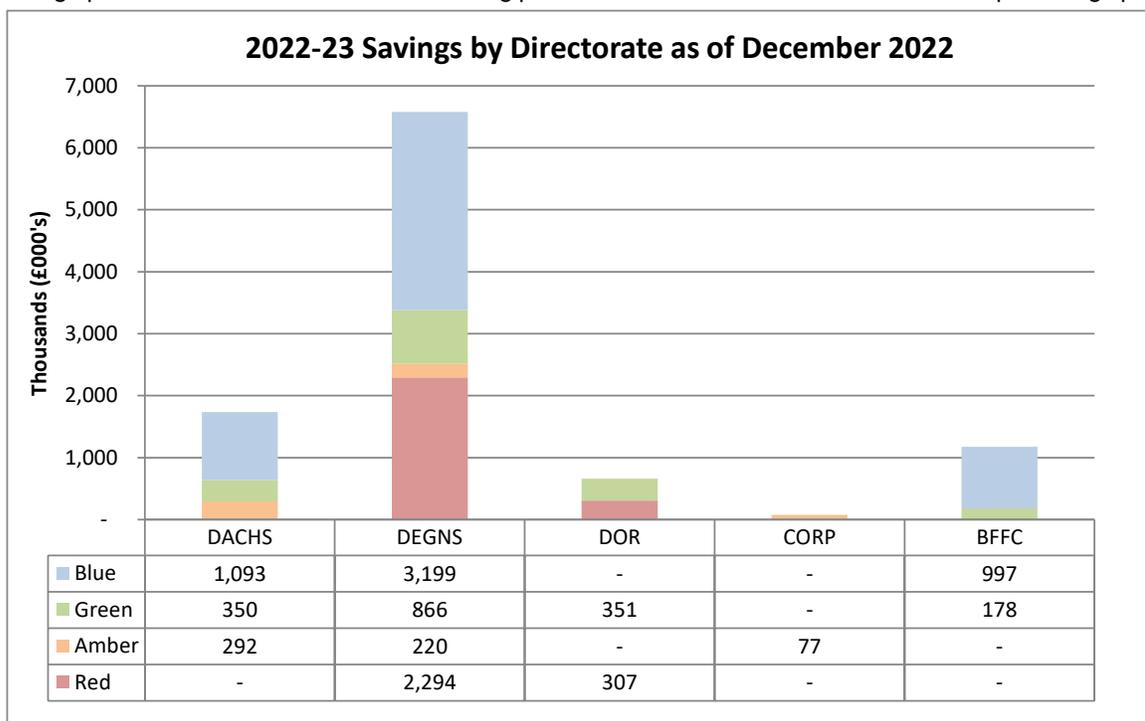
	Project delayed or unachievable and needs reviewing as part of MTF5
	Project has some issues or is at risk
	Project is progressing on track
	Project has been delivered and saving/income generation has been achieved

The below graphs shows the outstanding 2022-23 and prior year savings programme.

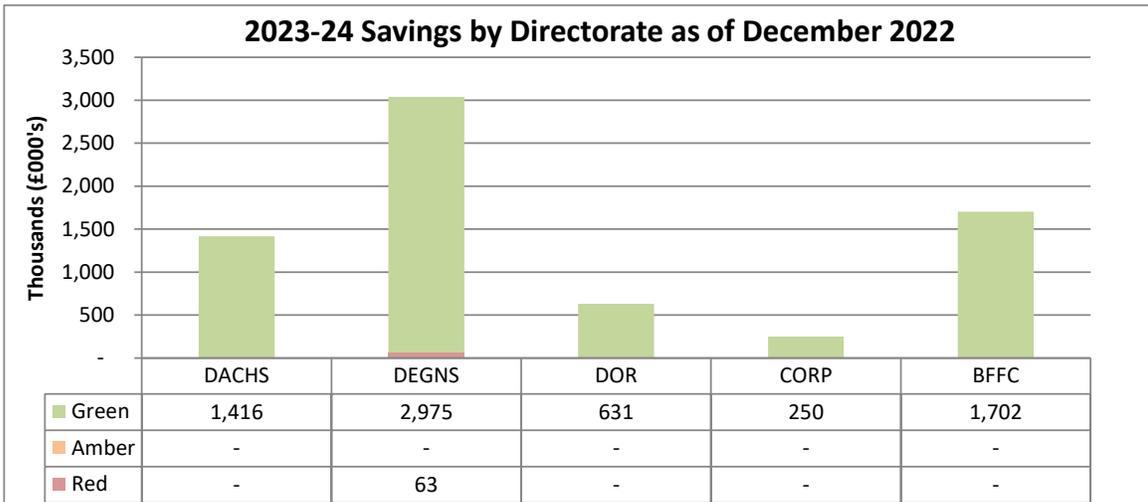
This totals £10.2244m for the overall council.



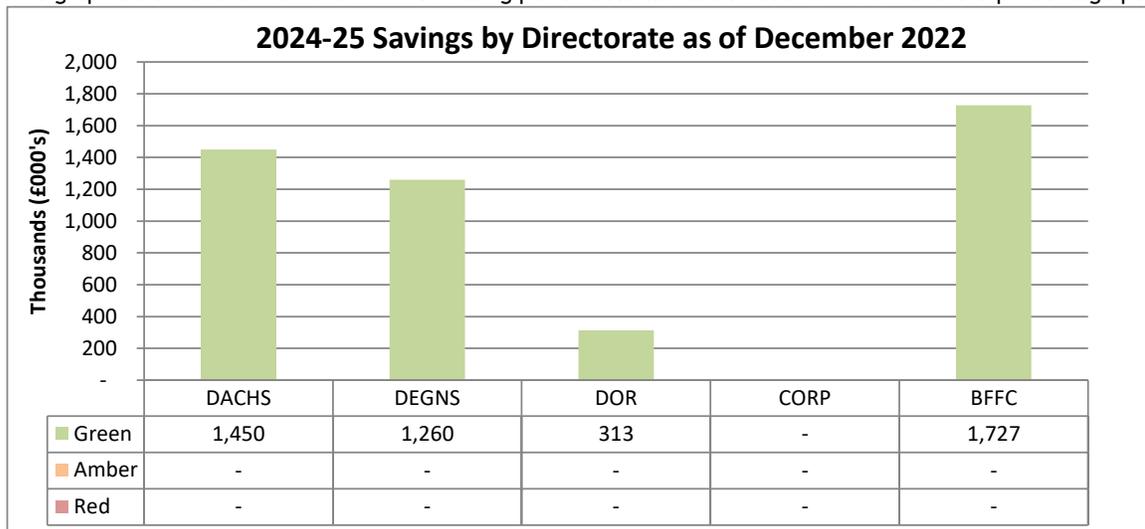
The graph below shows the 2022-23 RAGB rating per directorate as at December 2022 and the percentage per area.



The graph below shows the 2023-24 RAGB rating per directorate as at December 2022 and the percentage per area.



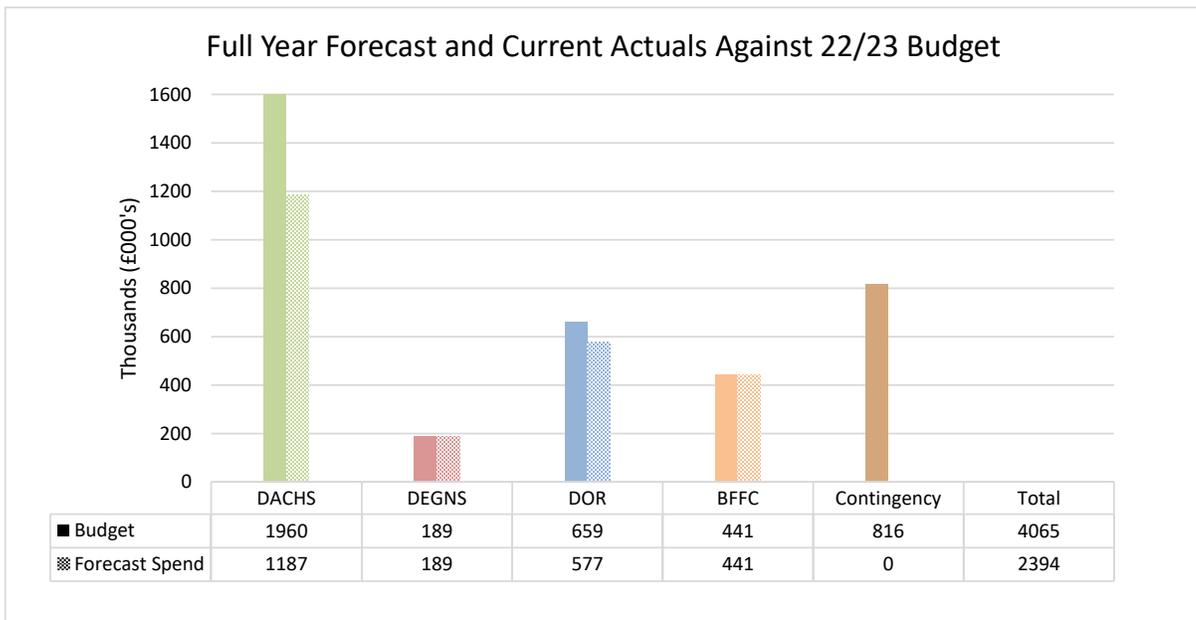
The graph below shows the 2023-24 RAGB rating per directorate as at December 2022 and the percentage per area.



Delivery Fund

There are currently 23 approved Delivery Fund schemes being monitored across DACHS, DEGNS, DOR and BFFC.

The graph below shows the forecast and actual spend on Delivery Fund schemes, by directorate, compared to the 22/23 budget for these schemes.



List of Savings within 2022-23

SAVINGS PROPOSAL	Current Year Savings (£000s)				
	RED	AMBER	GREEN	BLUE	TOTAL
Directorate of Adults Care and Health Services					
Removal of agreed 3 year Voluntary Care Service funding	0	0	0	250	250
Young people Transitions - Supporting young people into adulthood	0	0	12	38	50
Additional DACHS Staffing Efficiencies	0	0	0	200	200
TEC: Promoting the use of Assistive Technology	0	0	34	44	78
Development of the Personal Assistant Market	0	0	39	11	50
Promoting Independence (Outcome Based Service Delivery)	0	0	0	75	75
Review and Rightsizing of Care Packages (2021/2022)	0	0	54	26	80
Efficiency savings secured through Public Health re-procurement	0	0	0	300	300
Development of an Accommodation Pathway for Vulnerable Working Age Adults	0	0	0	25	25
Closing the DACHS Budget Gap	0	292	211	124	627
Total Directorate of Adults Care and Health Services	0	292	350	1,093	1,735

SAVINGS PROPOSAL	Current Year Savings (£000s)				
	RED	AMBER	GREEN	BLUE	TOTAL
Directorate of Economic Growth & Neighbourhood Services					
School Crossing Patrollers	0	0	0	14	14
Fundamental Service Review - Parking	150	0	0	0	150
Increased revenue from on-street Pay and Display	540	0	0	0	540
Increased income from Parking Enforcement	160	0	60	0	220
Increased provision of Red Routes	0	0	50	0	50
Review Public Car Park provision borough wide	200	0	0	0	200
Increase off street parking charges	150	0	0	0	150
Increase in fees and charges	0	0	0	3	3
Mandatory HMO Licensing	75	0	0	0	75
Discretionary HMO Licensing	20	0	0	0	20
Fundamental Service Review - Planning and Regulatory	0	0	0	66	66
Increase in charges for pre-planning application and planning fees	55	0	55	0	110
Proposed Fee Income Reading Festival	50	0	0	0	50
Reforecast income Licensing income budget	0	0	0	10	10
Increase in fees and charges	0	0	0	20	20
Reduction in professional specialist, management, enforcement and administrative resources; an increase to pre-planning application fees by 10%.	0	0	0	120	120
Town Centre Street Trading - New Pitches	0	0	0	8	8
Housing - Fundamental Service Review	0	0	0	50	50
Increase in fees and charges	0	0	0	4	4
Contribution from Public Health Grant	0	0	0	250	250
In-house management restructuring of Cultural Services	0	100	0	0	100
Increase in fees and charges	0	0	0	33	33
Increase in Savings - Waste Operations	0	0	0	(130)	(130)
Fundamental Service review of Highways	0	0	50	0	50
Increase income on green waste due to additional uptake in years 1-3 and fee increase in years 2-3	25	0	25	0	50
Fundamental Service Review - Parks and Street Cleansing	150	0	0	12	162
Increased income from traded waste services (previous ref to CIL & IPD not relevant)	0	0	50	50	100
Increase in fees and charges	0	0	0	5	5
Additional income from advertising	25	0	0	0	25
Review of Rents on Garages and Shops	0	0	0	5	5
Increase in fees and charges.	0	0	0	24	24
Workforce Review [Transportation]	0	0	0	200	200
Increase parking permit charges	0	0	43	0	43
Arts Fundraising campaign	0	45	15	0	60
Visa Verification increased income	0	0	0	45	45
Rewilding highway verges	0	0	0	15	15
Waste Contract - Budget realignment inline with anticipated expenditure	0	0	0	100	100
Continued commercial growth of Highways service	0	0	0	5	5
In-sourcing of Highways Structures Consultancy	0	0	0	10	10

SAVINGS PROPOSAL	Current Year Savings (£000s)				
Directorate of Economic Growth & Neighbourhood Services	RED	AMBER	GREEN	BLUE	TOTAL
Review of office and workspace requirements	0	0	0	162	162
Workforce Review [Planning & Regulatory Services]	0	0	0	47	47
Workforce Review [Housing]	0	0	0	50	50
Workforce Review [Cultural Services]	0	0	0	1	1
Workforce Review [Environmental and Commercial Services]	0	0	196	0	196
Workforce Review [Regeneration and Assets]	0	0	0	62	62
Recovery of reduced parking income due to Covid-19*	650	0	0	0	650
On Going Pension Costs Savings	0	0	0	30	30
Revenue impact of new contract for borough leisure facilities	0	0	0	830	830
Covid19 income pressure on the Town Hall and recovery plan*	0	0	247	0	247
Covid19 income pressure on the Hexagon and South Street Theatres and recovery plan*	0	75	75	0	150
Reduced fuel costs due to increase in electrical vehicles	44	0	0	0	44
Highways operational resilience	0	0	0	12	12
Investment property rental income increase	0	0	0	1,086	1,086
Directorate of Economic Growth & Neighbourhood Services	2,294	220	866	3,199	6,579

SAVINGS PROPOSAL	Current Year Savings (£000s)				
Directorate of Resources	RED	AMBER	GREEN	BLUE	TOTAL
New customer services model	207	0	0	0	207
Efficiencies from procuring new finance system	0	0	112	0	112
Additional Service Proposals for Registrar Services	0	0	10	0	10
Reduction in employer contributions arising from new Agency Contract	0	0	90	0	90
Increase in Fees and Charges (Kennet Day Nursery)	0	0	5	0	5
Procurement & Contracts savings - Resources Directorate	100	0	0	0	100
Finance workforce review	0	0	50	0	50
Procurement of Case Management system	0	0	45	0	45
Increase in Fees and Charges	0	0	39	0	39
Directorate of Resources	307	0	351	0	658

SAVINGS PROPOSAL	Current Year Savings (£000s)				
Corporate	RED	AMBER	GREEN	BLUE	TOTAL
Reducing mileage expenses through increased use of alternatives e.g. online meetings	0	77	0	0	77
Corporate	0	77	0	0	77

SAVINGS PROPOSAL	Current Year Savings (£000s)				
Brighter Futures For Children	RED	AMBER	GREEN	BLUE	TOTAL
BFFC Savings	0	0	178	997	1,175
Brighter Futures For Children	0	0	178	997	1,175

	RED	AMBER	GREEN	BLUE	TOTAL
TOTAL of Savings with Red rated elements within 2020-2021	2,601	589	1,745	5,289	10,224

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Capital Programme for Period 9

Scheme Name	Revised Budget Quarter 2 2022/23 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts & Borrowing £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 3 2022/23 £000	Spend to 31st December 2022 £000	Forecast Spend £000	Forecast Variance £000
General Fund										
Adult Care and Health Services										
e-Marketplace & Equipment Renewal Portal Software	170					(170)	0	0	0	0
Mobile Working and Smart Device	150					(150)	0	0	0	0
Replacement of Community Re-ablement Software	85					(60)	25	0	25	0
Co-located profound and multiple learning disabilities day opportunities and respite facility and sheltered housing flats										
	1,413						1,413	10	1,413	0
Adult Care and Health Services Total	1,818	0	0	0	0	(380)	1,438	10	1,438	0
Economic Growth and Neighbourhood Services										
Transportation, Planning & Regulatory Services										
Air Quality Monitoring	15						15	0	15	0
Active Travel Tranche 2	100						113	178	113	0
Active Travel Tranche 3	200						200	0	200	0
Berkshire Coroner's Removals	0							0	0	0
Bus Service Improvement	500						500	0	500	0
Local Transport Plan Development	40	(122)					40	27	40	0
National Cycle Network Route 422	8	5					13	0	13	0
Reading West Station										
	600	22					622	92	622	0
South Reading MRT (Phases 1 & 2)	399						399	0	399	0
South Reading MRT (Phases 3 & 4)	1,633	8					1,641	248	1,641	0
South Reading MRT (Phases 5 & 6)	0						0	0	0	0
Town Centre Street Trading Infrastructure	28						28	0	28	0
Construction of Green Park Station	2,969	40					3,009	3,348	3,009	0
Car Park Investment Programme (inc P&D, Red Routes & Equipment)	177	(70)					107	67	107	0
Additional Storage Capacity at Mortuary	0						0	0	0	0
Purchase of Mortuary Equipment	12						12	0	12	0
CIL Local Funds - Community	502		125			(125)	502	63	502	0
CIL Local Funds - Transport	167	45	656			(656)	212	80	212	0
CIL Local Funds -Neighbourhood Allocation	477						477	0	477	0
S106 individual schemes list	977	11					988	0	988	0
Defra Air Quality Grant - Bus Retrofit	70						70	0	70	0
Defra Air Quality Grant - Go Electric Reading	18						18	1	18	0
Electric Vehicle Charging Points	0						0	0	0	0
Air Quality Grant - AQ sensors awareness & behaviour change										
	0						0	0	0	0
Transport Demand Management Scheme	0						0	0	0	0
Rogue Landlord Enforcement	75						75	0	75	0
Transportation, Planning & Regulatory Services - Sub Total	8,967	(61)	781	0	37	(683)	9,041	4,105	9,041	0

Capital Programme for Period 9

Scheme Name	Revised Budget Quarter 2 2022/23 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts & Borrowing £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 3 2022/23 £000	Spend to 31st December 2022 £000	Forecast Spend £000	Forecast Variance £000
Housing & Communities										
Provision of Gypsy & Traveller Accommodation	100						100	25	100	0
Harden Public Open Spaces to Prevent Incursion	42						42	7	42	0
Green Homes Scheme - GF element	0		244				244	182	244	0
Disabled Facilities Grants (Private Sector)	1,257						1,257	454	1,257	0
Foster Carer Extensions	0						0	0	0	0
Private Sector Renewals	444						444	31	444	0
Housing & Communities - Sub Total	1,843	0	244	0	0	0	2,087	700	2,087	0
Culture										
Leisure Centre Procurement	22,272					(2,747)	19,525	16,704	19,525	0
Christchurch Meadows Paddling Pool	0						0	0	0	0
Development of facilities at Prospect Park/Play	230					8	238	176	238	0
Reading Football Club Social Inclusion Unit to SRLC	0						0	0	0	0
Small Leisure Schemes	311	(97)				(153)	61	0	61	0
Abbey Quarter restoration works	50				14	(54)	10	0	10	0
High Street Heritage Action Zone	252					(115)	137	18	137	0
Berkshire Record Office - extension of storage space	16					(16)	0	0	0	0
Hexagon lighting & emergency lighting replacement	15					(5)	10	5	10	0
Town Hall Equipment	190						190	29	190	0
Tilehurst Library Works	62						62	0	62	0
Culture - Sub Total	23,398	(97)	0	0	14	(3,082)	20,233	16,931	20,233	0

Capital Programme for Period 9

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Environmental & Commercial Services											
Playground equipment and Refreshment: Boroughwide	530	(256)					274	51	274	0	
New Capital Bid - S106 Kenavon Drive Landscape	120						120	73	120	0	
Victoria Rec	0	462				(462)	0	0	0	0	
Levelling Up Parks Fund	0		66				66	0	66	0	
John Rabson skatepark	255	120					50	23	50	0	
Re-wilding highways, parks and open space verges	76						0	0	0	0	
Tree Planting	30					17	(17)	18	30	0	
Annual Bridges and Carriage Way Works programme & Highway Infrastructure Works	4,654						4,654	3,249	4,654	0	
Carriageways & Pavements Investment Programme	0						0	0	0	0	
Chestnut Walk Improvements	0					35	(29)	11	6	0	
CIL Local Funds - Heritage and Culture	285						285	11	285	0	
CIL Local Funds - Leisure and Play	419	(229)	842				550	269	550	0	
Highway Signals_Capital Bid	200						100	48	300	0	
Highways Operational Resilience _ Capital Bid	0						0	0	0	0	
Highways Structures Capital Bid	1,450						(1,100)	0	350	0	
Invest to save energy savings - Street lighting	771						(221)	550	274	550	0
Pedestrian Defined Urban Pocket Gardens	75						75	0	75	0	
Pedestrian dropped kerb facilities with tactile pavers	240						240	0	240	0	
Pedestrian handrails	240						240	0	240	0	
Pumping Station Upgrade Scheme (new)	229						(14)	215	146	215	0
Railway footbridge lighting in West Reading	70						70	0	70	0	
Reading Station Subway	206						206	0	206	0	
Reading Town Centre Design Framework	0						0	0	0	0	
Town Centre Improvements	307					37	(179)	57	165	0	
Free bulky waste service - collection vehicle	0						0	0	0	0	
Cattle Market Car Park	0						0	0	0	0	
Digitised TRO's	0						0	0	0	0	
Eastern Area Access Works	100						(100)	0	0	0	
Local Traffic Management and Road Safety Schemes	135	60					(191)	4	4	0	
Oxford Road Corridor Works	150	1					(151)	0	0	0	
Traffic Management Schools	216						(216)	0	0	0	
Western Area Access Works	64						(64)	0	0	0	
New Kit/Vehicles for Commercial Services Dvlpt	0						0	0	0	0	
New Vehicle for Highways & Drainage Commercial Service	0						0	0	0	0	
Replacement Vehicles	2,781						(673)	2,108	2,108	2,108	0
Environmental & Commercial Services - Sub Total	13,602	158	908	0	89	(4,200)	10,557	6,342	10,558	0	

Capital Programme for Period 9

Scheme Name	Revised Budget Quarter 2 2022/23 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts & Borrowing £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 3 2022/23 £000	Spend to 31st December 2022 £000	Forecast Spend £000	Forecast Variance £000
Property & Asset Management										
The Heights Permanent Site Mitigation										
	44						44	27	44	0
Invest in Corporate buildings/Health & safety works	1,180						1,180	253	1,180	0
1 Dunsfold Fitout for BFC Family Contact Centre -										
Development for Community Use	275	20				75	370	31	370	0
Accommodation Review - Phase 2A - 2C	556					410	966	109	966	0
Corporate Office Essential Works	0					174	174	174	174	0
Katesgrove Community and YOS Refurbishment -										
Development for Community Use	150	(20)				600	730	118	730	0
BFFC Accommodation Review	0						0	0	0	0
Regeneration Projects	125						125	173	125	0
The Keep building works and improved arts/culture facilities										
	94						94	0	94	0
Property & Asset Management - Sub Total	2,424	0	0	0	0	1,259	3,683	886	3,683	0
Management & Sustainability										
Renewable Energy	695						695	88	695	0
Salix Decarbonisation Fund	1,574						1,574	664	1,574	0
Salix Re-Circulation Fund	57						57	94	57	0
Management and Sustainability - Sub Total	2,326	0	0	0	0	0	2,326	845	2,326	0
Economic Growth and Neighbourhood Services Total	52,560	0	1,933	0	140	(6,706)	47,927	29,809	47,928	0
Resources										
Customer Digital Experience	750				1,627	(1,627)	750	176	750	0
Universal Digital Systems	812				1,939	(1,939)	812	118	812	0
IT Future Operating Model	538				1,203	(1,203)	538	644	538	0
Re-Procurement / Reimplementation of Finance System	440						440	207	440	0
Education Management System	384						384	154	384	0
Cemeteries and Crematorium	0						0	0	0	0
Cremator Procurement	1,313					(248)	1,065	0	1,065	0
Cremator	0						0	70	0	0
Burial Land Acquisition	80						80	0	80	0
Resources Total	4,317	0	0	0	4,769	(5,017)	4,069	1,370	4,069	0

Capital Programme for Period 9

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Economic Growth and Neighbourhood Services (Education Schemes)										
Additional School Places - Contingency	50						50	(1)	50	0
SEN Provision - Avenue Centre	4,292						4,292	2,779	4,292	0
Asset Management	286						286	0	286	0
Children in care Emergency Provision	35						35	0	35	0
Civitas- Synthetic Sports Pitch	0						0	(4)	0	0
Contribution to SEN School Wokingham	123						123	123	123	0
Crescent Road Playing Field Improvements	311						311	181	311	0
Critical Reactive Contingency: Health and safety (Schools)	500						500	30	500	0
Fabric Condition Programme	3,448						3,448	1,452	3,448	0
Green Park Primary School	60						60	(109)	60	0
Heating and Electrical Renewal Programme	1,047						1,047	86	1,047	0
Initial Viability work for the Free School at Richfield Avenue	20						20	1	20	0
Low Carbon Skills Fund - Bid Development	5						5	0	5	0
Low Carbon Skills Fund - Schools Estate Project Delivery	24						24	0	24	0
Katesgrove Primary Trooper Potts Building	59						59	2	59	0
Meadway Early Years Building Renovation	0			1			1	1	1	0
Modular Buildings Review	50						50	0	50	0
New ESFA funded schools - Phoenix College	0						0	(90)	0	0
New ESFA funded schools - St Michaels	0						0	0	0	0
Pinecroft-Children who have complex health, physical,sensory,disabilities & challenging behaviour	53						53	(97)	53	0
Dee Park Regeneration - Housing Infrastructure Fund (school)	500						500	161	500	0
Public Sector Decarbonisation Funds - School Estate Double Glazing Programme	1,065						1,065	286	1,065	0
SCD Units	473						473	133	473	0
School Estate Solar PV Programme	323						323	310	323	0
Schools - Fire Risk Assessed remedial Works	560						560	242	560	0
SEN Norcot	83						83	0	83	0
SEN High Needs provision capital allocations	0						0	0	0	0
The Heights Temporary School	351						351	0	351	0
Park Lane Primary School Annexe Replacement	500						500	0	500	0
Economic Growth and Neighbourhood Services (Education Schemes) Total	14,218	0	1	0	0	0	14,219	5,486	14,219	0

Capital Programme for Period 9

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Corporate										
Delivery Fund (Pump priming for Transformation projects)	4,065						4,065	1,119	2,394	(1,671)
Loan To RTL (Bus replacement programme)	2,500				(250)		2,250	0	2,250	0
Oracle Shopping Centre capital works	100						100	0	100	0
Minster Quarter - Brownfield Land Grant Element	200						200	0	200	0
Minster Quarter	250						250	0	250	0
Corporate Total	7,115	0	0	0	(250)	0	6,865	1,119	5,194	(1,671)
General Fund Total	80,027	0	1,934	0	4,659	(12,103)	74,517	37,794	72,848	(1,671)
Housing Revenue Account (HRA)										
Disabled Facilities Grants	600						600	435	600	0
Housing Management System	502						502	167	600	98
Major Repairs - Existing Homes Renewal	8,944	1,085					10,029	4,128	10,029	0
Major Repairs - Zero Carbon Retrofit works	2,617	(1,085)			(387)		1,145	879	1,145	0
Local authority new build programme for Older people and vulnerable adults	1,350					(586)	764	284	764	0
New Build & Acquisitions - Phase 2 - 4	13,815					3,132	16,947	10,055	16,947	0
Housing Revenue Account (HRA) Total	27,828	0	0	0	(387)	2,546	29,987	15,948	30,085	98

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Corporate Plan KPI - Foundations - Quarterly

Status	DOT	Title	Frequency	Target	Unit	Q2	Q3	Comments
⬇️	⬆️	Customer satisfaction in the Customer Fulfilment Centre	Quarterly	89	%	60.00	73.50	<ul style="list-style-type: none"> - Customers have experienced excessive wait times for calls to be answered. - Acute challenges with our housing repairs service means CFC colleagues are on hold for lengthy periods to speak to the back office. - The CFC has experienced a higher than usual rate of attrition. - A vibrant job market has meant the service has been unable to attract people to apply for roles in CFC. The current job description has been reviewed with a view to make the role and pay more competitive and attractive.
⬇️	⬆️	Percentage of responses to the public on Freedom of Information Act requests made within 20 days	Quarterly	90	%	71.60		The Information Governance service is working through an Action Plan, working with services to raise awareness of the importance of responding on time. The next step of the plan is the Training event planned with responding officers officers on 31 Jan. I have updated the Sept Q2 data. The final Dec Q3 data is not yet available. Direction of travel is for Q1-Q2.
⬆️	⬆️	Deliver the Medium Term Financial Strategy	Quarterly	150	£ million	148.92	146.68	
⬆️	⬆️	Enquiries solved at first point of contact in the Customer Fulfilment Centre	Quarterly	87	%	84.00	89.00	
⬆️	⬆️	Number of invoices paid within 30 days of invoice date	Quarterly	80	%	86.63	88.94	The number of invoices paid within 30 days during 2022-23 has included a significant number of £150 energy rebate payments which had the effect of improving the KPI in Q1 when most of the rebates were paid, and to a lesser degree in Q2.
⬆️	⬇️	Percentage of responses to complaints within agreed timescales	Quarterly	70	%	75.60		The final Q3 data is not yet available. Direction of travel is for Q1-Q2.



Corporate Plan KPI - Foundations - Monthly

Status	DOT	Title	Frequency	Target	Unit	Nov-22	Dec-22	Comments
⬇️	⬇️	Number of self- service transactions via My Account self- service	Monthly	23,333	No.	16,000.00	11,000.00	We have been focusing on the calculation methodology used by Google Analytics to make the published figure as accurate as possible. Changes we have made in this quarter have, we believe, reduced the amount of double counted transactions, and now more accurately reports the current level of customer engagement online. We will continue to review this methodology and provide a further update at the next corporate review date. The target figure was based on current (at the time) reported figures, it is likely this will need reviewing after a further period of reporting (and confirmation that the changes to the process have resulted in more accurate figures).



Corporate Plan KPI - Healthy Environment

Status	DOT	Title	Frequency	Target	Unit	Q2	Q3	Comments
▲	▲	Food waste recycled (percentage of household waste)	Quarterly	14	%	12.50	12.90	<p>Food waste represented 12.9% of household waste in qtr3. This compares to 13.8% in the same quarter last year.</p> <p>Lower food waste tonnes compared to the same period last year could be the result of residents having become more aware of the amount of food they were wasting. If lower tonnages are the result of waste reduction, this is a positive outcome. Increased financial pressures may also be causing residents to waste less food.</p> <p>However we are also aware that some food waste is present in the residual waste, and we need to capture this for recycling. Officers will continue to monitor the tonnages.</p>
▲	▼	Percentage total household waste recycled	Quarterly	51	%	48.99	47.77	<p>The provisional quarter 3 recycling rate was 47.8%. This compares to 50.9% in the same period last year. Total household tonnes fell as the economic situation changed, but recyclable tonnages fell more than those collected as non-recycled. The biggest decline has been in food waste. Some tonnages may be starting to recover and officers are continuing to monitor the data.</p>
●	▲	Percentage of actionable (40mm depth) potholes repaired within 28 days	Quarterly	99	%	94.00	99.00	
●	▲	Percentage of Houses of Multiple Occupation that are licensed	Quarterly	42	%	42.15	42.50	

Corporate Plan KPI - Inclusive Economy - Quarterly

Status	DOT	Title	Frequency	Target	Unit	Q2	Q3	Comments
●	⇒	Number of school places for children and young people with Special educational need and disability (SEND)	Quarterly	402	No.	453.00	453.00	No new places due to come online until April 2023
●	↑	Cumulative reduction in crime (based on Thames Valley Police crime reporting figures)	Quarterly	5	%	22.00		Latest data is Q2 though full Q2 data not yet available. Q1 data shows a percentage increase. This is attributed to COVID related restrictions in the previous year. Direction of travel is for Q1-Q2
●	↑	Participation at Council cultural venues	Quarterly	300	No.(k)/yr	217.17	300.82	August closure reduces participation for Q2. Data is cumulative.
●	↑	Percentage of Care Leavers who are not in education, employed or training for work (NEET)	Quarterly	35	%	34.00	29.00	

Corporate Plan KPI - Inclusive Economy - Monthly

Status	DOT	Title	Frequency	Target	Unit	Nov-22	Dec-22	Comments
▲	↑	Number of visits to our libraries	Monthly	240	No.(k)/yr	167.00	182.00	Tracking to target, Data is cumulative to date.
▲	↑	Percentage of people with a learning disability in paid employment	Monthly	5	%	4.70	4.81	We are developing partnerships with local employment support providers to offer targeted services for our LD service users.

Corporate Plan KPI - Thriving Communities - Quarterly

Status	DOT	Title	Frequency	Target	Unit	Q2	Q3	Comments
●	↓	Number of carers supported to maintain their caring role	Quarterly	120	No.	201.00	169.00	A new Carers Support Service is now in place. Work has been ongoing in Q3 to embed new processes and pathways.
●	↓	Number of NHS Health Checks delivered to residents	Quarterly	150	No. per qtr	601.00	521.00	389 were universal health checks and 55 were targeted Health checks delivered by GPs. This figure includes 77 NHS Health Checks provided for RBH staff who are Reading residents.
●	↓	Proportion of stop smoking service users, who have set a date to stop smoking and are still not smoking 4 weeks later, that are routine and manual workers	Quarterly	40	% per qtr	61.00	40.00	Due to the lag in stop smoking service data, the previous quarter's data (Q2 - 60%) is the most robust. This data is still provisional, as the final national dataset is not published 'til later in the year. This figure exceeds the target set of 40%. The improvement has been largely due to the service being able to access more sites and setting up more drop-in clinics in targeted communities. We estimate that performance in Q3 will be on or above target of 40%.
●	↑	Percentage of children in care living more than 20 miles from Reading	Quarterly	28	%	29.00	27.00	Proactive action taken to address the challenge of local place sufficiency (a challenge that Local Authorities across England are experiencing) is beginning to evidence impact, with more children being initially placed in or returning to placements in Reading. A reduction in the overall number of children coming into care means that the number of children who became looked after some years ago and are settled with long term carers beyond 20 miles continues to have a high proportionate impact on this indicator.
●		Youth re-offending rate	Quarterly	30	%		27.90	This provides the data for the period Jan 20 - Dec 20. Sep data is not available

Page 94

Status	DOT	Title	Frequency	Target	Unit	Nov-22	Dec-22	Comments
◆	↓	Percentage of service users in receipt of Adult Social Care Direct Payments	Monthly	24	%	21.62	21.43	A dedicated Direct Payment resource will be in place in the new year, able to support people with arrangement of Direct Payments.
●	↑	Number of households prevented from becoming homeless	Monthly	450	No/yr	352.00	370.00	Data is cumulative to date.
●	↓	Older People (65+) who were still at home 91 days after discharge from hospital into reablement	Monthly	80	%	88.90	82.90	Unfortunately, 5 service users returned to hospital which impacted the performance, however, the service continues to perform highly.
●	→	Percentage of new contacts to the Advice & Wellbeing hub resulting in a successful outcome not requiring an on-going service	Monthly	80	%	94.00	94.00	The Hub continues to outperform and deliver excellent services to local residents.
●	→	Percentage of service users supported to live independently in the community	Monthly	74	%	75.00	75.00	Home First and community based provision remains a high priority for Adult Social Care and teams are working with residents and their families to remain at home as long as possible

Corporate Plan Projects - Foundations

Project or activity	Q2	Q3	DOT	Q3 22-23 Commentary
Implementation of the Customer Experience Programme	●	◆	↓	Programme is reporting red, however this is in response to wider conversations around the future direction of the programme and how the organisation aligns all customer transformation activity. Conversations are progressing well, agreed way forward is expected imminently.
Embedding the Hub and Spoke structure	▲	▲	→	By Q4 there will be a new Delivery Plan
Implement business process redesign	▲	▲	→	The integrated system test phase will complete in January 2023. The tests are being performed by workstream members from RBC and BFfC plus selected end users. User Acceptance Testing will be carried during February 2023. The testing of interfaces will be performed through to end of February and is dependent on the completion of feeder system updates to iTrent, Mosaic and Civica. Optimum, who specialise in finance system training, have been appointed to prepare eLearning training material and user guides for end users. The updated project plan includes the milestones of loading 2023/24 budgets on to the new system in January 2023 and finance system go-live in April 2023.
Implement Social Value Strategy and reporting	▲	▲	→	By Q4 there will be a new Delivery Plan
Implementation of the Connected Reading Strategy	▲	▲	→	The Casework and Customer Management contract has been signed with Arcus Global. Project kickoff is in mid-January. Contract finalisation was delayed by over 2 months because of commercial issues. Procurement of a digital transformation delivery partner is underway, with the contract expected to be awarded in February 2023. Once the partner has been appointed and mobilised, we expect to bring a revised plan for transformation to Policy Committee, enabling a return to Green status. The initial work of the partner is expected to cover: a) Application rationalisation; b) Customer journey optimisation; c) Adult social care front door; d) Adult social care process optimisation; e) Housing digital presence. The status of other transformation projects is as follows: Independent Living - Hiatus caused by commercial issues with both providers. These were resolved in late December. Equipment from both providers is now live for small initial sets of users. Progress in wider deployment and exploitation is being constrained by the demands of BAU on the affected social care staff; the team is working with the relevant Assistant Directors to plan how best to drive adoption. There have continued to be issues relating to PREVENT filtering for public WiFi sites but, at the time of writing, it is believed that the root cause has been found and a fix is being tested. On a more positive note, we are exploring a technical option to extend free network connectivity, provided under social value arrangements with one of our providers, to all community centres (twelve rather than the six initially envisaged).
Implementation of the Information Governance Strategy	▲	▲	→	We have discussed the role of Data Stewards and the SharePoint Devolved Admins at Information Governance Board. We are drafting a terms of reference to combine these roles. Staff already identified as DA's will be approached to take on the DS role also.

Corporate Plan Projects - Healthy Environment

Project or activity	Q2	Q3	DOT	Q3 22-23 Commentary
£9 million investment in resurfacing roads and pavements.	●	●	➔	On track to deliver
Climate Emergency Strategy	▲	▲	➔	The majority of actions remain green (on track) or amber (progressing but at risk of not being delivered by the target date). Further details are included in the Annual Progress Report for 2021/22 which was produced and presented to SEPT Committee in November 2022 (see https://readingcan.org.uk/wp-content/uploads/2022/12/Reading-Climate-Emergency-Strategy-Annual-Report-2021-22.pdf)
Decarbonisation of the Hexagon theatre through improved heating and lighting.	▲	▲	➔	Awaiting outcome from the funding application. Project meeting taken place.
Deliver and develop the new play hub at Prospect Park.	●	●	➔	Cafe offer is progressing with RBC and operator. Some minor interior work to be completed. Educational and Play visits to site have started.
Delivery Capital Education Property Development Programme	●	●	➔	Projects and programme progressing as per the intended timescales
Electrification of fleet	▲	▲	➔	RBC have added a further 5 electric refuse collection vehicles in the last quarter as part of its commitment to replace fossil fuel vehicles and electrify its fleet. The Council is presently reviewing its capital programme which the service will await its outcome before it can order further electric vehicle replacements as planned. Phase 1 of the electric charging points for the electric RCV's has been completed at Bennet Road, with Phase 2 planned to be completed 2023/24.
Implementing the Environment Act 2021	▲	▲	➔	No Change to previous quarter updates, other than DEFRA have indicated that it will be releasing further information on the Deposit Return Scheme section of the Act early in 2023.
Improvements to play areas and park environments	▲	▲	➔	There are 21 projects being carried out within our Parks and Open Spaces upgrading children's play grounds and outdoor gyms. Of these 5 are red for this financial year, 7 are amber and 9 are green. Delays relate to weather, availability of materials and equipment. There are 2 additional projects undertaken – Repair to the external walls and vaults at Caversham Court (Red) and repairs to the 'Bandstand' in the Forbury (amber).
New Local Transport Plan (LTP) for Reading	▲	▲	➔	Draft LTP currently being prepared, however DfT guidance has been delayed.
Retaining our position on the 'A' list for bold leadership on climate change	●	●	➔	Reading's 2022 annual submission to CDP was completed in July 2022. In November 2022, following detailed assessment, CDP confirmed that Reading has retained its place on the CDP 'A' list for a further year. Reading is one of only 19 UK local authorities who received this score in 2022.
The allocation of £1.6 million Community Infrastructure Funds and commencement of the approved schemes	▲	▲	➔	£1.6 million of Community Infrastructure Levy funds were allocated to 18 local projects in March 2022 by Policy Committee. Work has completed on six of the projects, whilst the remainder are currently in the preparatory stages or are awaiting the completion of projects previously allocated CIL funds in 2021.



Corporate Plan Project - Inclusive Economy

Project or activity	Q2	Q3	DOT	Q3 22-23 Commentary
Action plan in place to improve community engagement mechanisms across diverse communities	●	●	→	Slight delay in launching structure consultation but now on back on track for February
Actions arising from the Powered by People strategy	●	●	→	A programme of Employment and Skills delivery for 2023 was approved by Policy Committee on Dec 15 2022 and begins roll-out this Spring. Focused on RECOVERY for residents and small businesses. Work includes upskilling and retraining programmes much delivered within the community for target cohorts. Delivery will be aligned with Tackling Inequality actions areas of delivery will include low carbon skills and screen production, alongside much needed core skills for our businesses.
Adoption of a new Town Centre Strategy	▲	▲	→	Work on the Town Centre Strategy has been delayed due to resource availability. Focus in Spring 2023 on finalising part 1 - the vision and strategy.
Bring forward the Minster Quarter site for development	●	●	→	Currently responding to clarifications from 5 shortlisted bidders with tender returns due 28 February. Progressing other activity to ready the site for development, including bidding for further Brownfield Land Release Fund (BLRF) and understanding all remaining estate management issues ahead of contract award.
Complete and open Green Park Station	▲	▲	→	Approval process being undertaken with the ORR, DfT, Network Rail and GWR.
Complete Reading West Station upgrade	▲	▲	→	Construction works proceeding well on-site.
Continued delivery of South Reading Mass Rapid Transport	●	●	→	Phase 5 design work being undertaken to be delivered with BSIP grant funding.
Create a workforce that is fully representative of the population we serve	◆	◆	→	The Council publishes a Workforce Profile which covers data on the protected characteristics of the current workforce and job applicants – the most recent report is for 2021/22. The proportion of job applicants from minority ethnic backgrounds increased again in 2021/22 to 37.1%, up from 32.6% in 2020/21 and 30.9% in 2019/20. The proportion of White British applicants has again reduced slightly in 2022/21 compared to the last two years, to 49.4%. 27.3% of new starters were from non-white British ethnicities, compared to the percentage of non-white British ethnicities in the general workforce (15.9%). The percentage of the workforce in minority ethnic groups has gradually increased over the last few years and is now 15.9%, up from 14.4% in 2020/21. This project has been given a red rating as the population of Reading from Black, Asian and Minority Ethnic backgrounds according to the 2011 census was 25%, so we are not yet achieving this target. There is a higher proportion of staff within the lower pay grades 1-6 for Black/Black British employees and those from Mixed and Other Ethnic Groups compared to White British staff. The exception is for Asian or Asian British staff where there is a lower proportion in Grades 1-6 and a higher proportion in Grade 7-10 compared to White British staff.
Deliver key improvements to the library service, including plans for the Central Library.	●	●	→	LUF bid outcome awaited, however alternatives being looked at if unsuccessful, new digital branding introduced, physical to follow, delivery plan on track. Ongoing good performance in issues. New customer app to launch Q4.
Deliver the High Street Heritage Action Zones project objectives.	▲	▲	→	Project officers in liaison with keys partners and HE are working to ensure the conservation work on some shop fronts is on track to start in January 2023. The cultural programme and community engagement strands are still delivering successful quality projects with the local communities and groups. Officers are working hard to minimise any risk of HE under spent funding this financial year.
Develop a Strategy for Social Inclusion in Reading	●	●	→	Tackling Inequality Strategy produced and due to be considered by Policy Committee on 23rd Jan 2023.
Develop and implement training programmes	▲	▲	→	First term has ended well, we have delivered 6 SWAPs from September to December for Thames Water, Contract Options, JD Sports and NHS, all 11 learners on the Hospitality SWAP have been offered work with Contract Options in Hospitality, learners on the Thames Water are still going through the process, 3 learners on the JD Sports have offered and customer service role, all 9 learners on the NHS have pass the first telephone interview, now waiting for the second interview. The Swap in Hospitality courses are counted as part of the SMILE project. New Essential Digital Skills L1 started from January All learners on the Supported Hospitality course have achieved their qualification, and attended work experience at Barista and Beyond which is run by our partners Ways into Work, all learners will progress to the next term to the higher qualification and a new cohort has been added to the Curriculum for new learners. Traineeship is still remaining an area of concern as there has not been any interest
Employment and Skills programme delivered via REDA	▲	▲	→	REDA organised and delivered a town centre event for self-employed business at the start of December, with 20 local people attending. Work is underway on start up training in the community, advice and guidance for people needing extra support to access jobs and education outreach. Using data from REDA-commissioned research on screen skills and low carbon skills work is being developed with sector employers through the Skills for Growth group. Construction Skills continued to be supported at development sites across Reading.
Implement and subsequently expand a new apprenticeship and work experience mentoring scheme	●	●	→	Work is underway to design a new corporate work experience programme which will be piloted from February 2023. Work experience will be offered for one week, three times each year to coincide with school terms. Mentoring opportunities offered by existing partners in the borough are also being explored and we continue to work with BFFC to identify which schemes are most likely to help young people in the borough, particularly those from the most deprived areas. There are currently 67 apprentices at the Council (47 existing staff who are upskilling through an apprenticeship and 20 staff who are specifically employed in an apprentice role). They are undertaking a range of apprenticeships at different levels.
Participatory research on the lived experience of diverse communities in the Borough	●	●	→	Complete
Review all community buildings for digital connectivity and access to computer equipment	●	●	→	Community consultation underway
Shape the 3 year delivery plan 2022-25 for Reading's Culture and Heritage Strategy	●	●	→	A report is going to HNL Committee in March
Work in partnership to further the community and Council ambitions for Reading Gaol	●	●	→	

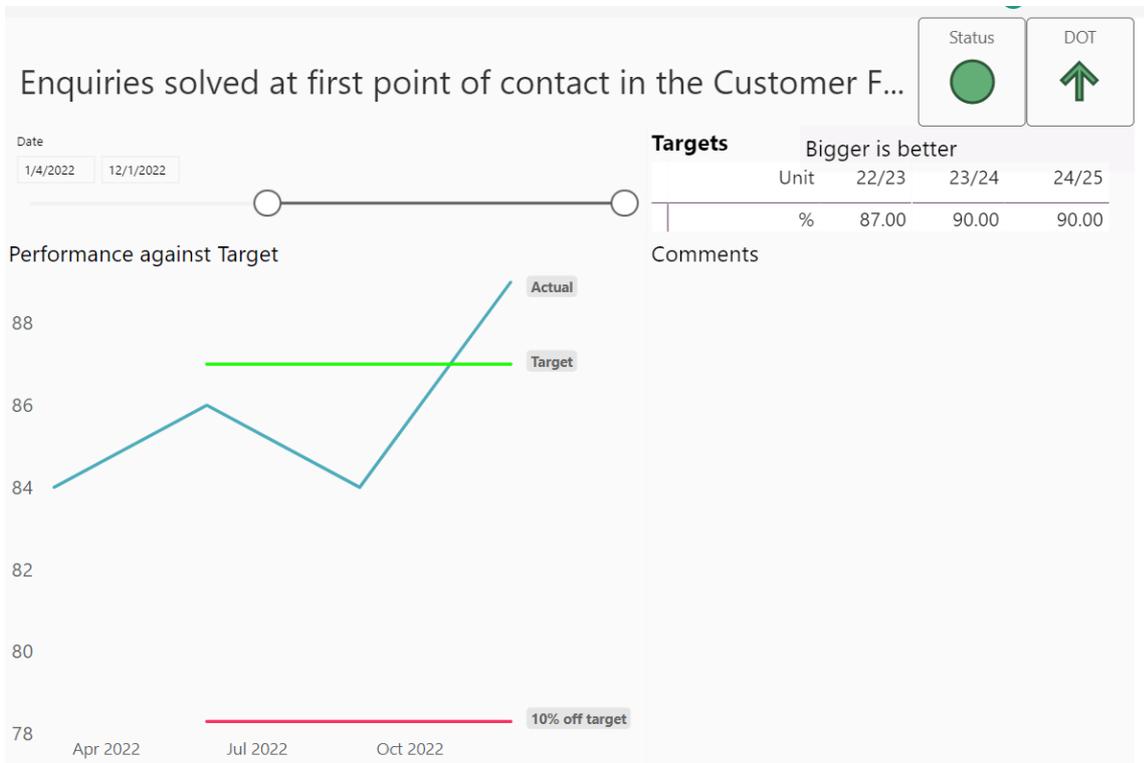
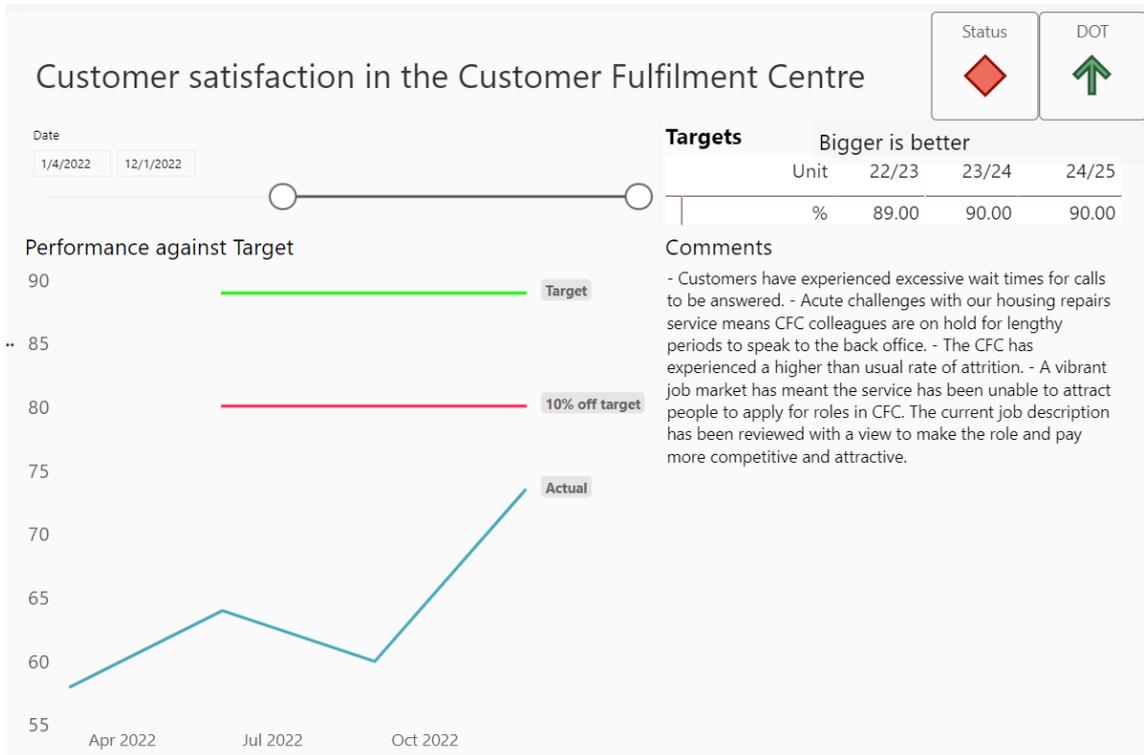
Corporate Plan Project - Thriving Communities

Project or activity	Q2	Q3	DOT	Q3 22-23 Commentary
Procurement of new cremator	●	▲	↓	The two new cremators and associated flue gas abatement plant are in situ and await commissioning. However, the associated build works have had to be re-tendered causing a delay to the project's completion (estimated 3 months). Tenders are due by 27th January. If necessary, we may commence using the new cremators unabated to allow the removal of the temporary cremator (also unabated) from April onwards. The Design Team has been appointed to prepare the specification of works for Phase 2 of the project (crematorium building improvements), which is scheduled for completion by November 2023.
Review and expansion of the Community Reablement Team to maximise peoples independence	▲	◆	↓	This transformation project has paused whilst an operation improvement plan is completed by the service. The project will be reviewed for further action in Spring 2023.
Celebrate Reading's diverse arts, culture and heritage	●	●	→	
Commissioning a new smoking cessation service	●	●	→	The commissioning has been completed and the new service commenced on 1 October 2021
Continue to deliver investment in the borough's leisure facilities (including improvements at Meadway Leisure Centre, a new community pool at Palmer Park and progress on the new Rivermead Leisure Centre).	▲	▲	→	Works completed at Palmer Park and the site is operational. Works have been undertaken at Meadway and South Reading Leisure centres. Rivermead continue to be delayed due to ongoing issues with obtaining permissions from the EA for water extraction. Further works to Meadway and South Reading to be scheduled.
Deliver 300 new Council homes	●	●	→	
Deliver zero carbon initiatives within Council homes	●	●	→	
Delivery of a new Community Safety Plan with a focus on tackling serious violence and improving community engagement	●	●	→	Community Safety and Serious Violence Strategy 2023-26 approved for adoption by HNL on 4th January 2023. The Strategy is now live, with the CSP develop the delivery mechanisms, which will be presented to the CSP Executive Group on 2nd February for approval. Each Delivery Group will be responsible for formulating their element of the plan, which will be monitored by the CSP Executive Group. The Serious Violence Duty will go live on 31st January 2023.
Delivery of the small grants funding	●	●	→	Second round completed and awards made to 24 local groups, https://media.reading.gov.uk/news/council-funding-helps-open-new-doors-for-marginalised-residents
Develop social inclusion community development plans for the most deprived areas	●	●	→	Completed
Development of an accommodation pathway for vulnerable working age adults	●	●	→	The Accommodation Pathways and Needs Analysis have now been refreshed. Instead of moving on to the Accommodation Gap Analysis at this point, the project will now focus on the supported living market, undertaking a full analysis of the services available, how they are used and what may need to be developed for the future re-procurement of these services. A full accommodation gap analysis may be undertaken after this additional phase of the project.
Implement plans to commemorate the Forbury Gardens attacks and install a permanent memorial in the Gardens	●	●	→	
Implementation of the VCS action plan to build our relationship with the VCS and increase capacity within the sector.	●	●	→	Draft VCS Compact produced. VCS action plan activities being delivered through collaborative approach with VCS.
Recommissioning of Closing the Gap	●	●	→	
Supporting residents to recover from the devastating fire at Rowe Court, helping them to find alternative accommodation and welfare support	●	●	→	4 residents still being supported to find alternative permanent accommodation
Work with our new leisure provider to increase rates of physical activity	●	●	→	Use of leisure facilities continues to increase. Palmer Park is on track to meet their membership targets (2000 members) following the opening the new facilities. Discussions are ongoing regarding the services required from GLL to meet the public health targets set out through contract. Impact of Rivermead's delay is yet to be assessed.
Development of a Personal Assistant Market to enable people to live independently at home	▲	●	↑	One Personal Assistant (PA) project officer post has been extended until November 2023, to continue the successes of the project. The percentage of eligible adults in Reading employing a PA has increased since this time last year.

CORPORATE PLAN MEASURES SHOWING SIGNIFICANT CHANGE IN PERFORMANCE

Q3/DEC 2022

Measures showing significant positive change since previous period



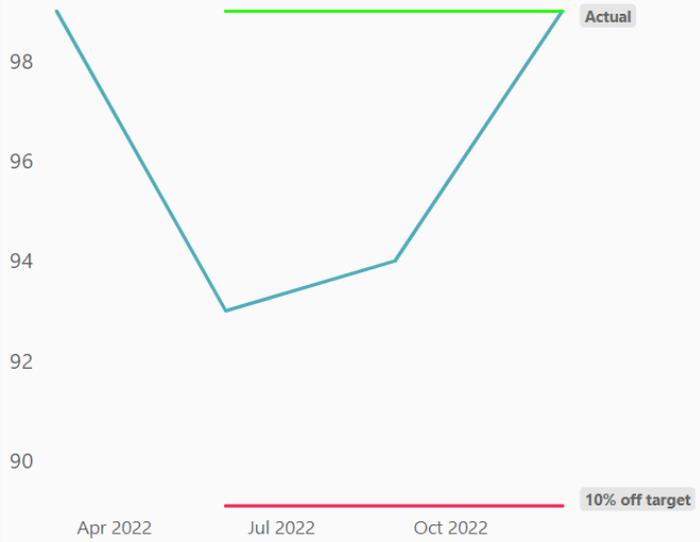
Percentage of actionable (40mm depth) potholes repaired ...

Status  DOT 

Date

1/4/2022 12/1/2022

Performance against Target



Targets

Bigger is better

Unit	22/23	23/24	24/25
%	99.00	99.00	99.00

Comments

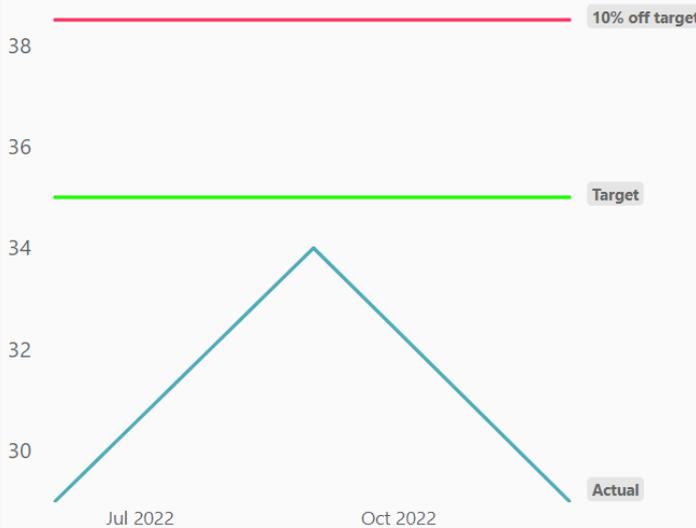
Percentage of Care Leavers who are not in education, emp...

Status  DOT 

Date

1/4/2022 12/1/2022

Performance against Target



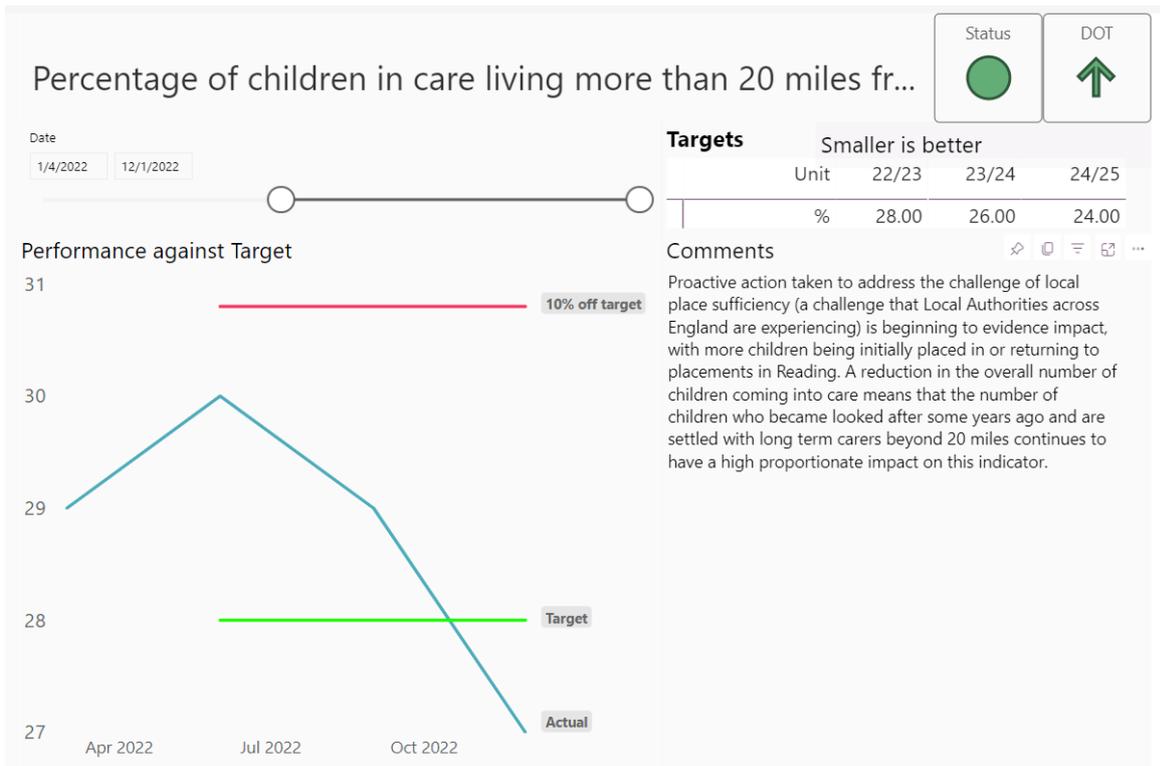
Targets

Smaller is better

Unit	22/23	23/24	24/25
%	35.00	30.00	25.00

Comments



Measures showing significant negative change since previous period



Percentage of service users in receipt of Adult Social Care ...

Status	DOT

Date

Targets Bigger is better

Unit	22/23	23/24	24/25
%	24.00	26.00	28.00



Comments

A dedicated Direct Payment resource will be in place in the new year, able to support people with arrangement of Direct Payments.

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF FINANCE

TO:	POLICY COMMITTEE (ACTING AS SOLE MEMBER FOR BRIGHTER FUTURES FOR CHILDREN)		
DATE:	13 MARCH 2023		
TITLE:	BRIGHTER FUTURES FOR CHILDREN 2023/2024 BUSINESS PLAN		
LEAD COUNCILLORS:	CLLR JASON BROCK, CLLR GRAEME HOSKIN CLLR RUTH McEWAN	PORTFOLIO:	LEADER OF THE COUNCIL, LEAD COUNCILLOR FOR CHILDREN, LEAD COUNCILLOR FOR EDUCATION & PUBLIC HEALTH
SERVICE:	FINANCE	WARDS:	BOROUGHWIDE
LEAD OFFICER:	DARREN CARTER	TEL:	
JOB TITLE:	DIRECTOR OF FINANCE	E-MAIL:	darren.carter@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Brighter Futures for Children (BFfC) is a wholly owned company of Reading Borough Council. The company's Articles of Association set out its obligations in terms of reporting to the Council as Sole Member as well as the matters which are reserved to the Sole Member.
- 1.2 The Business Plan appended at Appendix 1 has been submitted by the Company in response to its obligation to agree an annual Business Plan and contract sum, a matter reserved to the Sole Member.
- 1.3 This covering report sets out the key points arising from the Company's Business Plan.

2. RECOMMENDED ACTION

It is recommended that Policy Committee, in its capacity as sole member for BFfC:

- 2.1 Notes and agrees the increase in the proposed contract sum for 2023/24 to £51.430m which includes growth of £3.679m from the provisional contract sum included in the MTFP for FY22/23
- 2.2 Notes the Delivery Fund bid as set out in 4.8, which is in addition to the contract sum
- 2.3 Agrees the Company's Business Plan as set out in Appendix 1 of this report.

Appendix 1: BFfC Business Plan 2023/24

3. BACKGROUND AND WORK TO DATE

- 3.1 The Council has 100% ownership of BfFC, which is run by a senior management team reporting to the Company Board of directors. In turn, the Board reports to the Council (Policy Committee) as its sole member.
- 3.2 Policy Committee acting as sole member/ shareholder for BfFC receives:
- An annual report from BfFC on performance (contract and financial)
 - An annual report from BfFC on the Company's Business Plan
- 3.3 The agreement of the BfFC Business Plan is a reserved matter, requiring the approval of Policy Committee in its capacity as sole member. Policy Committee approved the BfFC Business Plan for 2022/23 on 7 March 2022.

4. BfFC BUSINESS PLAN

- 4.1 By 2025, Brighter Futures for Children (BfFC) will have delivered children's services in Reading for six years. Their vision, from the start of the Company in December 2018 was - and still is - to protect and enhance the lives of the children of Reading and help families find long-term solutions to ensure children lead happy, healthy and successful lives.
- 4.2 By 2025 the aspiration is that they will have developed and embedded new ways of working with and for the community to help families avoid situations which compromise the safety and wellbeing of children and young people and prevent them from reaching the thresholds for statutory intervention.
- 4.3 To achieve their strategic objectives, they have set four key priorities which are based on what success would look like by putting our children and young people at the heart of what we do.

Priority 1: We will work together and across local partnerships to provide the right support and services at the right time to deliver the best possible outcomes for children and their families.

Priority 2: We will deliver effective early help services to prevent the escalation of need at a later stage while contributing to increased resilience across the partnership to meet children's need at the earliest opportunity.

Priority 3: We will deliver a sustainable Children's Social Care Service through practice rooted in relationship-based and timely statutory engagement with families.

Priority 4: We will influence and support education settings to offer high quality inclusive teaching and learning to support achievement for all, including those who require bespoke, specialised or SEND support.

- 4.5 There are three enablers that are critical in supporting the delivery of these priorities:

Enabler 1: Building a stable workforce of permanent staff

Enabler 2: Improved quality and ways of working

Enabler 3: Resources aligned to priorities and delivering value for money.

4.6 In agreeing the FY2023/24 Business Plan, Policy Committee (acting as sole member), is asked to note that the Council has made provision for a contract sum of £51.430m within its Medium-Term Financial Plan. This is an increase of £2.472m from the FY2022/23 contract sum and includes £6.716m for leases and services provided by RBC via Service Level Agreements.

4.7 The increase in the contract sum is broken down as follows:

	£m
2022/23 Contract Sum	42.242
Pay inflation & increments	1.544
Contract inflation	1.161
Other pressures	2.093
Savings	(2.326)
2023/24 Contract Sum (excl. SLA's & leases)	44.714
SLA's & Leases	6.716
2023/24 Contract Sum	51.430

4.8 Transformation Funding of £0.257m has been agreed on a one-off basis for 2023/24 from the Council's Delivery Fund for, with the ongoing costs to be managed by BfFC:

£137k 2 x Consultant Practitioners to support Newly Qualified Social Workers
£120k Recruitment and Retention payments for Social Workers

The recruitment and retention payments for Social Workers were approved by Policy Committee on 23 January 2023. A review of previous Delivery Funding allocations will be undertaken to assess compliance with the Flexible use of Capital receipts regulations.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 In Spring 2021 the Council refreshed its Corporate Plan, incorporating a number of major change projects under 3 themes:

1. Healthy Environment
2. Thriving Communities
3. Inclusive Growth

5.2 The BfFC Business Plan, aligns with and contributes to delivery of the Thriving Communities theme.

5.3 Performance in delivery of these aims is monitored via the Service Delivery contract between RBC and BfFC and associated KPIs, itself managed through an established Contract Management Group. The contract KPIs are to remain as previously agreed for FY2023/24 with updated targets being agreed. A number of the contract KPIs are also reported quarterly as part of the Corporate Plan. Any additional targets for the additional funding provided to BfFC in addition to the contract sum will also be subject to monitoring through the Contract Management Group.

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no environmental implications arising from this report. As stated within the BfFC Business Plan, BfFC commit to supporting Reading Borough Council's Corporate Plan and to mirror the Council's commitment to achieving a carbon neutral borough

by 2030. BfFC will also review their transport, energy and other aspects of their carbon footprint, seeking to reduce this alongside the Council and will also continue to work with schools in how they, in turn, support delivery against the overall carbon neutral objective.

7. COMMUNITY ENGAGEMENT AND INFORMATION

7.1 No community engagement has been carried out or is required in the creation of or as a result of this report.

8. EQUALITY IMPACT ASSESSMENT

8.1 In addition to the Human Rights Act 1998 the Council is required to comply with the Equalities Act 2010. Section 149 of the Equalities Act 2010 requires the Council to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct
- that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant
- protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected
- characteristic and persons who do not share it.

8.2 An Equality Impact Assessment has not been undertaken in the preparation of this report.

9. LEGAL IMPLICATIONS

9.1 The agreement to the Business Plan for BfFC is a reserved matter under the Articles of Association for the Company. This requires agreement to the Plan via Policy Committee acting as sole member for the Company.

10. FINANCIAL IMPLICATIONS

10.1 The proposed Contract Sum for BfFC for FY2023/24 as stated in this report has been provisioned for within the MTFs and agreed at Council on 28 February 2023.

10.2 The Company's 2022/23 Quarter 3 forecast outturn is that spend will exceed the contract sum by £0.871m. There are total pressures of £2.696m consisting of:

£0.700m pressure on transport related budgets due to rising inflation of £0.275m and increasing demand pressures totalling £0.425m

£0.569m due to agency staff within Children's Social Care. This pressure has arisen due to the additional cost of employing agency workers who are all covering vacant posts

£1.065m due to demand for Children's Social Care. This budget variance is the result of £0.361m inflation pressures and £0.704m of demand led pressures

£0.251m pressure on Children's Home income generation

£0.111m of Other Pressures.

10.3 These pressures are mainly offset by £0.663m of demand led budget pressure reductions that are anticipated to be delivered over the remainder of the financial year. Other offsetting positive variances include additional Unaccompanied Asylum-Seeking Children Grant from Central Government of £0.410m and £0.752m of other savings.

11. BACKGROUND PAPERS

11.1 None

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Business Plan 2022-2025

Our three-year vision and detailed
one-year business plan for **2023-24**

OWNER: Di Smith
Board Chair
Brighter Futures for Children



Contents

Introduction	3
Our strategic objectives for 2022 - 2025	4
Our achievements in 2022/23	5
Our immediate challenges and focus	7
Our key priorities and enablers for 2023-24.....	7
Enablers.....	10
Evidencing better outcomes	11
Our financial plan.....	12
Review of 2022/23 Budget Position.....	12
Sources of Funding 2023/24	12
Reading Borough Council.....	13
Government Grants	13
Other Income Sources	13
Medium-Term Financial Strategy	14
Key Factors and Budget Assumptions.....	14
Budget setting.....	14
Capital Funding	15
Next Steps	15
Appendices.....	16
Appendix 1: Governance.....	16
1.1 The Board of Directors.....	16
1.2 Board Committees	16
1.3 The Executive Directors' Meetings (EDM) and Senior Leadership Team (SLT).....	17
Appendix 2: Brighter Futures for Children Contractual KPIs	18

Introduction

Brighter Futures for Children (BFfC) has updated its annual business plan for 2023/24. We have reflected on our achievements over the past year, reviewed our priorities and sharpened the focus of our plan to deliver with even greater impact over the next 12 months.

Our commitment to helping every child and young person to have a happy, healthy and successful life remains a constant, but our approach has to respond and adapt to the challenges presented by the rising cost of living and the longer-term impact of the pandemic, particularly in relation to young people's mental health.

Key to these challenges is our good working relationship with Reading Borough Council (RBC) and partners. We are committed to multi-agency working and by continuing to work closely with our partners across the statutory, community and voluntary sectors, we know we will be more effective in meeting the needs of Reading's children and families.

We remain committed to our 'early prevention, less intervention' and 'trauma-informed practice' approaches which seek to ensure we provide the right help and support to children and families as early as possible to prevent more intrusive and costly intervention at a later stage. In 2023/24 we will continue to focus on building a strong practice culture with an emphasis on being able to evidence impact and outcomes for children and families.

We know we are more likely to succeed in delivering our plan if our staff and the children and young people we work with have a voice. Engaging effectively with our staff is key to ensuring a motivated workforce and promoting the participation of children and young people is at the heart of our drive to promote an effective practice culture.

In this plan we have updated the approach to our key priorities and refined the enablers that will support effective delivery. In 2023/24 we know we must:

- improve compliance and focus on quality as we embed our children's social care redesign into our practice framework
- attract and retain an increase in permanent staff and in particular social workers to deliver our improvement work
- improve sufficiency of child places in an increasingly fragile market, particularly around SEND and foster placements
- continue supporting children and families disproportionately impacted by the pandemic through our Baby Boost programme, Holiday Activity Fund and Household Support Fund
- widen our mental health support across our schools and expand provision and places to support increasingly complex need.

In 2023/24 we know we need to deliver at *pace*, with a clear *focus* and *purpose*, to achieve greater *impact*. Our goal remains the same - to deliver brighter futures for the children and families of Reading.



Di Smith, **Executive Chair, Brighter Futures for Children**

Our strategic objectives for 2022 - 2025

By 2025, Brighter Futures for Children (BFFC) will have delivered children's services in Reading for six years. Our vision, from the start of the Company in December 2018 was - and still is - to protect and enhance the lives of the children of Reading and help families find long-term solutions to ensure children lead happy, healthy and successful lives.

By 2025 our aspiration is that we will have developed and embedded new ways of working with and for the community to help families avoid situations which compromise the safety and wellbeing of children and young people and prevent them from reaching the thresholds for statutory intervention.

With the foundations of the Company now firmly set and with new ways of working, culture, values and improved practice more integrated, we can, as a maturing organisation, now look strategically at what success - defined by better outcomes for children, young people and their families - would look like in a much clearer way.

To achieve our strategic objectives, we set **four key priorities** which are based on what success would look like by putting our children and young people at the heart of what we do.

Priority 1: *We will work together and across local partnerships to provide the right support and services at the right time to deliver the best possible outcomes for children and their families.*

Priority 2: *We will deliver effective early help services to prevent the escalation of need at a later stage while contributing to increased resilience across the partnership to meet children's need at the earliest opportunity.*

Priority 3: *We will deliver a sustainable Children Social Care service through practice rooted in relationship-based and timely statutory engagement with families.*

Priority 4: *We will influence and support education settings to offer high quality inclusive teaching and learning to support achievement for all, including those who require bespoke, specialised or SEND support.*

To help us achieve these, we identified **three enablers** that are critical in supporting the delivery of our priorities:

Enabler 1: Building a stable workforce of permanent staff

Enabler 2: Improved quality and ways of working

Enabler 3: Resources aligned to priorities and delivering value for money.

Our achievements in 2022/23

Some of our key achievements over the last year include:

- Implementing the redesign of the Together for Families service to ensure better outcomes for children with fewer 'handovers', and greater consistency through having the same social worker throughout the child and family's journey with us. This approach is aligned to *The Independent Review of Children's Social Care* (Josh MacAlister).
- Ofsted grading of Outstanding for both of our children's homes; Pinecroft and Cressingham.
- Creating a team of family support workers, who work alongside social workers to support families in need, has reduced risk escalation in an impactful way.
- Improving and uniting services relating to corporate parenting and permanence planning to allow supportive services for special guardians, timely permanence planning, adoption services and private fostering.
- The creation of an in-house team to undertake our 'return home interviews', extending the hours and days family time is offered to children and their families in the contact service, enhancing the local offer of council tax payments and housing for care experienced young people and improving the preparing for adulthood process.
- Adopting a focused approach to address demand management and to reduce the number of children open to children's social care, in line with their needs and risks, through pro-active and thoughtful care planning.
- Better levels of engagement with our young people by widening our offer from the sharing of bite-sized briefings on services and support, our new online form via a mobile phone link, our detached youth worker team which is now on the streets, in parks and shops, five nights a week, building relationships with young people and the community, through to our newly established weekly youth group in Southcote with support from the community in response to concerns expressed for our young people in that area.
- Supported 1,325 children attending 8,958 Holiday Activity Fund sessions in the summer holidays, increased uptake on 2-year-old entitlement by more than 20% in the last 12 months to 78%, an increase by more than 30% of children's centre universal registrations and more than 400 children and young people offered mental health and emotional wellbeing therapeutic assessments and interventions in the last quarter.
- Improved relationships and engagement with schools, particularly around the range of services provided for mental health support and wellbeing This includes the addition of a further 20 schools to our Mental Health Support Teams project, bringing the number of schools supported in Reading to 36.
- Better market engagement work, which has helped us attract new provision with existing and new providers for both SEND and children's social care. We continue to exceed our sufficiency target of 80% of all residential placements being within 20 miles of Reading.
- We have made better use of IT and digital technologies by moving to SharePoint, migrating to a new Education and Support Services MIS system that will link to existing case



management software, improved performance reporting through Power BI dashboards, electronic Personal Educational Plans (ePEP) for monitoring our virtual school, a new Supporting Families hub to improve data analysis to support families across Reading and introduction of Arlo Software to manage and track internal training.

- We are leading on a central government funded research project (Better Together Project) working with three neighbouring local authorities, to bring together data from a wide range of partners into a central hub, enabling BfC staff and partners to access data in a timely way with a focus on whole family working.
- We are proud of our joint project with Reading Borough Council to refresh the Reading Services Guide website, which hosts the Family Information Service and Reading SEND Local Offer websites and of winning the Best Community Engagement award at the National Association of Family Information Services.
- We have become a Company that listens and responds through our staff roadshows, staff improvement group, 'leaders listening' programme and regular surveys to build high levels of engagement with our staff and with each other.

Much of this is underpinned by strong governance oversight and has been achieved by embedding new ways of working with, and for, our community, placing the safety and wellbeing of children and young people at the centre of our work.

As a maturing organisation, we pause and reflect at each stage of our journey to ensure our work remains focused and outcome driven. We are well-rehearsed at delivering better outcomes for children, young people and their families within our budget envelope and in an everchanging and challenging environment.

Our immediate challenges and focus

As we enter our fifth year of service delivery, we know there are key areas of our business plan that we need to address and to do more work on. We also know that there are still many children who have not recovered from the negative impact that the pandemic brought, and many remain disengaged and are harder to reach.

We have seen increasing numbers of children with emerging special educational needs and / or disabilities who need to be supported. We see more referrals for issues with young people's mental health, and sadly an increase in domestic abuse and families in crisis, perpetuated by the cost-of-living crisis. We continue to monitor government updates on the raft of funding announcements in the spending review and to plan accordingly.

Our aim is to deliver consistently 'Good' services with a longer-term ambition to be 'Outstanding'. This means:

- adding value rather than cost
- taking a holistic view rather than singularly focusing on behaviours and risks that children and young people may present
- working in better collaboration with partners so that the market can respond to need
- being proactive by taking a solutions-focused approach
- improving how we measure and evidence outcomes

To do this we need a stable, permanent, skilled, and well-supported workforce. We also need to continue to involve all levels of the organisation in new and innovative ways of working and making sure we all have the right tools to do that.

To deliver our priorities, supported by the enablers, we have collectively committed to the following underpinning principles:

- Earlier prevention, less intervention
- A Practice Model that focuses on relationship-based, strength-based, trauma informed, systemic and restorative *practice* and focusing on the whole family.
- Evidenced-based focus and evaluation of impact and outcomes for children and their families.

This business plan outlines how we will deliver our priorities over the next 12 months in the key operational areas of early help and prevention, children's social care and education including SEND, and the Company-wide enablers which support that work.

The next section covers our priorities and enablers in more detail.

Our key priorities and enablers for 2023-24

In 2023-24 we need to reframe our priorities to respond to the changing landscape. We have reviewed our business plan to ensure it remains fit for purpose and equal to our everyday demands,

as we know the reality of children's lives is shifting, as are the difficulties and inequalities that they face.

By focusing on a specific set of defined priorities each year, we can also ensure that our enablers support operational teams and allow us to deliver our services with greater impact and that we are better placed and ready to respond to help those most in need.

Despite the many challenges we continue to face, we are ready to build on what we have achieved so far to cover more ground, increase our pace and continue to improve outcomes for our children, young people and their families.

Priority 1: *We will work together and across local partnerships to provide the right support and services at the right time to deliver the best possible outcomes for children and their families.*

- Better manage new contacts at the 'front door' to support children and families receiving time-limited services from us and ensuring resources are expertly deployed where support or services are required over mid-to-longer terms.
- Rebalancing provision of services so children receive a timely response through robust assessment of need and that result in receiving the right support and services for sustainable change that prevents escalation.
- Ensuring our early help offer contributes to preventing the need for statutory intervention and supports families to step down into early help support as early and safely as possible.
- Supporting young people in their journey to independence by securing safe exits from high levels of support and care.

Our aim is to embed an effective, efficient and consistent approach, where BFFC provides support and services in line with our improved practice model and agreed thresholds and our partners do the same, so 'early prevention, less intervention' becomes just that for children, young people and their families in Reading.

Priority 2: *we will deliver effective early help services to prevent the need for escalation at a later stage, while contributing to increased resilience across the partnership to meet children's needs at the earliest opportunity.*

- Effective support for children and families through universal services by developing a system to enhance SEND support to under 2s in the private, voluntary and independent sectors to increase the proportion of children achieving a good level of development
- Enhanced youth service provision targeted at decreasing numbers in the youth justice system
- Increase targeted support provided to families through additional family workers with active oversight of Early Help wait lists to prevent the need to escalate into statutory services at a later stage
- Enhanced support for early years children and their families who are disproportionately impacted by the pandemic to recover, through the increasing take up of 2-year-old funding programmes including our Baby Boost programme

We continue to maximise opportunities to secure Government funding in Reading, to continue with initiatives such as the Holiday Activity Fund, the Better Together Partnership, Household Support Fund and Family Hubs to deliver on the prevention agenda and support families with the impact of the cost of living crisis. Our continued work to increase inclusion and reduce inequalities across Reading aligns with RBC's Corporate Plan, and our engagement in the RBC Tackling Inequalities Strategy work is fundamental in meeting children's needs at the earliest possible opportunity.

Priority 3: *we will deliver a sustainable Children' Social Care service through practice rooted in relationship-based and timely statutory engagement with families.*

- Continue to build a strong practice culture in Children Social Care which focuses on and evidence impact and outcomes for children and their families by embedding our Children Social Care practice framework
- Children and their families experience continuity of worker and timely service delivery through refining our processes in the newly designed Together for Families service
- Utilise family group conferences and network meetings optimally, to create connections and support networks that allow for children to safely remain in their parents' care
- The voice of children is fully heard and acted upon through our participation and engagement programmes
- Increased participation and direct work with children looked after and care leavers to improve their progress and experience and to inform good decisions for children that are timely, in their best interests, comprehensive and risk based
- Strengthen the joint work with Reading Borough Council on Corporate Parenting responsibilities
- A robust quality assurance programme that is central to and informs all our improvement work

Priority 4: *we will influence and support education settings to offer high quality inclusive teaching and learning to support achievement for all, including those who require bespoke, specialised or SEND support.*

- Early identification of additional educational needs aligned with provision - delivering our SEND strategy priorities, establishing clear pathways from early intervention to specialist provision, improving our range of placement options and securing effective joint commissioning of therapies to close identified gaps.
- Ensuring all Reading children are included, engaged in learning and barriers to achievement removed by ensuring education and wellbeing recovery action supports learning, promoting attendance and engagement using trauma-informed and relationship-based approaches and targeting school effectiveness intervention.
- Promoting positive futures for all Reading young people, focusing on those most in need by targeted action for young people at risk of NEET, providing a wider range of education, employment and training opportunities, reinvigorating 16-19 partnerships between businesses and schools, enhanced and joined up enrichment opportunities and related programmes.

- Securing a sustainable education system for Reading where all children are included and supported to succeed by ensuring financial stability, through the delivery of action plans for schools in financial difficulty, rigorous management of the High Needs block and detailed review of home to school transport.
- With health partners, develop integrated working to identify and respond to children's additional needs.

We will continue to support our school system leaders' mental health and well-being to provide resilience and sustainability across the education landscape.

Enablers

We have three **enablers** which we know are essential to achieve the aims of our strategy and to deliver our priorities. These enablers strengthen our infrastructure and support our people by:

Enabler 1: *Building a stable workforce of permanent staff*

- Creating a stable Together for Families service through the recruitment and retention of experienced, highly skilled and qualified permanent social workers, with the right balance of newly qualified and experienced practitioners
- Deliver the activities within our workforce strategy including refining our onboarding and induction process, embedding an improved performance management system that supports our corporate goals, enhance our learning and development offer and developing a pipeline of talent to support succession planning
- Ensure we equip our staff with the right tools to support high quality ways of working that yield better outcomes for all
- Strengthening leadership practice across the Company by upskilling our leaders and managers to model our values and to inspire and champion a culture and environment of working together for our children and young people
- Further develop the Company's culture where staff feel connected with the leadership and each other
- Continue to develop the Company's profile as an 'employer of choice'

Enabler 2: *Improved quality and ways of working*

- Develop and focus on the 'Metrics that Matter' to drive our improvement work
- 'Doing the basics well' by streamlining and simplifying key business processes
- Embed learnings from change management and project management experiences
- Deliver IT improvement projects (Synergy and Better Together) to support change and transformation
- Focus our communications on engagement and participation of our young people and families 'telling the story', to evidence quality, impact and outcomes

- Review our Children Looked After sufficiency strategy to expand options that meet changing need

Enabler 3: Resources aligned to priorities and delivering value for money

- Maximise funding opportunities to flexibly support priorities
- Improve contract monitoring and management of service level agreements
- Improved accountability in relation to third party contracts and eligibility to services
- Implementation of the SEND commissioning strategy
- Deliver the developed strategies to better manage the High Needs Block and home to school transport
- Implementing greater rigour in the monitoring and control of individual placement packages and home to school transport packages.

Evidencing better outcomes

We will deliver these plans and priorities as described for 2023-24 with clear evidence of how these improvements are achieved. We track our progress and performance through our reporting systems that capture positive outcomes for children, young people and their families through a variety of mechanisms:

- a refined dashboard with monthly data sets which encompass all the performance areas including an accurate portrayal of our performance as a child moves through – either out of or, if necessary for their safety, into – statutory services
- audit work which provides additional assurance in relation to the quality and impact of our service delivery for children and families
- collating our achievements quarterly and reviewing the impact
- local data collections will evidence that we have heard the ‘voice of the child’ and can evidence and quantify the impact of our involvement
- routine monitoring and reporting on key performance indicators to Reading Borough Council to ensure the Company is delivering to the expectations as set out in our Service Delivery Contract.
- tracking the performance of our key priorities and enablers in our business plan against detailed plans and actions
- our annual accounts and reports reference our overall key achievements for that financial year.

Our financial plan

We are at the start of Year Five of our operational delivery of the seven-year contract with Reading Borough Council. We are in the process of agreeing a contract fee for the financial year 2023/24 (see **page 14** for Core Contract Sum figures and **page 15** for Medium Term Financial Strategy).

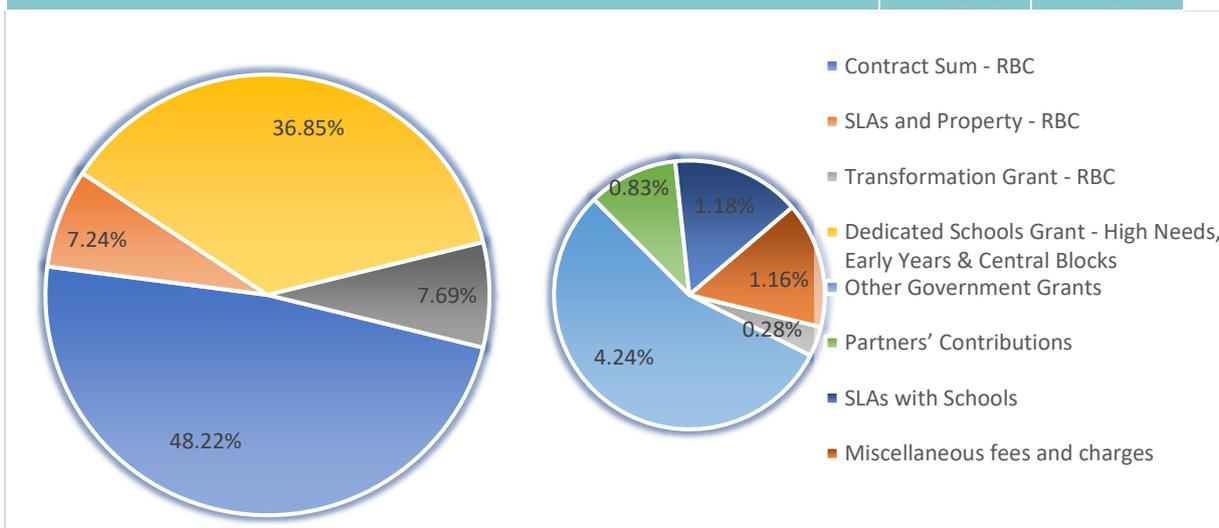
Review of 2022/23 Budget Position

In 2022/23, our savings target was £1.175m. As at Period 9, we had achieved £1.005m savings and were predicting an anticipated overspend of £0.871m but are working towards an improved budget outturn by the end of the financial year.

Inflation on contracts and employees pay have been the challenges that were faced in 2022/2023. Additional commissioning involvement and assistance from Reading Borough Council has reduced the impact on the forecasted outturn.

Sources of Funding 2023/24

Funding Areas	£m	%
Contract Sum - RBC	44.714	48.22%
SLAs and Property - RBC	6.716	7.24%
Transformation - RBC	0.257	0.28%
Dedicated Schools Grant - High Needs, Early Years & Central Blocks	34.166	36.85%
Other Government Grants (incl Pupil Premium and Youth Offending Service)	3.930	4.24%
SLAs with Schools	1.096	1.18%
Partners' Contributions	0.766	0.83%
Miscellaneous fees and charges	1.080	1.16%
TOTAL	92.725	100%





Reading Borough Council

The funding from RBC is for the statutory and non-statutory services for children’s services, covering children’s social care, early help, adoption and fostering and preventative services and education services. This funding includes the SLAs costs to be recharged to us.

RBC Funding Streams	2023/24*	2024/25*	2025/26*	TOTAL
	£m	£m	£m	£m
RBC Core Contract Sum	44.714	45.081	45.967	135.762
SLAs pass through including Property*	6.716	6.716	6.716	20.148
RBC Transformation Funding*	0.257	0.281	0	0.538
TOTAL	51.687	52.078	52.683	156.448

**Figures yet to be finalised*

Government Grants

The Government Grants (as seen in the sources of funding chart on **page 13**) are administered by Brighter Futures for Children on behalf of RBC, and include the following key grants:

Dedicated Schools Grant – including Schools (administered by RBC), High Needs, Early Years & Central Blocks (all administered by BFC)

Supporting Families – a national programme to help vulnerable families

Pupil Premium Grant – allocated by the Virtual Head for Children Looked After to Reading’s schools

Youth Justice Grant – source of funding for the Youth Offending Service

Holiday Activity Fund – for food and activities for children and young people in receipt of pupil premium free school meals.

Unaccompanied Asylum-Seeking Children – for accommodation, social work and administrative support for this cohort.

Other Income Sources

Other income sources (also on **page 13**) include SLAs with schools for education services, partnership contributions, health funding, selling of placements to other local authorities, fees and charges and other miscellaneous income.

In 2023/24 we will continue to secure new Government funding in Reading, as well as sourcing external funding and exploring income generation avenues.

Medium-Term Financial Strategy

Key Factors and Budget Assumptions

The Net Operational Budget table below provides details of the key factors included in the budget calculations for the next three years, covering pay increments and pay inflation, contract inflation, pressures, and savings.

Inflation has been separated to reflect pay award and pay inflation (4%) and the contract inflation elements. Inflation within the operational budget is likely to be funded by Reading Borough Council and via additional savings/income generation.

Net Operational Budget	2023/24	2024/25*	2025/26*
	£m	£m	£m
Base Budget	42.242	44.714	45.081
Pay inflation and increments	1.544	0.945	0.962
Contract inflation	1.161	0.362	0.369
Other Pressures	2.093	1.000	1.000
Savings	-2.326	-1.940	-1.446
Budget – Contract Sum excluding SLAs	44.714	45.081	45.967

**Figures yet to be finalised*

Budget setting

The contract sum for 2023/24 is not yet finalised but initial contract negotiations have been reported at £44.714m (does not include transformation or Service Level Agreements). When we agree the budget, we make assumptions for the following four adjustments:

- Pay inflation
- Contractual inflation
- Pressures
- Savings

The Medium-Term Financial Strategy (MTFS) for BFC is presented in the expenditure budget table below and covers the three-year financial period of 2023/24 to 2025/26. The table shows high level funding requirements for the organisation.

Expenditure budget	2023/24*	2024/25*	2024/25*
	£m	£m	£m
Employee Costs	31.807	32.752	33.714
Running Costs	54.161	53.631	52.993
SLAs	4.497	4.497	4.497
Property - Rents	1.140	1.140	1.140
Property – Facilities Management	1.121	1.121	1.121
Gross Expenditure	92.726	93.141	93.465
Income			
Grant Income	38.097	38.121	37.840

Other Income	2.942	2.942	2.942
Total Income	41.039	41.063	40.782
Net expenditure	51.687	52.078	52.683
<i>*sums still in negotiation as of Jan 2023</i>			

CLA numbers

The average number of CLA reflected in the overall budget for the next three financial years is as follows:

Number of CLA	Target numbers of CLA (less UASC)	Estimated numbers of UASC	Budgeted numbers
2023/24	210 - 220	34	246
2024/25	200 - 210	34	236
2025/26	190 - 200	34	226

Our targeted and budgeted numbers are for Reading children and Unaccompanied Asylum-Seeking Children (UASC).

The UASC funding instructions to local authorities 2022 to 2023, updated 22 December 2022, states that local authorities looking after volumes of UASC at or above the 0.07% threshold will be paid a higher rate. Local authorities looking after UASC amounting to less than the 0.07% threshold will be paid the lower rate. The threshold is calculated by finding 0.07% of the child population according to the ONS Population estimate. The ONS population estimates by single year of age and sex for local authorities in the UK, mid-2014, is recorded in Reading as 37,761 young people between the ages of 0 to 18 years, therefore 0.07% totals 26 young people. While the 0.07% threshold is used for the funding rate, the DfE and Home Office National Transfer Scheme Guidance have set a target of 0.1% for the number of UASCs that LAs will care for, making the Reading target 34 young people.

Capital Funding

For 2023/24 we have applied for one capital bid of £0.300m to continue developing our children's home to improve delivery of community SEND services

Next Steps

BFFC is acutely aware of the need to generate additional income to support the future development and sustainability of children's services. This will involve:

- Joint working with Adults and Health Departments
- Fundraising and grant bidding opportunities
- Treasury Management due to interest increases.

Appendices

Appendix 1: Governance

Brighter Futures for Children (BFFC) became operational on 3 December 2018. It is a company limited by guarantee. The company is wholly owned by, but independent of, Reading Borough Council and is governed by an independent Board, executive committee and senior leadership team, to ensure operational autonomy.

1.1 The Board of Directors

The Board Chair and Non-Executive Directors (NEDs) bring professional skills and expertise from different sectors. A representative of RBC sits on the Board as a Non-Executive Director and the Executive Directors, responsible for the day-to-day operation of the company, are Board Members and, with the Board Chair, are registered as the company's directors at Companies House.

The Board is responsible for setting the strategy for Brighter Futures for Children; driving high performance and quality; ensuring that the contract objectives are met and promoting the interests of children and young people throughout Reading.

Member of the senior leadership team and specialist areas such as health & safety and staffing & personnel report to the Board and attend parts of the Board meetings as required. They present updates to the Board and ensure there is connectivity across the company in terms of operational delivery and appropriate challenge against set targets.

1.2 Board Committees

The Board operates through committees to monitor progress in detail and report back to the full Board:

Audit and Risk (ARC), which monitors the risk register, and internal and external audit, including fraud

Finance Committee, which monitors the finances and oversees the external audit of the accounts

Quality Assurance and Improvement (QAIC), which monitors both quality and performance across all strands of the organisation. There are sub-committees of the QAIC which oversee, monitor and challenge the performance, quality and impact of the Education services delivered by Brighter Futures for Children and the quality of provision for children with Special Educational Needs and Disabilities (SEND)

Independent Fostering Agency (IFA) Committee, which ensures the company can fulfil its obligations as an Independent Fostering Agency (IFA)

Adoption Committee, monitoring our work as a Voluntary Adoption Agency (VAA)

1.3 The Executive Directors' Meetings (EDM) and Senior Leadership Team (SLT)

The Executive Directors' Meeting (EDM) takes place fortnightly to oversee the corporate and strategic direction of the company. This meeting is chaired by the Chair of the Board. The EDM includes the Executive Directors of the Company.

The remit of EDM is:

- Oversight of Board agenda and reports
- Strategic decisions relating to:
 - Risk
 - Finances
 - Organisational restructures etc
- Complex or urgent issues requiring a steer/resolution from EDM
- Approval of strategy

The **Senior Leadership Team (SLT)** meets fortnightly to provide cross company leadership with a focus on shaping and delivering the strategic priorities of the Company. It includes EDM members, plus all operational and corporate leads, to discuss and report on the performance of the day-to-day operations of the company.

The remit of SLT is:

- Strategic and operational planning
- Shaping the culture and behaviour of the organisation
- Identifying and managing risk
- Organisational delivery and performance management
- Compliance

In addition, the operational and corporate (finance and resources) leaders meet (separately) for fortnightly management meetings.

Appendix 2: Brighter Futures for Children Contractual KPIs

KPI Category

Category 1: KPIs are the most important in the portfolio. They are the most closely managed, where potential risk of failure must be escalated immediately to the BFC board for formal resolution.

Category 2: KPIs are important to achieve, and must be actively managed. Potential risk of failure must be escalated promptly to the SLT for resolution. The Council may request formal resolution at board level if they feel risk of failure is sufficiently urgent or important that informal resolution is inappropriate.

The TARGET column relates to the target percentage to be achieved after a full year, not to the end of the appropriate reporting period (monthly, quarterly, annually).

Description	KPI category*	Children's Social Services (Y/N)	Reporting period (frequency)	Target Year 5	Target Year 6	Actual 2021/22
Timeliness of contact decision making (Children's Single Point of Access).	1	Y	Monthly	>=90%	>=90%	85%
% of referrals with a decision made within 24 hours	1	Y	Monthly	>=95%	>=95%	98%
% children in care (CLA) who have been looked after for 2+ years in the same placement	1	Y	Monthly	>=70%	>=70%	75%
% care leavers who are not in education employment or training (NEET) - 17-21 year olds	1	Y	Monthly	<=32%	<=32%	29%
% Education health care plans including exception cases completed within 20 weeks	1	N	Annual	>=90%	>=90%	90%
% of children who become subject of child protection plan for second or subsequent time within the last two (2) years	2	Y	Monthly	<10%	<10%	5%
% of referrals which are re-referrals within 12 months	2	Y	Monthly	<=20%	<=20%	21%
CLA who have experienced 3+ placements in last 12 months	2	Y	Monthly	<=11%	<=11%	6%
% of CLA placements more than 20 miles from Reading (i.e. from home address of child)	2	Y	Monthly	<=23%	<=21%	29%
Child Participation (measured as CLA aged over 4 who attend or contribute to their own reviews)	2	Y	Monthly	>=90%	>=90%	87%
% Pupils provided with a school place on offer day (primary)	2	N	Annual	>=95%	>=95%	100%
% Pupils provided with a school place on offer day (secondary)	2	N	Annual	>=95%	>=95%	100%
Youth Offending Service: Re-offending rate	2	N	Quarterly via YJB	<=37%	<=37%	25%