



# Budget Monitoring Report Period 3



For decision



For discussion



For information

## SUMMARY

The purpose of this report is to provide the Board with budget monitoring report for period three.

## OWNER

Report Author:

BFfC Finance Team

## DRAFT

V1.0

## DATE

14<sup>th</sup> July 2023

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## 1. Purpose of report

- 1.1 The purpose of this report is to provide Finance Committee with the latest budget monitoring position and other finance information as at Period 3 (June 2023).

## 2. Executive summary

- 2.1 Contract sum (excluding SLAs and Property) totals **£44.933m** against a forecast out-turn of **£49.762m** at Period 3. This represents a negative variance of **£4.829m** which largely relates to Children's Social Care Agency and Placements costs.

A summary of the forecast variance by directorate is shown in Table 1.

- 2.2 The 'risks and opportunities' table provided in Table 2 categories the pressure to be either 'inflation', 'demand' or 'general budget' pressure. It also details:

- the current run rate of expenditure based on current activity continuing to 31 March 2024 (with no mitigations in place)
- the forecast outturn (with mitigations that highlights the critical areas of monitoring to ensure planned mitigations materialise)
- further identified opportunities of £0.725m to reduce the negative forecast outturn position to **£4.101m**

The impact of pay inflation, placements and HTST contract inflation and any additional funding support from RBC which is not known/confirmed at this stage, is shown as "TBC" within the table.

- 2.3 As at Period 3, there are three main areas of concern that relate to:

- the continuing level of agency cover for social workers,
- the increasing demand of school travel arrangements; and
- the additional need and increasing costs of children's placements.

- 2.4 In relation to placements, the Company has been asked to write to RBC CEO and S151 officer to confirm the position on placement costs for 2023-24. The EDFR is intending to provide the S151 officer with an overview of the placements database and the key assumptions at their monthly catch up (21 July) prior to sending the letter.

- 2.5 Additional information to support the monthly budget forecast is provided in the monthly monitoring information schedules in Appendix 1 to 10.

### 3. Budget by Directorate 2023-2024

3.1 The budget for 2023-2024 with a contract sum of **£44.933m** is shown below:

**Table 1: Contract Budget for 2023/2024**

DEPARTMENTAL SUMMARY	23/24 Budget YTD £000	23/24 Spend YTD £000	23/24 Variance YTD £00	23/24 Annual Budget £000	23/24 Forecast Outturn £000	23/24 Forecast Variance £000
Education	9,568	7,044	(2,524)	33,276	33,576	300
Early Help and Preventative Services	3,921	5,219	1,298	13,582	13,477	(105)
Childrens Social Care	7,803	9,844	2,041	30,801	35,621	4,820
Finance & Resources	831	995	164	3,727	3,591	(136)
Corporate Services	121	(808)	(929)	1,045	995	(50)
Dedicated Schools Grant	(9,374)	(12,107)	(2,733)	(37,498)	(37,498)	0
Contract sum	(11,233)	(12,060)	(826)	(44,933)	(44,933)	
<b>Total</b>	<b>1,636</b>	<b>(1,873)</b>	<b>(3,509)</b>	<b>0</b>	<b>4,829</b>	<b>4,829</b>

*Due to the 2022/2023 Inter-company adjustments not being processed, this has resulted in large YTD variances.*

### 4. Risk and Opportunities Table

**Table 2: Summary of identified risks and opportunities at Period 3**

Risks and Pressures	Pressure (Inflation) £000	Pressure (Demand) £000	Budget Variance £000	Mitigated Outturn £000	Unmitigated Outturn (Run rate) £000
School Travel	50	124	0	174	600
Agency	0	0	578	578	850
Social Care Placements	TBC	2,382	0	2,382	3,030
Social Care (High-Cost Placements)	0	1,834	0	1,834	2,834
SEND (data cleaning and backlog)	0	0	126	126	126
Other Pressures (corporate)	0	0	121	121	121
Resource Team vacancy savings	0	0	(155)	(155)	(155)
Bank interest income	0	0	(126)	(126)	(126)
Early Help reward income	0	0	(105)	(105)	(105)
National Pay Award (based on 6%)	TBC	0	0	0	0
Remand Placement (Future)	0	0	0	0	0
UAS - Net Spend	0	0	0	0	0
<b>Total Risks and Pressures</b>	<b>50</b>	<b>4,340</b>	<b>452</b>	<b>4,829</b>	<b>7,175</b>
Early Help Targeted Savings	0	0	(95)	(95)	(95)
Remand Income	0	0	(400)	(400)	(400)
Homes for Ukraine	0	0	(50)	(50)	(50)
School Travel Transformation	0	0	(180)	(180)	(180)
Additional Contract Funding	TBC	TBC	0	0	0
<b>Total Opportunities</b>	<b>0</b>	<b>0</b>	<b>(725)</b>	<b>(725)</b>	<b>(725)</b>
<b>Grand Total</b>	<b>50</b>	<b>4,340</b>	<b>(273)</b>	<b>4,104</b>	<b>6,450</b>

## 5. Children's Social Care (CSC) – Maria Young

### Summary

Children Social Care (CSC) is reporting a forecast of **£4.82m** against an approved budget of £30.801m.

**Table 3: Overview of 2023-2024 Children Social Care Budget as of Period 3**

Departmental & Income and Expenditure Summary (Children Social Care Services)	23/24 Budget YTD £000	23/24 Spend YTD £000	23/24 Variance YTD £00	23/24 Annual Budget £000	23/24 Forecast Outturn £000	23/24 Forecast Variance £000	Key
<b>By Directorate</b>							
Together for Families	1,778	1,632	(146)	6,792	6,983	191	
Corporate Parenting, Fostering, Special	4,321	6,259	1,938	17,125	19,769	2,644	
Childrens and Young People Disability Team	1,249	1,713	464	4,825	6,678	1,853	
CSC Senior Management Team	455	240	(215)	2,059	2,191	132	
<b>Total Childrens Social Care</b>	<b>7,803</b>	<b>9,844</b>	<b>2,041</b>	<b>30,801</b>	<b>35,621</b>	<b>4,820</b>	
<b>By Income and Expenditure</b>							
Employee Expenditure	3,467	2,730	(737)	13,866	10,630	(3,236)	1
Agency Expenditure	5	397	392	18	3,832	3,814	1
Other Staff related Expenditure	103	74	(29)	414	414	0	
Premises Related	9	(1)	(10)	36	36	0	
Transport Related	22	18	(4)	87	87	0	
Supplies and Services Expenditure	207	95	(112)	1,041	1,067	26	
Contracted Expenditure	4,276	5,311	1,035	16,922	21,138	4,216	2
Support Services & Recharges	(94)	(40)	54	(273)	(273)	0	
Government Grant Income	(167)	1,270	1,437	(1,211)	(1,211)	0	3 / 4
Other Income	(25)	(11)	14	(100)	(100)	0	
<b>Total Childrens Social Care</b>	<b>7,803</b>	<b>9,844</b>	<b>2,041</b>	<b>30,801</b>	<b>35,621</b>	<b>4,820</b>	

### Key information

1. The permanency of social workers continues to be a national issue impacting the Together for Families Team the most. We currently have six vacant posts that cannot be covered by either permanent staff or agency hires. This has reduced the overall run rate of using agency staff to cover permanent posts in the first quarter of the financial year and will continue if those posts cannot be filled. The net overspend is forecast at £0.578m at Period 3. Appendix 1 provides more detail on agency costs. **HIGH**
2. Social Care placements forecast is based on using a new database (DfE workbook) that is supported by several levels of checks, reconciliations, and scrutiny from stakeholders in the placements, commissioning, and finance teams. Weekly and monthly Placements meetings ensures that stakeholders verify the accuracy of placement data being used is accurate and up to date to allow the finance team to forecast with a greater level of reliability. Increased numbers of high-cost placements have resulted in a run rate of £2.8m of costs (placements costing more than £9,600 per week). We have set a target to reduce this by £1m. Appendix 2 provides more detail on placements. **HIGH**
3. Further work is required on 2022/2023 unaccompanied asylum seeker grant income once the agreed days being claimed from the Home Office is confirmed. The Finance Team are also reviewing the reconciliation system with multiple checks to provide greater assurance to this area of work. Appendix 4 provides more detail on UASC income and forecasts. **LOW**
4. The budget and forecasting in relation to Cressingham respite centre is also being reviewed. As the capital works are not yet complete, this will impact the opportunities to generate income. Further details will be provided in Period 4.

## 6. Early Help and Preventative Services – Graham Genoni

**Table 4: Overview of 2023-2024 Early Help and Preventative Services Budget at period 3**

Departmental & Income and Expenditure Summary (Early Help and Preventative Services)	23/24 Budget YTD £000	23/24 Spend YTD £000	23/24 Variance YTD £00	23/24 Annual Budget £000	23/24 Forecast Outturn £000	23/24 Forecast Variance £000	Key
<b>By Directorate</b>							
Childrens Centres & Childcare	293	479	186	1,413	1,418	5	
Early Years (DSG)	2,415	3,178	763	9,336	9,336	0	
Youth Family Workers and Welfare	617	975	358	1,999	1,990	(9)	
Youth Offending Service	196	257	60	393	393	0	
Partnership and Preventions and Supporting	177	(384)	(562)	0	(100)	(100)	
Early Help Management	27	67	39	45	45	0	
Mental Health, Portage and Schools Services	195	648	453	397	396	(1)	
<b>Total Early Help and Preventative Services</b>	<b>3,921</b>	<b>5,219</b>	<b>1,298</b>	<b>13,582</b>	<b>13,477</b>	<b>(105)</b>	
<b>By Income and Expenditure</b>							
Employee Expenditure	2,249	2,072	(177)	8,996	8,978	(18)	1
Agency Expenditure	0	18	18	0	0		
Other Staff related Expenditure	1	4	4	4	4		
Premises Related	24	9	(15)	97	97		
Transport Related	5	17	12	20	20		
Supplies and Services Expenditure	2,267	2,697	430	9,067	9,065	(2)	
Contracted Expenditure	70	94	24	281	281		
Support Services & Recharges	(351)	(12)	339	(1,469)	(1,469)		
Government Grant Income	(215)	253	468	(2,650)	(2,650)		
Other Income	(130)	66	196	(764)	(849)	(85)	2
<b>Total Early Help and Preventative Services</b>	<b>3,921</b>	<b>5,219</b>	<b>1,298</b>	<b>13,582</b>	<b>13,477</b>	<b>(105)</b>	

### Key information

- Vacancies across Youth (£0.007m), Children Centres (£0.010m) and Mental Health (0.001m) contributed to (£0.018m) savings. **LOW**
- Small overspend in the nurseries (£0.015m). Both nurseries (Southcote & Whitley) have children on a waiting list. Finance will be working with the nurseries around income maximisation and staffing ratios. Southcote has several vacancies, and it will require further support. **LOW**

Additional income will come from the Supporting Families Grant (£0.100m) (Reserves). **LOW**

### Risks

- Occupancy figures in the nurseries are being reviewed regarding optimum staffing ratios against age of child and parental income to achieve a balanced budget.
- MHST contracts need to be formally extended for 24/25 by BOB (Buckingham, Oxfordshire and Berkshires Integrated Care Partnership). **LOW**
- Future consultation on the management of Early Help will be commencing and this is unlikely to produce savings for 2023-2024. **LOW**

## 7. Education Services – Brian Grady

**Table 5: Overview of 2023-2024 Education Budget at period 3**

Departmental & Income and Expenditure Summary (Education Services)	23/24 Budget YTD £000	23/24 Spend YTD £000	23/24 Variance YTD £00	23/24 Annual Budget £000	23/24 Forecast Outturn £000	23/24 Forecast Variance £000	Key
<b>By Directorate</b>							
Education Management	123	96	(27)	371	371	0	
Admissions and CME	(203)	83	286	0	0	0	
CLA Virtual School	59	442	383	0	0	0	
School Improvement	50	189	139	0	0	0	3
School Travel	590	641	51	3,370	3,544	174	
Special Educational Needs	184	188	4	737	863	126	
High Needs Block (DSG)	8,523	5,204	(3,319)	28,171	28,171	0	4
Education Psychology	242	202	(40)	627	627	0	
<b>Total Education Services</b>	<b>9,568</b>	<b>7,044</b>	<b>(2,524)</b>	<b>33,276</b>	<b>33,576</b>	<b>300</b>	
<b>By Income and Expenditure</b>							
Employee Expenditure	936	705	(231)	3,743	3,869	126	1
Agency Expenditure	0	34	34	0	0	0	
Other Staff related Expenditure	0	18	18	0	0	0	
Premises Related	0	(0)	(0)	0	0	0	
Transport Related	593	597	4	3,552	3,726	174	2
Supplies and Services Expenditure	169	(298)	(466)	1,052	1,052	0	
Contracted Expenditure	6,567	5,713	(854)	25,241	25,241	0	
Support Services & Recharges	1,419	0	(1,419)	955	955	0	
Government Grant Income	0	263	263	(146)	(146)	0	
Other Income	(115)	20	134	(1,120)	(1,120)	0	
<b>Total Education Services</b>	<b>9,568</b>	<b>7,052</b>	<b>(2,516)</b>	<b>33,276</b>	<b>33,576</b>	<b>300</b>	

### Key Information

- The SEN Team that manages all new and existing Education, Health and Care Plans (EHCPs) are being reviewed due to the increases in Reading and Nationally for EHCPs where the existing team are not able to manage the workload at these levels. EDM have approved 3 additional SEN case officers (from Aug 2023) and temporary staff (from Aug 23) to 'catch-up' with the Education Management System (SEN database migration to Synergy). This will potentially cost £0.126m for 2023-2024 with the increase in headcount to be added within the 2024-2025 MTFS process. **MED**
- Transport expenditure follows the academic year with most changes taking place over the summer holidays in readiness the new school year in September. We intend to undertake a deep dive for transport in September to update the forecast to reflect this. **HIGH**
  - The reported pressure of (£0.174m) has been provided based on the known summer term spend vs budget with the assumption that the demand/changes would be very minimal until the next academic year. The 2023-2024 budget had an increase in budget that was based on details from Autumn 2022. This figure is on target for the summer 2023 overspend.
  - As stated in previous reports, BFFC have created a Transport Task & Finish group who meet bi-weekly to update the transport savings tracker that has a budgetary target of £0.150m. We also recognise that further savings and cost avoidance activity is achievable to help offset growing demand. The group has set an internal in-year savings target of £0.180m. Which could increase further if the submitted delivery bid was approved.

3. School Effectiveness Team are working to transform their service offer (overspending in 2022-2023 and the government removal of the £0.120m School Brokering grant). To mitigate this:
- BFFC secured £60k + inflation increase in contribution via Schools Forum.
  - The service is planning to make an additional £0.060m income through SLAs to schools, providing services to other settings and LAs.

Information as at Period 3 shows the income target will not be achieved but after discussions with the service and the new implementation of schools paying directly for improvement activity, this could close the gap and bring this budget on target by March 2024 **MED**

4. The High Needs Block currently has a brought forward deficit balance of £5.3m that is reported within RBC's Balance sheet rather than BFFCs. The DBV project is an integral part of the HNB strategy with top level oversight from EDM and RBC Section 151 Finance Director. **HIGH**

#### Risks

- Impact of overspend on Dedicated Schools Block could reduce allocations to centrally DSG funded services.
- The high demand of work within the SEN team is placing undue pressure on the team that hinders the EHCP processes.
- Currently children are unplaced for September that in recent years has meant additional transport requirements due to the distance of the alternative provision.



## 8. Finance and Resources – Kit Lam

**Table 6: Overview of 2023-2024 Finance and Resources Budget at period 3**

Departmental & Income and Expenditure Summary (Finance & Resources)	23/24 Budget YTD £000	23/24 Spend YTD £000	23/24 Variance YTD £00	23/24 Annual Budget £000	23/24 Forecast Outturn £000	23/24 Forecast Variance £000	Key
<b>By Directorate</b>							
Human Resources	115	59	(56)	461	449	(12)	
Communications & Marketing	115	92	(23)	461	423	(38)	
Finance & Audit	(56)	106	162	398	417	19	
Information, Advice and Support	33	29	(4)	133	133	0	
Commissioning	137	255	118	504	449	(55)	
Finance & Resources	43	37	(6)	172	172	0	
Performance Management	133	177	45	355	355	0	
Business Support	311	238	(72)	1,243	1,193	(50)	
<b>Total Finance &amp; Resources</b>	<b>831</b>	<b>995</b>	<b>164</b>	<b>3,727</b>	<b>3,591</b>	<b>(136)</b>	
<b>By Income and Expenditure</b>							
Employee Expenditure	1,053	829	(224)	4,211	4,066	(145)	1
Agency Expenditure	0	17	17	0	0	0	
Other Staff related Expenditure	25	32	6	101	101	0	
Premises Related	0	3	3	0	0	0	
Transport Related	2	3	1	6	6	0	
Supplies and Services Expenditure	115	106	(9)	331	340	9	2
Contracted Expenditure	0	0	0	0	0	0	
Support Services & Recharges	(362)	2	364	(362)	(362)	0	
Government Grant Income	0	(39)	(39)	(98)	(98)		
Other Income	(1)	42	43	(462)	(462)	0	
<b>Total Finance &amp; Resources</b>	<b>831</b>	<b>995</b>	<b>164</b>	<b>3,727</b>	<b>3,591</b>	<b>(136)</b>	

### Key Information

- Vacancy savings mainly driven by the Commissioning team (£0.055m), Marketing (£0.028m), Human Resources (£0.012m), Business Support (£0.050m) will generate savings of (£0.145m). **LOW**
- RSM Auditors have been commissioned to review the 2022-2023 accounts and processes at a maximum cost of (£0.019m). There will be additional savings from Marketing (0.010m) **LOW**

### Actions:

- After investing £3m in the fixed term deposit in Jan 23 & Feb 23, there is a greater need to manage daily current account cashflow balances which can be impacted by intercompany balances. A review of the balances indicates merit in lowering the cash balance floor limit from £2m to £1m, except in the periods where there is a quarterly VAT payment of c£1m. The Finance Team will amend the treasury policy to reflect this.
- Finalising the intercompany transactions 22/23 will improve the cashflow immediately.

## 9. Corporate – Kit Lam & Lara Patel

**Table 7: Overview of 2023-2024 Corporate Budget at period 3**

Departmental & Income and Expenditure Summary (Corporate Services)	23/24 Budget YTD £000	23/24 Spend YTD £000	23/24 Variance YTD £00	23/24 Annual Budget £000	23/24 Forecast Outturn £000	23/24 Forecast Variance £000	Key
<b>By Directorate</b>							
Chair and Non-Executive Directors	50	50	0	201	201	0	
Operational Directors	16	(151)	(167)	473	518	45	2
Support Services SLAs	54	(586)	(640)	371	276	(95)	2 / 3
Holding Codes and Old Codes	0	(122)	(122)	0	0	0	
<b>Total Corporate Services</b>	<b>121</b>	<b>(808)</b>	<b>(929)</b>	<b>1,045</b>	<b>995</b>	<b>(50)</b>	<b>1</b>
<b>By Income and Expenditure</b>							
Employee Expenditure	194	(67)	(260)	775	775	0	
Agency Expenditure	0	(499)	(499)	0	0	0	
Other Staff related Expenditure	83	75	(8)	330	330	0	4
Premises Related	0	0	0	0	0	0	
Transport Related	0	0	(0)	1	1	0	
Supplies and Services Expenditure	8	(8)	(16)	33	109	76	2
Contracted Expenditure	0	14	14	0	0	0	
Support Services & Recharges	1,560	1,888	328	6,802	6,802	0	4
Government Grant Income	0	0	0	0	0	0	
Other Income	(1,724)	(2,221)	(497)	(6,896)	(7,022)	(126)	3
<b>Total Corporate Services</b>	<b>121</b>	<b>(817)</b>	<b>(937)</b>	<b>1,045</b>	<b>995</b>	<b>(50)</b>	<b>1</b>

### Key Information

1. Corporate Services are currently forecasted to underspend by **(£0.050m)**. **LOW**
2. This includes funding unbudgeted items such as Staff Celebration event (£0.015m), arbitration costs (Elite care dispute) (£0.025m), a provision for settlement costs (£0.020m), EDI training (£0.010m) and ESOS (environmental survey) costs (£0.006m). **LOW**
3. Due to Interest rates increasing, the Company will be over performing on interest receivable by an estimated **(£0.126m)**. Further opportunities in January and February 2024 via investing £3m for another year could increase this figure.
4. Property service level agreements have not changed in value since April 2019, we are expecting this to happen in year and this could create a small positive variance as we pay more property costs than we receive from RBC. To be reviewed when the agreements have been revised and approved. **LOW**

## Appendix 1 – Agency Review

- As part of the Finance Improvement work, Agency forecasting was reviewed by the SFBP in late April/Early May 2023 to understand the issues and complexities that contributed to the significant variances at year end.
- It was established that:
  - the lack of clear information shared with Finance colleagues on a timely basis led to inaccurate forecasting.
  - most agency hire is via the RBC REED contract with invoices being paid by RBC and then recharged to BfFC the following month. The recharge provides us with very limited information on what has been charged, particularly in relation to the period the payments relate to. This added complexity to our reconciliations and forecasting processes.
- For 2023/24, we have rebuilt the forecasting methodology, that requires the Finance Team to identify the week the payments relate to and to liaise more closely with the relevant managers to understand the ongoing need for agency staff on a 'line by line' basis.

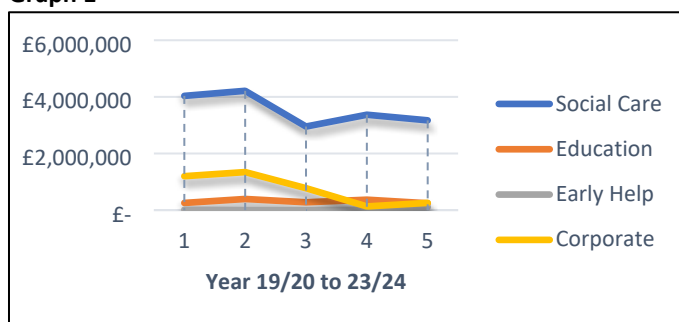
### Image of main forecasting spreadsheet

								Weekly Total	2,985.20	55,630.04	54,095.83	72,871.55	71,291.92	54,026.54	68,538.29	77,606.91	78,149.25	68,680.65	76,977.96
Post	Cost Cent	Start	End	Type	Unit £	Unit (\$)	Weekly	31/03/2023	07/04/2023	14/04/2023	21/04/2023	28/04/2023	05/05/2023	12/05/2023	19/05/2023	26/05/2023	02/06/2023	09/06/2023	
Social Worker - Together for Families	5490	11/04/2023	30/07/2023	Hourly	£ 48.90	37	1,809.30	-	-	1,442.55	1,809.30	1,907.10	1,467.00	1,809.30	1,907.10	1,809.30	1,467.00	1,809.30	
Social Worker - Together for Families	5490	11/04/2023	30/07/2023	Hourly	£ 48.90	37	1,809.30	-	-	1,442.55	1,809.30	1,809.30	-	1,809.30	1,809.30	1,809.30	1,809.30	1,809.30	
Social Worker CSC	5490	20/09/2022	30/06/2023	Hourly	£ 48.90	37	1,809.30	-	1,467.00	1,809.30	2,151.60	1,809.30	1,662.60	1,809.30	1,809.30	1,809.30	1,809.30	1,809.30	
Junior Technical Project Manager	3778	17/02/2023	31/05/2023	Daily	£ 485.14	5	2,425.70	-	1,940.56	1,940.56	2,425.70	2,425.70	1,940.56	1,940.56	2,425.70	2,425.70	1,940.56	2,425.70	
Social Worker CSC	5490			Hourly	£ -	0	-	-	-	-	-	-	-	-	-	-	-	-	
Team Manager CSC	5490	17/08/2022	30/06/2023	Hourly	£ 53.90	37	1,994.30	-	1,617.00	1,617.00	1,994.30	1,994.30	1,617.00	1,994.30	1,617.00	1,994.30	1,617.00	1,994.30	
Social Worker CSC	5404	08/11/2022	31/05/2023	Hourly	£ 45.90	37	1,698.30	-	1,032.75	-	1,698.30	1,698.30	-	1,698.30	1,698.30	2,234.84	344.25	-	
Social Worker CSC	5490	04/01/2023	30/06/2023	Hourly	£ 48.90	37	1,809.30	-	-	691.12	1,809.30	1,809.30	1,100.25	1,809.30	1,809.30	1,809.30	1,467.00	1,809.30	
Education Mental Health Practitioner	3544	02/08/2022	28/07/2023	Hourly	£ 35.90	37	1,328.30	-	-	1,077.00	1,148.80	1,077.00	538.50	-	-	161.55	1,328.30	1,328.30	
Social Worker CSC	5490	09/02/2022	24/05/2023	Hourly	£ 48.64	37	1,799.68	-	1,459.20	1,459.20	1,094.40	-	1,094.40	1,799.68	1,799.68	1,799.68	1,799.68	1,799.68	
Service Manager Service Manager	5485	13/06/2022	30/11/2023	Daily	£ 585.20	5	2,926.00	2,926.00	2,340.80	2,340.80	2,926.00	2,926.00	2,340.80	2,926.00	2,926.00	2,926.00	2,340.80	2,926.00	
Social Worker CSC	5490	27/06/2022	26/05/2023	Hourly	£ 48.90	37	1,809.30	-	1,565.50	1,480.50	1,828.20	1,825.05	1,596.00	1,820.10	1,809.30	1,846.20	1,809.30	1,809.30	
Social Worker CSC	5490	07/02/2022	30/06/2023	Hourly	£ 48.64	37	1,799.68	-	1,459.20	1,459.20	1,799.68	1,799.68	729.60	1,799.68	1,799.68	1,861.28	1,459.20	1,799.68	
Social Worker CSC	5490	03/01/2023	30/06/2023	Hourly	£ 48.90	37	1,809.30	-	1,843.50	1,816.95	1,821.90	1,832.70	1,477.80	1,816.95	1,809.30	1,809.30	1,809.30	1,809.30	
Social Worker CSC	5490	20/12/2022	30/06/2023	Hourly	£ 48.90	37	1,809.30	-	1,467.00	1,467.00	1,809.30	733.50	366.75	1,809.30	1,809.30	1,467.00	1,809.30	1,809.30	
Social Worker CSC	5490	21/02/2022	30/06/2023	Hourly	£ 48.64	37	1,799.68	-	1,459.20	1,459.20	2,019.28	1,799.68	1,459.20	1,799.68	2,259.28	1,799.68	1,529.55	1,799.68	
Family Worker	3542	01/02/2023	30/06/2023	Hourly	£ 28.85	37	1,067.45	-	865.50	913.58	1,067.45	1,067.45	1,038.60	1,067.45	1,067.45	1,067.45	1,067.45	1,067.45	
Team Manager CSC	5490	28/11/2022	24/05/2023	Hourly	£ 53.90	37	1,994.30	-	1,617.00	1,617.00	1,994.30	1,994.30	1,617.00	1,994.30	1,994.30	1,994.30	1,994.30	1,994.30	
ATM CSC	5490	31/05/2022	30/06/2023	Hourly	£ 48.90	37	1,809.30	-	1,467.00	1,467.00	1,809.30	1,809.30	1,467.00	1,809.30	1,809.30	1,809.30	1,467.00	1,809.30	
Social Worker CSC	5490			Hourly	£ -	0	-	-	1,474.20	-	-	-	-	-	-	-	-	-	

- It is important to note that this system will need to be reviewed when a new finance system is implemented in November 2023 to ensure we can still capture the transaction detail to determine which week payments relate to (without having to download every invoice paid to capture this information).

- Graph 1 shows the reductions in agency staff over the few years with the Social Care area being the area of greatest spend. Current forecasts on agency shows a total spend of £3.2m for 2023-24, which is slightly lower than previous year.

Graph 1



- In managing the agency spend, the forecast is based on the following risk and opportunities:
  - New cohort of ASYEs in September 2023 and January 2024 (8) with the previous ASYE cohort moving into fully qualified social worker posts (with 1 month transition period on reduced caseloads, if needed).
  - Continued recruitment of overseas social workers with 6 in the pipeline (up to 2 months reduced caseload and transition support, if needed).
  - To continue to promote the retention and recruitment scheme which is starting to see greater numbers of external postholders being recruited (total of 6 to Aug 2023 and a further 15 offers in the pipeline)
  - Number of social workers leaving (5 currently leaving) which negates the full impact of the recruitment numbers we have seen.

## Appendix 2 – Social Care Placements Review

1. Placements and allowances for all children/young people are recorded with the Childrens and Adults Social Care system (Mosaic). This system allows us to record the package details to be approved by senior management. Once approved, this generates an 'order' on the finance system accounts payable service.
2. Sitting above this, is a new Placements forecasting database (DfE model) to allow the different teams to work together in terms of managing the placements and verifying the accuracy of details captured, which the forecast is based on.
3. To support this process, there are weekly placement panels to discuss and review care packages. The meetings also eradicate the inherent risks in relation to approval delays, by capturing this in the meeting and manually adjusting the forecast. In addition, monthly meetings are attended by the EDs to review, scrutinise and challenge the placement decision, cost and/or forecast.
4. The teams play a vital role in these meetings which will continue to improve the engagement and processes put into place to ensure the forecasting is as robust as possible. The Finance Team will continue to reconcile the system against the Mosaic B13 report to eradicate any under/over forecasting.
5. As of the 12 July 2023, the forecast on individual placement and allowance budgets forecast an overspend of £4.2m.

	Cost	Budget	Forecast	Variance
CYPDT Placements (Residential)	5087	1,414,600	3,145,600	1,731,000
External Placements	5400	6,711,400	8,626,400	1,915,000
Remand	5412	0	0	0
CYPDT Packages and Short Breaks	5415	449,100	449,100	0
Direct Payments	5419	317,400	365,400	48,000
CLA & S17 Expenses	5426	479,200	479,200	0
CIN & S17 Expenses	5427	386,600	386,600	0
Fostering Allowances	5451	1,633,000	1,973,000	340,000
Adoption	5452	483,100	483,100	0
Leaving Care Support	5455	1,547,500	1,547,500	0
Residence Ord+Custod.Allowances	5457	216,600	216,600	0
Special Guardianship	5460	2,162,300	2,162,300	0
Staying Put Arrangements	5463	229,800	372,800	143,000
Connected Carers	5467	203,600	203,600	0
No Recourse to Public Funds	5482	57,000	96,000	39,000
<b>Total (Not Including UASC)</b>		<b>16,291,200</b>	<b>20,507,200</b>	<b>4,216,000</b>

Our data shows a growing number of high-cost placements in the last six months. We have categorised 'high cost' for the purposes for forecasting, as those placements with a weekly cost greater than £9,600. Currently the run rate for these placements totals £2.8m for the 2023-2024. However, we believe that some of these placements may reduce in cost as the year progresses and as care needs are managed and care provision are reviewed. On this basis, we have set a target of £1m reduction against the £2.8m run rate of high-cost placement to equal a forecast of £1.8m

	Client ID	23-24 Amount (£)	Average Weekly Cost (£)
1	540986	547,817	12,135
2	604619	342,042	13,084
3	544321	342,732	13,110
4	658825	303,195	15,160
5	531686	206,529	15,714
6	540072	206,529	15,714
7	537024	280,968	20,069
8	505562	604,607	15,390
	<b>Total</b>	<b>2,834,421</b>	<b>120,376</b>

## Appendix 3 – School Travel Review

1. Local authorities must make free-of-charge travel arrangements to facilitate the attendance at school of eligible children resident in their area.
2. A child is eligible if they are of compulsory school age, attend their nearest suitable school and:
  - live more than the statutory walking distance from that school,
  - could not reasonably be expected to walk to that school because of their special educational needs, disability, or mobility problem, even if they were accompanied by their parent; or
  - would not be able to walk to that school in reasonable safety, even if they were accompanied by their parent.

### HTST pressures - timeline

- 2 years before the pandemic the transport budget was on target /or with very small pressures.
- During the pandemic the transport budget was underspending as transport need was reduced.
- In 2021-2022 the level of EHCPs increased by a high percentage with greater pressure being reported against the transport budget (January 2022), which by then was too late to review the MTFS budget for 2022-2023.
- Finance produced a Transport Report in February 2022 to reflect the growing pressures and the urgent need to address the increasing pressure and to put into place mitigations.
- In August 2022, fuel prices reached historic highs which was coupled with high inflation on transport costs.
- Within the MTFS 2023-2024, RBC approved demand growth of £400k and inflation growth of £300k, to support the transport budget and allow the Company to review its strategy on managing transport demand/costs (implement saving strategies).
- However, the number of EHCPs continue to increase and the lack of local provision has put extra burden on transport.

### Supporting the School Travel Team

- Task and Finish group meets every 2 weeks with commissioning and finance colleagues.
- Savings tracker has been implemented where Finance verifies savings and/or cost avoidance.
- Improved forecasting methods have been introduced where contracts are reviewed, forecasted until the end of the academic year 2023-2024 and reconciled back to the finance system.
- BFFC has submitted a Transformation Business Case to speed up and widen the saving strategies. This has not been approved as of the 13 July 2023.

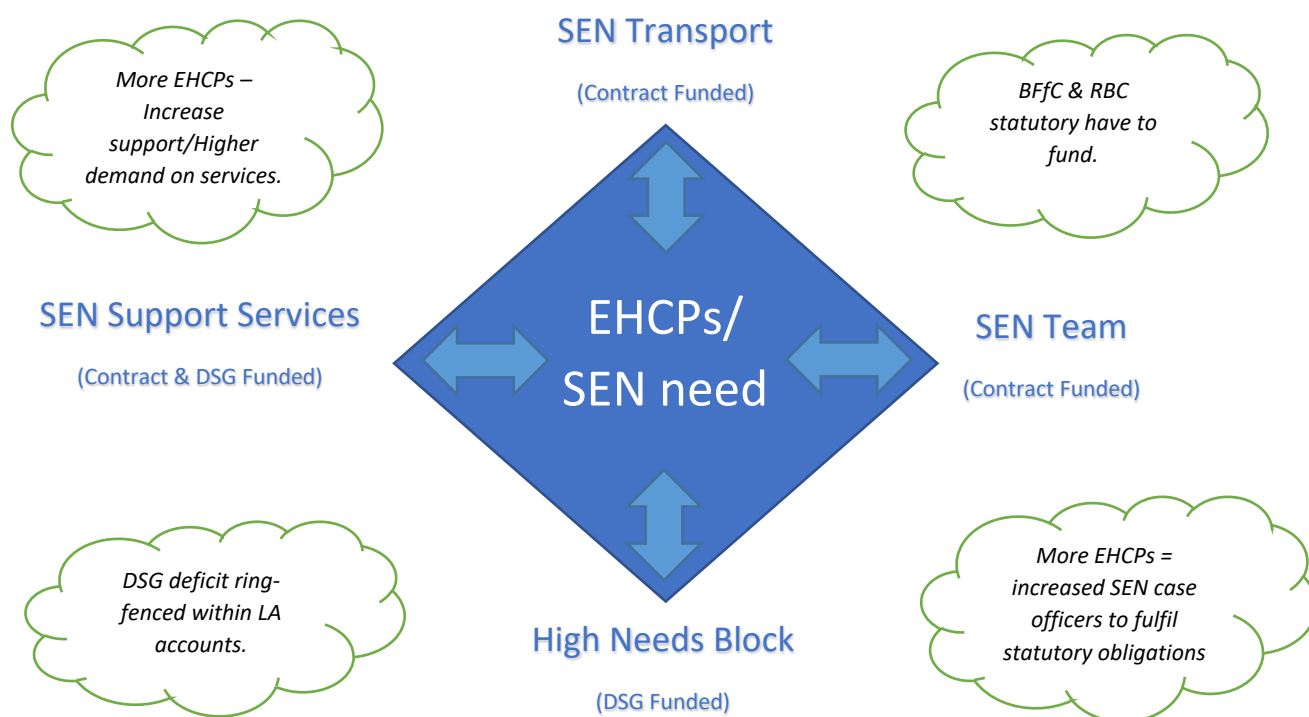
### Image of main forecasting spreadsheet

ROUT	SCHOOL	OPERATOR	PO Number	Item Description	Retendered / ceased	Actual Charge r day	Days	Amount ordered	Days →					
									11	18	19	13	0	20
									Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-
CHILTERN	Mainstream	READING TRANSPORT L	RB208653B	Chiltern Edge Buses (£750 x 190)	Will increase 23-24		190	£142,500	27,562	16,535	14,250	9,750	-	15
SCHOLAR	Mainstream	READING TRANSPORT L	RB208659B	Scholar Passes 22-23			190	£100,000	27,716	-	-	-	-	10
£629	New Christchurch	SCHOOL TRAVEL	RB208554B	E629 New Christchurch (£79 x 190)	END July 23	£ 79.00	190	£15,010	914	1,827	1,501	1,027	-	
RB001	Avenue	READIBUS LTD	RB208703B	RB001 Avenue (£105x190)		£ 101.50	190	£19,950	711	1,890	1,995	1,365	-	2
RB068	Avenue	READIBUS LTD	RB208701B	RB068 Avenue (£105x190)		£ 101.50	190	£19,950	914	1,827	1,995	1,365	-	2
RB091	Avenue	READIBUS LTD	RB208702B	RB091 Avenue (£105 x 190)		£ 101.50	190	£19,950	914	1,827	1,995	1,365	-	2
RB277		YELLOW CARS LTD	RB208736B	RB277 Forest Bridge (£160 x187)			190	£29,920	1,350	2,625	2,992	2,047	-	3
RB309	Brookfields	ACE WHEELCHAIR TRAV	RB208699B	RB309 Brookfields (£99 + Cress x190)			190	£22,810	1,250	2,070	2,281	1,561	-	2
RB347		COMFI CARS	RB208696B	RB347 Cranbury (V x190)	END July 23		190	£9,500	1,100	2,685	950	650	-	
RB372	Brookfields	WHITEKNIGHTS TRAVEL	RB208697B	RB372 Brookfields (£110 + Cress x190)	END July 23		190	£25,000	340	595	2,500	1,711	-	
RB381		YELLOW CARS LTD	RB208695B	RB381 Oakbank (£34 x 190)	END July 23		190	£6,460	523	935	646	442	-	
RB406	Avenue	YELLOW CARS LTD	RB208694B	RB406 Avenue (£48 x 152)	Retender		190	£7,296	618	1,138	730	499	-	
RB411		SCHOOL TRAVEL	RB208693B	RB411 BHF (£55x190)	Retender	£ 55.00	190	£13,300	550	963	1,330	910	-	1
RB412		SCHOOL TRAVEL	RB208692B	RB412 BHF (£70 x 190)	Retender		190	£13,300	792	1,584	1,330	910	-	1
RB416		SCHOOL TRAVEL	RB208691B	RB416 Bridge Prospect (£55x190)	Retender		190	£10,450	747	1,494	1,045	715	-	1
RB417	Avenue	COMFI CARS	RB208689B	RB417 Avenue (£88 x 190)	Retender		190	£16,720	827	1,566	1,672	1,144	-	1
RB425	Avenue	COMFI CARS	RB208687B	RB425 Avenue (£83 + AW Lunch trips x190)	Retender		190	£20,770	1,785	1,968	2,077	1,421	-	2
RB428		CEDAR CARS READING L	RB208688B	RB428 Bishopswood (£87 x 190)	Retender		190	£16,530	1,000	1,700	1,653	1,131	-	1
RB433		YELLOW CARS LTD	RB208551B	RB433 Portesbery (£170 x190)	Ended 31.5.23		190	£32,300	900	1,800	-	-	-	
RB434		CEDAR CARS READING L	RB208690B	RB434 New Town (£75 x 190)	Retender		190	£14,250	972	1,944	1,425	975	-	1
RB450		WHITEKNIGHTS TRAVEL	RB208685B	RB450 Addington (£100 x 190)	Retender		190	£19,000	981	1,962	1,900	1,300	-	2

3. Finance will keep control of reconciliations with the Transport Team supplying information on routes and costs to help the forecasting for the current academic year and the next year. Any decision made will then have a longer viewed impact.
4. The main factor impacting forecasting is the transport changes relating to the July leavers and September starters which impacts route changes being replanned to ensure minimal impact to the children on the routes and to secure the value for money criteria.

5. The current forecast overspend is based on the Summer 2023 transport routes and this will be updated in October when the changed routes are known.
6. Additional savings have been implemented, but it will be unrealistic for the Team to bring transport into budget given the impact of EHCP demand (which does not appear to be slowing down).
7. The Company have many services that support EHCPs, and the focus has been around the DSG - High Needs block and the Delivering Better Value project. Other services funded from contract sum are also impacted by the growth and need of SEN.

Image to illustrate the impact of growing EHCPs/SEN Need on other service areas.



## Appendix 4 – Unaccompanied asylum-seeking children and leaving care.

1. A UASC is defined as an individual, who is under 18 when the asylum application is submitted, is not being cared for by an adult who by law has responsibility to do so, is separated from both parents and has applied for asylum in the United Kingdom in their own right. All children in local authority care and being accommodated by the local authority who satisfy these criteria may be included in an application for funding.
2. UASC who turn 18 and have been a child in care for more than 13 weeks are eligible to continue with funding within the leaving care processes and continue to be in education or training.
3. BfFC submit claims on how many days support the company has provided rather than the cost to the company. This is due to the scheme paying out rates per day rather than reimbursing for the actual cost.

### Higher rate threshold (HRT)

4. The HRT is calculated as 0.07% of the ONS 2020 Mid-Year Child Population Estimate for Reading borough. If a local authority's count of qualifying UASC at 31 March 2022 met or exceeded the HRT, the local authority will receive the higher nightly rate for UASC claimed for in this financial year (2022/23).

### Current known rates 2023-2024 (not increased from 2022-2023)

Under 18s with LAs at or above 0.07% on 31 March 2023 unit per night	£143
Under 18s with LAs below 0.07% on 31 March 2023 unit per night	£114
Over 18s unit per week (£38.57 per night)	£270

### Monthly Routine

- BfFC finance, monitor the placement costs for all UASC within the current social care placement reconciliation.
- The costs are processed via Mosaic and paycycle reconciliations and forecasts updated along all other children in the system.
- Working with Performance Data and the Operational Teams, the Finance Team identifies who is eligible and record the number of days support provided monthly.
- This is the basis of the submission to the Home Office, where all data is checked and verified for payments to be processed by the 4 weeks after the submission date.
- However, there are ongoing delays when there are queries from the Home Office to BfFC regarding ages, support etc., and this then delays the agreement in relation to eligible days.

### Risks and issues

- Currently the Home Office are severely behind in agreeing submissions nationally.
- BfFC have still not had funding agreed for the last 2 months of 2022-2023 (2,903 days claimed but not agreed due to queries or general delays).
- This risk relates to the estimated forecasts at year end (for the accounts). We have estimated income/agreed days from the Home Office that could potentially be accepted or rejected that is included within the accrued provision (4 months into 2023-2024 and we still have no confirmation on Period 11 & 12).
- This also impacts the 2023-2024 forecast as we do not know if the spend on UASC will be covered with the income receipt.
- In the last 3 years, the income receipted has been sufficient to breakeven or retain a small surplus. It is noted that this has not always been the case and is not the case for many other LAs.



## Appendix 5 – Cashflow

	ACTUALS	ACTUALS	ACTUALS	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
<b>Income</b>												
1 Contract Sum - Service Costs	7,452,350		3,726,175	3,726,175	3,726,175	3,726,175	3,726,175	3,726,175	3,726,175	3,726,175	3,726,175	3,726,175
2 VAT on Contract Sum	1,490,470		745,235	745,235	745,235	745,235	745,235	745,235	745,235	745,235	745,235	745,235
3 Contract Sum - Support Services	749,488		374,744	374,744	374,744	374,744	374,744	374,744	374,744	374,744	374,744	374,744
4 VAT on Support Services SLAs	149,898		74,949	74,949	74,949	74,949	74,949	74,949	74,949	74,949	74,949	74,949
5 Property Leases & FM	369,842		184,921	184,921	184,921	184,921	184,921	184,921	184,921	184,921	184,921	184,921
6 Total Contract Sum	10,212,048	0	5,106,024	5,106,024	5,106,024	5,106,024	5,106,024	5,106,024	5,106,024	5,106,024	5,106,024	5,106,024
7 Other income	255,747	164,162	163,556	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
8 Dedicated Schools Grant	6,249,638		3,124,819	3,124,819	3,124,819	3,124,819	3,124,819	3,124,819	3,124,819	3,124,819	3,124,819	3,124,819
9 Grant income	106,250		1,084,887	6,779,154	433,333	433,333	1,433,333	433,333	433,333	433,333	433,333	433,333
10 Grant (owed by RBC) 2022/23			234,300									
11 Transformation Funding						167,000						
12 Total Grants and Other Income	6,611,635	164,162	4,607,561	10,203,973	3,858,152	4,025,152	4,858,152	3,858,152	3,858,152	3,858,152	3,858,152	3,858,152
13 Overall Income	16,823,683	164,162	9,713,585	15,309,997	8,964,176	9,131,176	9,964,176	8,964,176	8,964,176	8,964,176	8,964,176	8,964,176
14 Cumulative Income	123,505,946	123,670,109	133,383,693	148,693,690	157,657,866	166,789,042	176,753,218	185,717,393	194,681,569	203,645,745	212,609,921	221,574,097
<b>Expenditure</b>												
16 Payroll, HMRC and Pensions	-2,148,169	-2,227,724	-2,235,425	-2,235,425	-2,235,425	-2,235,425	-2,235,425	-2,235,425	-2,235,425	-2,235,425	-2,235,425	-2,235,425
Daily BACs Run	-7,630,001	-6,049,568	-6,425,088	-8,977,563	-6,400,000	-6,400,000	-6,400,000	-6,400,000	-6,400,000	-6,400,000	-6,400,000	-6,400,000
17 Other Service Costs	-39,633	-44,039	-91,447	-43,000	-43,000	-43,000	-43,000	-43,000	-43,000	-43,000	-43,000	-43,000
18 Investment										2000000	1000000	
19 Input TAX				-260,000	-260,000	-260,000	-260,000	-260,000	-260,000	-260,000	-260,000	-260,000
Pay RBC (VAT)	-847,745	-251,613	-251,613	-251,613	-251,613	-251,613	-251,613	-251,613	-251,613	-251,613	-251,613	-251,613
20 VAT Balance				-912,000			-912,000			-912,000		
21 Overall Expenditure	-10,665,547	-8,572,944	-9,003,573	-12,679,601	-9,190,038	-9,190,038	-10,102,038	-9,190,038	-9,190,038	-8,102,038	-8,190,038	-9,190,038
22 Cumulative Expenditure	-123,105,862	-131,678,806	-140,682,379	-153,361,980	-162,552,018	-171,742,056	-181,844,094	-191,034,132	-200,224,170	-208,326,208	-216,516,246	-225,706,284
23 Cash Flow	6,158,136	-8,408,782	710,012	2,630,396	-225,862	-58,862	-137,862	-225,862	-225,862	862,138	774,138	-225,862
24 C/f from 21/22	2,372,953	8,531,090	122,308	832,320	3,462,715	3,236,853	3,177,991	3,040,129	2,814,267	2,588,404	3,450,542	4,224,680
25 Cash Balance	8,531,090	122,308	832,320	3,462,715	3,236,853	3,177,991	3,040,129	2,814,267	2,588,404	3,450,542	4,224,680	3,998,818
Check : Bank Statement												
26 Lloyds bank balance	8,531,090	122,308	832,320.00									

Due to previous years overspends and the time delay in receiving Inter-company funds (BFFC owed £4.8m as at the 31 March 2023).

BFFC have fallen under agreed cash balance limits in the last two months due to delays.

We are expecting the owed funds to be settled in July which will improve the cash flow position.

We have also started implementing inter-company income receipts during the year, so this issue will not continue, and we will continue to secure optimal interest rates.



## Appendix 6 – Inter-company Update

1. The Inter-Company reconciliation for 2022-2023 has been verified and agreed by RBC within period 3. The table below is a summary of the inter-company agreement.

**Table 10**

No.	Description	Amount agreed for 31 March 2023 (£)
	<b>Inter-company Debtors (RBC owe BFfC)</b>	
1	Manual Sundry Debtors	6,711,192
2	System Debtors (Fusion Accounts Receivable Deferred Income)	67,961
	<b>Total</b>	<b>6,779,153</b>
	<b>Inter-company Creditors (BFfC owe RBC)</b>	
3	Manual Sundry Creditors	1,976,382
4	System Creditors	1,181
	<b>Total</b>	<b>1,977,563</b>
	<b>Net Inter-company Debtor</b>	<b>4,801,590</b>

2. The figure agreed for the net inter-company balance is **£4,801,590.**
3. Line numbers 2 and 4 within the table relates to time differences in invoices processed but not paid as at the 31 March (largely items created on the 31 March).
4. Line numbers 1 and 3 relate to the manual accruals put through the accounts at year end, where the majority of the £6m income relates to grants and the additional £2.8m from RBC. Most of the creditors relate to recharges that include agency staff, final SLA charges and DSG variances.
5. The schedule being approved in June represents a significant improvement from previous years where the intercompany held up the year-end accounts processes, and the annual accounts were not agreed until late September 2022.
6. BFfC is not in a position to accept delays in settling balances due until after the year end is complete. The Company would have an additional £2m of cash in our bank account (£4.8m minus £2.8m additional RBC funding) that would generate favorable interest receivable returns.
7. BFfC have asked for in-year grant funding to be paid earlier to mitigate this impact. This was agreed and should follow on with a quarterly review by RBC and BFfC in 2023-2024 to ensure that significant net amounts owed is not unduly held up.
8. Internal Audit will commence the follow up to the 2021 Inter-company audit this month. The following is noted:
  - All prior year inter-company reconciliations have now been completed earlier than any previous year
  - 2023/24 material grants paid over to BFfC in Q1
  - Agreement between RBC and BFfC to commit to this quarterly exercise.
  - Inter-company solution for e5 system was discussed with both parties and system engineers. This is currently in progress.
  - RBC have employed a new interim Strategic Business Partner who we be the finance link between the 2 organisations going forward in time. Currently being done by the deputy S151 officer with limited to no capacity.
  - Coding, reporting and general knowledge of inter-company processes within BFfC have greatly improved.

## Appendix 7 – Reserves Update

1. Brighter Futures for Children hold provision within its balance sheet. It also has unconditional and conditional unspent grants.

**Table 11: list of Provisions from 31 March 2023**

Description	Balance as of 31 March 2023	Planned Commitments as at 30 Jun 2023	Key
<b>Provisions</b>			
Holiday Accrual	131,127	131,127	a
Elite Care	87,706	-	b
Berkshire West Local Safeguarding Board	63,275	-	c
Children in Care Council	12,500	12,500	d
<b>Total Provisions</b>	<b>294,608</b>	<b>143,627</b>	
<b>Total Unconditional Grant Reserve</b>	<b>353,042</b>	<b>-</b>	<b>e</b>
<b>Conditional Grants (unapplied)</b>			
Youth Justice Board	158,757	158,757	f
Extension of the Role of Virtual School Heads to children with a social worker	15,951	15,951	g
Mental Health Trailblazer project 1	75,443	75,443	h
Mental Health Trailblazer project 2	48,316	48,316	i
Flexible Support Fund	13,893	13,893	j
Data Accelerator	476,185	476,185	k
Futures in Mind	98,518	98,518	l
Early Years Professional Development	27,300	27,300	m
Holiday Activities and Food Programme	2,193	2,193	n
<b>Total Conditional Grants (unapplied)</b>	<b>916,556</b>	<b>916,556</b>	
<b>Total Reserves/Provisions</b>	<b>1,564,205</b>	<b>1,060,183</b>	

Notes to Table 11:

- a) Holiday Accrual (FRS102)
- b) Elite Care: Legal dispute on unpaid invoices. Legal has advised BFfC to maintain the provision. Arbitration will commence within 2023-2024.
- c) Berkshire West Local Safeguarding Board is a partnership provision managed by BFfC on behalf of Wokingham and West Berkshire
- d) Children in Care Council funding to be allocated in 2023-2024.
- e) Unconditional reserves balance that will follow reserves policy processes.
- f) Youth Justice Board, partnership funding with Probation, Thames Valley Police and Community Services.
- g) Virtual School Head grant committed in 2023-2024 towards posts.
- h) Mental Health Trailblazer (1) funded from Health with conditions of grant.
- i) Mental Health Trailblazer (2) funded from Health with conditions of grant.
- j) Flexible Support Fund allocated for 2023-2024
- k) Data Accelerator, partnership funding.
- l) Early Years Development program Grant return required if not spent.
- m) Holiday Activities program, return required if not spent.

## Appendix 8 – Transformation & Shadow of Covid Funding

Reading Borough Council approved BFFCs Proposals to enable vulnerable and disadvantaged children and young people to 'catch up' and achieve long term positive outcomes in these 4 main groups:

- 0-2s
- Schools Recovery Grant
- Mental Health: Vulnerable Adolescents
- Looked After Children

The projects have 4 main target outcomes:

- Reduced waiting lists for speech and language therapy for under 5 years by 40%
- Increase take-up of 2-year-old funding to 75%
- Increase families registered with Childrens Centre's by 750
- 90% of children engaged demonstrate age-appropriate development against the 3 prime areas in the Early Years Foundation Stage

**Table 12: Overview of Shadow of Covid Fund as of June 2023**

Covid Recovery Grant		2021-2022	2022-2023	2023-2024	Total
0-2s Recovery	Original Budget	197,581	345,276	146,675	689,532
	Spend (actual → Forecast)	20,544	270,200	398,778	689,532
Schools Recovery Grant	Original Budget	87,375	122,325	0	209,700
	Spend (actual → Forecast)	0	0	209,700	209,700
Vulnerable Adolescents	Original Budget	115,357	203,192	86,993	405,542
	Spend (actual → Forecast)	3,200	185,704	216,638	405,542
Looked After Children	Original Budget	113,166	194,000	80,833	387,999
	Spend (actual → Forecast)	0	194,023	193,976	387,999
<b>Total</b>	Original Budget	513,479	864,793	314,501	1,692,773
	Spend (actual → Forecast)	23,754	649,927	1,019,092	1,692,773

- Year 1 budgets (2021-2022) were created as the projects would start in September 2021. Due to delays in approval and filling the new vacant posts the projects didn't start until 2022-2023.
- We have asked Reading Borough Council if we can defer funding into year 3 whereas the original allocation would end in August 2023 and instead will now go up to March 2024.
- Period 6 will be a crucial month to estimate how much funding is available after March 2024 as BFFC will need to review and confirm the end of fixed term posts and secondments.

**Table 13: Update on Approved and Submitted Transformation (Delivery Fund) expenditure.**

DUF Reference Code	Resource	Budget 23/24 (£000's)	YTD Actual 23/24 (£000's)	Forecast Spend 23/24 (£000's)	Variance 23/24 (£000's)
Approved	Transformation of SEND System - EMS	167	49	167	0
Approved*	Consultant Practitioners	137	31	137	0
Approved*	Social Worker Retention and Recruitment	120	0	120	0
Submitted	Transformation of School Travel	0	0	0	0
Submitted	BFFC Finance Transformation	0	0	0	0
<b>BFFC TOTAL</b>		<b>424</b>	<b>80</b>	<b>424</b>	<b>0</b>

\*Consultant Practitioners and retention and recruitment scheme was approved within Policy Committees for one year only.

## Appendix 9 - Income and Expenditure Summary

The budget for 2023-2024 with a contract value of **£44.933m** is shown below:

**Table 14: Summary of income and expenditure at Period 3**

<b>BUDGET SUMMARY</b>	<b>23/24 Budget YTD £000</b>	<b>23/24 Spend YTD £000</b>	<b>23/24 Variance YTD £00</b>	<b>23/24 Annual Budget £000</b>	<b>23/24 Forecast Outturn £000</b>	<b>23/24 Forecast Variance £000</b>
Employee Expenditure	7,898	6,284	(1,613)	31,591	28,318	(3,273)
Agency Expenditure	5	(33)	(38)	18	3,832	3,814
Other Employee Related Expenditure	212	203	(9)	849	849	0
<b>Employee &amp; Agency Total</b>	<b>8,114</b>	<b>6,454</b>	<b>(1,660)</b>	<b>32,457</b>	<b>32,998</b>	<b>541</b>
Premises Related Expenditure	33	11	(22)	133	133	0
Transport Related Expenditure	621	635	13	3,666	3,840	174
Supplies and Services Expenditure	2,765	2,593	(172)	11,524	11,633	109
Contracted Expenditure	10,913	11,134	220	42,444	46,660	4,216
Support Services & Recharges Expenditure	2,118	1,839	(279)	5,434	5,434	0
<b>Other Expenditure Total</b>	<b>16,451</b>	<b>16,210</b>	<b>(241)</b>	<b>63,201</b>	<b>67,700</b>	<b>4,499</b>
Government Grant Income	(382)	1,749	2,130	(4,105)	(4,105)	0
Other Income	(1,940)	(2,104)	(164)	(9,123)	(9,334)	(211)
Contract Sum Income	(11,233)	(12,060)	(826)	(44,933)	(44,933)	0
Dedicated Schools Grant Income	(9,374)	(12,107)	(2,733)	(37,498)	(37,498)	0
<b>Income Total</b>	<b>(22,929)</b>	<b>(24,522)</b>	<b>(1,592)</b>	<b>(95,658)</b>	<b>(95,869)</b>	<b>(211)</b>
<b>Grand Total</b>	<b>1,636</b>	<b>(1,857)</b>	<b>(3,493)</b>	<b>0</b>	<b>4,829</b>	<b>4,829</b>

## Appendix 10 – Monthly Budget Monitoring Information Schedule 2023/24

Information Sets	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7	Period 8	Period 9	Period 10	Period 11	Outturn
Estimated Outturn		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risks and Opportunities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Children Social Care Summary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Early Help Summary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Education Summary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Summary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dedicated Schools Grant		✓				✓			✓			✓
Schools Balances		*					✓			✓		✓
High Needs Management Plan				✓			✓			✓		✓
School Transport (Review)			✓			✓						✓
Agency (Review)			✓			✓			✓			✓
Social Care Placements (Review)			✓		✓		✓		✓		✓	✓
UASC (Review)			✓				✓					✓
Inflation (Review)					✓				✓			✓
Cash Flow			✓			✓			✓			✓
Debtors Update					✓					✓		✓
Inter-Company Update			✓			✓			✓			✓
Grants Update						✓			✓			✓
Reserves Update			✓			✓			✓			✓
Transformation Funding			✓			✓			✓			✓

*\*Schools Balances will have its own separate report in Period 2 that will go into more detail per school and will include updated balances information.*

*End of Report*