Audit and Governance Committee

27 September 2023

Title	2023/24 Quarter 1 Performance and Monitoring Report
Purpose of the report	To note the report for information
Report status	Public report
Report author (name & job title)	Stuart Donnelly, Financial Planning & Strategy Manager
Lead Councillor (name & title)	Councillor Terry, Deputy Leader of the Council and Lead Councillor for Corporate Services & Resources
Corporate priority	Not applicable, but still requires a decision
Recommendations	**That Audit & Governance Committee note:** 1. The 2023/24 Quarter 1 Performance and Monitoring Report and the recommendations set out and approved by Policy Committee on 25th September 2023.

1. Executive Summary

1.1 The 2023/24 Quarter 1 Performance and Monitoring Report was presented to Policy Committee on 25th September 2023. This report sets out the projected revenue and capital outturn positions for the Council's General Fund and Housing Revenue Account (HRA) for 2023/24 as at the end of Quarter 1 (June 2023).

1.2 The report also sets out performance against the measures of success published in the Council's Corporate Plan.

Policy Committee **25 September 2023**	Reading Borough Council Working better with you

Title	2023/24 Quarter 1 Performance and Monitoring Report
Purpose of the report	To make a decision
Report status	Public report
Report author (name & job title)	Stuart Donnelly, Financial Planning & Strategy Manager Gavin Handford, Assistant Director of Policy, Performance & Customer Services
Lead Councillor (name & title)	Councillor Terry, Deputy Leader of the Council and Lead Councillor for Corporate Services & Resources
Corporate priority	Not applicable, but still requires a decision
Recommendations	**That Policy Committee notes:** 1. That the forecast General Fund revenue outturn position for Quarter 1 is an adverse net variance of £3.806m; 2. That £0.044m (1%) of savings have been delivered (blue) to date in this financial year, with a further £3.345m (41%) of savings on track to be delivered (green) by March 2024. £2.730m (33%) of savings are currently categorised as non-deliverable (red) and £1.999m (25%) categorised as at risk of delivery (amber); 3. That the General Fund Capital Programme is forecasting a positive net variance of £0.728m against the proposed revised budget of £107.178m; 4. That there is a total £4.595m Delivery Fund available for 2023/24 (inclusive of 2022/23 approved carry forwards). At Quarter 1, £3.753m of this funding has been allocated out to approved schemes; 5. That the Housing Revenue Account (HRA) is projecting a positive net variance of £0.661m as at the end of Quarter 1, which results in a forecast drawdown from HRA reserves of £1.838m; 6. That the HRA Capital Programme is forecasting to spend to budget against the proposed revised budget of £36.442m; 7. The performance achieved against the Corporate Plan success measures as set out in Section 11 of this report and Appendices 4 and 5. **That Policy Committee approves:** 8. The amendments to the General Fund Capital Programme (as set out in Section 7 of this report and Appendix 3) resulting in a revised Capital Programme budget of £107.178m for 2023/24; 9. Scheme & Spend approval for the two General Fund Capital Programme schemes as set out in paragraph 7.8 and Table 13 totalling £0.309m; 10. Spend approval for the three General Fund Capital Programme scheme as set out in paragraph 7.9 and Table 14 totalling £24.800m;

	11. The amendments to the HRA Capital Programme (as set out in further detail in Section 10 of this report and Appendix 3) resulting in a revised HRA Capital Programme net budget of £36.442m for 2023/24.

1. Executive Summary

General Fund - Revenue

1.1. Reading Borough Council remains financially stable, with a reasonable level of reserves. However, the Council is not immune to wider pressures impacting on the Local Government sector:

- A cost-of-living crisis with pay and inflation pressures far in excess of what was anticipated when the budget was set in February 2023;
- Cost pressures arising from increasing demand and increasing complexity of need in children's social care services;
- Increasing numbers of families presenting as homeless;
- Income still not returning to pre-Covid levels.

1.2. There is also an increasing trend of non-delivery of savings, with only 42% of savings currently showing as on track or delivered.

1.3. As a result of these factors there is a forecast adverse variance of £11.255m on General Fund (GF) revenue service expenditure. This is broken down as follows:

- £0.288m Adult Care & Health Services
- £3.981m Economic Growth & Neighbourhood Services
- £1.142m Resources
- £0.015m Chief Executive Services
- £5.829m Children's Services Delivered by Brighter Futures for Children (BFfC)

1.4. Detailed explanations for these variances are contained within Section 3 of this report.

1.5. Other Corporate Budgets are forecasting an adverse net variance of £0.374m. This variance includes a forecast pressure of £1.243m relating to current 2023/24 pay award assumptions. This pressure on pay inflation is predominantly offset by positive net variances of £0.869m within Other Corporate Budgets mainly due to the forecast release of all other contingencies. The pressure relating to the pay award is assumed to be funded by a drawdown from the Pay & Inflation earmarked reserve.

1.6. In addition, the Capital Financing budget is currently forecast to deliver a positive net variance of £2.472m.

1.7. A corporate contingency of £4.108m was set for 2023/24 to mitigate against non-delivery of savings. This contingency is now fully released to offset against the adverse variance on service expenditure.

1.8. Overall, this results in a projected overall adverse net variance of £3.806m.

1.9. While this level of adverse variance is manageable within existing reserves, it is important to take action now in order to avoid a worsening of the Council's financial position. Each Directorate has therefore been tasked with developing a Recovery Plan to identify options/mitigations for in-year savings. If this process is successful, then it will avoid the need to implement additional spend controls at a later point.

1.10. The results will be presented to Policy Committee in December as part of the 2023/24 Quarter 2 Performance and Monitoring Report.

General Fund - Capital

1.11. The provisional General Fund Capital Programme outturn is forecasting a positive net variance of £0.728m against a proposed revised budget of £107.178m in 2023/24. This variance relates to £0.842m of the Delivery Fund that has not yet been allocated to specific proposals as at the end of Quarter 1 and an adverse variance of £0.114m on approved Delivery Fund allocations.

Housing Revenue Account (HRA) - Revenue

1.12. The approved Housing Revenue Account (HRA) budget assumed a drawdown from HRA reserves of £2.499m. At Quarter 1 the forecast revenue outturn position for the HRA is a positive net variance of £0.661m. Therefore, a drawdown from HRA Reserves is forecast of £1.838m rather than the originally budgeted £2.499m.

Housing Revenue Account (HRA) - Capital

1.13. The HRA Capital Programme is forecasting to spend to budget against a revised budget of £36.442m in 2023/24.

Performance

1.14. The report also sets out performance against the measures of success published in the Council's Corporate Plan.

1.15. Of the 26 Corporate Plan Performance Measures monitored monthly or quarterly, 52% are currently "green", 46% "amber" and 2% "red". 38% have improved since Quarter 4 of 2022/23, whilst 50% have gotten worse.

1.16. Of the 48 Corporate Plan Projects, 52% are currently "green", 46% "amber" and 2% red".

1.17. Those measures that have shown significant change since Quarter 4 of 2022/23 are set out in Appendix 4.

2. Policy Context

2.1. The Council approved the 2023/24 Budget and Medium-Term Financial Strategy (MTFS) 2023/24 – 2025/26 in February 2023.

3. General Fund - Revenue

3.1. The forecast outturn position of the General Revenue Fund is an adverse net variance of £3.806m as at the end of Quarter 1 and is broken down by Directorate in the following table:

Table 1. General Revenue Fund Forecast by Directorate 2023/24

	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Adult Care and Health Services	48.315	48.603	0.288
Economic Growth and Neighbourhood Services	19.580	23.561	3.981
Resources	18.306	19.448	1.142
Chief Executive Services	1.544	1.559	0.015
Children's Services retained by Council	0.838	0.838	0.000
Children's Services delivered by BFfC	51.430	57.259	5.829
Total Service Expenditure	**140.013**	**151.268**	**11.255**
Capital Financing	17.601	15.129	(2.472)
Contingencies	4.108	0.000	(4.108)
Other Corporate Budgets	(3.439)	(3.065)	0.374
Movement in Reserves	6.128	4.855	(1.243)
Total Corporate Budgets	**24.398**	**16.949**	**(7.449)**
Net Budget Requirement	**164.411**	**168.217**	**3.806**
Financed by:			
Council Tax Income	(111.086)	(111.086)	0.000
NNDR Local Share	(28.489)	(28.489)	0.000
New Homes Bonus	(1.453)	(1.453)	0.000
Section 31 Grant	(15.183)	(15.183)	0.000
Revenue Support Grant	(2.487)	(2.487)	0.000
Other Government Grants	(1.498)	(1.498)	0.000
One-off Collection Fund Surplus	(4.215)	(4.215)	0.000
Total Funding	**(164.411)**	**(164.411)**	**0.000**
(Positive)/Adverse Variance	**0.000**	**3.806**	**3.806**

Adult Care and Health Services - £0.288m adverse variance

3.2. Adult Care and Health Services' is forecasting an adverse net variance of £0.288m at Quarter 1 which is summarised below.

Table 2. Adult Care and Health Services Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Commissioning & Transformation	2.148	2.148	0.000
Adult Services Operations	44.245	44.533	0.288
Public Health	0.000	0.000	0.000
Directorate Other	0.523	0.523	0.000
Safeguarding, Quality, Performance & Practice	1.399	1.399	0.000
Total	**48.315**	**48.603**	**0.288**

3.3. The explanation for these forecast variances is set out below.

Adult Services Operations - £0.288m adverse variance

3.4. Adult Services Operations is forecasting an adverse net variance of £0.288m.

3.5. There is an overall forecast pressure within Placement budgets of £1.431m. This forecast is based on the latest committed placement spend data, mitigated by forecast grant funding and client contributions to care. This forecast includes £0.411m of pressures relating to children transitioning from Children's to Adult Care; current projected costs total £0.994m in comparison to the £0.583m budget.

3.6. Adult Social Care are working towards further mitigations totalling £1.143m, made up from the following two areas:

- £1.020m anticipated to be fully offset by various ongoing cost reducing schemes within the directorate aiming to:
    - Reduce waiting lists;
    - Review all care packages to deliver best service;
    - Minimise costs;
    - Work with Health to increase Health Contributions to care packages;
    - Initiate the Front Door Programme;
- £0.123m reduction to the additional £0.411m transitions costs set out above by approximately 30% to £0.288m by working with the 18 year olds, and providing packages to support them into adulthood, whilst also providing independence where appropriate.

3.7. Mitigations totalling £0.119m were achieved in Period 3 alone.

Economic Growth and Neighbourhood Services - £3.981m adverse variance

3.8. Economic Growth and Neighbourhood Services' is forecasting an adverse net variance of £3.981m at Quarter 1 which is summarised below.

Table 3. Economic Growth and Neighbourhood Services Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Transportation	(2.715)	(1.690)	1.025
Planning & Public Protection	3.137	3.608	0.471
Housing & Communities	1.900	2.900	1.000
Culture	3.050	3.110	0.060
Environmental & Commercial Services	16.775	17.975	1.200
Property & Asset Management	(3.152)	(3.152)	0.000
Management & Sustainability	0.585	0.810	0.225
Total	**19.580**	**23.561**	**3.981**

3.9. The explanation for these variances is set out below.

Transportation - £1.025m adverse variance

3.10. Transportation is reporting an adverse variance of £1.025m.

3.11. This variance arises mostly from 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 1 continue to rise above those in the same period last year and the recovery continues to gain momentum, particularly for Off-

Street Car Parking (the most material Parking income stream budget). The table below shows the position since 2019/2020 the baseline year before the impact of the Covid Pandemic.

Table 4. Off-Street Car Parking Income Trend

Financial Year	Budget	Actual/Forecast	Variance
	£m	£m	£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	**(5.304)**	**(4.398)**	**0.906**

3.12. The adverse variance of £0.906m in Off-Street Car Parking is occurring despite a significant increase in income compared to 2021/22 & 2022/23. The income budget for this area was increased in 2023/24 back to 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.

3.13. This pressure is partially offset by positive variance from income overachievements of £0.830m within the On-Street Pay & Display Car Parking. This positive trend is continuing from prior years.

3.14. There is a net adverse variance of £0.503m relating to Bus Lane Enforcement, where equipment issues have led to a reduction in the amount of charges collected, as well as additional leasing costs. It is hoped the new contract in place from November 2023 will help the position moving forward into 2024/25.

3.15. There is an adverse variance of £0.210m within Residents Parking where the income is not expected to exceed the amount achieved in 2022/23. There was additional income budget added to this area within 2023/24 which does not appear likely to be achieved, partly as the trend following Covid of consolidation of vehicles meaning less people are renewing permits for additional cars in the household.

3.16. There is a net adverse variance on Income within the Special Parking area of £0.236m which is currently anticipated will reduce for 2024/25 when the new contract is in place.

Planning & Public Protection - £0.471m adverse variance

3.17. Planning & Public Protection is reporting an adverse variance of £0.471m.

3.18. There is a forecast income shortfall of £0.670m across the service. These income shortfalls are arising from a combination of post covid impacts and economic challenges associated with inflation and the effect of high interest rates on business, the availability of skilled professional staff and the support provided for the Homes for Ukraine scheme. This shortfall consists of;

- The Building Control shortfall of £0.181m directly correlates to the lack of staffing and a lack of availability of suitable agency staff to undertake the fee earning work. Work is underway to build the team to take up more market share and to reduce reliance on agency staff but it is too early to say how this will reduce the shortfall in this year;

- Premises licence fees are forecasting an income shortfall of £0.072m. Within this, the largest element relates to a shortfall in respect of Reading Festival which is entirely based on Festival Republic's need for a licence variation which was not required in 2022/23, the need in future years is under discussion and will be considered in the 2024/25 budget setting process;

- Planning applications and planning fees shortfall of £0.143m 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 as well as ongoing inflation and risk of recession has all had an impact on the number of applications submitted, having a direct impact on fee generation that is likely to be an ongoing issue. The Government has confirmed that fee increases for planning applications (up by 25% for most applications and 35% for major applications) will come in but not until April 2024. It is also not clear, given the listed pressures being faced by the construction industry, how this increase will further reduce application numbers;

- Houses in Multiple Occupancy is forecasting an income shortfall of £0.274m. 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 some funds were diverted into this area in 2022/23 and it is being investigated as to whether further amounts could be applied to cover the staffing costs of inspecting the properties.

3.19. There are also forecast net pressures relating to running costs across the service of £0.045m.

3.20. 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 £0.172m, as well as overachievement of £0.072m from Private Hire driver licences.

Housing & Communities - £1.000m adverse variance

3.21. Housing & Communities is forecasting a £1.000m adverse variance for the year.

3.22. An area of ongoing concern is the potential impact of the ongoing 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 Emergency Accommodation, the average nightly rate in April 2022 was £90 compared to £123 in June 2023 (as illustrated in Chart 1 below). There has also been a reduction in the number of available properties to use. This area is a demand led service, and numbers of families in particular in emergency accommodation have been rising since April 2022; the total number of singles and families in April 2022 was 71, rising to a total of 136 in June 2023 (as illustrated in Chart 1 below).

Chart 1. Average Nightly Rate per Emergency Accommodation Placement

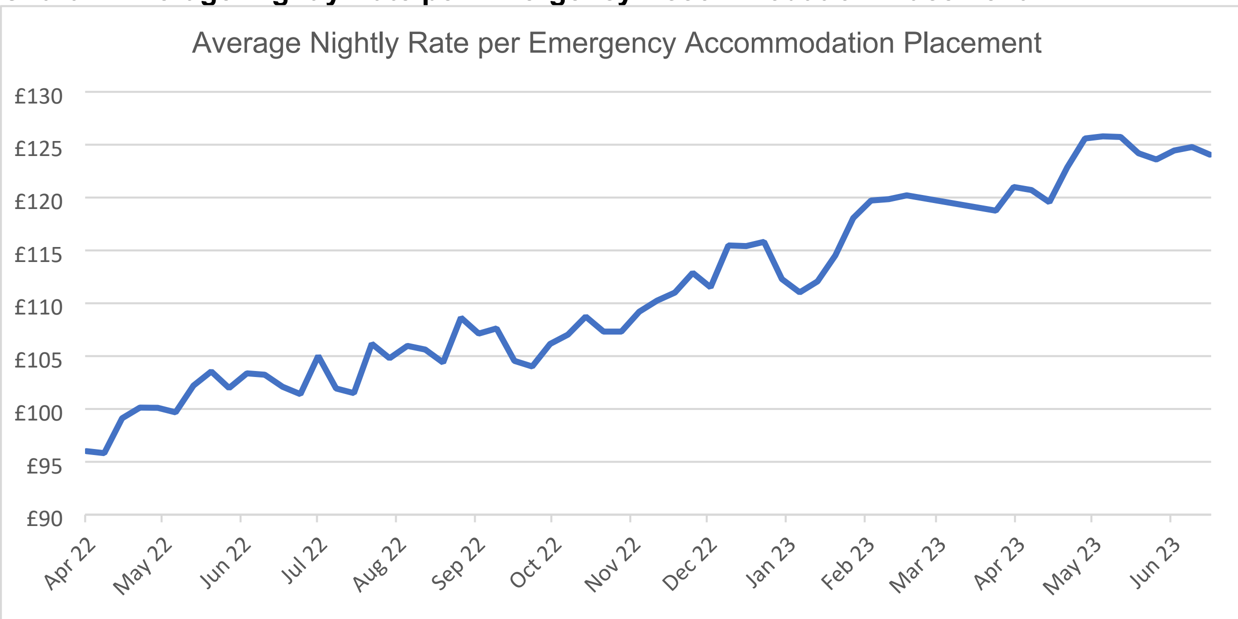
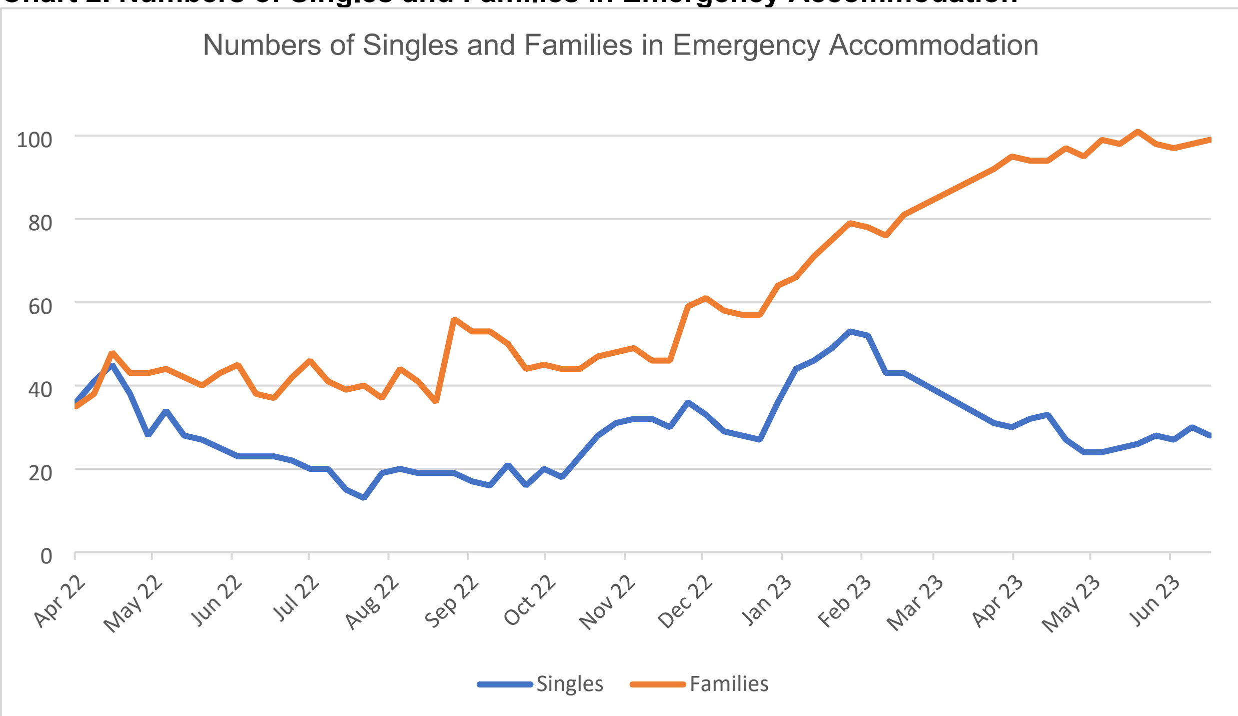


Chart 2. Numbers of Singles and Families in Emergency Accommodation



3.23. If the current high numbers of placements and the high cost of placements seen between April 2023 to June 2023 were to continue unchanged it would suggest an adverse variance on this budget of around £2.300m. It is felt that the current efforts to target both the numbers of placements and the nightly costs will achieve significant reductions to this pressure, as will applying all available brought forward grants. However, even with these mitigations being successful over the coming months, the likely pressure is currently thought to be around £1.000m that will not be able to be offset. In previous years there have been one off grants given by Central Government in order to offset these pressures, these figures currently assume none will be made available in 2023/24, further information on this forecast pressure and any announcements regarding additional grant funding will be provided in future reports.

Culture - £0.060m adverse variance

3.24. Culture is forecasting an overall net pressure of £0.060m at Quarter 1; the forecast variance is comprised of the following elements:

- £0.049m 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;

- £0.011m adverse variance on Reading's contribution to the joint arrangement for the Archives service.

3.25. As laid out within the GLL Leisure contract, a utilities Benchmarking exercise is now underway. This exercise is likely to generate additional pressures due to the increases in energy costs seen in the past few years. Allocations based on estimates were made as part of the 2023/24 budget setting process and the pressure is anticipated to be funded from central contingencies or reserves, however, these are currently only estimations, and the final figures will not be reflected until the Quarter 2 position.

Environmental & Commercial Services – £1.200m adverse variance

3.26. Environmental & Commercial Services is reporting an adverse variance of £1.200m for the year.

3.27. Recycling and Waste Collection is presently forecasting an overall pressure of £0.550m in staffing. The Staffing Establishment budget is not sufficient to cover the full employee costs of maintaining the required service level. Agency usage, overtime and staff sickness remain high. A high level of vehicle breakdowns with the older fleet exacerbates this. The service continues to consider measures targeted at the reduction of this adverse variance. This pressure will be considered as part of the 2024/25 Budget Setting process.

3.28. Waste Disposal is currently forecasting an adverse variance of £0.250m. Waste Collection tonnages were broadly in line with those forecast for the first quarter, however the mix was significantly different, leading to variation in cost. Some of the difference can be attributed to the diversion from residual waste from initiatives and the introduction of food waste to flats built into the budget, but not yet achieved. Overall tonnages for all waste types were 3% higher in total (including Residual Waste being 8% higher and Food Waste being 20% lower) than budgeted for the quarter, which is attributable to the high levels of waste received via Smallmead Household Waste Recycling Centre (HWRC). Included within this variance are additional cost pressures relating to Persistent Organic Pollutants (POPS) additional processing and haulage costs, an expected loss on HWRC income and an anticipated increase in other haulage costs in Quarter 4 of 15%, as the contract is up for renegotiation during the year.

3.29. Highways is forecasting an adverse variance of £0.300m due the cost of materials and waste disposal. The inflationary pressure on highways and civil engineering materials has seen items like road surfacing materials increase in price by 40% and other materials by 20-25% which is above the 2023/24 budgeted inflationary increases. These pressures will be further reviewed as part of the 2024/25 Budget and MTFS processes.

3.30. Network Management expects a £0.100m adverse variance, mainly due to a reduced a capital recharge for the staffing element of the budget. The current level of staff budget does not allow for the size of capital recharge that is required to meet the budget. This pressure will be further reviewed as part of the 2024/25 Budget and MTFS processes.

Management & Sustainability – £0.225m adverse variance

3.31. Management & Sustainability is reporting an adverse variance of £0.225m.

3.32. Advertising income within the Business Development service is forecast to create an income pressure of £0.175m. There are delays to the planning process for new sites and changes to existing sites. There are still contractual and developer delays around new sites which have not yet come on line.

3.33. There is also a pressure of £0.050m relating to management team staffing costs.

Resources - £1.142m adverse variance

3.34. The Directorate of Resources' is forecasting an adverse net variance of £1.142m at Quarter 1 which is summarised below.

Table 5. Resources Services Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Policy, Performance & Customer Services	2.484	3.127	0.643
Human Resources & Organisational Development	1.879	1.935	0.056
Procurement & Contracts	0.383	0.508	0.125
Finance	4.352	4.455	0.103
Legal & Democratic Services	2.770	2.985	0.215
Digital, Technology & Change	6.438	6.438	0.000
Total	**18.306**	**19.448**	**1.142**

3.35. The explanations for these variances are set out below.

Policy, Performance & Customer Services - £0.643m adverse variance

3.36. Policy, Performance & Customer Services is reporting an adverse net variance of £0.643m as at the end of Quarter 1.

3.37. Customer services is forecasting £0.607m of expenditure pressures relating to savings from 2021/22 through to 2023/24 still needing to be delivered. A revised delivery plan is currently being developed and savings delivery is therefore unlikely to be achieved during the remainder of 2023/24, with changes and plans being focussed on delivery from 2024/25 onwards.

3.38. The service is also forecasting a recharge income pressure of £0.045m relating to a structural budget issue in respect of Dedicated Schools Grant for School's Admissions Service. This issue will need to be addressed as part of the 2024/25 Budget Setting process.

3.39. Delays with recruitment will generate a small temporary positive variance of £0.009m on employee budgets.

Human Resources & Organisational Development - £0.056m adverse variance

3.40. Human Resources & Organisational Development is forecasting an adverse net variance of £0.056m.

3.41. Recruitment pressures at the Kennet Day Nursery is restricting the number of spaces for children, with a small adverse income variance of £0.021m. Additionally, a small adverse variance of £0.035m is being experienced across the main Human Resources and Organisational Development budget and is subject to review.

Procurement & Contracts - £0.125m adverse variance

3.42. Procurement & Contracts is forecasting an adverse variance of £0.125m. This includes £0.100m of expenditure pressures relating savings targets that are currently not allocated. Work is underway reviewing the Council's contracts aiming to deliver as much of the £0.200m target as possible, with 50% currently estimated to be at risk.

3.43. There is a further small adverse variance of £0.025m across employee and other non-pay budgets.

Finance - £0.103m adverse variance

3.44. Finance is forecasting an adverse net variance of £0.103m.

3.45. Finance is forecasting £0.212m of expenditure pressures relating to efficiency savings from procuring the new finance system. Delays in the system's go-live date have caused the pressures, but the situation is being actively reviewed and a plan is being developed to address it.

3.46. Insurance renewal pressures of £0.100m are being experienced following increases with the property policy premiums.

3.47. There are additional pressures relating to agency costs of £0.067m within Accounts Payable and Internal Audit.

3.48. Revenues and Benefits anticipate being able to over-achieve their income and funding resulting in a positive variance of £0.276m.

Legal & Democratic Services – £0.215m adverse variance

3.49. Legal & Democratic Services is forecasting an adverse net variance of £0.125m.

3.50. The local elections in May 2023 required additional support to facilitate the new Voter Identification requirements resulting in an adverse forecast variance of £0.180m.

3.51. Reduced building activity is resulting in a small adverse impact on Land Charges income levels of £0.035m.

Chief Executive Services - £0.015m adverse variance

3.52. Chief Executive Services is forecasting an adverse net variance of £0.015m at Quarter 1 which is summarised below.

Table 6. Chief Executive Services Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Corporate Management Team	0.876	0.896	0.020
Communications	0.668	0.663	(0.005)
Total	**1.544**	**1.599**	**0.015**

3.53. The reported variances relate to £0.020m of expenditure pressures within Corporate Management Team budgets relating to job advertising and recruitment costs, partially offset by £0.005m of overachieved income within Communications.

Children's Services retained by Council – balanced budget

3.54. Children's Services retained by Council is forecasting a balance budget at Quarter 1.

Table 7. Children's Services retained by Council Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Children's Services retained by Council	0.838	0.838	0.000
Total	**0.838**	**0.838**	**0.000**

Children's Services Delivered by Brighter Futures for Children (BFfC) - £5.829m adverse variance

3.55. Brighter Futures for Children's (BFfC) is forecasting an adverse net variance of £5.829m over the 2023/24 Contract Sum at Quarter 1.

Table 8. Children's Services delivered by BFfC Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Children's Services delivered by BFfC	51.430	57.259	5.829
Total	**51.430**	**57.259**	**5.829**

3.56. BFfC are forecasting £7.175m of unmitigated risks and pressures as follows:

- £3.030m on Social Care Placements;
- £2.834m on High-Cost Social Care Placements;
- £0.850 on agency staff;
- £0.600m on school travel costs;
- £0.139m of other positive variances.

3.57. The following mitigations, totalling £1.346m, are forecast to reduce the total risks and pressures down to £5.829m:

- £0.648m on Social Care Placements;
- £0.426m on school travel costs;
- £0.272m on agency staff.

3.58. Mitigations totalling £1.000m relating to Social Care High Cost Placements that were originally identified in the BFfC Budget Monitoring Report Period 3 (Appendix 2) are no longer forecast to be viable and have been excluded from the overall forecast.

3.59. BFfC have identified potential opportunities totalling £0.725m that could reduce the adverse variance further, however as these are considered to be at high risk of deliver, they have not been included within the overall forecast at this stage.

3.60. Further details are included in Appendix 2.

Corporate Budgets - £7.449m positive variance

3.61. Corporate Budgets are forecasting a positive net variance of £7.449m at Quarter 1 which is summarised below.

Table 9. Corporate Budgets Forecast 2023/24

Service	Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m
Capital Financing Costs	17.601	15.129	(2.472)
Contingency	4.108	0.000	(4.108)
Other Corporate Budgets	(3.439)	(3.065)	0.374
Movement to/(from) Reserves	6.128	4.885	(1.243)
Total	**24.398**	**16.949**	**(7.449)**

3.62. The explanation for these variances is set out below.

3.63. Capital Financing Costs is reporting a positive total net variance £2.472m. As a result of the slippage on the Capital Programme reported in the 2022/23 Outturn Report, there is a positive variance of £0.270m relating to the Minimum Revenue Provision (MRP). There is a further positive variance of £2.198m on the interest payable budget which is forecast to arise from a combination of the slippage on the Capital Programme and the Council's strategy of maximising internal borrowing, supported by temporary borrowing where required, in terms of managing the Council's cashflow. Finally, there is a positive variance forecast of £0.004m on the interest receivable budget due to interest rates currently being higher than originally forecast.

3.64. The Contingency budget of £4.108m to mitigate against non-delivered in-year savings has not been allocated out to services and therefore contributes a further positive variance.

3.65. Other Corporate Budgets is reporting an adverse net variance of £0.374m. This variance includes a forecast pressure of £1.243m relating to current 2023/24 pay award assumptions, which is predominantly offset by positive net variances of £0.869m within Other Corporate Budgets which is mainly due to the forecast release of all other contingencies.

3.66. The 2023/24 Budget assumes a total net transfer to reserves of £6.128m. In light of the forecast pressure of £1.243m in respect of the current 2023/24 pay award assumptions outlined above, a drawdown of £1.243m from the Pay & Inflation earmarked reserve is now anticipated, resulting in a positive net variance on Movement to/(from) Reserves of £1.243m.

4. Savings Delivery

4.1. 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 2023. Detailed monitoring of agreed savings is tracked on a monthly basis.

4.2. The projected financial impact of any non-delivery of savings has been included in the projected outturn position reported above.

4.3. A total of £7.401m of savings were delivered in 2022/23. The residual £2.823m have been carried forward for delivery in 2023/24, giving a revised 2023/24 savings target of £8.118m.

4.4. The following table summarises the current forecast savings delivery for 2023/24 (a further detailed breakdown by saving is provided in Appendix 1):

Table 10. General Funds Savings Tracker Summary

Service	Savings At Risk £m	Savings Delayed or at Risk £m	Savings on Track £m	Savings Achieved £m	Directorate Total £m
Adult Care and Health Services	0.000	(0.108)	(0.353)	0.000	(0.461)
Economic Growth and Neighbourhood Services	(1.433)	(1.691)	(2.616)	0.024	(5.716)
Resources	(0.731)	(0.200)	(0.315)	(0.068)	(1.314)
Chief Executive Services	0.000	0.000	0.000	0.000	0.000
Corporate	(0.266)	0.000	(0.061)	0.000	(0.327)
Children's Services delivered by BFfC	(0.300)	0.000	0.000	0.000	(0.300)
Total	**(2.730)**	**(1.999)**	**(3.345)**	**(0.044)**	**(8.118)**

4.5. Any savings not delivered in 2023/24 will cause an immediate pressure on 2024/25, unless mitigated with alternative ongoing savings. Delivery of existing savings within the Medium-Term Financial Strategy will also be reviewed as part of the 2024/25 Budget setting and 2024/25-2026/27 Medium-Term Financial Strategy processes over the upcoming months.

5. Debt Performance

5.1. Total General Fund sundry debt as at the end of Quarter 1 is £7.945m, compared to £8.328m at the end of Quarter 4 last year. In addition to this, the General Fund also has £7.808m of current debt and £0.850m of deferred debt which is not yet considered overdue. A breakdown of this debt by age and directorate is provided in Appendix 1.

6. Collection Fund

6.1. The following table shows the Council's collection rate of the total annual debit raised for Council Tax and Non-Domestic (Business) Rates as at the end of Quarter 1.

6.2. Council Tax collection rates are marginally behind the collection levels at the same point when compared to pre-Covid-19 pandemic rates (2019/20) but are slightly ahead of 2022/23 at the same point last year.

6.3. Non-Domestic collection rates are on a par with pre-Covid-19 pandemic rates (2019/20) but behind 2022/23 collection rates at the same point last year. This will continue to be monitored but current expectations are that this position will improve in the coming months.

Table 11. Collection Fund Collection Rates

	2019/20	2020/21	2021/22	2022/23	2023/24	Comparison to 2022/23	Comparison to 2019/20
	%	%	%	%	%	%	%
Council Tax	28.65	28.23	28.56	28.31	**28.52**	0.21	(0.13)
Non-Domestic Rates	28.07	24.66	24.00	29.05	**28.06**	(0.99)	(0.01)

7. General Fund - Capital Programme

7.1. The General Fund Capital Programme for 2023/24 has an approved budget of £134.209m. The following amendments are requested to be formally approved which would result in a revised Capital Programme budget of £107.178m. These amendments are set out on an individual scheme basis in Appendix 3.

7.2. Against the proposed revised budget of £107.178m there is a forecast positive net variance of £0.728m. This variance relates entirely to the Delivery Fund as set out in paragraph 8.2. There is a potential adverse variance on the Re-procurement/Re-implementation of Finance System scheme which is currently being reviewed and the position will be confirmed as part of the Quarter 2 Performance and Monitoring Report.

Table 12. General Fund Capital Programme Amendments

General Fund Capital Programme	£m
Revised Approved Budget 2023/24	**134.209**
Budget Movements Between Schemes	0.000
Additional Budgets added to the Programme - Funded by Grants & Contributions	3.129
Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, Revenue Contributions and Borrowing	3.753
Reduced Budgets - Completed Schemes & Other carry forward budget adjustments	(0.030)
Budgets reprogrammed (to)/from Future Years	(33.883)
Proposed Revised Budget Quarter 1 2023/24	**107.178**

7.3. An exercise to rationalise the number of lines in the Capital Programme has taken place during Quarter 1. This particularly impacts on schemes within Environmental & Commercial Services and Property & Asset Management. The net movement of budget between schemes is nil (as set out in Appendix 3).

7.4. A total of £3.129m of additional budgets across five schemes (as set out in Appendix 3) that are fully funded by grants and contributions are requested to be formally added into the Capital Programme. This includes:

- £1.275m for Active Travel Tranches 2-4 schemes;
- £0.527m for Reading West Station;
- £0.954m for SEN High Needs Provision Capital Allocations;
- £0.373m for other schemes.

7.5. A total of £3.753m of additional budgets funded by contributions from reserves are requested to be formally added into the Capital Programme for the following two schemes:

- An increase to the Vehicle Replacement scheme budget of £3.653m to funded from the Capital Finance Smoothing Reserve. This scheme was identified as part of 2023/24 budget setting as being unable to proceed further until funding was identified. This is utilising the increase in the Capital Finance Smoothing Reserve that was approved as part of the 2022/23 Performance Report which was previously earmarked to fund this scheme;
- An increase to the Democratic Hybrid AV scheme budget of £0.100m due to increased costs which is to be funded from the IT Reserve.

7.6. A total of £0.030m of budget reductions/adjustments across three schemes are requested to be formally approved as set out in Appendix 3.

7.7. A net total of £33.883m of budgets are requested to be reprogrammed from 2023/24 into future years of the Capital Programme as set out in Appendix 3. This includes:

- £3.508m for the Co-located Profound and Multiple Learning Disabilities Day Opportunities and Respite Facility and Sheltered Housing Flats scheme to reflect the revised expenditure projections for the current year;
- £1.404m for the Active Travel Tranche 3 scheme due to re-scheduling of the programme;
- £5.543m for Bus Service Improvement and South Reading MRT (Phases 5 & 6) schemes due to partial delays to the programme of works as agreed with partners;
- £3.355m for Provision of Gypsy & Traveller Accommodation to reflect the revised expenditure projections for the current year;
- £1.534m for Reading Football Club Social Inclusion Unit to South Reading Leisure Centre (SRLC). This scheme is now expected to begin in 2024/25 once the s106 funding becomes due and has been received;
- £1.500m for Annual Bridges and Carriage Way Works/Highways Infrastructure Works to reflect the revised expenditure projections for the current year;
- £8.800m for Maintenance & Enhancement of Council Properties. This scheme is currently on hold pending the identification of funding. There is currently no plan to refurbish any Commercial Properties in the current year;
- £2.004m for Regeneration Projects to reflect the revised expenditure projections for the current year;
- £1.141m for Burial Land Acquisition as no expenditure is currently planned to be incurred this financial year;
- £2.000m for Minster Quarter – Brownfield Land Grant element as the developer is not expected to start on site until 2024/25;
- £3.094m of net re-programming between years across all other schemes.

7.8. It is requested the following capital schemes are given scheme and spend approval as they will be funded from grants, Community Infrastructure Levy (CIL) and/or S106 contributions.

Table 13. Capital Programme Scheme & Spend Approval Requests

Scheme	Budget
	£m
Active Travel Trance 4	0.075
Shared Prosperity Fund	0.234
Total	**0.309**

7.9. It is requested that the following schemes are given spend approval. The Park Lane scheme is fully grant funded whilst the two Levelling Up schemes are primarily grant funded with match funding contributions already existing within the approved Capital Programme.

Table 14. Capital Programme Spend Approval Requests

Scheme	2023/24 Budget	Total Scheme Budget
	£m	£m
Park Lane Primary School Annexe Replacement	2.500	2.500
Levelling Up Delivery Plan - New performance space at the Hexagon Theatre	3.245	13.700
Levelling Up Delivery Plan - New Reading Library at the Civic Centre	1.603	8.600
Total	**7.348**	**24.800**

8. Delivery Fund

8.1. Costs of service transformation and the delivery of future ongoing savings are able to be charged to capital (and financed from new capital receipts) due to the introduction of the Flexible Capital Receipts Regulations. These regulations are currently due to end at 31st March 2025.

8.2. There is a total £4.595m Delivery Fund available for 2023/24 (inclusive of 2022/23 approved carry forwards). At Quarter 1, £3.753m of this funding has been allocated out to approved schemes, leaving £0.842m available to be allocated. At Quarter 1, the forecast spend is £3.867m, which represents an adverse net variance against approved allocations of £0.114m. The overall forecast positive net variance is therefore £0.728m.

9. Housing Revenue Account - Revenue

9.1. The approved Housing Revenue Account budget assumed a drawdown from HRA reserves of £2.499m. At Quarter 1 the forecast revenue outturn position for the HRA is a positive net variance of £0.661m. Therefore, a drawdown from HRA Reserves is forecast of £1.838m rather than the originally budgeted £2.499m. The breakdown of the net variance is set out in the following table and explained below.

Table 15. Housing Revenue Account Forecast 2023/24

	Budget £m	Forecast Outturn £m	Forecast Variance £m
Management & Supervision	8.796	8.644	(0.152)
Special Services	4.404	3.918	(0.486)
Provision for Bad Debts	0.405	0.405	0.000
Responsive Repairs	4.144	4.144	0.000
Planned Maintenance	3.488	3.488	0.000
Major Repairs/Depreciation	12.871	14.649	1.778
Debt Costs	7.148	6.526	(0.622)
PFI Costs	7.975	7.739	(0.236)
Revenue Contribution to Capital	0.000	0.000	0.000
HRA Income	(46.731)	(47.675)	(0.944)
Over/(Under) Budget	**2.499**	**1.838**	**(0.661)**
Movement to/(from) HRA Reserves	**(2.499)**	**(1.838)**	**0.661**

9.2. Within Management and Supervision, there is a net positive variance of £0.152m which primarily relates to increased income due to increased rechargeable repairs and grants. These are offset by smaller adverse variances on staffing and running costs.

9.3. Within Special Services, there are a number of vacant posts leading to a current projected positive variance on salary budgets of £0.062m. Furthermore, there is an additional positive variance of £0.402m in respect of sheltered housing rents and Right-to-Buy housing association charges and an additional positive variance on running costs of £0.022m.

9.4. Recruitment attempts to fill the aforementioned vacancies are ongoing with some recent success in some roles following a series of unsuccessful rounds of recruitment.

9.5. Major Repairs/Depreciation is currently forecast to be an adverse variance of £1.778m. This directly relates to the higher external valuation figures seen within the HRA over the past few years, Depreciation is set based on the prior year valuation level. Unlike the General Fund depreciation is a real charge to the HRA however any increase in the level of depreciation is moved to the Major Repairs Fund and is available to be used on Capital expenditure.

9.6. Debt costs are lower than budgeted by £0.622m due to less borrowing currently being required within the HRA to meet its capital expenditure.

9.7. HRA Income is forecasting a positive net variance of £0.944m. Dwelling rents and Service Charges are currently projected to be underachieving on the budget by a total of £0.589m (1.4% less than budget). These are due to a delay in the completion of HRA capital schemes resulting in less housing available to be rented. In addition, there is a £0.067m underachievement forecast on Other Income relating to Wayleaves and rechargeable repairs income. Interest income is forecast to overachieve by £1.600m due to a combination of the increases in the Bank of England base rate compared to the assumptions in the HRA Business Plan and as the HRA has a high level of reserve balances, it takes a high share of the Council's overall interest income.

10. Housing Revenue Account - Capital Programme

10.1. The HRA Capital Programme for 2023/24 has an approved budget of £55.894m. The following amendments are requested to be formally approved which would result in a revised HRA Capital Programme budget of £36.442m. These amendments are set out on an individual scheme basis in Appendix 3.

Table 16. HRA Capital Programme Amendments

HRA Capital Programme	**£m**
Revised Approved Budget 2023/24	**55.894**
Budget Movements Between Schemes	0.000
Additional Budgets added to the Programme - Funded by Grants & Contributions	0.000
Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, Revenue Contributions and Borrowing	0.000
Reduced Budgets - Completed Schemes & Other carry forward budget adjustments	0.000
Budgets reprogrammed (to)/from Future Years	(19.452)
Proposed Revised Budget Quarter 1 2023/24	**36.442**

10.2. A net total of £19.452m of budgets are requested to be reprogrammed from 2023/24 into future years of the Capital Programme as set out in Appendix 3. This includes:

- £3.811m for the Major Repairs – Existing Homes Renewal scheme to reflect the revised expenditure projections for the current year;

- £5.310m for the Major Repairs – Zero Carbon Retrofit Works scheme to reflect the revised expenditure projections for the current year;

- £11.080m for the Local Authority New Build Programme for Older People and Vulnerable Adults scheme to reflect the revised expenditure projections for the current year.

11. Corporate Plan Performance

Summary

11.1. This section of the Performance Report sets out progress against the Performance Measures and Projects included in the Council's Corporate Plan "Investing in Reading's Future".

11.2. A three-year Corporate Plan for the period 2022/23-2024/25 was published in March 2022, and an annual update published in March 2023.

11.3. The Corporate Plan sets out the Council's vision "To help Reading realise its potential and to ensure that everyone who lives and works here can share the benefits of its success." and three priority themes of:

- Healthy Environment
- Thriving Neighbourhoods
- Inclusive Economy

11.4. These themes are supported by the strong Foundations of effective service delivery, improvement and transformation needed to ensure the effective delivery of the ambitious programme set out in the Corporate Plan.

11.5. The updated Corporate Plan includes 57 performance measures and 481 key projects and initiatives which underpin delivery of the Council's vision and priorities. The refreshed suite of Performance measures and the progress of projects and initiatives will be reported on a quarterly basis from April 2023. This performance update focuses on the 26 performance measures updated quarterly; the remaining 31 measures are updated annually and will be reported on after March 2024.

11.6. The following sections set out performance against the key measures and projects published in the Council's Corporate Plan and specifically detail:

- Measures where there has been a significant POSITIVE shift in performance since the last relevant reporting period.
- Measures where there has been a significant NEGATIVE shift in performance since the last relevant reporting period.
- Measures where performance against target is RED (variance is > 10% of target)
- Projects and initiatives where status is reported as RED.

11.7. For each of these the explanation and any action being taken to get back to green by the service is included.

11.8. The full list of Performance Measures is attached as Appendix 4 and Projects and Initiatives as Appendix 5.

11.9. The table below provides a summary of the status of these at the end of Quarter 1 2023/24:

Table 17. Performance Overview

What	Status		
	Green	**Amber**	**Red**
Key Measures	50%	23%	27%
Key Projects	52%	46%	2%

<u>Corporate Plan Measures</u>

11.10. The tables and charts below display an overview of the shifts in performance for the Corporate Plan measures between Q4 and Q1 for the quarterly measures; direction of travel is not reported for the annual measures. The following table, shows a summary of the direction of travel measures where performance is getting better, remains the same or is getting worse compared to the previous quarter:

Table 18. Summary of Direction of Travel

Status	Q2-Q3	Q3-Q4	Q4 – Q1	
	%	%	%	No. of measures
Getting Better	56	70	38	10
Unchanged	11	11	8	2
Getting Worse	29	19	50	13
N/A – No Target / Comparison	4	0	4	1
Total	**100**	**100**	**100**	**26**

11.11. The following table shows performance against the target (red/amber/green) for all the measures, including the annual measures:

Table 19. Summary of Performance against Target

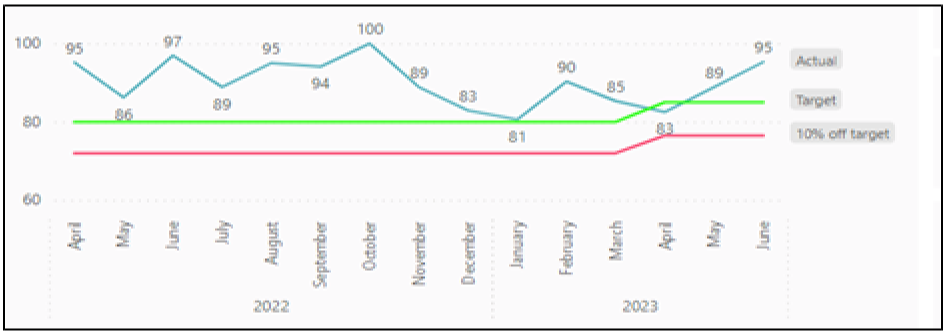
Status	Q2		Q3		Q4		Q1	
	No.	%	No.	%	No.	%	No.	%
Green	15	54	19	70	41	72	13	50
Amber	8	29	4	15	9	16	6	23
Red	4	14	4	15	7	10	7	27
N/A – No Target / Comparison	1	3	0	0	1	2	0	0
Total	**28**	**100**	**27**	**100**	**58**	**100**	**26**	**100**

11.12. The following table details measures where there has been significant change since the previous period:

Table 20. Measure Showing Significant Change Since Previous Period

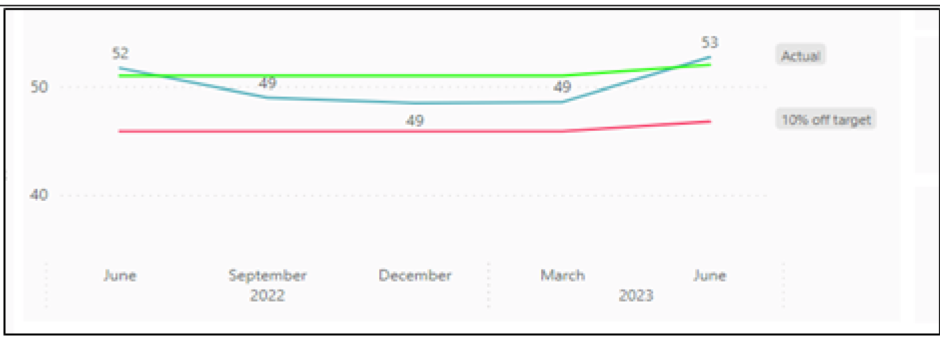
Measures showing significant change since previous period - Positive

Older People (65+) who were still at home 91 days after discharge from hospital into reablement.



Q4 2022/23	Q1 2023/24	Target	Comments
85%	95.3%	85%	The service continues to deliver good outcomes and performance is currently exceeding target.

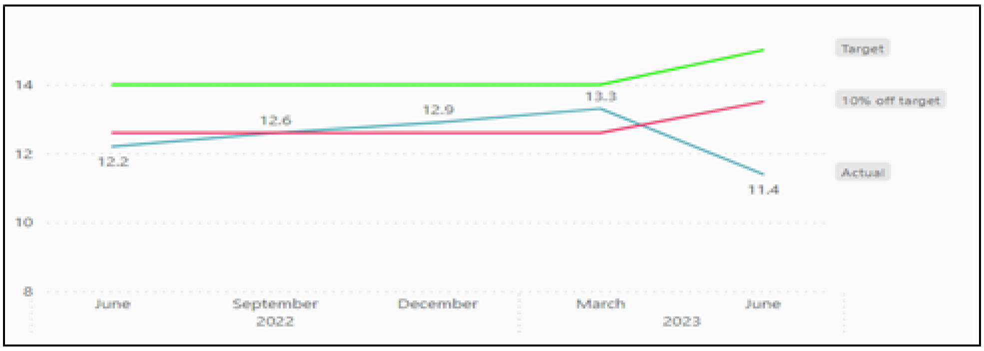
Percentage total household waste recycled



Q4 2022/23	Q1 2023/24	Target	Comments
49%	52.7%	52%	The provisional recycling rate for Qtr1 2023/24 is 52.7%. This compares to 51.7% last year. In particular we have seen higher tonnages at the recycling centre (where recycling rates are higher) and more garden waste tonnes

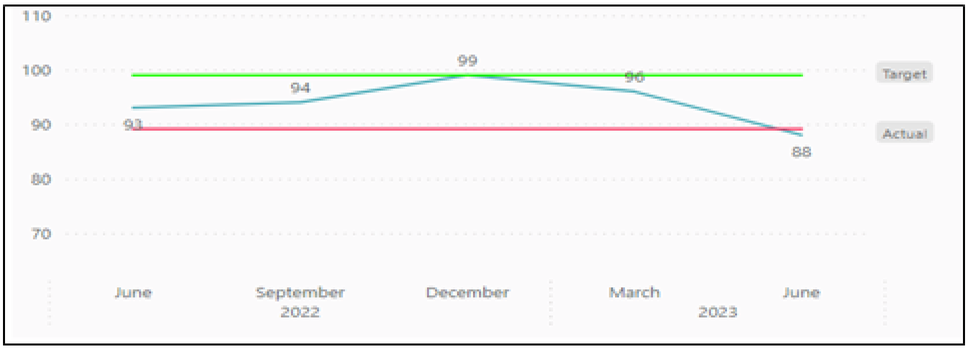
Measures showing significant change since previous period – Negative

Food waste recycled (percentage of household waste)



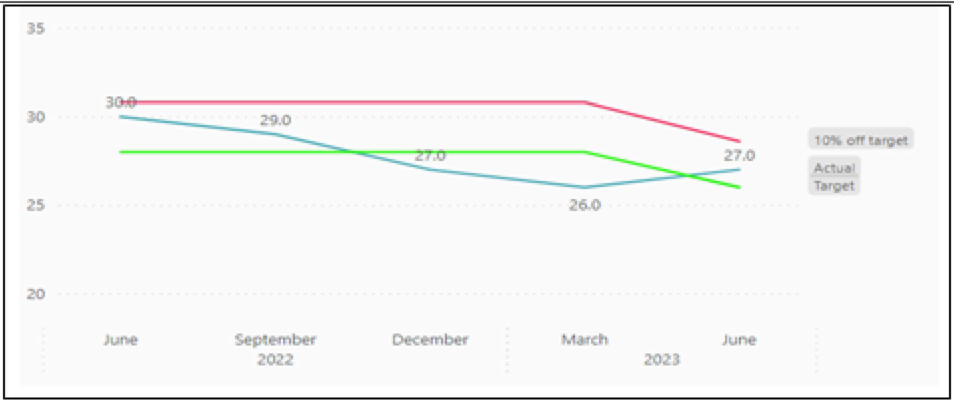
Q4 2022/23	Q1 2023/24	Target	Comments
13.3	11.4%	15%	Lower food waste tonnes compared to the same period last year could be the result of residents having become more aware of the amount of food they were wasting, which would be a positive outcome. Increased financial pressures may also be causing residents to waste less food. However, we are also aware that some food waste is present in the residual waste, and we need to capture this for recycling. *(As set out in paragraph 3.28, Food Waste tonnages are currently 20% lower than budgeted, however Total Waste tonnages are 3% higher than budgeted overall).*

Percentage of actionable (40mm depth) potholes repaired within 28 days.



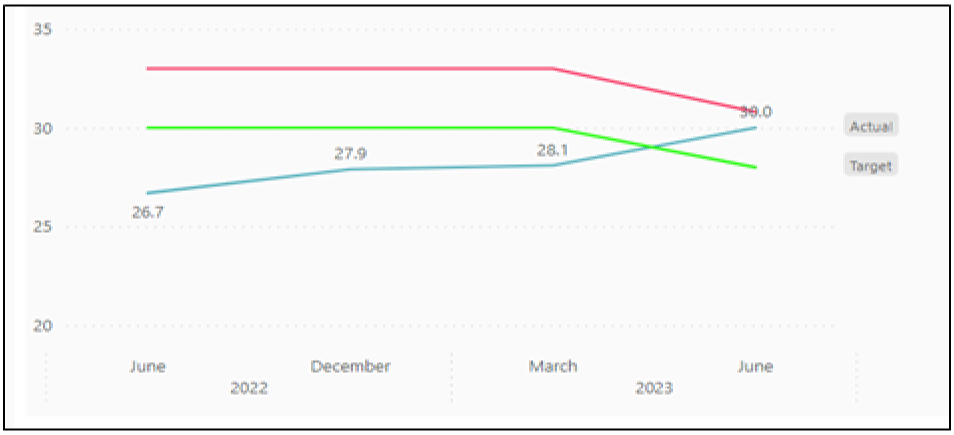
Q4 2022/23	Q1 2023/24	Target	Comments
96%	88%	99%	There was an issue with the Asset Management System (WDM) not exporting the data - this has been resolved but caused a small amount to go out of date during April. April figure 69% due to system issues, now resolved. May & June figures over 97% (giving an average of 88% for Q1).

Percentage of children in care living more than 20 miles from Reading



Q4 2022/23	Q1 2023/24	Target	Comments
26%	27%	26%	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



Q4 2022/23	Q1 2023/24	Target	Comments
28.1	30%	28%	Reading's reoffending rate of 30% is lower than the national rate 31.6 but has now risen to a level slightly above the South-East rate 27.8% and for the first time considerably above the PCC area rate 25.4%. Any positive reoffending rate is an indication of effective casework, though the shortened gap with comparators is an area to monitor as other areas are evidencing increased performance. The latest data is for the period Apr 20 to Mar 2021

Measures showing significant change since previous period - performance against target is red

	Q4 2022/23	Q1 2023/24	Target	
Percentage of service users in receipt of Adult Social Care Direct Payments	**21.3%**	**21.75%**	**25%**	**A Direct Payment set-up function has been established (one DP Officer post) to encourage usage of Direct Payments and support staff with the process.**
Cumulative reduction in crime	Not reported	0%	7%	Data adjusted by Data Provider, Iquanta, following verification process. This now reflects a significant increase in crime reports against the 2020/21 base line for Q1. Narrative to reviewed by the Community Safety Partnership Reducing Crime Delivery Group when it starts. March Data has not yet been released, therefore Q4 cannot be updated.
Number of self-service transactions via My Account self-service	26,507	21,544	25,000	Improvements to the UX framework I.e. pattern library, has resulted in a steady increase in self-service submissions across www.reading.gov.uk. Despite monthly variation which may at least partly be due to seasonal demand, a year on year increase of 31% shows that this improvement is ahead of natural digital adoption. This reflects the increase in the usability of the website and the improvements made have made a significant positive impact on the functionality of the website.
Number 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	39	40	45	Due to the lag in the stop smoking service data, the number of 4-week quits in Q4 is now confirmed (Q4 22-23 = 39). The Q1 number is a provisional estimate only.
Percentage of people with a learning disability in paid employment	**4.48%**	**4.94%**	**5.5%**	**This KPI remains a high priority in the Transition and SEND groups, proactive work is being undertaken with the Elevate and New Direction College to target residents with LD.**
Food waste recycled (percentage of household waste)	13.3%	11.4%	15%	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, which

				would be a positive outcome. Increased financial pressures may also be causing residents to waste less food. However, we are also aware that some food waste is present in the residual waste, and we need to capture this for recycling
Percentage of actionable (40mm depth) potholes repaired within 28 days.	96%	88%	99%	There was an issue with the Asset Management System (WDM) not exporting the data - this has been resolved but caused a small amount to go out of date during April. April figure 69% due to system issues, now resolved. May & June figures over 97% (giving an average of 88% for Q1)

11.13. The measures highlighted in bold in the table above were also reported red at the end of Quarter 4 2022/23. The other 4 red measures at the end of Quarter 4 are reported annually.

Corporate Plan Projects

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

Table 21. Summary RAG Status Corporate Plan Projects

Status	Q2	Q3	Q4	Q1	
	%	%	%	%	No.
Green	58	56	67	52	25
Amber	40	38	31	46	22
Red	2	6	2	2	1
Total	**100**	**100**	**100**	**100**	**48**

11.15. The Corporate Plan Project with red status this quarter is listed below:

Table 22. Corporate Plan Projects with Red Status

Project	Comments
Review and expansion of the Community Reablement Team to maximise people's independence.	The Provider Services restructure will begin consultation in August, leading to changes as part of the operational improvement plan. Project was 'red' due to being paused while improvement plan developed.

12. Contribution to Strategic Aims

12.1. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the Council's website. These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective, and economical.

12.2. Delivery of the Council's budget is essential to ensuring the Council meets its strategic aims and remains financially sustainable going forward.

13. Environmental and Climate Implications

13.1. The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers), with the intention of achieving a carbon neutral Reading by 2030. The Council endorsed the Reading Climate Emergency Strategy 2020-25 and its vision for a 'net zero, resilient Reading by 2030' in November 2020. At the same time, it adopted a new corporate Carbon Plan for the Council's own operations, including the target of an 85% cut in Council emissions by 2025 enroute to net zero by 2030. The Council's Corporate Plan monitors progress in reducing the carbon footprint of both the Borough and the Council.

13.2. There are no specific environmental and climate implications to report in relation to the recommendations set out in this report.

14. Community Engagement

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

15. Equality Implications

15.1. The equality duty is relevant to the development of the Budget. 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.

16. Other Relevant Considerations

16.1. There are none.

17. Legal Implications

17.1. 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. Financial Implications

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

19. Timetable for Implementation

19.1. Not applicable.

20. Background Papers

20.1. There are none.

Appendices

1. **General Fund Revenue Financial Monitoring & Performance Quarter 1 (2023/24)**
2. **Brighter Futures for Children (BFfC) Budget Monitoring Report Period 3 (2023/24)**
3. **Capital Programme Quarter 1 (2023/24)**
4. **Corporate Plan Performance Measures (Monthly & Quarterly) Quarter 1 (2023/24)**
5. **Corporate Plan Projects and Initiatives Quarter 1 (2023/24)**