

Committee Ref:

EX/03/21

Luton

Notice of Meeting

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| Committee | : | Executive | |
| Date | : | Monday, 08 March 2021 | |
| Time | : | 18:00 | |
| Place | : | Virtual meeting via*Skype | |
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| Councillors | : | Simmons (Chair) | A. Khan |
| | : | Burnett | Malcolm |
| | : | Castleman | K. Malik |
| | : | J. Hussain | Shaw |
| | : | M. Hussain | Timoney |
| Quorum | : | 3 Members | |

Contact Officer: Angela Fraser (01582 546070)

Email angela.fraser@luton.gov.uk

[Skype Meeting Link](#)

INFORMATION FOR THE PUBLIC

PURPOSE: The Executive is the Council's primary decision-making body dealing with a range of functions across the Council's activities and services.

***SKYPE:** During the Covid 19 emergency period, this meeting will take place virtually, via Skype. To access the meeting, please click on the link to the meeting above.

AGENDA

| Agenda Item | Subject | Page No. |
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1. **Apologies for Absence**
2. **Published record of the meeting**

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| 2. | 1. Public Decision Sheet - 1 February 2021 | 1 - 8 |
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| 2. | 2. Public Decision Sheet - 9 February 2021 | 9 - 18 |
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Section 106, Local Government Finance Act 1992

Those item(s) on the Agenda affected by Section 106 of the Local Government Finance Act 1992 will be identified at the meeting. Any Members so affected is reminded that (s)he should disclose the fact and refrain from voting on those item(s).

Disclosures of Interests

Members are reminded that they must disclose both the existence and nature of any disclosable pecuniary interest and any personal interest that they have in any matter to be considered at the meeting unless the interest is a sensitive interest in which event they need not disclose the nature of the interest.

A member with a disclosable pecuniary interest must not further participate in any discussion of, vote on, or take any executive steps in relation to the item of business.

A member with a personal interest, which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest, must similarly not participate in any discussion of, vote on, or take any executive steps in relation to the item of business.

Disclosable pecuniary interests and Personal Interests are defined in the Council's Code of Conduct for Members and Co-opted members.

3. **Business not covered by current forward plan:
General Exception**

The Executive Leader to report on any business which it is proposed should be considered by the Executive following compliance with Regulation 10 of the Local Authorities

(Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

4. Business not covered by current forward plan: Special Urgency

The Executive Leader to report on any business which it is proposed should be considered following compliance with Regulation 11 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

5. References from committees and other bodies

6. Recommendations from Scrutiny Reviews

7. Petitions

Business items

Inclusive Growth (Finance and Revenues & Benefits)

8. Revenue Capital Budget Monitoring Report Q3 2020-21 19 - 48

(Report of the Service Director, Finance, Revenues and Benefits)

9. Regulation 4 of the Local Authorities (Executive Arrangements (Meetings & Access to Information)(England) Regulations 2012

To consider whether to pass a resolution under Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the public from the meeting during consideration of the item(s) listed below as it is likely, that if members of the public were present during the transaction of the item(s), exempt information within the meaning of the Paragraph(s) of Part 1 of Schedule 12A to the Local Government Act 1972 indicated next to the item, would be disclosed to them.

10. 1. Private Decision Sheet - 1 February 2021

- Paragraph (3) - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

10. **1. Private Decision Sheet - 9 February 2021**

- Paragraph (3) - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

**Children's Families & Education Services
(Children's Services - Enhancing Skills & Education)**

11. **Private Report - Acquisition of Liquidlogic's Early Years & Education System**

- Paragraph (3) - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Note: Rescheduled Items

Note: Five days' notice is hereby given of items to be considered in private as required by Regulations (4) and (5) of the Local Authorities (Executive Arrangements) Meetings and Access to Information) (England) Regulations 2012.

Details of any representations received by the Executive about why any of the above exempt decisions should be considered in public: none at the time of publication of the agenda. If representations are received they will be published separately, together with the statement given in response.

Executive

1 February 2021

Present: Councillor Simmons (Chair), Councillors: Burnett, Castleman, J. Hussain, M. Hussain, Khan, Malcolm, K. Malik, Shaw and Timoney

In Attendance: Councillor Franks

Decision Sheet

Exemptions from the call-in process:

- (1) If the Council would be likely to suffer legal prejudice
- (2) If the Council would be likely to suffer financial prejudice
- (3) Where the calling-in of the decision would result in the decision not being capable of implementation at all
- (4) Where the decision is to incur or forego expenditure of £5,000 or less except where the decision has been taken otherwise that in accordance with the Council's Policy Framework or any policies, practices, or procedures adopted by the Executive
- (5) Where the decision results from a reference or report or recommendation from the Overview and Scrutiny Board or from a Task and Finish Group.
- (6) Where the decision will be the subject of a recommendation to the Full Council

| Agenda item(s) ward affected | Subject | Dec. No. | Decision and reason for decision | Other options considered |
|------------------------------|--|----------|---|--|
| 2.1 All | Published decision sheet of the Executive meeting on 11 January 2021 | EX/12/21 | That the published decision of the meeting of the Executive held on 11 January 2021 be agreed as a correct record of the meeting and signed by the Chair in due course. | |
| 5.1 All | Reference from Overview & Scrutiny Board – Corporate Plan | EX/13/21 | <p>That the following recommendations of the Overview and Scrutiny Board be noted;</p> <p>(i) that the Overview and Scrutiny Board thank the Policy, Strategy & Partnerships Manager, and the entire Luton 2040 Team for such tremendous work carried out on the New Corporate Plan.</p> <p>(ii) that the Overview and Scrutiny Board supports the aims and objectives of the Corporate Plan as outlined in the report.</p> <p>(iii) that the Overview and Scrutiny Board look forward to a more detailed action plan and proposals.</p> <p>Reason: To consider the recommendation of the Overview and Scrutiny Board Scrutiny meeting held on 12 January 2021.</p> | <p>a) To agree to the recommendation of the Scrutiny Overview and Scrutiny Board.</p> <p>b) Not to agree the recommendation and consider an alternative as the responsible decision making body.</p> |
| 5.2 All | Reference from Overview & Scrutiny Board – Fireworks Report | EX/14/21 | That the following recommendations of the Overview and Scrutiny Board be noted and supported: | a) To agree to the recommendation of the Scrutiny Overview and Scrutiny Board. |

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| | | | <p>(i) That action be taken to publicise the Fireworks regulations.</p> <p>(ii) That residents be encouraged to report any misuse of fireworks to the appropriate authority.</p> <p>(iii) That it be made clear to whom complaints should be made (Council or Police).</p> <p>(iv) That it be ensured that where enforcement by the Council is appropriate, that it does take place.</p> <p>Reason: To consider the recommendation of the Overview and Scrutiny Board Scrutiny meeting held on 12 January 2021.</p> | <p>b) Not to agree the recommendation and consider an alternative as the responsible decision making body.</p> |
| 8. All | Luton Council Corporate Plan 2021-2023 | EX/15/21 | <p>That the Corporate Plan 2021 – 2023 set out at Appendix A to the report of the Policy, Strategy & Partnership Manager (Ref: 8) be approved.</p> <p>Reason: Statutory</p> | <p>a) To reject the recommendations</p> <p>b) To request amendments to the report.</p> |
| 9. All | Determined Admission Arrangements for Community Schools | EX/16/21 | <p>That the Admission Arrangements for Community Schools 2022/23, set out at Appendix A to the report of the Corporate Director, Children, Families and Education (Ref: 9) be approved.</p> <p>Reason: Statutory</p> | <p>Further reductions to the Admissions Number for other community schools was considered, however, it is likely that other own admission authority primary schools may also seek to reduce their Admissions Number, or cap the School's admission limit, which would further restrict the number of places available. The available capacity will continue to be reviewed on an annual basis to</p> |

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| | | | | ensure Luton has an adequate, but not excessive, number of primary school places. |
| 10. All | Corporate Performance Report Q1 & Q2 2020-21 | EX/17/21 | That the Quarter 1 and Quarter 2 2020-21 outturn on performance be noted. Reason: To report the monthly performance indicators in accordance with the Council's policy and procedures. | a) To reject the recommendations b) To request amend the report. |
| 11. All | Work programme for Integrated Transport, Highway Maintenance and Street Lighting | EX/18/21 | (i) That the proposed 2021 Work Programme for Integrated Transport, Highway Maintenance and Street Lighting and five-year programme set out in Appendices A-N, be approved, subject to Full council approval of the Capital Programme on 17 February 2020 and confirmation of Department for Transport funding. (ii) That the Service Director, Property & Infrastructure in consultation with the Portfolio Holder for Inclusive Economy (Sustainable Development and Highways) be authorised to make any amendments to the programme including amendments arising from confirmation of approved budgets as per the Capital Programme. Reason: Statutory | a) Use the Integrated Transport and Highway Maintenance allocations to fund all capital highway works. This will result in a reduced work programme and protracted scheme delivery where schemes will need to be phased over two or more years. b) Section 106 funding will be sought but this is now prescriptive and more focussed on sustainability. Therefore Section 106 funding is not available to allocate to Integrated Transport, Highway Maintenance and Street Lighting. |
| 12. All | Review and Modernisation of Older Persons Day Care | EX/19/21 | That the approach to remodel Older Persons Day Care Services be approved as follows: | Older Persons day care to remain unchanged – Rejected as the number of referrals would continue to reduce due to the success of the Side by Side programme. The |

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| | | | <p>(i) Remodel service delivery with greater emphasis on a personalised approach which focuses on people's needs and interests to achieve better outcomes for older people.</p> <p>(ii) Ensure that people with complex needs such as advanced dementia receive specialist support by having the right support at the right time</p> <p>(iii) Deliver a service which makes more efficient use of our resources and reduce our building based activity fostering community integration.</p> <p>(iv) Achieve the savings of £354K which contributes to the overall ASC savings in the emergency budget</p> <p>(v) Make specific service changes to:</p> <p style="padding-left: 40px;">(a) decommission St. Monica's Day Centre</p> <p style="padding-left: 40px;">(b) decommission Betty Dodd Day Centre</p> <p style="padding-left: 40px;">(c) cease the weekend service at Farley Day /Jill Jenkins day centre.</p> <p>Reason: To Remodel service delivery with a greater focus on people strengths, needs and interests.</p> | service would be underutilised which does not represent value for money nor would it make efficient use of resource |
| 13. | Regulation 4 of the Local Authorities (Executive | EX/20/21 | A resolution was passed under Regulation 4(2) of the Local Authorities (Executive | |

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| | Arrangements)(Meetings and Access to information)(England) Regulations 2012 | | Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the public from the meeting during consideration of the item(s) listed below as it is likely, that if members of the public were present during the transaction of the item(s), exempt information within the meaning of Paragraph(s) of Part 1 of Schedule 12A to the Local Government Act 1972 indicated the item would be disclosed to them. | |
| 14.1 All | Published Private decisions of the Executive on 11 January 2021. | EX/21/21 | That the published Private decision of the meeting of the Executive held on 11 January 2021 be agreed as a correct record of the meeting and signed by the Chair. | |
| 15. All | Connect2Luton Financial Performance to date. | EX/22/21 | That the recommendations in the report (Ref 15) of the Commercial Development Manger be noted. (Note: The above item was considered in private by virtue of Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, Part VA. | |
| 16. All | Sale of Strangers Way development site in Luton to Foxhall Homes Ltd | EX/22/21 | That the recommendations in the report (Ref 16) of the Service Director, Place & Infrastructure be approved. (Note: (i) The above item was considered in private by virtue of Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, Part VA. | |

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| | | | (ii) Councillors Burnett, Shaw and Timoney declared a personnel interest in the above item in their capacity as non remunerated Directors of Foxhall Homes Limited and remained in the meeting but did not vote or take part in the decision) | |
| 17. All | Sale of various development sites in Luton to Foxhall Homes Ltd | EX/23/21 | <p>That the recommendations in the report (Ref 17) of the Service Director, Place & Infrastructure be approved.</p> <p>(Note: (i) The above item was considered in private by virtue of Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, Part VA.</p> <p>(ii) Councillors Burnett, Shaw and Timoney declared a personnel interest in the above item in their capacity as non remunerated Directors of Foxhall Homes Limited and remained in the meeting but did not vote or take part in the decision)</p> | |

Meeting ended: 6.55pm

Date of Publication: 3 February 2021

Exempt Information

Summary of those matters which by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 may be discussed in private

Paragraph

No.

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour related matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

Executive 9 February 2021

Present: Councillor Timoney (Chair), Councillors: J. Hussain, M. Hussain, Khan, Malcolm, K. Malik and Shaw

Apologies: Councillors Burnett and Simmons

In Attendance: Councillors Franks, Keens and Wynn

Decision Sheet

Exemptions from the call-in process:

- (1) If the Council would be likely to suffer legal prejudice
- (2) If the Council would be likely to suffer financial prejudice
- (3) Where the calling-in of the decision would result in the decision not being capable of implementation at all
- (4) Where the decision is to incur or forego expenditure of £5,000 or less except where the decision has been taken otherwise that in accordance with the Council's Policy Framework or any policies, practices, or procedures adopted by the Executive
- (5) Where the decision results from a reference or report or recommendation from the Overview and Scrutiny Board or from a Task and Finish Group.
- (6) Where the decision will be the subject of a recommendation to the Full Council

| Agenda item(s) ward affected | Subject | Dec. No. | Decision and reason for decision | Other options considered |
|------------------------------|--|----------|---|--|
| 2.1 All | Published decision sheet of the Executive meeting on 20 January 2021 | EX/24/21 | That the published decision of the meeting of the Executive held on 20 January 2021 be agreed as a correct record of the meeting and signed by the Chair in due course. | |
| 5.1 All | Reference from Children's Services Review Group – Integrated Family Partnership Service Proposals and Delivery of Universal Services | EX/25/21 | <p>That the Children's Services Review Group be thanked and the following recommendation be noted:</p> <p>(i) The Children's Services Review Group support the proposals and request the Executive seriously considers where outside providers take over from council run services that sufficient support is in place prior to implementation.</p> <p>Reason: To consider the recommendation of the Children's Services Review Group meeting held on 21 January 2021</p> | <p>a) To agree to the recommendation of the Children's Services Review Group</p> <p>b) Not to agree the recommendation and request further information</p> |
| 8. All | Budget and Capital Programme and MTFP 2021-2022 | EX/26/21 | <p>(i) That Full Council be recommended to:</p> <p>(a) Approve the 2021/22 revenue estimates of net expenditure including movements in reserves, as set out in the budget papers (known as the 'green book') circulated.</p> <p>(b) Consider the items put forward for inclusion in the draft capital programme (set out in the blue pages</p> | |

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| | | | <p>of the budget papers) and the potential funds available (appendix h), and approve the items and amounts to be included in the capital programme for 2021-2026, on the basis that all new schemes require executive approval (on the basis of a full detailed business case and business plan) before they can proceed.</p> <p>(c) Approve the list of savings proposals (budget papers white pages 33-37), and approve the service changes necessary to give effect to those savings subject to appropriate consultation taking place and being properly considered.</p> <p>(d) Approve the list of spend pressures and budget growth (budget papers white pages 31 and 32), and approve the service changes necessary to give effect to those growth proposals.</p> <p>(e) Approve a 2021/22 band D council tax precept for Luton Borough Council of £1,433.91.</p> <p>(f) Recommend the revenue budget approval to council in the format prescribed by the Local Government Finance act 1992, subject to the confirmation of the fire and police precepts, noting that the Revenue budget recommendation will need to be accompanied by a report from the</p> | |
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| | | | <p>Service Director Finance & Audit on the 'robustness' of the budget proposal, accompanied by a Statement on Reserves and Provisions, in accordance with the requirements of section 25 of the Local Government act 2003.</p> <p>(g) Approve the funding formula for primary and secondary schools, plus the centrally retained and early years allocations of the 2021/22 central Dedicated Schools Grant, as proposed by the schools forum and set out in paragraph 145 appendices J & K.</p> <p>(h) Approve the Medium Term Financial Plan set out in appendix A, which shows that the base budget level of savings required over the next two years amounts to £7m.</p> <p>(i) Approve the Budget Risk Management Strategy set out in appendix B.</p> <p>(j) Approve the protocol for the Management, Control and Use of Reserves set out in appendix G.</p> <p>(ii) That the Executive approved:</p> <p>(k) The framework for funding and financing the LLAL stabilisation and recovery plan set out at item 14 on the agenda EX/02A/21).</p> | |
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| | | | <p>(l) The development of the Financial Strategy set out in Appendix C to the report of the Service Director, Finance, Revenues and Benefits (Ref 8)</p> <p>(m) The protocol for the Management Control and Use of Reserves set out in Appendix G to the report of the Service Director, Finance, Revenues and Benefits (Ref 8).</p> <p>(n) The future release of the contingency provision in Appendix B by the Chief Executive in consultation with the Leader of the Council.</p> <p>(o) That the budget has been aligned to reflect the new management structure as set out in Appendix N to the report of the Service Director, Finance Revenues and Benefits (Ref 8) be noted.</p> <p>Reason: to set a balance budget for 2021-22</p> <p>Exempt from Call in – Category 6</p> | |
| 9. All | Treasury Management Strategy 2021-22 | EX/27/21 | <p>That Full Council be recommended to approve:</p> <p>(a) The Treasury Management Strategy and Policy Statement</p> <p>(b) The Annual Investment Strategy 2021/22</p> <p>(c) The Borrowing Strategy for 2021/22</p> | |

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| | | | <p>(d) The Council's Prudential and Treasury Indicators</p> <p>Reason: to set an accurate treasury and capital financing budget including a prudent Minimum Revenue Provision (MRP) for 2021/22</p> <p>Exempt from Call in – Category 6</p> | |
| 10. All | Housing Revenue Account, Rent and Service Charges 2021-22 | EX/28/21 | <p>That Full Council be recommended to approve:</p> <ul style="list-style-type: none"> (i) The Housing Revenue Account (HRA) estimates for 2021/22. (ii) An increase in HRA social rents by CPI + 1% (1.5%) meaning an average rent of £87.96 per week, an increase of £1.65 (paragraphs 8-11) (iii) A freeze in affordable rents in 2021/22 meaning an average rent of £150083, an increase of £0.32, following letting of 6 new properties (see paragraphs 12-13). (iv) An average increase in rents for non-HRA council dwellings (used by Parks surveillance staff), Stopsley mobile home park, travellers sites and other shared ownership properties in line with current policy. These rents will be increased by 1.5% (see paragraphs 14-16). | The alternative options would be to increase rents and service charges by less than those specified in Direction on the Rent Standard 2019. This has been rejected in the case of social rents because such recommendations would significantly reduce the HRA base budget and the overall resources to finance the future delivery of affordable housing and stock investment. |

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| | | | <p>(v) An increase in HRA garage rents by £0.50 per week to facilitate repairs and refurbishment (see paragraph 17).</p> <p>(vi) That tenant service charges should be set at an average £3.80 per week similar to 2020/21. This is based on the principle of recovering the actual cost of these services provided to the council tenants (see paragraphs 19-19 and Appendix A).</p> <p>(vii) A decrease in the leaseholder Management Fee from £305.26 to £301.93 so an annual decrease of £3.33 (see paragraphs 20-21).</p> <p>(viii) The revised rents and service charges recommended above be effective from April 2021 and the appropriate notice be served to tenants.</p> <p>(ix) The capital programme 2021/22 to 2025/26 (paragraph 29).</p> <p>Reason: To agree the HRA budget, rents, service charges for 2021/22.</p> <p>Exempt from Call in – Category 6</p> | |
| 11. All | Integrated Family Partnership Service Proposals and Delivery of Universal Services | EX/29/21 | <p>(i) That the development and implementation of the Luton Integrated Family Partnership Service, outlined in Appendix 1 be approved. The new service will be</p> | <p>a) In the consultations with the Public and Stakeholders alternatives options were suggested. Specifically, not to close any of the Flying Start</p> |

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| | | | <p>responding to those children and families in line with the identified criteria as detailed in the Service Specification.</p> <p>(ii) That the decision to cease the current delivery of children's services universal children's centres provision in order to make the savings required be agreed. Other flying start partnership universal services delivery will continue, as detailed in the report of the Service Director, Quality and Improvement (Ref 11).</p> <p>(iii) That the continued exploration of alternative models of universal service delivery be supported.</p> <p>Reason: To achieve the required financial savings of £1.593m</p> <p>Exempt from Call in – Category 5</p> | <p>Children Centres or to keep some Centres open operating as they are currently and continue to provide universal services. This options were rejected as firstly they would not meet the budget reduction saving required. Secondly, that providing universal services is not compatible with the organisational changes and the Council's Target Operating Model; to enable the Council to best deliver outcomes for residents within the resources available.</p> <p>b) In the consultations with Staff no alternative delivery models were proposed. Feedback from staff was however used to refine the Service model and the job descriptions.</p> |
| 12. | Regulation 4 of the Local Authorities (Executive Arrangements)(Meetings and Access to information)(England) Regulations 2012 | EX/30/21 | <p>A resolution was passed under Regulation 4(2) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the public from the meeting during consideration of the item(s) listed below as it is likely, that if members of the public were present during the transaction of the item(s), exempt information within the meaning of Paragraph(s) of Part 1 of Schedule 12A to the Local Government Act 1972 indicated the item would be disclosed to them.</p> | |

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| 13.1 All | Published Private decisions of the Executive on 20 January 2021. | EX/31/21 | That the published Private decision of the meeting of the Executive held on 20 January 2021 be agreed as a correct record of the meeting and signed by the Chair. | |
| 14. All | | EX/32/21 | That the recommendations in the report (Ref 14) of the Service Director, Finance Revenues and Benefits be approved. (Note: The above item was considered in private by virtue of Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, Part VA. | |

Meeting ended: 6.35pm

Date of Publication: 11 February 2021

Exempt Information

Summary of those matters which by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 may be discussed in private

Paragraph

No.

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour related matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes:
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

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| Committee: | Executive | | | |
| Date of Meeting: | 08 March 2021 | | | |
| Subject: | Revenue and Capital Budget Monitoring Report Quarter 3 2020/21 | | | |
| Report Author: | Service Director, Finance Revenues & Benefits | | | |
| Contact Officer: | Tim Lee, Principal Accountant | | | |
| Implications: | Legal | <input type="checkbox"/> | Community Safety | <input type="checkbox"/> |
| | Equalities | <input type="checkbox"/> | Environment | <input type="checkbox"/> |
| | Financial | <input checked="" type="checkbox"/> | Consultations | <input type="checkbox"/> |
| | Staffing | <input type="checkbox"/> | Other | <input type="checkbox"/> |
| Wards Affected: | All | | | |

Purpose

1. To report the latest forecast outturn position across the Council's finances, compared to budget.

Recommendations

2. The Executive is recommended to:
 - i) note that the Quarter 3 monitoring forecast for the General Fund predicts a small net overspend compared to the revised emergency budget, after use of the grant funding and income compensation received to meet the impacts from the coronavirus.
 - ii) note the changes in the coronavirus grant funding up to Quarter 3 and the regulation changes introduced by the government, which has significantly reduced the expected use of reserves this year.
 - iii) note the capital budget changes detailed in paragraphs 24 to 28 of this report, including a cumulative reduction and re-phasing of projects totalling £113 million.

Background

3. Emergency Budget - the revised budget approved in July put in place the initial resources needed to support the community and keep the Council's finances viable as a result of the costs and income losses arising from the virus, together with a best estimate of the grant funding support to be received toward this. The summarised changes made at the Budget are set out below:

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| increased costs to support and protect the community | £9.6m |
| income losses from fees and charges for services | £4.9m |
| complete loss of the Airport Dividend | £16.0m |
| reduced income from Council Tax and Business Rates | £8.0m |
| Total Estimated Costs/Losses | £38.5m |

Met by:

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| Emergency Grant Funding from Government for Covid-19 | -17.6m |
| Increased Savings Programme (net of contingency) | -8.2m |
| Use of Reserves – to meet the deficit and support savings delivery | -12.7m |
| | <hr/> £38.5m <hr/> |

4. Coronavirus and Emergency Grant Funding Update - The control measures to suppress infection rates from the virus and the support needed by the community and businesses through the current crisis has continued to be the Council's highest priority over the past year. The specific measures needed for this have continued to change in response to the local position in Luton, within the Government's overall national strategy. Developments during the year include:
- restrictions on businesses and the extended periods of lockdown.
 - the introduction of the tiered regional infection categories, major infection control measures, test and trace and rapid testing
 - further targeted support for the vulnerable, additional public safety measures and significant support to businesses.
 - regulation changes for managing the impacts of lower collection rates on Council Tax and Business Rates income.

This has substantially changed the service delivery landscape over the year and the funding provided to support this has also changed, leading to a number of resourcing changes at this latest forecast compared to the position originally estimated at the Emergency Budget.

Luton's updated grant support to-date is summarised at paragraphs 9 to 12.

5. Loss of Income from London Luton Airport (LLAL) – The emergency grant funding shown above does not cover the £16m of Dividend income lost for 2020/21.

The Dividend income plays a vital role in supporting the provision of services in the town and the Council has been making a separate appeal to the Government, to provide extra support to Luton to help manage this loss.

As a result of the representations made, the Government has now confirmed that Luton is part of a package of special support made available to selected councils who face exceptional losses resulting from coronavirus. The capitalisation direction now available to the Council is extremely welcome and will provide additional flexibility to help manage the loss of revenue from LLAL. Analysis of the latest position is provided at paragraph 13.

6. Budget Savings Programme and Funding – The delivery of the savings programmes put in place at 2019/20 and 2020/21 are both phased over 2 financial years, giving a combined savings target for the current year of £20.5m.

This an extremely challenging target alongside the priority work needed to combat the virus. The latest monitoring shows that the delivery of the savings programme has been affected by the lockdowns, the intervening restrictions and the need to realign staffing resources to priority virus control measures. The current position is detailed at paragraph 17.

7. Core Service Budget - the Council was also already managing significant demand led cost pressures on its core budget prior to the emergence of the virus, including overspends on the statutory services for relieving homelessness and providing children's care. As reported at Quarter 1 and Quarter 2, this is continuing to affect this year's forecast outturn position, alongside the budget impacts of the coronavirus. Paragraph 9 provides an update on the main pressures within the core budget

The combined impact of this year's combined pressures on this year's potential outturn position is complex and is likely to continue to change, until the vaccination programme becomes established across the population and the effects of the virus are substantially reduced. This will continue to be closely tracked over the coming months to assess any further change.

A further £6.4m of emergency funding support has been confirmed for coronavirus control measures and service costs during Quarter 1 of 2021/22.

Report

REVENUE BUDGET MONITORING QUARTER 3

The Quarter 3 forecast for the General Fund indicates a net overspend of £0.071m for General Fund services against the revised emergency budget approved in July. This is after utilising the £19.6m of emergency grant for priority coronavirus measures and £4.3m of compensation received for income losses. This is a reduction of £1.708m million compared to the overspend reported at Quarter 2.

The current forecast variations to budget for each Department are shown in the table below, including a split of the impacts remaining 2019/20 budget pressures on this year's forecast:

Key: + overspend or increase / - underspend or reduction

| Department | Q3 Impact from 19/20 Savings £'000 | Q3 2020/21 Vars. £'000 | Grant Funding for Savings Shortfall £'000 | Net Variation £'000 |
|----------------------------|--|---------------------------------|---|---------------------------|
| Chief Executive's | | 239 | 0 | 239 |
| Children, Families & Educ. | 1,865 | -178 | -1,037 | 650 |
| Customer & Commercial | 1,883 | 2,800 | -2,333 | 2,350 |
| Place & Infrastructure | 177 | 2,084 | -1,684 | 577 |
| Public Health & Wellbeing | 250 | -1,139 | -794 | -1,683 |
| Service Position | 4,175 | 3,806 | -5,848 | 2,134 |
| Central Accounts | | -2,025 | | -2,025 |
| Public Health Reserve | | -38 | | -38 |
| Total General Fund | 4,175 | 1,743 | -5,848 | 71 |

* The progress of this year's full savings programme has been disrupted by the priority work needed on the coronavirus and by restrictions occurring during lockdown. This shortfall can be met from the emergency grant funding received and this has enabled a reduction in the use of reserves that were included in the emergency budget to provide contingent risk cover for this.

Whilst this forecast represents the latest estimated position, the situation may change given the exceptional ongoing measures needed to control the virus.

If needed, £0.95 million of the general contingency budget remains available as cover against any further cost pressures arising over Quarter 4.

Core Service Costs at Quarter 3

8. The Council has been managing a number of significant demand led pressures across several core services including statutory support to relieve homelessness and children's social care.

The updated position for this at the Quarter 3 monitoring is shown in the table below. This includes the impact from savings shortfalls in the services shown, net of grant funding cover. The current position on the 2 main service pressures also includes some additional one-off budgets provided this year from within the overall emergency budget resources.

Main Service Pressures

| Service | Overspends | | Notes |
|--|--|-----------------|--|
| | Q3 Forecast | 2019/20 Outturn | |
| Homelessness - Temporary Accommodation (TA) & Prevention | £1.3m (net of £1m one-off additional budget) | £3.5m | The number and cost of properties needed to relieve homelessness has reduced this year, but remains high. Overspends on repairs, utility costs and rent deposits are largely offsetting the reduced property costs. The largest pressure is currently on rental income, including the 2011 LHA rates being used. The measures set out in the service improvement plan for recovering to a position within budget, have been delayed due to Covid-19 impacts and outstanding IT work. |
| Children's Social Care Placements | £1.7m (net of £0.5m one-off additional budget) | £3.2m | The number of children supported this year has reduced by around 2.5%, compared to the position at March '20 and some placement costs have also reduced following renegotiation with providers. However the forecast overspend has increased by £0.5m since Q2. |
| Revenues | £1.1m | £0.6m | £0.7m shortfall in fee income from recovery work (some covid impact). £0.4m overspend for revaluation fees, insolvency and software costs. |
| Main Service Pressures Total | £4.1m (net of £1.5m one-off additional budget) | £7.3m | |

The £4.1 million net overspend in these areas is partly offset by compensating underspends across other service areas, giving a net overspend of £2.1m on total service costs at Quarter 3.

The largest compensating service underspend is £1.4m on adult social care, resulting from:

- £2.6m of reduced activity this year on home care, day care, transport and learning disability care
- offset by a £1.2m increase in support for mental health care

Coronavirus Grant Support and Cost Impacts at Quarter 3

9. Emergency Grant Support - £19.683m of grant received for local priorities and overall cost impacts from coronavirus:

| | | |
|--|---------|--|
| Local Priority Control Measures | £6.783m | Funding over 90 separate initiatives to: Support the vulnerable, safeguarding, carers and the care sector. Provide food, housing & lockdown learning support. Enhance community and public safety. Boost cleaning, refuse collection, infection control and rapid testing. Additional staffing + staff safety (incl. PPE). Manage excess deaths. |
| Disrupted Delivery of the Budget Savings Programme | £5.848m | to meet the savings shortfalls caused by diversion of resources to priority control measures and from restrictions affecting the implementation of savings |
| Additional loss of returns from LLAL | £7.007m | To meet part of the additional loss of returns from the Airport company, resulting from impacts on air travel (2019/20 Dividend) |

10. Loss of Income - A substantial loss of fees, charges and commercial income has also been incurred this year, due to the reduced use of services and the effect of the restrictions on the work needed to deliver some income related savings. The Q3 forecast estimates this loss at £9.5m, across a range of services including parking charges, commercial property rental, adult social care and reduced income from traded services.

The government's grant compensation scheme for income losses only reimburses approximately 60% of eligible amounts, with any reduction in commercial and trading income excluded from the scheme.

The grant compensation receivable for the losses is just £4.2m, leaving a net gap of £5.3m to be met by the Council. This is approximately £2.8m higher than the initial figure estimated within the emergency budget position, due to the longer term effect of the extended restrictions and lockdowns needed during the year.

The £2.8m additional loss is included in the current net overspend position reported at Quarter 3.

11. Quarter 4 - the ongoing costs and the impacts on income will continue to be monitored over the final Quarter of this year for any further movement. An updated position will be reflected in the final monitoring exercise that will take place from the end of February.

12. Ringfenced Grants – £14.636m of funding, from 18 grants for targeted support:

| | | |
|---------------------------------------|---------|---|
| COMF (Test & Trace, Additional Surge) | £6.580m | To support the national Test & Trace program. Extended at second wave lockdown with Contain Outbreak Management |
|---------------------------------------|---------|---|

| | | |
|---|---------|--|
| | | Fund. To support proactive containment and intervention measures. This fund can be carried forward to 21/22. |
| ASC (ICF1&2, Workforce Capacity, Rapid Testing) | £3.799m | 4 funds for distribution to the ASC care sector, to support ASC providers to reduce transmission in/between care homes, workforce resilience, infrastructure cost of setting up rapid testing, and boost staff levels. Plans in place to fully spend. |
| 11 Other Funds | £3.180m | For the benefit of Luton's citizens., including: C-19 Rough Sleeper Self-Isolate, C-19 Bus Service Support Grant, Reopening High Streets Safely Fund, Emergency Assistance Grant for Food and Essentials, Next Steps Accommodation Programme (long term), Next Steps Accommodation Programme (short-term), Additional School/College Transport, Local Authority Compliance and Enforcement, Cold Weather Payment, Clinically Extremely Vulnerable Grant conditions vary. |
| Other Funds For Administration | £1.077m | Includes the two funds: Test & Trace Support Payment (aka Self Isolation) and Covid Winter Grant. The Council distributes these 2 funds to the economically vulnerable groups. For TTSP to-date, £224k payment to 489 claimants of £500 each. On track to fully spend. Underspends are clawed back and any overspends will be further funded. For CWG, to-date £382k payment for 12,733 vouchers of £30 each and 51 utility bill support of approx. £30 each totalling £382k payment. On track to fully spend. Underspends are clawed back, overspends will be further funded. |

LLAL and Income from Investments

13. The catastrophic impact of the virus on the aviation industry was evident from early in the pandemic and the loss of this year's £16m Dividend payment from LLAL was incorporated in to the revised emergency budget plans approved in July.

Significant work has been undertaken since July, to assess the further impacts on the company from the continued restrictions on both domestic and international air travel. The position has worsened and the company has now informed the Council that it won't be able to pay the £19.1m of Dividend declared for last financial year.

Although this represent a further severe loss of revenue, the impact in the current financial year can be met by the package of coronavirus support measures now available to the Council. This loss will be absorbed by a:

- £7.0m use of the emergency covid-19 grant support
- £12.1m to be capitalised, from within the £35m specific capitalisation direction recently confirmed by the government for Luton

This will provide some vital flexibility to help the Council manage the immediate loss of returns from LLAL, as the Airport and the company start to recover to a pre-coronavirus operational position.

As part of the capitalisation direction, further work is being carried out to establish the extent of support required by LLAL as part of the stabilisation and recovery plan and the resulting impact on the Council's finances.

Council Tax and Business Rates Income

14. The collection of these income streams has also been substantially affected by the current economic position resulting from the restrictions and closure of businesses during the pandemic.

Increased business rate discounts and direct grants have been provided to assist businesses during this unprecedented period, but this hasn't fully mitigated the impact and the collection of business rates has reduced by around 8% compared to the equivalent position last year.

Increased hardship support has also been provided on Council tax to assist the resulting loss of earnings in the local workforce, but the collection of Council Tax has also reduced by around 7%.

This is a problem shared by all Local Authorities and the government has acted to help Councils manage the impact of the collection deficit. Revised regulations are now in place allowing the recovery of the collection deficits over a period of 3 years.

An estimated provision for these losses was made at the emergency budget in July, originally resourced from the use of reserves. The amended regulations have changed this, with no use of reserves now needed for this in the current year. The future impact from deferring the collection deficit is expected to be around £2.7 million per annum over the next 3 years and this has been provided for in the 2021/22 Budget.

Budget Savings Programme

15. A further £3.5m of progress has been made this year against the 2019/20 savings gap of £7.5m. This leaves around £4.2m still to be delivered. Further progress will be made to deliver the balance which has been delayed due to the pandemic.

For the 2020/21 savings, £12.5m of the £16.9m is currently on target to be delivered this year. The current position for all the savings still in progress is shown at Appendix B, this forecasts a shortfall of around £8.3 million (gross), an increase of £0.6 million compared to position reported at Quarter 2.

As explained at paragraphs 8 and 9, the impacts of coronavirus on the delivery of this year's programme is being met by a £5.8m use of the emergency grant support available this year. This reduces the final budget impact to £2.5m for 2020/21.

The delivery of the increased savings programme established at the emergency budget was supported by partial contingency cover, resourced from the direct use of financial reserves. The grant funding replaces the use of reserves this year.

It must be noted however that this is a short-term position and the full delivery of the current savings programme remains vital to securing the longer term sustainability of the Council's finances.

Corporate Budgets

16. Borrowing, Investments & Capital Financing - the review of capital requirements, borrowing levels and returns on investments has yielded cumulative gains of £2.025

million up to Quarter 3. This is helping to substantially offset the £2.1m net forecast overspend currently reported on service costs.

The gain relates to the continued use of short-term borrowing while interest rates are at a historic low, in lieu of the longer term borrowing needed to fully finance the Council's total capital investment programme. The optimum arrangements to minimise the cost of the long term borrowing are still being explored, alongside potential changes on the phasing of the commercial capital investment projects.

17. Central Contingency Budget - £2.25m of general contingency budget was set for 2020/21 as cover against unforeseen cost pressures. £0.95m of this has been used this year to fund 2 budget pressures:

- £0.27m for additional staff to support the children's services improvement programme.
- £0.68m for the staff severance payments arising from the budget savings programme (paragraph 20)

This leaves £0.95m of remaining cover against the current net forecast overspend reported for General Fund services, if needed.

18. Staff Severance Costs – the budget savings programmes for 2019/20 and 2020/21 include significant reductions in employee costs from the continued transformation of service delivery and the re-introduction of a voluntary separation scheme (VSS). The current forecast includes 34 staff linked to specific service savings and 33 staff from the VSS, with a forecast exit cost totalling £1.4m. This is £0.68m more than the budget available for these costs, requiring an allocation from the general contingency budget to cover the increased impact.

Use of Emergency Budget Reserves - Update at Q3

19. The emergency budget included the use of £13.4 million of reserves to set a balanced budget and meet the estimated impacts from coronavirus.

As explained earlier in the report, the level of ongoing activity, control measures and resulting cost impacts from the virus has continued to change during the year and this has resulted in some significant changes to the resourcing of this year's overall budget position.

The use of reserves at Quarter 3 forecast has now substantially reduced to around £1.15 million, resulting from the following movements:

- -£7.98m of reduced use from the deferral of council tax and business rates collection losses (regulation changed: recovery over 3 years from 2021/22).
- -£2.43 million of reduced use from the permanent release of savings delivery contingency following full early delivery of some savings
- -£5.84m of reduced use for supporting the savings programme, now met from emergency grant funding

The short-term reduction in the use of reserves this year, places the Council in a stronger position to meet the further challenges still faced on future Budgets, including the deferred loss of income from 2020/21 and the potential longer term impacts from the virus.

General Fund Outlook

20. The ongoing effects of the service related pressures mentioned this report are already provided for in the 2021/22 Budget and do not affect the opening position for the year. Within this, the delivery of the full savings programme remains vital for ensuring that no gap arises in the budgeted position. Further focus will be given to the delivery of the savings plans over the initial months of 2021/22. Further support from the capitalisation direction remains available as cover against any further impacts arising from the LLAL stabilisation and recovery plan, when this has been re-assessed in line with the updated operating position next year.

The outlook for the Council's Budget will remain difficult, due to the complexities of the current position and the residual longer term impacts of the virus. Risks include:

- the ongoing position for virus infection rates and the take-up of vaccinations in to 2021/22
- the level of future funding available for control measures and any gap between this and the costs incurred
- the future economic and social effects on employment, welfare provision and the wider recovery support needed by the community and businesses
- the ongoing impact on the Council's investment & development programme, including the LLAL stabilisation and recovery plan and the risks associated with the aviation industry.
- the pace of recovery from the financial impacts of the virus, including the Council's income sources returning to pre-covid levels
- the level of the core funding settlement at the Government's next Spending Review and how this is affected by the unprecedented levels of public sector borrowing undertaken during the pandemic.
- recovering the losses deferred from 2020/21 within the future Budget position
- improving the delivery of the current savings programme, to prevent unachieved budget issues accumulating
- addressing the ongoing impact of the core demand led service overspends

Departmental recovery actions from the current overspends are continuing to be implemented, to reduce costs and improve future sustainability. This includes:

- i. Luton Families Change & Improvement Programme - further work is ongoing across all the work streams, including Placements & Commissioning and Fostering where there is forthcoming tendering for 16+ accommodation and agency fostering placements. Recruitment is progressing to support the Edge of Care measures and improvements to the workforce stream include conversions of agency workers to permanent staff and the social worker academy to improve staff retention and further reduce the use of agency staff.
- ii. Homelessness - a review of the operating model for the service has recently been undertaken and has identified a number of opportunities and initiatives aimed at reducing the numbers in Temporary Accommodation and reducing costs. This includes
 - improved first contact to provide alternative support where appropriate, improved case management through the purchase of IT

- reviewing the Housing Needs structure to support key tasks
- further negotiations with landlords to reduce costs, achieve value for money and further reduce the use of nightly-let accommodation
- TAPS2 Acquisition Programme
- reviewing the rent structure above 2011 LHA rates to increase the income received toward the cost of accommodation provided.

The progress of some of these improvement measures has been affected by coronavirus

iii. Revenues & Benefits – returning to full recovery and enforcement activity

HOUSING REVENUE ACCOUNT (HRA) – Quarter 3

- 21.** The Housing Revenue Account budget was set with a surplus and potential contribution to balances of £1.788 million this year, pending requirements to support the 2020/21 HRA capital programme from revenue resources.

A net underspend of £1.117m is forecast at Quarter 3, an increase of £0.127m compared to the Quarter 2 forecast underspend. The cumulative position primarily results from a £0.657million reduction in repair costs due to reduced work during coronavirus, £0.265 million of staff vacancy savings and £0.205 million of additional income from leaseholders.

SCHOOLS REVENUE BUDGET (Memo Only) – Quarter 3

- 22.** The Schools Budget for 2020/21 totals £155.0 million and is fully funded by the Dedicated Schools Grant (DSG).

The Quarter 3 monitoring forecasts a net underspend of around £1.279m in the central element of the budget, an increase of £0.286m compared to Quarter 2 forecast underspend. This includes:

- an underspend of £0.761 million in the high needs block mainly on providing alternative tuition, up £0.302m from Q2
- An underspend of £0.291 million in the take up of early years additional hours funding, approximately the same as at Q2

CAPITAL PROGRAMME MONITORING – Quarter 3

Capital Summary

- 23.** The updated capital programme total for 2020/21 after the changes identified at the final outturn position in 2019/20 and the emergency budget reductions is £282.372 million: £262.945 million for the General Fund and £19.427 million for the Housing Revenue Account.

The Quarter 3 monitoring forecasts that this year's spend will reduce to £169.212 million: £153.588 million for General Fund and £15.624 million for the HRA. This is a cumulative net reduction of £113.160million this year. The table below summarises this change by Department, from the original Budget approved:

| 2020/21 Programme Summary by Department | Base Budget £m | Monitoring Forecasts | | | Cumulative Change £m |
|--|-------------------|----------------------|----------------|----------------|-------------------------|
| | | Q1 £m | Q2 £m | Q3 £m | |
| Place & Infrastructure | 44.131 | 43.871 | 27.561 | 19.063 | -25.068 |
| People | 16.749 | 16.749 | 9.499 | 8.666 | -8.083 |
| Chief Executive's | 3.225 | 3.185 | 3.085 | 1.850 | -1.375 |
| Customer & Commercial | 15.534 | 15.534 | 15.534 | 1.439 | -14.095 |
| Total General Fund (Excl. Corporate Projects) | 79.639 | 79.339 | 55.679 | 31.018 | -48.621 |
| Corporate Projects | 183.306 | 87.151 | 141.567 | 122.570 | -60.736 |
| Total General Fund Programme | 262.945 | 166.490 | 197.246 | 153.588 | -109.357 |
| Housing Revenue Account | 19.427 | 19.427 | 19.427 | 15.624 | -3.803 |
| Total LBC Capital Programme | 282.371 | 185.917 | 216.673 | 169.212 | -113.160 |

24. The review of the capital programme is on-going and more detailed analysis and monitoring is taking place. The Quarter 3 figures reported show significant re-profiling of spend on the capital projects for Place and Infrastructure, Customer & Commercial and for the Corporate Projects which form a significant part of the total capital programme. This has some impact on the revenue budget from reduced borrowing costs, if the overall level of borrowing required for the year reduces compared to budget.

The phasing and monitoring of capital spend by service managers needs to be more robust throughout the year, to ensure that it more accurately reflects the outturn position on the programme.

25. The full capital programme for the 5 years to 2024/25 reflecting the forecast variances identified at Quarter 3 is shown in the table below. Further information on the variations reported up to Quarter 3 is shown in Appendix J.

| Effect of Q3 Forecast on the Full 5 Year Programme | Q3 Forecast 20/21 | Forecast 2021/22 | Forecast 2022/23 | Forecast 2023/24 | Forecast 2024/25 |
|--|----------------------|---------------------|---------------------|---------------------|---------------------|
| | £'m | £'m | £'m | £'m | £'m |
| Place & Infrastructure | 19.063 | 124.271 | 38.272 | 19.309 | 6.284 |
| People | 8.666 | 22.327 | 13.065 | 6.290 | 6.290 |
| Chief Executive's | 1.850 | 1.280 | 0.000 | 0.000 | 0.000 |
| Customer & Commercial | 1.439 | 15.990 | 1.895 | 1.895 | 1.895 |
| Total General Fund (Excl. Corporate Projects) | 31.018 | 163.869 | 53.232 | 27.494 | 14.469 |
| Corporate Projects | 122.570 | 63.214 | 14.036 | 0.000 | 0.000 |
| Total General Fund Programme | 153.588 | 227.083 | 67.268 | 27.494 | 14.469 |
| Housing Revenue Account | 15.624 | 27.789 | 28.123 | 23.010 | 14.097 |
| Total LBC Capital Programme | 169.212 | 254.872 | 95.391 | 50.504 | 28.566 |
| Change Since Revised Budget | -113.160 | | 0.000 | 0.000 | 0.000 |

The figure reported for Place & Infrastructure above of £124.271 million for 2021/22 is significantly higher than the figure reported in the 2021/22 budget of £36.934 million for Inclusive Economy due to the following:

- Removal of schemes: Century Park £64 million, Vauxhall Way Improvements £6.251 million, Bramingham & Sundon Flood Alleviation Scheme £3.554 million.
- Schemes delayed to future years: New Multi Storey Car Park (MSCP) for Luton Town Centre £6.107m.
- Schemes with reduced budgets: Resurfacing £2.909 million, Inspire HQ & Library £1 million

26. The £113.160 million reduction in forecast expenditure for 2020/21 reported is summarised as:

Services:

- £140.923m of budgets re-profiled to 2021/22
- £2.423m of budget advanced from 2021/22
- £4.206m of budget released where projects are completed or no longer required
- £29.546m of additional budgets approved during the financial year

Budgets re-profiled to 2021/22 includes the following schemes:

- Corporate Projects - a decrease of £88.554m re-profiled to future years (net)
- Temporary Accommodation Purchasing Scheme as £11.363m
- Schools – and a net decrease of £9.141m due to School Expansion Basic Needs and SEND provision works delayed into next financial year.

Quarter 3 Capital Spend and Budgets

27. As at 31 December 2020 the capital expenditure incurred to date (excluding corporate projects) is only £29.672 million, just 63.6% of the £46.642 million total spend forecast at Quarter 3. It is recognised that there is a timing delay in terms of invoices being paid, but the discrepancy indicates the current forecast expenditure may be too high. Capital budget holders will continue to be challenged on their forecasts before the Q4 monitoring is reported.

| Spend and Forecast at Quarter 3 by Department | Q3 Forecast £m | Q3 Actual £ | % of Forecast Spent at Q2 | Indicative Remaining Spend in Q4 £million |
|--|-------------------|----------------|---------------------------|--|
| Place & Infrastructure | 19.616 | 16.665 | 84.9% | -15.869 |
| People | 8.399 | 4.975 | 59.2% | -6.506 |
| Chief Executive's | 1.890 | 0.659 | 34.9% | -2.673 |
| Customer & Commercial | 1.811 | 1.098 | 4.76% | -14.795 |
| Total General Fund Excluding Corporate Projects | 31.716 | 23.387 | 73.7% | -39.842 |
| Corporate Projects | 135.558 | 69.181 | 25.39% | -105.621 |
| Total General Fund Programme | 167.274 | 92.648 | 51.0% | -145.463 |
| Housing Revenue Account | 14.616 | 7.140 | 48.8% | -16.834 |
| Total LBC Capital Programme | 181.890 | 99.608 | 54.8% | -162.298 |

Net Re-profiling to Future Years Excluding Corporate Projects

The capital programme has been updated for Quarter 3 following the receipt of the latest LLAL Medium Term Financial Plan and the Foxhall Homes Business Plan. LLAL's current investment plan in the DART, DCO, Bartlett Square and CPAR forecasts spend of £135.558 million for 2020/21.

Capital Financing Summary

28. The table below summarises the variations in capital financing for 2020/21 following the expenditure forecasts reported at Quarter 3:

| Summary of Resources for Financing Capital Expenditure 2020/21 | Updated Programme Budget Q3 |
|---|------------------------------------|
| General Fund Financing | |
| Grants & Contributions | 14.412 |
| Revenue Reserves/Budget | 0.087 |
| Capital Receipts | 8.117 |
| Dividend/Corporate Contribution | 0.000 |
| Corporate Projects Borrowing | 122.570 |
| GF Borrowing Requirement | 8.402 |
| Total General Fund Programme | 153.588 |
| HRA Financing | |
| 1-4-1 Capital Receipts | 0.657 |
| Other Capital Receipts | 4.534 |
| Earmarked Revenue Reserve | 0.000 |
| Major Repairs Reserve | 10.433 |
| HRA Borrowing Requirement | 0.000 |
| Total Housing Revenue Account | 15.624 |
| Total LBC Capital Programme | 169.212 |

Key Risks

29. Revenue Budget:

- Delivering the increased savings programme included in to the 2020/21 revised emergency budget.
- Managing in-year cost pressures including those reported in volatile and demand led statutory service budgets, to deliver a balanced outturn position and demonstrating value for money in delivering services.
- Managing the continued developments and impacts from the coronavirus.
- The continued development of procurement & commissioning and progressing the plans to deliver the savings required to help address current cost pressures and future years' budget savings.

30. Capital Budget:

- Inaccurate capital profiling impacting on the accuracy of treasury management decision making, capital financing costs, borrowing costs and investment returns.
- Overspends on capital projects impacting on the availability of capital resources.
- Reduced capital receipts resulting in increased prudential borrowing. This is reviewed throughout the year.

Proposal/Options

31. To note the current forecast subject to further developments, or reject the report and implement alternative budget measures.

Appendix

- Appendix A - Revenue Monitoring Summary Q3
- Appendix B – Savings Monitoring Q3
- Appendix C – Volatile Budgets Q3

List of Background Papers - Local Government Act 1972, Section 100D

32.

Implications

| Item | Details | Clearance Agreed By | Dated |
|--------------|---|--|-----------|
| Legal | <p>The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council's Service Director, Finance and Audit is required to establish financial procedures to ensure the Council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Executive to receive information about the revenue and capital budgets as set out in this report.</p> <p>Section 3 of the Local Government Act 1999 requires the Council as a best value authority to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Monitoring of performance information is an important way in which that obligation can be fulfilled.</p> | Angela Claridge, Monitoring Officer | 26/02/021 |

| Item | Details | Clearance Agreed By | Dated |
|-------------------------|--|--|----------|
| Finance | <p>The financial challenge faced by the Council this year is unprecedented, requiring a significantly increased programme of budget savings, use of the Council's reserves and significant coronavirus grants from central Govt. to support the budget for 2020/21. The current forecast position contains this year's impacts from the virus. But further progress in delivering the savings programme over the forthcoming financial year remains vital</p> <p>All developments including the ongoing impacts from coronavirus and the position on LLAL are continuing to be closely tracked. Both for this year's final monitoring report and as we move in to 2021/22.</p> | Dev Gopal, Director of Finance Revenues & Benefits | 26/02/21 |
| Equalities | There are no direct equalities implications to this report. | Maureen Drummond, Interim Equalities Manager | 26/02/21 |
| Environment | There are no direct environmental implications to this report. | Keith Dove, Strategic Policy Adviser | 26/02/21 |
| Health | <p>This report does not have any direct health implications.</p> <p>It is however recognised that exceptional actions have been necessary to ensure that measure are in place to reduce transmission of coronavirus and this has financial implications.</p> | Sally Cartwright | 26.02.21 |
| Community Safety | | | |
| Staffing | | | |
| Consultations | | | |
| Other | | | |

REVENUE BUDGET MONITORING SUMMARY 2020/21 - PERIOD 09 FORECAST (Dec 2020)

| REPORT BY: Serv. Director, Finance & Audit | | Executive Member Councillor Malcolm | | |
|--|--|--|------------|-----------|
| GF REVENUE BUDGET SUMMARY | Approved | Forecast | | % Change |
| | Budget | Budget | Variation | before |
| | £'000 | £'000 | £'000 | recharges |
| | (+) = cost or overspend / (-) = income or underspend | | | |
| General Fund Departments | | | | |
| Chief Executive | 3,196 | 3,435 | 239 | 4% |
| Children, Families & Education | 58,401 | 59,051 | 650 | 1% |
| Customer & Commercial | 10,833 | 13,184 | 2,350 | 3% |
| Place & Infrastructure | 33,528 | 34,105 | 577 | 1% |
| Public Health & Wellbeing | 81,784 | 80,101 | -1,683 | -2% |
| Public Health Grant | -15,487 | -15,487 | 0 | |
| Service Costs Sub Total | 172,255 | 174,389 | 2,134 | 1% |
| Other Accounts | | | | |
| General Budget Contingencies | 3,779 | 3,101 | -678 | |
| Staff Severance Costs | 524 | 1,202 | 678 | |
| Env. Agency Levy & General Grants etc. | -5,837 | -5,837 | 0 | |
| Sub Total | -1,535 | -1,534 | 0 | |
| Dividend, Interest & Capital | | | | |
| Airport Dividend | 0 | 0 | 0 | |
| Interest on Investments | -25,843 | -25,843 | 0 | |
| Capital Financing | -15,330 | -15,330 | 0 | |
| Borrowing & Treasury Management | 12,970 | 10,945 | -2,025 | |
| Sub Total | -28,203 | -30,228 | -2,025 | |
| Net Budget prior to Reserves & Business Rates | 142,517 | 142,626 | 109 | 0% |
| Budgets b/f from 19/20 | -232 | -232 | 0 | |
| Emergency Budget - Reserves and Covid Grant Funding | -6,996 | -6,996 | 0 | |
| Contribs. to/from(-) Other Specific Reserves | 6,479 | 6,479 | 0 | |
| Contrib. to/from(-) Public Health Reserve | | -39 | -39 | |
| GF Net Expenditure Total | 141,769 | 141,839 | 71 | |
| GF Total | Surplus (-) or Deficit at P09 | | 71 | |

| | | | | |
|--|--------------------------------------|---------------|---------------|---------------|
| Housing Revenue Account | | | | |
| Housing Services operating balance | -1,788 | -2,905 | -1,117 | n/a |
| Revenue Balances required to support Capital Prog. | 0 | 0 | 0 | n/a |
| HRA Net Income and | Surplus (-) or Deficit at P09 | -1,788 | -2,905 | -1,117 |
| Forecast Contrib. to (+) / from(-) HRA Balances | 1,788 | 2,905 | -1,117 | |

| | | | | |
|---|--------------------------------------|----------|---------------|---------------|
| Schools Budget (memo only) | | | | |
| DSG Central Expenditure | 28,726 | 27,447 | -1,279 | -4% |
| Individual Schools Budget | 126,841 | 126,841 | 0 | |
| Dedicated Schools Grant | -155,567 | -155,567 | 0 | |
| Schools Net Budget and | Surplus (-) or Deficit at P09 | 0 | -1,279 | -1,279 |
| Forecast Contrib. to (+) /from (-) Schools Balances | 0 | 1,279 | 1,279 | |

| BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings | | | | | | | | Appendix B Q3 |
|--|---|-------------------|---------|------------------------------------|-----------------------|------------|---|-----------------------|
| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |

| | | | | | | | | |
|---------------------------------------|--|-----|--------|-----|-----|-----|---|-------|
| Mark Turner | CE/20/005 - Structural & functional review - to support Luton 2040 and community empowerment | | -155.0 | 0.0 | 0.0 | 0.0 | Savings were delivered in full and to time. | GREEN |
| CS01 | | | | | | | | |
| Robin Porter | CE/20/008 - Review of senior management structures | | -125.0 | 0.0 | 0.0 | 0.0 | In implementation. Full saving expected to be achieved. | GREEN |
| CS02 | | | | | | | | |
| Chief Executive's Savings Contingency | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | |
| Chief Executive's Net Impact Position | | 0.0 | -280.0 | 0.0 | 0.0 | 0.0 | | |

| | | | | | | | | |
|--------------|---|--------|--------|-------|--------|-------|--|-------|
| Aidan Wilkie | CE/18/007 - Rationalise number of business applications | -175.0 | | 87.5 | -87.5 | 0.0 | Currently Reviewing Business Applications to be combined, this is a big project with full savings not anticipated until March 2021. | AMBER |
| CS03 | | | | | | | Recovery Plan has 4 Strategies: 1) family 1 View project. 2) New IT strategy. 3) Business case re Capita One/ Liquid Logic 4) IT Contract Register. | |
| Aidan Wilkie | CE/19/003 - Centralise Management of IT systems | -200.0 | | 100.0 | -100.0 | 0.0 | IT has driven down the cost per device by £300. Savings on centralisation of hardware will be achievable by driving a behaviour change. Work is continuing to deliver the saving target in 2020/21. | AMBER |
| CS04 | | | | | | | | |
| Aidan Wilkie | C&C/20/010 - Review of wider ICT contracts (Application Portfolio Management) | | -100.0 | 100.0 | -100.0 | 0.0 | This is linked to item CS03. At this stage it appears unlikely that this saving will be achieved | RED |
| CS05 | | | | | | | | |
| Dev Gopal | C&C/20/011 - Reduction in bank charges from recommissioning | | -100.0 | 0.0 | 0.0 | 0.0 | options to reduce charges are being assessed, but the saving is on target to be met | GREEN |
| CS06 | | | | | | | | |
| Clive Jones | C&C/19/002 - Increased enforcement income | -170.0 | | 191.5 | 0.0 | 191.5 | C/Tax and Business Rates Enforcement Income has reduced as an impact of Covid-19. Due to Covid-19 enforcement activity has been largely curtailed or ceased altogether. It is doubtful that we will be able to make up the full target even with the additional resource we have brought in to the team. | AMBER |
| CS07 | | | | | | | | |

BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings

| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
|-----------------|---|-------------------|----------|------------------------------------|-----------------------|------------|---|-----------------------|
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Claire Astbury | C&C/18/008 - Rebrand Telecare to Assistive Technology Solutions | -100.0 | | 118.7 | 0.0 | 118.7 | Income was not achieved in 2019/20 and will not be achieved in 2020/21, even with the increase in charges that was implemented from 1st April 2020 [GH3402] | RED |
| CS08 | | | | | | | | |
| Claire Astbury | C&C/19/015 + C&C/20/012 - Temporary Accommodation: increase rent collection rate and recover outstanding sums | -673.0 | -300.0 | 1,175.2 | -486.5 | 688.7 | Collection rate at December 2020 is 91.38% compared to 93.22% at September 2020. Total debt is £8.9m of which £8.2m related to former tenant accounts, an increase of £0.3m compared to end of March 2020. Although recoverable debts are being prioritised, the savings targets will not be achieved. | RED |
| CS09 | | | | | | | | |
| Claire Astbury | C&C/19/024 - Rent Deposits - improve collection performance | -140.0 | | 277.0 | -70.0 | 207.0 | Rent deposits are paid to support tenants moving into the private rented sector. Procedures are being reviewed to ensure that a higher proportion of rent deposits can be recovered. | RED |
| CS10 | | | | | | | | |
| Claire Astbury | C&C/19/001 - Temporary Accommodation - reduction in overspend through positive action to reduce number of households in temporary accommodation | -2,000.0 | | 597.5 | -597.5 | 0.0 | Temporary Accommodation costs remain over budget against a £2.0m savings target. The forecast cost of rents and leases is expected to reduce through the shift to lower cost types of accommodation. A contributing factor to the overspend is an unbudgeted cost of £468k on repairs and maintenance as tenants remain longer than expected in leased properties. TA tenancies are estimated to reduce to 1210 by year end | RED |
| CS11 | | | | | | | The new TA model is being continually developed to enable more informed decisions to be made to help reduce costs and improve forecasting | |
| Nikki Middleton | C&C/20C/001 - Customer Services new operating model | | -150.0 | 0.0 | 0.0 | | Consultation will be undertaken in line with the Council's Organisational Change process. This is a part year saving.(full year savings £300k) | GREEN |
| CS12 | | | | | | | | |
| Nicola Monk | C&C/20C/002 - Temporary recruitment moratorium across department (GF services, bar OCAs) | | -1,150.0 | 0.0 | 0.0 | | Posts to be frozen have been identified and so this is on target to be achieved | GREEN |
| CS13 | | | | | | | | |
| Nicola Monk | C&C/20C/003 - Workforce reduction (vacancy deletion / voluntary separation) | | -1,140.6 | 570.3 | -570.3 | 0.0 | Achievement of this target will depend partly on the level of take up of the voluntary separation scheme. Some vacant posts are being deleted with no impact on service delivery. At p5, GF employee costs were within allocated budget, indicating that this saving may be achieved, albeit | GREEN |
| CS14 | | | | | | | | |
| Claire Astbury | C&C/20C/013 - HRA shopping parades transferred to General Fund, with GF properties moving to | | -250.0 | 0.0 | 0.0 | | This is a part year saving that is being developed. At this stage it is on target to be delivered although the final level of saving will depend on the timing of the transfer | GREEN |

BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings

| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
|---|--|-------------------|----------|------------------------------------|-----------------------|------------|---|-----------------------|
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| CS15 | the HRA | | | | | | | |
| Claire Astbury | C&C/20C/014 - Procurement saving on the BTS materials contract starting in Aug 2020 (one year saving only) | | -150.0 | 0.0 | 0.0 | | The saving has already been negotiated | GREEN |
| CS16 | | | | | | | | |
| Customer & Commercial Savings Contingency | | 1,594.0 | 820.3 | | -201.0 | | Use of contingency against unachieved smaller value savings | |
| Customer & Commercial Net Position | | -1,864.0 | -2,520.3 | 3,217.9 | -2,212.8 | 1,206.0 | | |
| | | | | | | | | |
| Allison Parkinson | C&L/19/015 - Luton Families Programme-Placements & Commissioning Workstream | -732.0 | | 0.0 | | | Work was completed in the last financial year with independent agency foster care providers and delivered £282k of cost reduction. Further work is on-going in the current financial year with the providers which is projecting to deliver the remaining cost reduction in full. However there continues to be increased demand for the service and a very few very expensive care packages can increase the overall overspend within the placements costs. Links to volatile budgets VB8, VB9, VB10. Available savings contingency is therefore not required as reported in Q3. | GREEN |
| CS17 | | | | | | | | |
| Allison Parkinson | C&L/19/016 - Luton Families Programme-Fostering Workstream | -590.0 | | 590.0 | -295.0 | 295.0 | There has been a delay in the in house fostering recruitment and retention programme. The overall position of this work stream has been reviewed including the Internal Foster Carers allowances and how they compare with the surrounding authorities and the utilisation of the available invest to save funding. The new allowances will be implemented in the current financial year and back dated from 1st January, which may result in achieving some of this cost avoidance in this financial year. However the complexity of some cases means in-house provision is not always the most suitable placement and there is no expectation to transfer existing agency placements to in-house if placements are stable. Links to volatile budgets VB8, VB, V10. Full contingency utilised. | RED |
| CS18 | | | | | | | | |
| Allison Parkinson | C&L/19/017 - Luton Families Programme-Edge of Care | -1,043.9 | | 1,043.9 | -522.0 | 521.9 | This programme has been delayed and new time line is being looked at in the current financial year and the cost reductions achievable from this are still to be determined. There will be a detailed tracking of all the cases which have been avoided to come into care and the resulting cost avoidance. Full savings contingency utilised. | RED |
| CS19 | | | | | | | | |

| BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings | | | | | | | | Appendix B Q3 |
|--|---|-------------------|----------|------------------------------------|-----------------------|------------|---|-----------------------|
| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Allison Parkinson | C&L/19/018 - Luton Families Programme-Work Force Workstream | -231.5 | | 231.5 | -115.7 | 115.8 | There continues to be a projected overspend on Children's social care staffing. But this is expected to improve with a number of newly qualified staff filling vacant positions across care management, however as they are not able to take on a full case load it will take time to reduce the dependency on agency staff. The Work Force Board is now looking at this works-tream and also a new Invest To Save project for the Social Worker Academy has been agreed which will also help to reduce the reliance on the expensive agency staffing. Full savings contingencies utilised. | RED |
| CS20 | | | | | | | | |
| Damian Elcock | CFE/20/001 - Family Resource Service | | -1,345.0 | 0.0 | | | A project group is in place to work on the consultation for the Family Resource service and also looking at the overall Children's social care re-structuring. Vacant posts are being held this year and the use of grant funding is helping to achieve the saving in full. This also includes some changes in the services provision and there is a public consultation on-going. | GREEN |
| CS21 | | | | | | | | |
| Children, Families & Education Savings Contingency | | 1,298.7 | 0.0 | | | | | |
| Children, Families & Education Net Position | | -1,298.7 | -1,345.0 | 1,865.4 | -932.7 | 932.7 | | |

| | | | | | | | | |
|------------|---|--------|--------|-------|-------|-------|--|-------|
| Sarah Hall | P&I/17/001 - Parking enforcement additional income | -115.0 | | 429.7 | 0.0 | 429.7 | Income has been affected by Covid-19 and the income target was adjusted as part of the emergency budget. However, at the end of QTR 3 only £791k had been received against a projected target of £862k. Income is likely to fall due to the Second Lockdown as more people are staying indoors, the shortfall against the adjusted target to date is unlikely to be recovered. The income is down on average by 9.73% in Qtr 3. Compensation for part of this income loss will be claimed from the Government. | AMBER |
| CS22 | | | | | | | | |
| Sarah Hall | P&I/19/017 + E&R/20/010 - Additional parking income, (incl. inflation and increased recovery) | -62.0 | -152.0 | 650.6 | -97.5 | 553.1 | Income has been affected by Covid-19 and Second Lockdown and is projected to be £656k short of the revised income target set as part of the emergency budget. Car Parks are not being used to full capacity as more people are working from home. The savings target of £152k will not be achieved. Compensation for part of this income loss will be claimed from the Government. | AMBER |
| CS23 | | | | | | | | |

| BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings | | | | | | | | Appendix B Q3 |
|--|---|-------------------|---------|------------------------------------|-----------------------|------------|---|-----------------------|
| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Sarah Hall CS24 | P&I/20C/002 - Neighbourhood Enforcement Team - Staff Reduction | | -170.0 | | 0.0 | | Achieved and the budgets reduced accordingly | GREEN |
| Sarah Hall CS25 | P&I/20C/004 - Deletion of vacant posts across the Public Protection division | | -183.0 | | 0.0 | | Achieved and the budgets reduced accordingly | GREEN |
| Sue Frost CS26 | P&I/20C/005 - Concessionary Fares - reduce spend in line with reducing journey numbers | | -580.0 | 345.0 | -290.0 | 55.0 | Talks are on going with Bus Service providers with a view to reach agreement on the reduction of their fees totalling £580K. This would reflect a reduction in traveller numbers pre-Covid | AMBER |
| Sue Frost CS27 | P&I/20C/008 - Planning Policy & Environment Team - temporary freeze on vacant posts (one-off) | | -126.0 | 36.0 | 0.0 | 36.0 | Additional resources required to support local plan work and major applications | AMBER |
| Alex Constantinides CS28 | P&I/19/008 - Increase capital fee element of capital schemes to 15% | | -200.0 | | 0.0 | | This saving is currently projected to be achieved, subject to the approved capital programme being delivered | GREEN |
| Alex Constantinides CS29 | P&I/20/004 - Review of recycling stream collections for glass & green waste | | -500.0 | | 0.0 | | Glass waste recycling has already moved to monthly collection. The introduction of charging for green waste collections is likely to lead to a reduction in posts (£300k) and wagons (£200k) | GREEN |
| Alex Constantinides CS30 | P&I/20/008 - Highways service options review reduce costs and increase income toward self-financing | | -400.0 | | 0.0 | | Savings that had already been built into the base budget, currently to target | GREEN |
| Alex Constantinides CS31 | P&I/20C/012 - Highways maintenance - reduce spend on maintenance | | -393.0 | | 0.0 | | Additional capital funding has been received to enable this one-off revenue saving. | GREEN |
| Alex Constantinides CS32 | P&I/20C/015 - Green garden waste - move towards a chargeable model | | -300.0 | 250.0 | -150.0 | 100.0 | Charging for green waste has been approved. Achievement of the target is dependent on sufficient households buying back the collection service. Charging will not commence until February 2021. | AMBER |

| BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings | | | | | | | | Appendix B Q3 |
|--|--|-------------------|----------|------------------------------------|-----------------------|------------|--|-----------------------|
| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Roger Kirk | E&R/20/006 - Rationalisation of the Community, Leisure & Cultural Estate. | | -824.5 | 824.5 | -824.5 | 0.0 | Requires ultimate Member approval. Proposals for the Community Estate have not been supported. Proposals for the Leisure Estate are being developed. The saving is not expected to be fully delivered this year | RED |
| CS33 | | | | | | | | |
| Roger Kirk | P&I/20C/017 - Savings from buildings being closed for several months (one-off) | | -350.0 | 0.0 | 0.0 | | This saving has been achieved. However, additional costs are being incurred in relation to the remainder of the property estate (see CS27) | GREEN |
| CS34 | | | | | | | | |
| Roger Kirk | P&I/20C/018 - Deletion of vacant posts across the division | | -113.0 | 0.0 | 0.0 | | The posts are vacant and will not be recruited to | GREEN |
| CS35 | | | | | | | | |
| Place & Infrastructure Savings Contingency | | 97.5 | 869.5 | | -76.0 | | Use of contingency against unachieved smaller value savings | |
| Place & Infrastructure Net Position | | -79.5 | -3,422.0 | 2,535.8 | -1,438.0 | 1,173.8 | | |
| | | | | | | | | |
| Maud O'Leary | ASC/19/008 - Collection of outstanding ASC contributions | -250.0 | | 250.0 | | 250.0 | The employee resources for ASC recovery are now in place and are working closely with the service to improve the collection of outstanding charges. A number of unrecoverable debts have been written off and there is a forecast increase in the age debt provision of £147.4k at this Q3 monitoring. | RED |
| CS36 | | | | | | | | |
| Maud O'Leary | WB&PH/20/001 - Review Model of ASC Provision | | -459.0 | 0.0 | | | This is currently being achieved in full through underspends on staffing budgets and lower spend on supplies and services due to day centre closures. There are a number of vacancies across in-house providers services that are not being recruited to pending the transformation of these services. | GREEN |
| CS37 | | | | | | | | |
| Maud O'Leary | WB&PH/20/010 - ASC Restructuring | | -400.0 | 193.0 | -193.0 | 0.0 | The ASC Care Management restructure is currently being modelled and it is anticipated this will be implemented later on this year. Full use of contingency is currently needed. | Red |
| CS38 | | | | | | | | |
| Maud O'Leary | WB&PH/20/005 - ASC - Home Care Packages | | -75.0 | 75.0 | -75.0 | 0.0 | Reviews regarding this saving have been delayed due to lockdown the saving is currently being reported as unachievable and 100% of the contingency budget allocated to this project is being claimed | Red |
| CS39 | | | | | | | | |

BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings

| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
|------------------|--|-------------------|---------|------------------------------------|-----------------------|------------|--|-----------------------|
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Maud O'Leary | WB&PH/20/008 - Review of ASC Transport | | -100.0 | | | 0.0 | This project is subject to the review of ASC in-house provision (CS34) proposals for which are still being drafted. Due to of day centres remained closed during the current financial year, resulting in underspends which is absorbing this savings, hence no contingency is needed. | Red |
| CS40 | | | | | | | | |
| Maud O'Leary | WB&PH/20/009 - Review clients Travel Cost in purchased care budgets. | | -50.0 | | | 0.0 | This project is subject to the review of ASC in-house provision (CS34) proposals for which are still being drafted. As overall ASC transport budgets are reporting an underspends due to of day centres closures, this savings is being absorbed and no contingency is required. | Red |
| CS41 | | | | | | | | |
| Maud O'Leary | WB&PH/20/012 - Implementation of Prepayment Cards to all DP clients. | | -300.0 | 145.0 | -145.0 | 0.0 | It is anticipated that some of this saving will be achieved by the end of this financial year as prepaid cards will be implemented across some service users by December 2020. Full use of contingency is currently needed. | AMBER |
| CS42 | | | | | | | | |
| Maud O'Leary | WB&PH/20/013 - Review of Residential Care | | -400.0 | | | 0.0 | This saving has been achieved therefore the contingency cover is not required | GREEN |
| CS43 | | | | | | | | |
| Sally Cartwright | WB&PH/20/015 - Review Adults Commissioned Services. | | -131.0 | 63.0 | -63.0 | 0.0 | Negotiations with providers are still to be undertaken and only part of this saving is expected to be achieved this year due to the delay. Full use of contingency is currently needed. | AMBER |
| CS44 | | | | | | | | |
| Maud O'Leary | WB&PH/20/019 - Line by Line Review | | -340.0 | | | 0.0 | This has been achieved in full so the contingency is not required | GREEN |
| CS45 | | | | | | | | |
| Sally Cartwright | WB&PH/20/021 - Staff Vacancies | | -350.0 | 49.0 | -49.0 | 0.0 | There are a number of vacancies across the service which have contributed towards meeting this saving. There is a recruitment freeze pending a restructure so only £49k is required from contingency at present | GREEN |
| CS46 | | | | | | | | |

BUDGET SAVINGS MONITORING - Year 2 Delivery of 2019/20 Savings and 2020/21 Savings

Q3

| Lead Officer | Savings Proposal Reference Description | Gross Savings | | Forecast Variations Reported at P9 | | | Comments on Savings Proposal Progress | Review |
|---|--|-------------------|----------|------------------------------------|-----------------------|------------|---|-----------------------|
| | | 2019/20 Year 2 | 2020/21 | shortfall + surplus - | use of contingency | net impact | Recovery Measures Planned to Improve the Current Forecast | Progress Indicator |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | | |
| Sally Cartwright | C&L/19/004 - Luton Families Programme-Transport Workstream | -240.0 | | | | | The number of routes required and spend has not yet reduced and the service is projected to overspend. Some of the overspend has been offset by a reduction in support service charges from the in-house transport unit .Links to volatile budget item VB7. | RED |
| CS47 | | | | | | | The Luton Families Programme has been developed to deliver change and improvement across Children services in Luton . The programme incorporates previous work from the former Glidepath programme and recommendations from the PeopleToo report . The planned work programme is supported by invest to save funding and includes measures to assist areas which are under significant budgetary pressure. This a 5 year plan that will deliver a balanced budget across Children's Services by 2022-23 | |
| Public Health & Wellbeing Savings Contingency | | 120.0 | 689.5 | | | | | |
| Public Health & Welbeing Net Position | | -370.0 | -1,915.5 | 775.0 | -525.0 | 250.0 | | |
| Total General Fund Net Savings Position | | -3,612.2 | -9,482.8 | 8,394.1 | -5,108.5 | 3,562.6 | | |

Q2 Totals

7,776.5

-3,643.7

4,132.8

Key to Status of Variations

On target to be achieved in full - no issues

Issues arising - plans in place to bring it back on target

High risk re: timing and/or deliverability

GREEN

AMBER

RED

| VOLATILE AND DEMAND LED BUDGET MONITORING - UPDATE FOR 2020-21 | | | | | | Quarter 3 Review | | | | | | | |
|---|---|-----------------|---------------|---|--|--------------------|--|-------|-----|--------|--------|-------|--------|
| Item Ref. | Description | Approved Budget | Q3 Variations | Comments on Monitoring Results | | Progress Indicator | Recovery Plan Details, if not on Target | | | | | | |
| Lead Officer | | £'000 | £'000 | Supporting Performance Information, Client Data etc. (cumulative) | | | | | | | | | |
| (+ increased cost or reduced income / - reduced cost or increased income) | | | | | | | | | | | | | |
| VB01 Clive Jones | Council Tax Income | -80,854 | | The collection rate at Q3 is just over 80%. The collection rate is lower this year due to the impact of Covid-19 during which time recovery of arrears was suspended. Latest figures show £81m out of £100m has been collected (£81.2m out of £95.1m had been collected for the same time last year) | | AMBER | Reflects Impact of Covid 19 on local economy. Collection closely monitored | | | | | | |
| | | | | Collection Rate 20/21 | <table><tr><td>Base</td><td>now</td><td>Change</td></tr><tr><td>85.3%</td><td>80.8%</td><td>-4.5%</td></tr></table> | | | Base | now | Change | 85.3% | 80.8% | -4.5% |
| Base | now | Change | | | | | | | | | | | |
| 85.3% | 80.8% | -4.5% | | | | | | | | | | | |
| VB02 Clive Jones | Business Rates Income | -54,410 | | Business rates collection has been severely affected by Covid-19. Latest figures show £33.9m out of £46.2m has been collected (£61.4m out of £71.1m collected at the same stage last year) | | AMBER | Reflects Impact of Covid 19 on local economy. Collection closely monitored | | | | | | |
| | | | | Collection Rate 20/21 | <table><tr><td>Base</td><td>now</td><td>change</td></tr><tr><td>86.5%</td><td>73.3%</td><td>-13.2%</td></tr></table> | | | Base | now | change | 86.5% | 73.3% | -13.2% |
| Base | now | change | | | | | | | | | | | |
| 86.5% | 73.3% | -13.2% | | | | | | | | | | | |
| VB03 Claire Astbury | HRA Rent Income Collected | -32,832 | 150 | Loss of income due to increase in VOID properties which is at 0.84% due to COVID, mainly Sheltered Accommodation due to the increased risk. | | AMBER | Looking at how to let Sheltered properties due to the increased risks. Void loss data not available for December. | | | | | | |
| | | | | percentage of rent collected 2020/21 to Dec 2020 | <table><tr><td>Base</td><td>Dec</td><td>Change</td></tr><tr><td>101.2%</td><td>96.0%</td><td>-5.2%</td></tr></table> | | | Base | Dec | Change | 101.2% | 96.0% | -5.2% |
| Base | Dec | Change | | | | | | | | | | | |
| 101.2% | 96.0% | -5.2% | | | | | | | | | | | |
| | | | | percentage of rent collected 2019-20 | <table><tr><td>101.0%</td><td>96.3%</td><td>-4.7%</td></tr></table> | 101.0% | 96.3% | -4.7% | | | | | |
| 101.0% | 96.3% | -4.7% | | | | | | | | | | | |
| | | | | Income loss through void properties (%) | <table><tr><td>0.8%</td><td>0.8%</td></tr></table> | 0.8% | 0.8% | | | | | | |
| 0.8% | 0.8% | | | | | | | | | | | | |
| VB04 Claire Astbury | Homelessness - Prevention & Temporary Accommodation | 1,419 | 1,217 | Costs include increased bad debt provision (£209k), increased repair and maintenance costs (£493k) and costs associated with the rent deposit scheme (£277k). Property numbers below exclude Covid-19 numbers. Work continues to reduce the number of households in TA. | | RED | Ongoing work to reduce nightly let accommodation into cheaper property through negotiation with landlords. TAPS 2 acquisition of up to 36 x 3 or 4 bedroom properties impacted by Covid. 11 offers but completions unlikely before year end. | | | | | | |
| | | | | No of Temp Accommodation properties | <table><tr><td>Oct</td><td>Nov</td><td>Dec</td></tr><tr><td>1245</td><td>1224</td><td>1229</td></tr></table> | | | Oct | Nov | Dec | 1245 | 1224 | 1229 |
| Oct | Nov | Dec | | | | | | | | | | | |
| 1245 | 1224 | 1229 | | | | | | | | | | | |
| | | | | No of households in nightly let accommodation | <table><tr><td>109</td><td>106</td><td>108</td></tr></table> | 109 | 106 | 108 | | | | | |
| 109 | 106 | 108 | | | | | | | | | | | |
| VB05 Clive Jones | Housing Benefit Payments (Net Cost) | 670 | 0 | COVID-19 is impacting on the speed of claimants moving from HB to UC as they are impacted by the economic downturn. Increase in LHA due to COVID-19 putting pressure on subsidy as more is paid out in HB. Costs and income will continue to be monitored in detail up to year-end, to track any movement from the current forecast. | | GREEN | Costs and income are continuing to be monitored closely with the service | | | | | | |
| | | | | | | | | | | | | | |
| VB06 Roger Kirk | Property Repairs and maintenance | 707 | 240 | Property Repairs and maintenance is currently reported as an overspend of £240K. However, this cost is offset by reductions in premises costs of £350k due to buildings being closed as a result of Covid-19, otherwise the overspend would have been higher. The property estate as a whole is being reviewed with the aim of reducing the number of properties. The Council has incurred costs of £939k to make buildings Covid compliant, but these costs will be covered by funding received from Central government. | | RED | Ongoing dialogue with Members and partner organisations to rationalise the property estate with the aim of reducing costs | | | | | | |
| | | | | | | | | | | | | | |

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| VOLATILE AND DEMAND LED BUDGET MONITORING - UPDATE FOR 2020-21 | | | | | | Quarter 3 Review | | | |
|---|---|-----------------|---------------|---|--------|------------------|--------------------|---|--------|
| Item Ref. | Description | Approved Budget | Q3 Variations | Comments on Monitoring Results | | | Progress Indicator | Recovery Plan Details, if not on Target | |
| Lead Officer | | £'000 | £'000 | Supporting Performance Information, Client Data etc. (cumulative) | | | | | |
| (+ increased cost or reduced income / - reduced cost or increased income) | | | | | | | | | |
| VB07 | Waste Disposal Contract, including landfill costs. | 9,143 | 150 | With the increased time people have been spending at home we have seen a substantial increase in the levels of waste collected from the kerbside. Coupled with the contractual increased unitary rate, cost of landfill and EFW, the cost of disposal has increased by around 10% compared to 2019 equivalent. | | | AMBER | Reflect the impact of Covid-19 and resulting lockdowns, significantly increasing quantities of waste. Waste figures are being continually monitored | |
| Shaun Askins | | | | Sep | Oct | Nov | | | |
| | | | | Monthly tonnes of total waste-Contract | 7,744 | 7,209 | | | 6,613 |
| | | | | Cumulative tonnes of total waste | 7,744 | 14,953 | | | 21,566 |
| | | | | Monthly tonnes to landfill -Contract | 3,305 | 1,022 | | | 766 |
| | | | | Cumulative tonnes to landfill | 3,305 | 4,327 | | | 5,093 |
| % cumulative waste to landfill | 42.7% | 28.9% | 23.6% | | | | | | |
| VB08 | Childrens Residential Placements (Tri-partite, Non Tri-partite & Secure Remand) | 4,762 | 252 | The number of children supported in residential care remains fairly static. Although there have been some reductions due to Children transitioning to leaving care or Adult Care as they turn 18, there have been a new high cost placement which has raised the average cost per placement this year. Work is ongoing to look at all children's residential placements with value for money reviews being undertaken and so far there are a number of placements with potential for reducing costs once notice is given and/or outcomes of the negotiations with providers are confirmed. This is a very volatile area and the number of children and placement costs can fluctuate considerably depending on the type of placement needed. | | | RED | | |
| Allison Parkinson | | | | March '19 | now | change | | | |
| | | | | Average number of placements (FTE) | 28 | 29 | | | 1 |
| | | | | Average weekly cost per placement | £3,243 | £3,441 | | | £198 |
| VB09 | Foster Care - Agency (SPARC, IFA Preferred & Non Preferred) | 6,600 | 427 | Although there is still a significant overspend in this area, there has been a 17% reduction in spend compared to last years outturn. Both the number of children placed with agency foster carers and the average weekly cost of placements has decreased from 2019-20. There has been a comprehensive review of all agency foster care placements resulting in £145k of savings in year, with a further £200k expected to be achieved following confirmation from providers (£800k full year effect if delivered). The remaining reduction in projected spend is due to children being changed to different care settings including SGO's, in-house fostering, semi-independent or placed for adoption. There has also been a number of children returned to the care of their parents. However the number of PLO's has increased since March 2020 during lockdown and there is a risk that the outcome of these cases may result in court proceedings and more children being taken into care. Finding suitable placements may result in further increased spend on this budget. | | | RED | The Luton Families Programme has been developed to deliver change and improvement across Children services in Luton . The programme incorporates previous work from the former Glidepath programme and the PeopleToo recommendations. The planned work in the programme includes measures to assist areas which are under significant budgetary pressure. This a 5 year plan that will deliver a balanced budget across Children's Services by 2022-23. | |
| Allison Parkinson | | | | March '19 | now | change | | | |
| | | | | Average number of placements (FTE) | 167 | 143 | | | -24 |
| | | | | Average weekly cost per placement | £974 | £956 | | | -£18 |

| VOLATILE AND DEMAND LED BUDGET MONITORING - UPDATE FOR 2020-21 | | | | | Quarter 3 Review | | | | | | | | | | | | | |
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| Item Ref. | Description | Approved Budget | Q3 Variations | Comments on Monitoring Results | Progress Indicator | Recovery Plan Details, if not on Target | | | | | | | | | | | | |
| Lead Officer | | £'000 | £'000 | Supporting Performance Information, Client Data etc. (cumulative) | | | | | | | | | | | | | | |
| (+ increased cost or reduced income / - reduced cost or increased income) | | | | | | | | | | | | | | | | | | |
| VB10 | Foster Care - In-house | 2,131 | 36 | <div>There is an ongoing recruitment campaign to attract more in-house foster carers however the complexity of some cases means in-house provision is not always the most suitable placement however there has been some recent success in transferring children to in-house placements from more expensive agency fostering. The reduction in the number of contract carers due to retirement has resulted in the lower average unit cost of placements but this does pose a risk in terms of placing children in an emergency and could result in further use of agency foster placements. There rates and bandings for in-house carers that took effect from January which has increased costs</div> <table><tr><td></td><td>March '19</td><td>now</td><td>change</td></tr><tr><td>Average number of placements (FTE)</td><td>115</td><td>118</td><td>3</td></tr><tr><td>Average weekly cost per placement</td><td>£394</td><td>£384</td><td>-£10</td></tr></table> | | March '19 | now | change | Average number of placements (FTE) | 115 | 118 | 3 | Average weekly cost per placement | £394 | £384 | -£10 | RED | |
| | March '19 | now | change | | | | | | | | | | | | | | | |
| Average number of placements (FTE) | 115 | 118 | 3 | | | | | | | | | | | | | | | |
| Average weekly cost per placement | £394 | £384 | -£10 | | | | | | | | | | | | | | | |
| Allison Parkinson | | | | | | | | | | | | | | | | | | |
| VB11 | SEN Transport | 3,338 | 731 | <div>The base budget has increased by £300k to reflect increased demographic growth in this area. Covid has had an impact as providers continue to be paid under mutual aid agreements and some children have continued to attend school so the number of externally provisioned trips has increased due to ensure social distancing rules are adhered to. However a change in providers has resulted in fewer externally provisioned routes and a significant increase iin support from the in-house service. The additional costs have been covered by a dedictated government grant to cover COVID related expenditure.</div> <table><tr><td></td><td>Base</td><td>now</td><td>change</td></tr><tr><td>number of trips</td><td>13472</td><td>14062</td><td>590</td></tr><tr><td>average cost per trip</td><td>£141</td><td>£137</td><td>-£4</td></tr></table> | | Base | now | change | number of trips | 13472 | 14062 | 590 | average cost per trip | £141 | £137 | -£4 | RED | <div>A review is underway and all viable options will be considered, including encouraging independence, to ensure suitable provision is maintained and to improve the sustainability of budget resources. There is also a proposal to have a centralised team to deal with all client transport requests and an options appraisal is currently being drafted to determine whether this will help deliver a balanced budget in this area.</div> |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of trips | 13472 | 14062 | 590 | | | | | | | | | | | | | | | |
| average cost per trip | £141 | £137 | -£4 | | | | | | | | | | | | | | | |
| Sally Cartwright | | | | | | | | | | | | | | | | | | |
| VB12 | Children's Legal Costs | 1,258 | 163 | <div>Legal Services spend is directly linked to the number of children being placed in care and resulting court proceedings. The budget has been increased to reflect the increased activity however there is still overspent projected based on present activity.</div> <table><tr><td></td><td>Base</td><td>now</td><td>change</td></tr><tr><td>number of cases</td><td>98</td><td>103</td><td>5</td></tr><tr><td>average cost per case</td><td>£12,166</td><td>£13,689</td><td>£1,524</td></tr></table> | | Base | now | change | number of cases | 98 | 103 | 5 | average cost per case | £12,166 | £13,689 | £1,524 | AMBER | |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of cases | 98 | 103 | 5 | | | | | | | | | | | | | | | |
| average cost per case | £12,166 | £13,689 | £1,524 | | | | | | | | | | | | | | | |
| Denise Goodwin | | | | | | | | | | | | | | | | | | |
| VB13 | Emergency Duty Team (EDT - Children and Adults) | 620 | -100 | <div>The budget has been increased by £100k in ASC and £237k in Children's to reflect the cost pressure on this service over the past few years due to increased use of expensive agency staff to provide out of hours support. The projected spend has been based on last years activity and outturn as current year data is still to be provided by Central Bedfordshire Council. There is a projected underspend in Q3.</div> <table><tr><td></td><td>Base</td><td>now</td><td>change</td></tr><tr><td>number of cases</td><td></td><td></td><td>0</td></tr><tr><td>average cost per case</td><td></td><td></td><td>£0</td></tr></table> | | Base | now | change | number of cases | | | 0 | average cost per case | | | £0 | GREEN | |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of cases | | | 0 | | | | | | | | | | | | | | | |
| average cost per case | | | £0 | | | | | | | | | | | | | | | |
| Denise Goodwin | | | | | | | | | | | | | | | | | | |
| VB14 | Older Person's Private & Voluntary Residential and Nursing Care | 4,796 | -120 | <div>The number of people placed permanently in residential and nursing placements has reduced significantly compared to 2019-20 due to increased mortality rates at the start of the Covid 19 outbreak. This coupled with the lower than budgeted cost increase across residential care has contributed to significant savings in older persons residential and nursing care (over £500k) Unit costs have risen as a result of National Living wage and inflationary increases in provider costs.</div> | GREEN | | | | | | | | | | | | | |

| VOLATILE AND DEMAND LED BUDGET MONITORING - UPDATE FOR 2020-21 | | | | | Quarter 3 Review | | | | | | | | | | | | | |
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| Item Ref. | Description | Approved Budget | Q3 Variations | Comments on Monitoring Results | Progress Indicator | Recovery Plan Details, if not on Target | | | | | | | | | | | | |
| Lead Officer | | £'000 | £'000 | Supporting Performance Information, Client Data etc. (cumulative) | | | | | | | | | | | | | | |
| (+ increased cost or reduced income / - reduced cost or increased income) | | | | | | | | | | | | | | | | | | |
| Vamsi Pelluri | packages | | | <table><thead><tr><th></th><th>Base</th><th>now</th><th>change</th></tr></thead><tbody><tr><td>number of permanent clients in care homes</td><td>227</td><td>233</td><td>6</td></tr><tr><td>average weekly net cost per client</td><td>£389</td><td>£434</td><td>£45</td></tr></tbody></table> | | Base | now | change | number of permanent clients in care homes | 227 | 233 | 6 | average weekly net cost per client | £389 | £434 | £45 | GREEN | Purchased Care Budgets (items VB11 - VB17) need to be viewed as a whole, due to changes in the level and type of care required to best support changes in individual client needs. |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of permanent clients in care homes | 227 | 233 | 6 | | | | | | | | | | | | | | | |
| average weekly net cost per client | £389 | £434 | £45 | | | | | | | | | | | | | | | |
| VB15 | Learning Disability Private & Voluntary Residential and Nursing Care packages | 10,635 | -1,271 | <table><thead><tr><th></th><th>Base</th><th>now</th><th>change</th></tr></thead><tbody><tr><td>number of permanent clients in care homes/</td><td>165</td><td>166</td><td>1</td></tr><tr><td>average weekly net cost per client</td><td>£1,009</td><td>£1,144</td><td>£135</td></tr></tbody></table> | | Base | now | change | number of permanent clients in care homes/ | 165 | 166 | 1 | average weekly net cost per client | £1,009 | £1,144 | £135 | | |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of permanent clients in care homes/ | 165 | 166 | 1 | | | | | | | | | | | | | | | |
| average weekly net cost per client | £1,009 | £1,144 | £135 | | | | | | | | | | | | | | | |
| Ian Hillsden | | | | | | | | | | | | | | | | | | |
| VB16 | Physical Disability Private & Voluntary Residential and Nursing Care packages | 1,365 | 30 | <table><thead><tr><th></th><th>Base</th><th>now</th><th>change</th></tr></thead><tbody><tr><td>number of permanent clients in care homes</td><td>45</td><td>52</td><td>7</td></tr><tr><td>average net weekly cost per client</td><td>£701</td><td>£656</td><td>-£45</td></tr></tbody></table> | | Base | now | change | number of permanent clients in care homes | 45 | 52 | 7 | average net weekly cost per client | £701 | £656 | -£45 | AMBER | |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of permanent clients in care homes | 45 | 52 | 7 | | | | | | | | | | | | | | | |
| average net weekly cost per client | £701 | £656 | -£45 | | | | | | | | | | | | | | | |
| Vamsi Pelluri | | | | | | | | | | | | | | | | | | |
| VB17 | Mental Health Private & Voluntary Sector Residential & Nursing Care Packages | 3,975 | 863 | <table><thead><tr><th></th><th>Base</th><th>now</th><th>change</th></tr></thead><tbody><tr><td>number of clients in care homes</td><td>134</td><td>144</td><td>10</td></tr><tr><td>average weekly net cost per client</td><td>£759</td><td>£646</td><td>-£113</td></tr></tbody></table> | | Base | now | change | number of clients in care homes | 134 | 144 | 10 | average weekly net cost per client | £759 | £646 | -£113 | RED | |
| | Base | now | change | | | | | | | | | | | | | | | |
| number of clients in care homes | 134 | 144 | 10 | | | | | | | | | | | | | | | |
| average weekly net cost per client | £759 | £646 | -£113 | | | | | | | | | | | | | | | |
| Vamsi Pelluri | | | | | | | | | | | | | | | | | | |

| VOLATILE AND DEMAND LED BUDGET MONITORING - UPDATE FOR 2020-21 | | | | | | Quarter 3 Review | | | | | | | | | | | | | |
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| Item Ref. | Description | Approved Budget | Q3 Variations | Comments on Monitoring Results | | Progress Indicator | Recovery Plan Details, if not on Target | | | | | | | | | | | | |
| Lead Officer | | £'000 | £'000 | Supporting Performance Information, Client Data etc. (cumulative) | | | | | | | | | | | | | | | |
| (+ increased cost or reduced income / - reduced cost or increased income) | | | | | | | | | | | | | | | | | | | |
| VB18 | Private & Voluntary Sector Home Care Packages | 8,169 | -293 | The Side by Side project showed a positive impact in the reduction in the number of people supported in the latter part of 2019-20 and the full year effect of this is also contributing towards the underspend. This has now been embedded across care management teams and continues to abate growth. The number of clients requiring home care has also reduced due to COVID 19 lockdowns as family members who have been furloughed or are able to work from home have been able to provide care previously provided by the council which has also resulted in reduced spend. The Council spend on hospital discharges continues to be reimbursed by Health so ensure there is bed capacity in respect of Covid-19 and this is reducing spend further but it is difficult to determine what the long term impact COVID will have on home care activity and payments to providers. The average cost of a care packages has decreased possibly due to the strength based approach to assessment | | AMBER | | | | | | | | | | | | | |
| Vamsi Pelluri | | | | <table><tr><td></td><td>Base</td><td>now</td><td>change</td></tr><tr><td>number of clients receiving home care</td><td>1063</td><td>935</td><td>-128</td></tr><tr><td>average weekly cost per client</td><td>£167</td><td>£162</td><td>-£5</td></tr></table> | | | | Base | now | change | number of clients receiving home care | 1063 | 935 | -128 | average weekly cost per client | £167 | £162 | -£5 | |
| | Base | now | change | | | | | | | | | | | | | | | | |
| number of clients receiving home care | 1063 | 935 | -128 | | | | | | | | | | | | | | | | |
| average weekly cost per client | £167 | £162 | -£5 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| VB19 | Direct Payment Packages | 8,430 | -31 | The Direct Payment (DP) review project has resulted in a reduction of nearly 100 DP clients in a year - 800 supported at March 2019, compared to 701 currently. This has been done in conjunction with the Side by Side project which has now embedded a different way of initially assessing care needs across care management. There has been a budget reduction of £300k allocated across ASC direct payments as part of the emergency budget which is related to the introduction of prepaid cards later this year. Although there are ongoing referrals for care funded by DP the current projection is now under budget and this is a result of reviews for people as part of the prepaid card project which is a significant achievement compared to previous years. Due to the nature of the Side by Side project, the cohort of people supported by Adult Care with a DP are those with higher care needs. This coupled with increased costs in relation to national living wage is resulting in a higher unit cost. The recovery of money from holding accounts significantly reduced the outturn position in previous years and it is anticipated this will level out as the introduction of prepaid cards will limit the allocation of funds that go on to be unutilised and need to be reclaimed. | | RED | | | | | | | | | | | | | |
| Vamsi Pelluri | | | | <table><tr><td></td><td>Base</td><td>now</td><td>change</td></tr><tr><td>number of clients receiving a direct</td><td>725</td><td>639</td><td>-86</td></tr><tr><td>average weekly cost per client</td><td>£218</td><td>£253</td><td>£35</td></tr></table> | | | | Base | now | change | number of clients receiving a direct | 725 | 639 | -86 | average weekly cost per client | £218 | £253 | £35 | |
| | Base | now | change | | | | | | | | | | | | | | | | |
| number of clients receiving a direct | 725 | 639 | -86 | | | | | | | | | | | | | | | | |
| average weekly cost per client | £218 | £253 | £35 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| VB20 | Non Residential Income | -3,233 | 1,118 | There has been a significant reduction in income due to Covid-19 and lockdown as people are not attending day care or are requiring less home care as family members step in and provide support instead. The projection has been based on current levels, however income levels should increase if lockdown is lifted but there is uncertainty around the level of uptake in particular day care as vulnerable clients may continue to shield themselves. The current income loss has been offset by significant lower spend across day care provision. Many day care providers have furloughed staff reducing the level of mutual aid payments made by the Council. It is expected the income loss will be covered in part by Covid grant. | | GREEN | | | | | | | | | | | | | |
| Vamsi Pelluri | | | | <table><tr><td></td><td>Base</td><td>now</td><td>change</td></tr><tr><td>number of clients charged for non</td><td>914</td><td>816</td><td>-98</td></tr></table> | | | | Base | now | change | number of clients charged for non | 914 | 816 | -98 | | | | | |
| | Base | now | change | | | | | | | | | | | | | | | | |
| number of clients charged for non | 914 | 816 | -98 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |

| VOLATILE AND DEMAND LED BUDGET MONITORING - UPDATE FOR 2020-21 | | | | | | | Quarter 3 Review | |
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| Lead Officer | | £'000 | £'000 | Supporting Performance Information, Client Data etc. (cumulative) | | | | |
| | | (+ increased cost or reduced income / - reduced cost or increased income) | | | | | | |
| | | | | average weekly charge per client | -£74 | -£50 | £24 | |
| | | -103,312 | 3,561 | | | | | |

Key to Status of Budgets

Budget on target - no issues



AMBER

Issues arising - recovery / mitigations in place



RED

Budget not on target and is and ongoing pressure