



# Financial Indicative Outturn Report 2023-24

For decision

For discussion

For information

## SUMMARY

The purpose of this report is to provide the Board with the pre-audit draft outturn position for BFfC as at 10<sup>th</sup> May 2024

## OWNER

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## DRAFT

V1.0

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## Purpose of report

1. The purpose of this report is to provide the Board with the final (pre-audit) outturn as at the 10 May 2024

## Executive summary

2. The base contract sum for 2023-2024 is **£44.933m**. At Period 11 the projected outturn showed an overspend of **£9.611m**.
3. The indicative pre-audit outturn as at the 10 May 2024 shows a total base contract spend of **£54.177m**, which equates to an overspend against base contract of **£9.244m**.
4. The table below shows the overall position.

**Table 1 : Pre-audit Out-turn as at 10th May 2024**

Department	Budget 2023/24	Pre-audit Out-turn 2023/24	Variance to Budget	Period 11 Variance	Change from Period 11
	£000	£000	£000	£000	£000
Childrens Social Care	30,801	40,187	<b>9,387</b>	9,911	<b>(524)</b>
Early Help and Preventative Services	3,691	3,309	<b>(382)</b>	<b>(463)</b>	<b>80</b>
Education	43,167	43,861	<b>694</b>	716	<b>(22)</b>
Corporate Services	4,772	4,317	<b>(454)</b>	<b>(553)</b>	<b>99</b>
Dedicated Schools Grant	<b>(37,498)</b>	<b>(37,498)</b>	<b>(0)</b>	0	<b>(0)</b>
<b>Total Budget - Contract Sum</b>	<b>44,933</b>	<b>54,177</b>	<b>9,244</b>	<b>9,611</b>	<b>(367)</b>

5. The change from that reported in Period 11 represents a favourable movement of **(£0.367m)**, which relates to:
  - **Children Social Care.** Favourable movement of **(£0.524m)** due to:
    - Together for Families. Adverse movement of **£0.009m** on Together for Families staffing costs.
    - Corporate Parenting. Favourable movement of **(£0.626m)**, due to mainly to reduced spend on Leaving Care costs **(£0.464m)** due to a combination of additional grant **(£0.100m)**, transfer of costs to unaccompanied asylum seeking children **(£0.075m)** and coding issues **(£0.290m)**. There was also reduced spend on Connected Carers of **(£0.051m)**. Other net changes accounted for the remaining **(£0.111m)** movement.
    - Childrens Young People and Disability team. Minor favourable movement of **(£0.008)**
    - CSC Senior Management. Adverse movement of **£0.101m**, due to increased contract and other costs mainly in the Director of Childrens budget.
    - In net terms CLA placement costs were **(£0.149m)** under the P11 forecast – see Appendix 1 (row 10).
  - **Early Help & Preventative Services.** Adverse movement of **£0.080m** due mainly to additional costs in Children Centres, Youth Family workers and Supporting Families.
  - **Education.** Minor favourable movement of **(£0.022m)**. There were some variations within services, though these are broadly offsetting.
  - **Corporate Services.** Adverse movement of **£0.099m**. This is mainly due to the impact of additional holiday accrual costs of **£0.104**, which impacted on the HR services out-turn though reflects in increased cost across the whole company.

6. The explanation of overall variances for the year and a more detailed explanation of movements is shown within each directorate section. The waterfall chart at Appendix 4 gives further information on the main variances across the whole company and how pressures have been funded or mitigated.
7. The inter-company balances submitted to RBC are in the process of being reviewed and agreed. There may be some changes required could impact on the final out-turn position.
8. External Audit field work will commence on 3<sup>rd</sup> June 2024 and last for 3 weeks until 21<sup>st</sup> June 2024. Audit planning will commence on 31<sup>st</sup> May 2024 with the submission of the pe-audit BfC Trial Balance. The audit timetable is provided in Appendix 3.
9. The approved use of unrestricted grant and provisions within the 2023-24 is reflected in the Grant register shown in Appendix 5. The latest reserves position is shown in the Reserves and Provisions section (page 11), noting that this is prior to any further adjustment that may be needed in addressing the overall deficit.
10. The cash flow statement is included at Appendix 2 which shows the cash flow balances for each month prior to the payment of the monthly Contract Sum amount. There have been challenges on cash flow in 2023-24 in maintaining a minimum cash balance of £1m, due to the impact of the significant overspend on children's social care and high needs placements. As a consequence the payment of part of the monthly contract sum amounts has had to be brought forward to earlier in the month and this is reflected in the cash flow statement.
11. The Recovery Plan tracker is provided in Appendix 6. This shows the mitigations which have taken place during the year, through measures such as vacancy management and placement reviews, to reduce the level of overspend, which have been verified by the Finance Team.
12. The Dedicated Schools Grant (DSG) outturn will be reported separately.

## Income and Expenditure Summary

13. The budget for 2023-2024 with a contract value of **£44.933m** is shown below. The table identifies the variances to budget by type of expenditure and income at the subjective level.

**Table 2: Summary of income and expenditure**

Expenditure / Income Category	Budget 2023/24	Pre-audit Out-turn 2023/24	Variance to Budget	Period 11 Variance	Change from Period 11
	£000	£000	£000	£000	£000
Employee Expenditure	31,591	27,842	-3,749	(3,358)	(390)
Agency Expenditure	2,222	6,151	3,930	3,128	802
Other Employee Related Expenditure	849	780	-68	-266	198
<b>Employee &amp; Agency Total</b>	<b>34,661</b>	<b>34,773</b>	<b>113</b>	<b>(496)</b>	<b>609</b>
Premises Related Expenditure	133	(27)	(160)	7	(167)
Transport Related Expenditure	3,666	4,156	490	568	(78)
Supplies and Services Expenditure	11,526	12,436	911	439	471
Contracted Expenditure	40,238	55,912	15,674	11,619	4,055
Support Services & Recharges Expenditure	5,089	6,038	949	150	799
<b>Other Expenditure Total</b>	<b>60,652</b>	<b>78,515</b>	<b>17,862</b>	<b>12,783</b>	<b>5,080</b>
Government Grant Income	(4,505)	(10,576)	(6,071)	(2,484)	(3,586)
Other Income	(8,378)	(9,578)	(1,200)	(191)	(1,009)
Contract Sum Income	(44,933)	(42,098)	2,835	0	2,835
Dedicated Schools Grant Income	(37,498)	(41,793)	(4,295)	0	(4,295)
<b>Income Total</b>	<b>(95,313)</b>	<b>(104,044)</b>	<b>(8,731)</b>	<b>(2,675)</b>	<b>(6,056)</b>
<b>Grand Total</b>	<b>0</b>	<b>9,244</b>	<b>9,244</b>	<b>9,611</b>	<b>(366)</b>

Explanation of variances associated with the above table are included within the Directorate sections of the report.

## Going Concern Considerations

14. The overall overspend on the Contract Sum in 2023-24 is **£9.244m**. The most significant element of the overspend relates to placement costs arising from increased demand and provider costs. Additional demand pressures on transport costs associated with SEND placements have contributed to the overspend in Education.
15. Discussions will take place with the RBC S151 officer (Director of Finance) to seek additional contract sum for these demand pressures in order to ensure that the unfunded deficit is addressed and Brighter Futures for Children remains a going concern.

## Directorate Analyses

### Children's Social Care

16. Children's Social Care is reporting a net overspend of **£9.387m**. This is **(£0.524m)** less than forecast in period 11.

**Table 3: Overview of 23-24 Children's Social Care Budget and Outturn Position**

Service Area	Budget 2023/24	Pre-audit Out-turn 2023/24	Variance to Budget	Period 11 Variance	Change from Period 11	Key
	£000	£000	£000	£000	£000	
Together for Families	6,792	7,313	521	512	9	1
Corporate Parenting, Fostering, Special Guardianship & Adoption	17,125	23,696	6,571	7,197	(626)	2
Children and Young People Disability Team	4,825	6,921	2,096	2,104	(8)	3
CSC Senior Management Team	2,059	2,257	198	97	101	4
<b>Total Childrens Social Care</b>	<b>30,801</b>	<b>40,187</b>	<b>9,387</b>	<b>9,911</b>	<b>(524)</b>	

17. Table 3 notes:

- Together for Families.** The main areas of increased costs are on staffing (use of agency – total cost £1.8m), Children in Need (CIN)/Section 17 expenses £0.178m (increased demand) and No Recourse to Public Funds £0.185m (increased numbers supported). The Together for Families (Tff) staff teams' overspend of £0.330m includes agency spend of £1.5m.
- Corporate Parenting.** Significant increased spend on placements, especially children looked after where numbers have increased from 252 at March 23 to 272 at March 24, with a peak of 287 in December 23. Analysis has also shown that costs have increased significantly due to inflation, lack of market supply, change in the placement mix and increased needs of children.
- Children and Young People Disability.** Increased costs of placements (£2.1m), which follows on from a significant overspend variance of £1.4m in 2022/23.
- CSC Senior Management team.** There was an overspend on Independent Reviewing Officer (IRO) staffing - agency and unachievable income target (£0.055m). On management costs, there was an exit cost and other contracts and payments not previously identified here.

**Overall Position (Overspend £9.387m) – See Appendix 1 for further analysis.**

#### 1. Together for Families (Overspend £0.521m)

The forecast overspend is mainly due to forecast variances on:

- Children in Need/Section17 expenses – overspend of **£0.138m** due to increased numbers of Children in Need in 2023/24
- No Recourse to Public Funds (NRPF) - overspend of **£0.185m** due to increased cost of NRPF packages because of increased cost of housing and subsidising families.
- Together for Families teams – staffing overspend of **£0.379m** due to agency staff.
- Supporting Families – underspend of **(£0.142m)** due to staff vacancies.
- Other changes account for **(£0.039m)**

#### 2. Corporate Parenting (Overspend £6.571m) and Children and Young People Disability Team (CYPDT) (Overspend £2.096m)

## Placement cost pressures

The overspend in these areas largely relates to placements and placement-related budgets. The overspend on children’s placements (including unaccompanied asylum-seeking children’s costs, which have been included as they are part of the children looked after cohort) and other support costs is **£8.383m**, which is shown in more detail in Appendix 1 (line 26). The costs of unaccompanied asylum-seeking care leavers are included in the other services section (line 28).

Pressures are driven by the net increase of children looked after, complex needs and risks of children and their families and the lack of local placements. Our reliance on the external residential market to meet demand, along with inflationary pressures, have resulted in considerable additional costs.

Key points in relation to placement cost pressures are:

- The main external placements and CYPDT residential placements accounts for **£8.698m** (line 1 + line 5) of the overspend. There were 139 children living in external placements (residential and foster care including disabled children, excluding unaccompanied children), of which 32 (23%) children were in placements that cost more than £0.200m each in 2023/24. These 32 placements cost £10.436m (56.5%) of the total spend on children looked after of £18.469m (line 16).
  - In terms of the overall overspend on children looked after and other placements of **£8.528m** (line14), approximately half of the overspend relates to changes in the number of placements and placement mix from when the budget for 2023/24 was set (November 2022), and the other half relating to increases in the average cost of placements over that period. Total children looked after placement numbers in November 22 were 245 and at the end of March 2024 were 272 but reached a peak of 287 in December 2023.
  - The high reliance on external foster care is continuing, although the internal foster care placements (49 at 31 March 2024 including two unaccompanied children and the external foster placements (94 at 31 March 2024) have remained fairly stable.
- Unaccompanied Asylum-seeker costs. There have been no further Home Office responses to claim submissions made after August 2023. Therefore, the outturn figure is based on estimates of eligible claimants. The net cost impact across the two budgets is estimated at **£0.071m**, which includes a forecast net income on children of **£0.263m** and, on care leavers, a net spend of **£0.334m**, as follows:

	UASC up to 18	UAS>18	Total
	£000	£000	£000
<b>Expenditure</b>	1,361	958	2,319
<b>Income</b>	1,624	624	2,248
<b>Net</b>	<b>-263</b>	<b>334</b>	<b>71</b>

## CYPDT cost pressures

- Within the CYPDT net overspend (excluding the placements overspend of £2.096m which is covered above), there are other net variances for the year which broadly offset each other within the CYPDT budget (**£0.006m** overspend):
  - Occupational Therapy staffing - (**£0.098m**). This includes staff savings, primarily as a result of a 0.5fte OT post vacancy (due to recruitment difficulties). Spend on equipment has been offset by income from the Better Care Fund.
  - CYPDT Packages - (**£0.160m**). The increased use of direct payments is offset by reduced spend on these packages.
  - Direct Payments - **£0.169m** overspend. The numbers and costs of Direct Payments has increased, with over 100 being supported (includes those managed by the Short Breaks and Social Work teams). The hourly rate for Personal Assistants (PAs) is low compared with those in Adult Services, resulting in the use of agency workers, as clients cannot afford to employ PAs at the funded rate. There are also mis-codings between this budget and the packages and short breaks budget.
  - A delay in capital works at Cressingham Respite Home has had a negative impact on budgeted income. However, Cressingham have been able to provide a second bed to another local authority, resulting in (**£0.037m**) income for this year. £0.092m net overspend.

- Pinecroft Children’s Respite Home – **(£0.086m)**. Recruitment has been challenging due to a competitive market for care staff, resulting in vacancies being held. Some sessional staff are used. The permanent staff underspend is £0.176m. The use of agency staff has been kept to a minimum (£0.056m), a net overall staff saving of **(£0.120m)**. These savings have partly been used to pay for essential new equipment. There is a shortfall in income of about £0.032m from bed sales.
- CYPDT staffing - **£0.089m** overspend. There has been a significant use of agency staff (£0.100m), which has resulted in this overspend.

Deep dive and placement changes have generated **(£0.854m)** savings, included within the above analysis.

Further breakdowns on Care Placement budgets and activity is included in Appendix 1.

### 3. CSC Management Team (Overspend £0.197m)

The forecast overspend is mainly due to:

- Additional staff costs, including an agency Independent Reviewing Officer (IRO) covering the cost of staff sickness **(£0.060m)**
- Additional ‘exit costs’ and payroll costs for one individual **(£0.111m)**
- Contract and other costs **(£0.026m)**

## Movements from Period 11

The overall change from Period 11 is a favourable movement of **(£0.524m)**

### 1. Together for Families (Adverse movement £0.009m)

- Increased costs on Together for Families staffing and other costs, including costs not previously identified due to miscoding and year-end recharges higher than anticipated. These will be addressed in the 24/25 budget monitoring. **£0.106m**
- Reduced spend on No Recourse to Public Funds (NRPF) due to an over-estimation in Period 11 **(£0.024m)**.
- Reduced agency spend in Children’s Single Point of Access (CSPOA) **(£0.021m)**
- Other net favourable changes **(£0.052m)**.

### 2. Corporate Parenting (Favourable movement of £0.626m)

#### Children Looked After (CLA) Placement costs movements (see Appendix 1)

Some changes within this service reflect adjustments required due to incorrect classification of costs, both between and within service areas. Also there have been some placement detail changes recorded on the Mosaic system that were unknown when the period 11 report was produced. The process around inputting information onto Mosaic, and the accurate recording of codes and costs, is being reviewed and will be updated as soon as possible in 2024/25.

The following are the main placement variations, totaling **(£0.156m)**, excluding CYPDT placements of **£0.008m** since Period 11:

- On external residential and foster care placements (lines 3 to 5 in Appendix 1) there is a net change of **(£0.088m)**. This is the net effect of various mis-codings, primarily from the Leaving Care budget, but also takes account of some placement cost changes in March 2024. There is an offset in mis-codings between residential and foster care. In 2024/25, a new cost centre is being introduced to separate out these costs.
- The reduction on foster carer allowances **(0.078m)** (line 7) includes a provision for debt recovery of overpayments of **(£0.021m)**, cost recovery from another local authority of **(£0.035m)**, a code correction of **(£0.013m)** and other minor changes of **(£0.09m)**
- The change in connected carers **(£0.051m)** (line 8) consists of the costs of two new young people’s costs being wrongly forecast in this budget **(£0.033m)**. There were also some additional transport costs forecast that were not subsequently required **(£0.18m)**.
- The Unaccompanied Asylum-Seeking Children (UASC) change of £0.078m (line 9) is based on the latest information on estimated days eligible for grant. See above section for overall calculations on unaccompanied asylum-seekers.
- There are also minor changes on Remand (line 6) **(£0.002m)**, Staying Put (line 11) £0.006m and Supported Lodgings (line 12) **(£0.021m)**.

**Other placement-related and support cost movements (overall favourable movement (£0.536m))**

- Special Guardianship Order (SGO) has increased by **£0.071m** (line17). This includes one compensation payment as directed by the Local Government Ombudsman (£50k). New SGO placements in the last couple of months have also added to the costs.
- The leaving care support reduction of **(£0.465m)** is primarily related to code changes following detailed year end analysis, with costs being attributable to other areas such as external residential placements, UASC (line 9) and UAS care leavers (within line 28). There is also additional government grant of **(£0.100m)** not previously accounted for.
- CLA Expenses (line 17) and No Recourse to Public Funds (line 24) are lower than previously forecast due partly to an over-projection of costs and also due to management action to reduce costs e.g. the use of taxis. **(£0.064m)**
- Other small variations of **(£0.006m)** account for the balance of the **(£0.536m)** movement.

**3. Children and Young People Disability Team (Favourable movement of £0.008m)**

- No significant changes from Period 11

**4. CSC Senior Management (Adverse movement of £0.101m)**

- Senior Management team budget - £0.085m.
  - Additional exit and payroll costs for one employee £0.010m higher than forecast.
  - Various other contract costs and recharges that had not been assigned to other budgets, plus other year end recharges not previously accounted for - £0.075m.
- Other minor changes - £0.016m.

## Early Help and Preventative Services

18. Early Help and Preventative Services is reporting a net underspend of **(£0.382m)**. This is **£0.080m** less than the underspend forecast in Period 11.

**Table 4: Overview of 23-24 Early Help and Preventative Services Budget and Outturn Position**

Service Area	Budget 2023/24	Pre-audit Out-turn 2023/24	Variance to Budget	Period 11 Variance	Change from Period 11	Key
	£000	£000	£000	£000	£000	
Childrens Centres & Childcare Provision	1,413	1,241	(172)	(189)	17	1
Youth Family Workers and Welfare	1,841	1,722	(119)	(131)	12	2
Youth Offending Service	393	305	(88)	(136)	48	3
Partnership and Preventions and Supporting Families	0	(9)	(9)	(7)	(2)	4
Early Help Management	45	50	5	0	5	5
<b>Total Early Help &amp; Preventative Services</b>	<b>3,691</b>	<b>3,309</b>	<b>(382)</b>	<b>(463)</b>	<b>80</b>	

### Overall Position

- Children Centres and Childcare Provision (Underspend (£0.172m))**
  - Staffing underspend due to frozen staff vacancies across Children Centres and Children Centre management **(0.167m)**.
- Youth Family Workers and Welfare (Underspend (£0.119m))**
  - Staffing underspend due to frozen staff vacancies across the Youth and Family Workers teams **(£0.124m)**.
  - Reduced PCC Funding **(£0.017m)**
- Youth Justice Service (Underspend (£0.088m))**
  - Staffing underspends due to vacancies and additional Probation income net total **(£0.116m)**
  - Additional consultancy costs **(£0.020m)**
  - Additional rent costs (£0.008m)
- Supporting Families Grant Overspend (0.009m)**
  - Redundancy costs (£0.032m) partly offset by the vacancy.

### Movement from Period 11 (Adverse movement of £0.080m)

- Children Centres and Childcare Provision (£0.017m):**
  - Additional rent cost in the Caversham nursery (£0.015m)
  - Lower income from the children centres vs budgeted (£0.020m)
- Youth Family Workers and Welfare (£0.012m):**
  - Additional inter-company recharges (translation & IT) – (£0.012m)
- Youth Justice Service (0.048m):**
  - Revised grant income (£0.048m).

## Education

19. Education Services is reporting a net overspend of **£0.694m**. This is **(£0.022m)** less than predicted in period 11.

**Table 5: Overview of 23-24 Education Services Budget and Outturn Position**

Service Area	Budget 2023/24	Pre-audit Out-turn 2023/24	Variance to Budget	Period 11 Variance	Change from Period 11	Key
	£000	£000	£000	£000	£000	
Director of Education	103	225	122	(7)	129	1
Education Access & Support	427	303	(124)	(45)	(79)	2
Virtual School	0	0	0	0	0	3
School Effectiveness	0	0	0	0	0	4
SEND & School Travel	4,107	4,797	690	667	23	5
Early Years	5	136	131	115	16	6
Dedicated Schools Grant	37,507	37,498	(9)	0	(9)	7
Education Psychology and Mental Health	1,018	901	(117)	(14)	(103)	8
<b>Total Education</b>	<b>43,167</b>	<b>43,861</b>	<b>694</b>	<b>716</b>	<b>(22)</b>	

### Overall Position

#### 1. Director of Education (overspend £0.122m)

- The inclusion of additional pressures not raised earlier in the financial year have given rise to the over spend of the service compared to budget. This include some staff being incorrectly assigned to other cost centres and a data analyst post charged to the cost centre at period 12.

#### 2. Education Access and Support (Underspend (£0.124m))

- Education Welfare – underspend on staffing due to vacancies **(£0.057m)**
- Elevate – underspend of **(£0.041m)** due to expenditure savings and additional income
- Admissions – underspend of **(£0.025m)**. The budget is DSG funded.

#### 3. SEND and School Travel (Overspend £0.690m)

- SEND Staffing** – Overspending of **£0.145m** due to the use of interim staff in the first half of the financial year and then the expansion of the team in the second half of the year to cover additional work. The extension of staff working on Synergy programme also contributed.
- School Transport - (Overspend £0.545m)**
  - Mainstream School Transport** – underspend of **(£0.083m)** due to increased controls on transport eligibility and direct savings from pupils no longer requiring transport to Chiltern Edge College.
  - Special School Transport** – overspend of **£0.636m** due to changing costs of routes and increased numbers of routes required. The average cost of a route fell between 2022/23 and 2023/24 from £1,585 to £794, a reduction of 50%. In the same period, however, the number of routes increased by 139% from an average of 190 to 454 routes. The average cost per day to supply special transport increased from £16,533 in 2022/23 to £20,955 in 2023/24, a 26% increase in daily costs.
  - Other variances account for **(£0.008m)**.

Pressures are driven by the increasing number of children with EHCPs, rising contract prices and increasing eligibility for transport. Data shows that transport is required for 30% of pupils with an EHCP. These pressures are exacerbated by the lack of local specialist school places which impacts the number and cost of transport routes and the distances required to transport pupils. The fall in average route cost should not be seen as a general reduction in overall route costs as these have risen at renewal time, but rather the impact of more, shorter distance routes reducing the overall average.

#### 4. Early Years (Overspend £0.115m)

- Lodge Nursery – staffing overspend due high number of vacancies and use of agency staff and much lower income due to lower number of children **£0.069m**.
- Surestart Whitley Nursery – staffing overspend due to increased agency costs as a result of sickness and lower income due to lower number of children **£0.063m**.

#### 5. DSG - Reported under separate reports.

#### 6. Education Psychology and Mental Health (Underspend (£0.117m))

- **Education Psychology** – underspend of **(£0.069m)** due to the service generating additional income.
- Other net underspends of **(£0.048m)**

### Movement from Period 11 2023-24

1. **Director of Education. Adverse movement of £0.129m.-** Final period includes £42k of consultation fees not noted within Period 11; £10k special resource unit that should be assigned to Participation and had been wrongly coded. £30k Staff costs reassigned and £43k additional expenditure for Data Analyst which was to be funded by DBV.
2. **Education Access & Support. Favourable movement of (£0.079m)**
  - **Admissions** – The Service is DSG funded, overspends and underspends will impact the DSG.
  - **Elevate** - A conservative estimate on income and savings was made for period 11 reporting which was exceeded at year end.
3. **SEND & School Travel. Adverse movement £0.023m.**
  - **SEN Team** - Additional £21k legal fees which were not projected within Period 11. There was also a late extension of Synergy Data Cleaning staff that have contributed to the variance.
  - **Mainstream School Transport** - P11 projections did not include any expected reduction in costs from reduced transport needs for pupils attending Chiltern Edge college, this was only confirmed in March at circa (£40k).
  - **Special School Transport** - Agreement to increase funding for the Readibus service within the transport team was not projected in the Period 11 forecasts.
4. **Education Psychology and Mental Health> Favourable movement (£0.103m)**
  - **Education Psychology** - Period 11 projections were predicated on the assumption that the service would achieve a saving against budget within salaries but would under achieve on expected income leading to a small projected overspend overall. Overall predicted savings on salaries still achieved an overall saving of £78k, but fell short of the period 11 projection by £2k. The service generated additional income of circa £80k via SLA and sale of services to other teams and schools that had not been accounted for at period 11 resulting in an overall underspend of circa £69k. An overall variance of £78k to last periods reporting.

## Corporate Services and Finance & Resources

20. Corporate is reporting a net underspend of **(£0.454m)**. This is a **£0.099m** less underspend than predicted in period 11.

**Table 6: Overview of 23-24 Corporate Budget and Outturn Position**

Service Area	Budget 2023/24 £000	Pre-audit Out-turn 2023/24 £000	Variance to Budget £000	Period 11 Variance £000	Change from Period 11 £000	Key
Human Resources	461	533	73	(9)	82	1
Communications & Marketing	461	355	(106)	(95)	(11)	2
Finance & Audit	398	429	31	50	(19)	3
Information, Advice and Support Service	133	112	(21)	(17)	(4)	4
Commissioning	504	325	(179)	(150)	(29)	5
Finance & Resources Director	172	173	1	0	1	6
Performance Management	355	335	(20)	12	(32)	7
Business Support	1,243	1,069	(174)	(160)	(14)	8
Chair and Non-Executive Directors	201	195	(5)	(10)	5	9
Operational Directors	473	470	(3)	(11)	8	10
Support Service SLAs	371	321	(51)	(163)	112	11
<b>Total Corporate Services</b>	<b>4,772</b>	<b>4,317</b>	<b>(454)</b>	<b>(553)</b>	<b>99</b>	

### Finance & Resources and Corporate

#### Overall Position Underspend **(£0.454m)**

Main reasons for variance:

1. **Human Resources (Overspend £0.073m)**
  - The variance is driven by £0.104m holiday accrual that relates to the whole company.
2. **Communication and Marketing (Underspend (£0.106m))**
  - Savings from vacancies in staffing **(£0.080m)** and supplies and services **(£0.026m)**
3. **Finance & Audit (Overspend £0.031m)**
  - Overspend driven by additional agency **(£0.014m)**, recruitment / conversion fees **(£0.017m)**.
4. **IASS (Underspend £0.021m)**
  - Savings from vacancy management
5. **Commissioning (Underspend (£0.179m))**
  - Savings from vacancy management **(£0.150m)**
6. **Performance management (Underspend (£0.020m))**
  - Savings from vacancies and recharges to other projects (DBV, EMS & Data Accelerator)
7. **Business Support (Underspend (£0.174m))**
  - Savings from vacancy management
8. **Support Services SLA (Underspend £0.051m):**
  - Additional banking interest **(£0.144m)**
  - Higher teachers' pension costs (£0.029m)
  - Additional inter-company recharges (£0.046m)
  - Additional migrated balance to e5 that relates to 2021 (£0.029m)

## **Movement from Period 11 (Adverse movement of £0.099m)**

Main reasons for variance:

- 1. Human Resources (£0.82m):**
  - The variance is driven by £104k holiday accrual that relates to the whole company.
- 2. Communication and Marketing (£0.011m)**
  - Additional savings from vacancies
- 3. Finance & Audit (£0.019m)**
  - Reduced agency costs (£0.019m)
- 4. Commissioning (£0.029m)**
  - Additional income (£0.034m) transferred from DSG
- 5. Performance management (£0.32m):**
  - Savings from vacancies and recharges to other projects (DBV, EMS & Data Accelerator)
- 6. Business Support (£0.014m)**
  - Additional savings from vacancies
- 7. Operational Directors (£0.011m)**
  - £26k balance has been migrated on e5 that relates to 2019.
- 8. Support Services SLAs (£0.112m)**
  - Higher teachers' pension costs (£0.029m)
  - Additional inter-company recharges (£0.046m)
  - Additional migrated balance to e5 that relates to 2021 (£0.029m)

## Recovery Plan Tracker

21. The Recovery Plan tracker is provided in Appendix 6. This shows the mitigations which have taken place during the year, through measures such as vacancy management and placement reviews, to reduce the level of overspend, which have been verified by the Finance Team.
22. The table below summarises the recovery plan actions and savings achieved.

**Table 7: Recovery Plan Tracker summary**

Savings Workstream	Areas of savings	Savings 2023-24
		£m
Pay Savings	Vacancy freezes	0.867
	Cease agency cover	0.336
	Release settlements	0.020
Non-pay savings	Freeze on non-essential services	0.187
	Contract savings	0.024
Placements	Placement deep dive and commissioning reviews	0.436
	Health contributions	0.418
School Transport	Reduce or remove transport routes	0.292
Income	Increase bank interest	0.168
	Remand income	0.180
	Homes for Ukraine income	0.050
	Additional income (Early Help)	0.052
<b>Total Savings</b>		<b>3.030</b>

## Inter-company Reconciliation

23. The Inter-company reconciliation has been produced and sent to RBC Finance Team to agree the details provided. This also supports reconciliation of the RBC ledger for the group accounts.
24. The accounts have been prepared on the basis of the basis of the amounts submitted by BFFC.
25. Discussions with RBC are still in progress and any changes arising will be reflected in the final 2023-24 out-turn report and reported in due course.

## Grants Register

26. The grant register includes the opening balance as of 1<sup>st</sup> April 2023, the allocation for 23/24, total grant, the grant expenditure in 2023/24 and the grant balance at 31<sup>st</sup> March 2024.
27. For any grant not fully used, the amount will be moved to reserves, to be carried for either use against future commitments or to pay back to Government department depending on the grant terms and conditions.
28. For the list of grants that are currently in the reserves ( as at 31/03/24) please refer to the Reserves & Provisions section below).

29. Appendix 6 shows the Grant Register as at 31<sup>st</sup> March 2024.
30. The grant balance at the end of the year is £1,051,019, which represents a reduction of £218,578 since the start of the year.
31. There are two types of classification in government grants.
- Conditional (or restricted) – usually comes with strict guidance and returns to be submitted with unspent funds to be returned
  - Unconditional (or Unrestricted) – usually with guidance but no returns. The majority of grants still need to be implemented but the grant does not have to be used for that purpose.
32. The current total of proposed reserves is £1,061,298 is split:
- Conditional grant £784,663
  - Unconditional grant £276,635

## Reserves and Provisions

33. The table below shows the balance of reserves and provisions at the start and end of 2023-24 and movements within year.

**Table 8 : List of Reserves and Provisions from 31 March 2023 and 31 March 2024**

Description	Balance as of 31 <sup>st</sup> March 2023	Movements 2023/24	Balance as of 31 <sup>st</sup> March 2024	Key
<b>Reserves:</b>				
Conditional grants reserve	-936,026	151,363	-784,663	a
Unconditional grant reserve	-333,571	56,936	-276,635	b
<b>Provisions:</b>				
External Care Provider	-87,706	87,706	0	c
Berkshire West Local Safeguarding Board	-63,275	0	-63,275	d
Children in Care Council	-12,500	12,500	0	e
Holiday Accrual	-131,127	-104,612	-235,739	f
<b>Total Provisions and Reserves</b>	<b>-1,564,205</b>	<b>203,893</b>	<b>-1,360,312</b>	

Notes to Table 10:

- a) Conditional grant reserve. This includes grants which are ring-fenced or have committed future spend. It includes grants such as Data Accelerator, Mental Health Trailblazer, Youth Justice Board and the new Early Years Wrap around and Expansions grant.
- b) Unconditional grant reserve. This includes grants such as School Improvement, Virtual School, Supporting Families, SEND preparation for employment and Reducing Parental Conflict grant, for which grant carry forward requests will be submitted to RBC.
- c) External Care Provider. This was a provision set aside for a legal case with a provider. The dispute was settled in 2023-24 and a payment agreed which will clear the provision when confirmed.
- d) Berkshire West Local Safeguarding Board is a partnership provision managed by BFFC
- e) Children in Care Council. Funding was allocated in 2023-24 and the provision cleared .
- f) Holiday accrual. The holiday accrual was review in 2023-24. Paragraphs 46 to 48 give further detail.

## Agency costs

34. Agency Costs were £3.929m in 2023-24, which included £0.719m expenditure on other agency contracts outside of the REED contract. This compares to £3.878m in 2022-23, which only included the REED contract. Within social care, agency spend on social workers in 2023-24 was £2.453m, compared to £3.149m in 2022-23 and reflects 62% of total agency spend

compared to 82% in 2022-23. Agency spend across Education, Early Help and Corporate Services increased from £0.509m to £0.886m, due to mainly to recruitment challenges in Early Help and Corporate Services and increased agency spend in those areas.

35. Appendix 5 shows historic data on agency expenditure and 2023-24 spend and a chart of the trend in spend over the years.

## Cash flow

36. BFFC has experienced a number of significant cashflow issues in 2023-24 due mainly to higher children social care placement and High Needs costs compared to budget.
37. Since December 2023 there have been requests for part of the contract sum to be transferred earlier in order to maintain a minimum cash balance of £1m.
38. In the last quarter of the year the cash flow position was more challenging and more of the contract sum had to be transferred in the middle of the month.
39. During March 2023 the whole of the April 2024 contract sum was transferred to maintain a reasonable cash flow position.
40. The cash flow statement is set out in Appendix 2. The format of the cashflow statement has been amended to reflect what drove the additional costs and mitigation actions taken.

## Redundances and Compensation payments

41. During 2023/24 BFFC incurred 4 large redundancy payments mainly driven by restructuring in Finance and Early Help.
42. BFFC paid / or is committed to pay £195,737 in redundancy / compensation payments.

## Holiday Pay accrual

46. Holiday pay accrual is where an employee has leave left over at the end of the year (31st March). Under Government regulations, there is a requirement for employers to recognise holiday pay accrual for employees who cannot take all their leave.
47. Finance request details from 20% to 25% of the salaried workforce to then work on an average of potential annual leave and flexi owed as at the 31st March 2024.
48. This has been calculated at £0.235m for 2023-24 and this has increased by £0.104m from £0.131m 2022-23 due to additional leave carry forward requests. This is despite a decrease on the amount of leave allowed in 2022-23 which was reduced from 10 days to 5 days in March 2023.

## Inflation

49. The Consumer Prices Inflation with Housing (CPIH) index rate in February 2023 was reported at 9.2% and this formed the basis of contract discussions with Brighter Futures For children's (BFFC) suppliers for 2023/24. The majority of social care suppliers were all signed up within regional contracts or multi-year contracts and this benefited BFFC.
50. The inflation rate has dropped or stayed the same in every month since, with the February 2024 rate being 4.2%. The yearly average over 2023/24 equated to 6% increase.
51. Within the 2023/2024 budget setting Brighter Futures received growth of 4% from Reading Borough Council (RBC) for all social care placement & allowance budgets.
52. Due to the changes in demand over the social care placements, it has been difficult to ascertain what elements of additional costs were relating to inflation or generally the increased needs of the clients.

53. Other Inflation increases in respect of payroll and school travel were covered by RBC, at an average of 5%, though pay increases ranged from 3.5% for senior management to 9.2% for lower graded staff..
54. The other area of inflation growth was around the High Needs Block where independent providers asked for high percentage increases and the BFFC had limited bargaining power due to SEN independent providers having no regional contracts similar to Social Care. This has impacted on the DSG budget.
55. Due to the 2024/25 Inflation rate now being below 4% and the budgets were increase by 4% inflation then the inflationary impact on the services that BFFC procure, should be more controllable, though that will depend on particular market pressures.

## Debtors

56. The automated aged debtors reports have been set up so that the finance team has visibility of outstanding debt almost on a daily basis.
57. The aged debt is being actively chased based on the oldest and the largest balances.
58. The table below shows the aged debt analysis based on the position at 31<sup>st</sup> March 2024

**Table 9 : Aged Debt analysis of debt > 30 days**

Debtor Type	No of days debt out-standing					Total
	31-60 days	61-90 days	91-120 days	91-182 days	183+ days	
	£	£	£	£	£	
<b>Health</b>			302,642			302,642
<b>Local Authorities</b>	1,890	-	2,310	869	631	5,701
<b>Education Settings</b>	825	20	43,695	3,744	22,435	70,719
<b>Others</b>	3,790	-	3,818	6,931	39,206	53,746
<b>Truancy</b>	10,020	6,480	3,840	1,380	1,540	23,260
<b>Total</b>	<b>16,525</b>	<b>6,500</b>	<b>356,305</b>	<b>12,925</b>	<b>63,813</b>	<b>456,068</b>

## Transformation and COVID funding

### Covid Recovery funding

59. Covid recovery projects have finished in 2023/24 with the exception of 'Looked After Children' and a reserve amount of £172,000 that will be carried forward by RBC to 2024/25. The residual unused balance in 2023/24 of £48,607 will be retained by RBC.

**Table 10: COVID Recovery Funding budget and expenditure 2023/24**

Covid Recovery Grant	Revised Budget 23/24	Spend (Apr23-Mar24)	Balance - RBC savings
0-2s Recovery	£363,360	£356,140	£7,220
Schools Recovery Grant	£209,700	£176,000	£33,700
Vulnerable Adolescence	£205,040	£197,306	£7,734
Looked After Children	£193,976	£194,023	-£47
	<b>£972,076</b>	<b>£923,469</b>	<b>£48,607</b>

### Transformation Delivery Fund

60. Budgeted delivery funding at the start of the year was £0.590m. Most of the delivery funds have been used during 23/24 as shown in the table below. The residual balance of £0.050m, will be carried forward and used next year, subject to agreement with RBC.

**Table 11: Transformation Delivery Fund budget and expenditure 2023/24**

<b>Delivery Fund</b>	<b>Budget 23/24</b>	<b>Actual Spend</b>	<b>Balance C/F</b>
EMS - Transformation of SEND system	£167,000	£167,000	£0
Training (Edu)	£83,000	£33,652	£49,348
Finance transformation	£130,000	£127,957	£2,043
Transformation lead	£54,000	£55,639	-£1,639
RSM audit	£19,000	£19,000	£0
Social Care consultant practitioners	£137,700	£137,700	£0
<b>Total</b>	<b>£590,700</b>	<b>£540,948</b>	<b>£49,752</b>

## Appendix 1 – Children’s Social Care and Placements

The summary below provides the 2023/24 outturn for placements and other costs, compared with the Period 11 forecast.

**Table 1. Social Care budgets showing placement costs, placement-related costs and the balance of social care costs by service area**

Service Area	Line No.	Cost Code	2023/24 Budget	Period 11		2023/24 Outturn		Change
				Forecast Outturn	Forecast Variance	Outturn	Variance	from Period 11
			£	£	£	£	£	£
<b>Children Looked After Placements</b>								
CYPDT Placements (Res'l /Respite)	1	5087	1,414,600	3,515,387	2,100,787	3,507,477	2,092,877	-7,910
External Placements (see note 1)	2	5400						
- Residential	3	5400	4,148,693	8,601,562	4,452,868	8,893,513	4,744,820	291,952
- Foster care	4	5400	2,562,707	4,803,476	2,240,769	4,423,032	1,860,325	-380,444
<b>Total external placements</b>	5	5400	6,711,400	13,405,037	6,693,637	13,316,545	6,605,145	-88,492
Remand (see note 2)	6	5412	0	-41,802	-41,802	-43,632	-43,632	-1,830
Fostering Allowances	7	5451	1,633,000	1,620,778	-12,222	1,542,830	-90,170	-77,948
Connected Carers	8	5467	203,600	460,772	257,172	409,571	205,971	-51,201
UASC	9	5481	0	-342,000	-342,000	-263,767	-263,767	78,233
<b>Total Children Looked After (CLA)</b>	10		9,962,600	18,618,173	8,655,573	18,469,024	8,506,424	-149,149
<b>Other placements</b>								
Staying Put Arrangements	11	5463	229,800	285,989	56,189	292,064	62,264	6,075
Supported Lodgings	12	5461	40,800	20,800	-20,000	187	-40,613	-20,613
<b>Total Other placements</b>	13		270,600	306,789	36,189	292,251	21,651	-14,538
<b>Total All Placements</b>	14		10,233,200	18,924,963	8,691,763	18,761,276	8,528,076	-163,687
<b>Allowances (not CLA)</b>								
Adoption	15	5452	483,100	457,607	-25,493	463,910	-19,190	6,303
Child Arrangement Orders	16	5457	219,600	190,665	-28,935	190,609	-28,991	-56
Special Guardianship	17	5460	2,162,300	1,914,360	-247,940	1,985,705	-176,595	71,345
<b>Total Allowances</b>	18		2,865,000	2,562,632	-302,368	2,640,224	-224,776	77,592
<b>Other support costs</b>								
Leaving Care Support	19	5455	1,547,500	1,159,332	-388,168	694,463	-853,037	-464,869
CYPDT Packages and Short Breaks	20	5415	449,100	285,429	-163,671	289,739	-159,361	4,310
Direct Payments	21	5419	317,400	492,754	175,354	486,063	168,663	-6,691
CLA Expenses	22	5426	479,200	1,079,834	600,634	1,039,353	560,153	-40,481
CIN & S17 Expenses	23	5427	386,600	568,997	182,397	564,894	178,294	-4,103
No Recourse to Public Funds	24	5482	57,000	265,936	208,936	242,172	185,172	-23,764
<b>Total other support</b>	25		3,236,800	3,852,282	615,482	3,316,683	79,883	-535,598
<b>Sub-total Placements &amp; Support</b>	26		16,335,000	25,339,876	9,004,876	24,718,183	8,383,183	-621,694
<b>Other Services</b>								
Together for families	27		6,348,100	6,469,088	120,988	6,546,105	198,005	77,016
Corporate Parenting	28		3,414,300	4,110,629	696,329	4,094,860	680,560	-15,769
CYPDT	29		2,644,100	2,635,349	-8,751	2,638,080	-6,020	2,731
Senior Management	30		2,059,200	2,156,264	97,064	2,256,821	197,621	100,556
<b>Sub-total Other Services</b>	31		14,465,700	15,371,331	905,631	15,535,865	1,070,165	164,534
<b>Total</b>	32		30,800,700	40,711,207	9,910,507	40,254,047	9,453,347	-457,159

**Notes:**

(1) External placement budgets for Residential and Fostering (lines 3 to 5) were not split at the start of the year, though have been since been split based on estimated out-turn at Period 10. Separate cost centres, together with appropriate budgets, are being set up for 2024/25 to facilitate more accurate monitoring.

(2) Remand (line 6) – there is a negative spend on Remand due to grant funding of (£0.180m), which exceeds the current spend forecast.

(3) The costs relating to Unaccompanied Asylum Seekers Children are shown within the Children Looked After section (line 19) and those for the Unaccompanied Care Leavers (over 18 years) are included in the Corporate Parenting figures (line 28). The net forecast for these budgets is an overspend of £0.071m.

The table below shows the CLA numbers by main type and changes in numbers between 29<sup>th</sup> February 2024 and 31<sup>st</sup> March 2024.

**Table 2. CLA numbers by main placement types – February 2024 & March 2024**

No. CLA Placements	29/02/2024			31/03/2024			Change
	External	Internal	Total	External	Internal	Total	
<b>Residential/Supported Accommodation</b>							
- Mainstream	34		34	34		34	0
- Disability	12		12	11		11	-1
- UASC	27		27	27		27	0
<b>Total</b>	<b>73</b>	<b>0</b>	<b>73</b>	<b>72</b>	<b>0</b>	<b>72</b>	<b>-1</b>
<b>Foster Care</b>							
- Mainstream	95	43	138	91	40	131	-7
- Disability	3	6	9	3	7	10	1
- UASC		2	2		2	2	0
<b>Total</b>	<b>98</b>	<b>51</b>	<b>149</b>	<b>94</b>	<b>49</b>	<b>143</b>	<b>-6</b>
<b>Connected Carers</b>							
- Mainstream		35	35		35	35	0
- Disability		0	0		0	0	0
<b>Total</b>	<b>0</b>	<b>35</b>	<b>35</b>	<b>0</b>	<b>35</b>	<b>35</b>	<b>0</b>
<b>Other</b>							
- Mainstream	4	9	13	5	11	16	3
- Disability		6	6		6	6	0
<b>Total</b>	<b>4</b>	<b>15</b>	<b>19</b>	<b>5</b>	<b>17</b>	<b>22</b>	<b>3</b>
<b>Total CLA</b>	<b>175</b>	<b>101</b>	<b>276</b>	<b>171</b>	<b>101</b>	<b>272</b>	<b>-4</b>
<b>Total by child category</b>							
- Mainstream	133	87	220	130	86	216	-4
- Disability	15	12	27	14	13	27	0
- UASC	27	2	29	27	2	29	0
<b>Total CLA</b>	<b>175</b>	<b>101</b>	<b>276</b>	<b>171</b>	<b>101</b>	<b>272</b>	<b>-4</b>

## Appendix 2 – Cash Flow – Financial period 2023-24

<b>Brighter Futures for Children</b>													
<b>Cash Flow Analysis 2023/24</b>													
Date	Item	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
		Actual											
	Opening balance		-7,409,077	-7,586,650	-8,788,102	-3,790,140	-588,545	-1,973,447	-2,332,664	-8,016,452	-469,967	-666,520	-4,838,753
8th	Contract Sum	-8,230,843				-8,230,843	-8,230,843	-8,230,843	-8,230,843		-6,230,843	-6,230,843	
	BACS	609,700	1,150,000	2,065,000	1,514,000	1,528,000	1,504,211	1,495,409	2,426,997	579,932	1,489,065	1,136,650	1,315,146
	Investment re- imbursement										-2,000,000		
	Other income	-255,700	-164,000	-163,000	-352,000	-150,000	-96,089	-277,297	-575,888	-213,526	-287,561	-433,752	-445,451
14th	VAT monthly		251,613	251,613		251,613	251,613		251,613	251,613		251,613	251,613
15th	High needs payments	1,310,822	1,691,106	1,825,502	1,127,835	1,955,689	1,510,916	1,628,393	1,739,926	2,246,389	1,640,000	2,247,693	1,800,000
	Residential placement (cc 5087)	96,323	472,653	180,159	190,797	326,510	155,580	227,598	306,463	282,896	398,652	228,147	748,744
	External Placements (cc 5400)	135,483	1,075,634	1,253,803	775,271	1,014,363	938,480	878,452	1,466,589	719,585	999,165	1,311,311	2,950,920
19th	Grant 22/23 (outstanding)	-106,250		-234,300	-5,528,775			-996,605					
	Contract Sum - brought forward									-2,000,000			-4,000,000

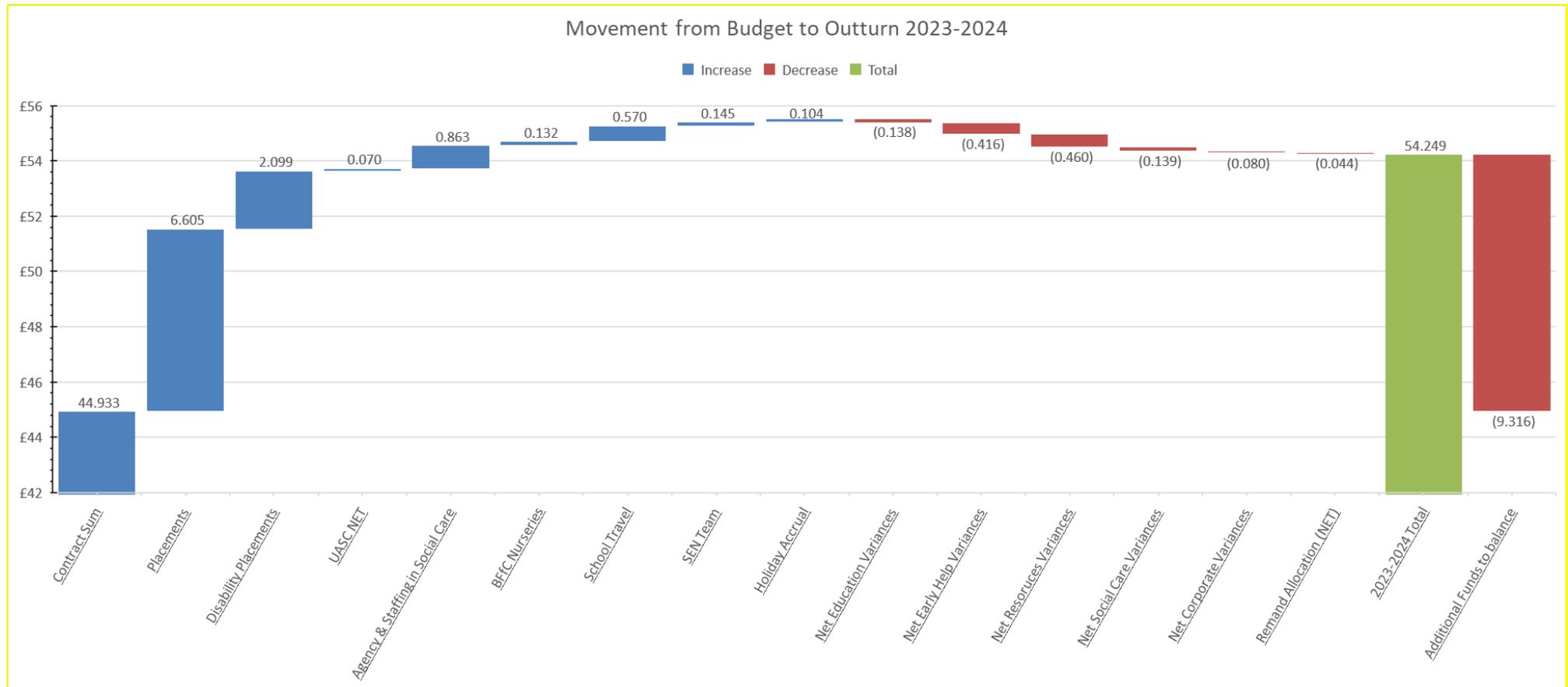
Date	Item	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
20th	Grant 23/24 (outstanding)			-1,084,887			-399,069	-82,314	-241,003		-768,774		-299,534
	BACS	1,987,503	620,939	373,076	2,521,142	1,757,188	394,080	1,570,839	2,213,394	135,111	2,081,382	1,615,649	56,284
	EY payments	1,000,000				1,000,000				2,549,601			
24th	Contract Sum - brought forward										-2,000,000	-3,700,000	-2,000,000
25th	Payroll	2,148,169	2,227,724	2,235,425	2,182,580	2,135,075	2,113,918	2,134,603	2,532,859	2,677,084	2,382,626	2,335,496	2,371,206
27th	VAT quarterly	847,799			2,044,112			410,619			1,174,797		
31st	Bank balance	-456,994	-83,407	-884,259	-4,313,140	-2,202,545	-2,445,747	-3,214,593	-442,557	-787,767	-1,591,458	-1,904,557	-2,089,824
	Contract Sum paid 1 week earlier	-8,230,843	-8,230,843	-8,230,843					-8,230,843			-4,530,843	-3,576,052
	Investment re- imbursement										-1,000,000		
4th	BACS	1,278,760	727,600	327,000	523,000	1,614,000	472,300	881,929	656,948	317,800	1,924,938	1,596,647	1,389,921
7th	Balance on 7th	-7,409,077	-7,586,650	-8,788,102	-3,790,140	-588,545	-1,973,447	-2,332,664	-8,016,452	-469,967	-666,520	-4,838,753	-4,275,955

## Appendix 3 - External Audit Timetable 2023/24

Key deadlines within the audit timetable agreed with external auditors Buzzacott are as follows:

	Responsibility	Due Date
Trial Balance to be sent to Auditors	BFC	31 <sup>st</sup> May 2024
Field Work Starts	Buzzacott	3 <sup>rd</sup> June 2024
End of Fieldwork	Buzzacott	21 <sup>st</sup> June 2024
Final Draft Audited Financial Statements sent to BFC	Buzzacott	3 <sup>rd</sup> July 2024
Audit Clearance meeting	BFC / Buzzacott	5 <sup>th</sup> July 2024
Financial Statements issued for Audit and Risk meeting	BFC	9 <sup>th</sup> July 2024
Audit and Risk Meeting	BFC / Buzzacott	12 <sup>th</sup> July 2024
Full Board Meeting for Sign off	BFC	26 <sup>th</sup> September 2024
Submission of Accounts to Companies House	BFC	By 31 <sup>st</sup> December 2024

## Appendix 4 – Waterfall Chart explaining 2023-24 Variances



## Data table for waterfall chart above

Title	£m	Notes
Contract Sum	44.933	Contract Sum excluding SLA and Property
Placements	6.605	2023-2024 placement pressure
Disability Placements	2.099	
UASC NET	0.070	
Agency & Staffing in Social Care	0.863	Agency and staffing overspend to budget
BFfC Nurseries	0.132	
School Travel	0.570	Home to School Transport Variance to Budget due to Demand and Fuel Inflation in 2022-2023
SEN Team	0.145	
Holiday Accrual	0.104	Holiday Accrual updated with current rules
Net Education Variances	(0.138)	Various small variances from Budget
Net Early Help Variances	(0.416)	Various small variances from Budget
Net Resoruces Variances	(0.460)	Various small variances from Budget
Net Social Care Variances	(0.139)	Various small variances from Budget
Net Corporate Variances	(0.080)	Various small variances from Budget
Remand Allocation (NET)	(0.044)	Limited Remand expenditure in 2023-2024
2023-2024 Total	54.249	
Additional Funds to balance	(9.316)	

## Appendix 5 – Agency Costs

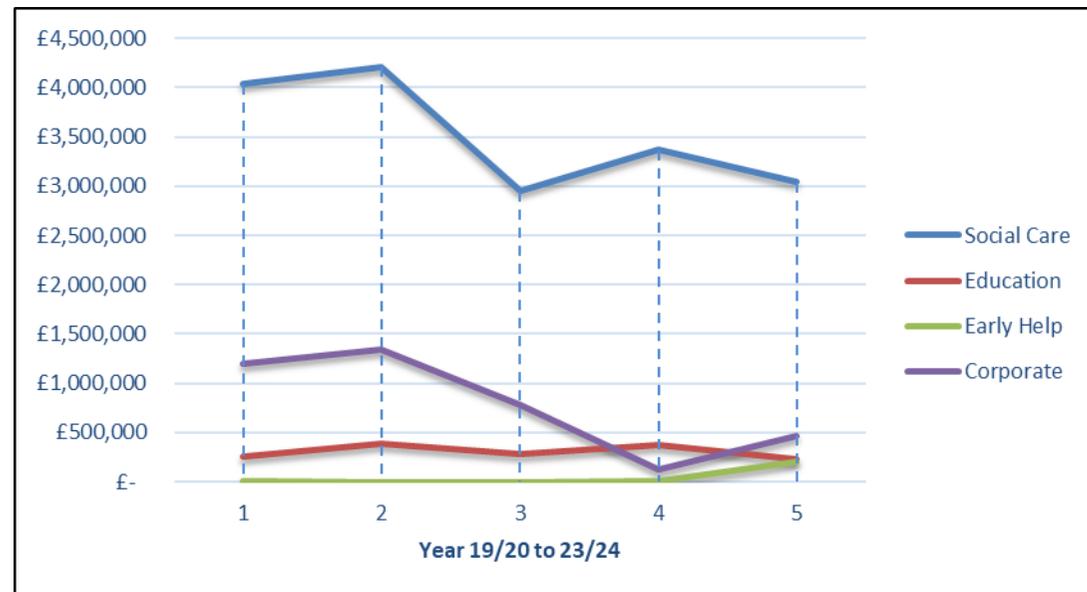
Table directly below shows the total cost of agency from the main REED and other agency contracts per year and split by directorate.

Overall agency costs were £3.929m in 2023-24, though this includes (£0.719m) of agency costs outside of the main REED contract. The cost and % of Social Worker Agency (Including Assistant Team Managers, Team Managers, and other social worker posts) compared to the overall Agency expenditure total per year. The percentage of agency social workers of the total agency cost is 62% in 2023-24, which has reduced from 81% in 2022-23.

Financial Year	Total Spend	Social Care	Education	Early Help	Corporate	Total		SW Only	%
2019-2020	£ 5,500,511	£ 4,034,651	£ 253,872	£ 13,780	£ 1,198,208	£ 5,500,511		£ 3,677,440	67%
2020-2021	£ 5,950,268	£ 4,213,780	£ 393,221	£ 54	£ 1,343,213	£ 5,950,268		£ 3,802,486	64%
2021-2022	£ 4,003,823	£ 2,952,205	£ 276,736	£ -	£ 774,882	£ 4,003,823		£ 2,755,194	69%
2022-2023	£ 3,878,519	£ 3,369,293	£ 367,988	£ 10,732	£ 130,506	£ 3,878,519		£ 3,149,391	81%
2023-2024 *	£ 3,929,141	£ 3,042,150	£ 224,130	£ 201,445	£ 461,417	£ 3,929,141		£ 2,453,340	62%

\* Includes agency spending outside Reed contract - total value £719,947, which not included in previous years comparative figures.

Graph below shows the total cost of agency per directorate over the years 2019/20 to 2023/24.



## Appendix 6 – Grants

Grant paid into:	Name of grant	Awarding Body	BP	Total Grant Balance in reserves	Allocation 23-24	Total Grant	Total Spent in 23-24	Grant Balance 31st March 2024
RBC	Supporting Families Grant	DCLG	DK	95,761	698,334	794,095	698,334	95,761
RBC	Youth Justice Board	YJB	DK	158,757	314,851	473,608	314,851	158,757
RBC	Reducing Parental Conflict	DWP	DK	25,704	37,120	62,824	37,120	25,704
BFFC	Mental Health Trailblazer	CCG	DK	75,443	430,000	505,443	329,400	176,043
BFFC	MHST 2	CCG	DK	48,316	368,137	416,453	368,137	48,316
BFFC	Futures in Mind	DFE	DK	98,518	100,000	198,518	100,000	98,518
RBC	Holiday Activities and Food Programme	DFE	DK	-	520,390	520,390	520,390	-
RBC	Houshold Support Fund	DFE	DK	-	-	-	-	-
RBC	Shadow of Covid	RBC	DK	-	923,469	923,469	923,469	-
RBC	Data Accelerator	MHCLG	DK	476,185	-	476,185	363,510	112,675
BFFC	Felixble Support Fund	DWP	DK	13,893	-	13,893	-	13,893
RBC	Early Years professional development programme	DfE	DK	27,300	13,364	40,664	-	40,664
RBC	Turnaround Funding	MoJ	DK	-	71,398	71,398	71,398	-
RBC	Young carers		DK	-	11,000	11,000	11,000	-
RBC	PCC funding		DK	-	73,202	73,202	73,202	-
RBC	Experts and Mentor		DK	-	20,000	20,000	20,000	-
RBC	Expanding Early Years Entitelments		DK	-	55,000	55,000	-	55,000
RBC	Wraparound Children		DK	-	8,416	8,416	-	8,416
RBC	Public Health (from RBC Adults)	PH	DK/GC	-	310,000	310,000	310,000	-
RBC	School Improvement Monitoring and Brokering Grant	DFE	GC	80,356	-	80,356	56,936	23,420
RBC	Extended Rights to Free School Transport	DfE	GC	-	29,800	29,800	29,800	-
RBC	Key Stage 1&2 Moderation	DfE	GC	-	-	-	-	-
RBC	Sec 31 Extension of the Role of Virtual School Heads to Certain Previously	DfE	GC	90,000	30,000	120,000	30,000	90,000
RBC	Sec 31 Extension of the Role of Virtual School Heads to children with a soc	DfE	GC	15,951	100,000	115,951	100,000	15,951
RBC	Recovery Premium -CLA	DfE	GC	-	24,626	24,626	24,626	-
RBC	National Tutoring Programme	DfE	GC	-	31,785	31,785	31,785	-
RBC	S31 PPP Post 16	DfE	GC	21,663	32,200	53,863	53,863	-
RBC	CLA - Pupil Premium Plus	DfE	GC	-	435,160	435,160	435,160	-
RBC	Delivering Better Value	DFE	GC	-	256,683	256,683	256,683	-
RBC	S31 Extended Personal Adviser duty Implementation Grant	DfE	GS	-	37,282	37,282	37,282	-
RBC	S31 Staying Put Implementation Grant (New Burdens)	DfE	GS	-	58,866	58,866	58,866	-
RBC	Unaccompanied asylum-seeking children (UASC) funding	HO	GS	-	2,359,795	2,359,795	2,359,795	-
RBC	Remand Grant	YRB	GS	-	180,667	180,667	180,667	-
RBC	Safeguarding Partnerships Reform Funding	DFE	GS	-	47,300	47,300	1,150	46,151
RBC	Leaving Care allowance uplift		GS	-	45,055	45,055	45,055	-
RBC	Implementstion of Supported Accomodation Reform		GS	-	105,119	105,119	105,119	-
RBC	SEND Preparation for Employment Grant	DfE	SD	41,750	-	41,750	-	41,750
RBC	SRMA'S DEPLOYMENT Financial Burdens Grant	DfE	SD	-	-	-	-	-
		<b>Total</b>		<b>1,269,597</b>	<b>7,729,019</b>	<b>8,998,616</b>	<b>7,947,598</b>	<b>1,051,019</b>

## Appendix 7 – Recovery Plan Tracker – Out-turn

BRIGHTER FUTURES FOR CHILDREN										
RECOVERY PLAN TRACKER - Period 12										
	To P5	P5	P6	P7	P8	P9	P10	P11	P12	TOTAL (Cum)
<b>WORKSTREAMS</b>	<b>2023/24</b>									
<b>WORKSTREAM 1: PAY SAVINGS</b>										0
1.1 Vacancy savings / freeze on recruitment	410	179	74	14	207		(17)			867
1.2 Cease agency cover	0	0	178	0	158					336
1.3 Remove post from establishment	0	0	0							0
1.4 Restructure or redesign	0	0	0							0
1.5 Release settlements and redundancy costs				20						20
<b>Sub-total : Pay Savings</b>										<b>1,223</b>
<b>WORKSTREAM 2: NON-PAY SAVINGS</b>										0
2.1 Freeze on non-statutory and essential services	92	29	54				(3)			172
2.2 Contract savings	0	18	6							24
<b>Sub-total : Non-Pay Savings</b>										<b>196</b>
<b>WORKSTREAM 3: PLACEMENTS</b>										0
3.1 Deep dive of placements (VFM incl. /decisions/commissioning)				209	100	36	40	51		436
3.2 Contributions from Health				88	560			(230)		418
3.3 Edge of Care										0
<b>Sub-total : Placement Savings</b>										<b>854</b>
<b>WORKSTREAM 4: SCHOOL TRANSPORT</b>										0
4.1 Chiltern Edge Bus route										0
4.2 Reduce or remove transport provided for identified children/routes	150	0	0	85				57		292
<b>Sub-total : Transport Savings</b>										<b>292</b>
<b>WORKSTREAM 5: SERVICE CHANGES</b>										0
5.1 Review/Redesign of Children's Centres										0
5.2 Review/Redesign of Early Help / Youth Services offer										0
5.3 Integrate management posts on nursery provision	0	15	0							15
5.4 Greater use of RBC support functions										0
<b>Sub-total : Service Savings</b>										<b>15</b>
<b>WORKSTREAM 6: INCOME</b>										0
6.1 Increase bank interest	168	0	0							168
6.2 Remand income	180	0	0							180
6.3 Homes for Ukraine	0	50	0							50
6.4 Additional income (EH)					65	(13)				52
<b>Sub-total : Income Savings</b>										<b>450</b>
<b>TOTAL SAVINGS</b>	<b>1,000</b>	<b>291</b>	<b>312</b>	<b>416</b>	<b>1,090</b>	<b>23</b>	<b>20</b>	<b>(122)</b>	<b>0</b>	<b>3,030</b>

End of Report