



Medium term financial plan 2013/2014

Including Revenue Budget Forecast and
Capital Budget Forecast to 2015/16





WOKINGHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN

(Revenue Budget Forecast & Capital Budget Forecast to 2015/16)

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VISION

A great place to live, an even better place to do business

Our Borough is recognised as a desirable place to live. We want to maintain this whilst improving quality of life in the Borough.

The underpinning Principles

- Offer excellent value for your Council Tax
- Provide affordable homes
- Look after the vulnerable
- Improve health, wellbeing and quality of life
- Maintain and improve the waste collection, recycling and fuel efficiency
- Deliver quality in all that we do

Priorities

- Improve educational attainment and focus on every child achieving their potential
- Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth
- Ensure strong sustainable communities that are vibrant and supported by well designed development
- Tackle traffic congestion in specific areas of the Borough
- Improve the customer experience when accessing Council services

We plan to:

- Facilitate the **regeneration** of our towns and increase the vibrancy of all our communities
- Create an environment that allows businesses to thrive and provides the conditions for **economic growth**, whilst maintaining the quality of our environment and taking advantage of our favourable location
- Continue to work with our partners to maintain our outstanding performance as one of the best local authorities in the country for **educational attainment**
- Deliver **well designed development** and strong communities throughout our collaborative efforts in planning
- Ensure financial viability despite annual funding cuts to deliver the **most effective services** in the most efficient way through transformation and a new approach to the commissioning of services
- Invest in prevention services that increase or maintain independence, ending the dependency culture and helping those who become dependent on our support to become **self sufficient and self reliant**



CHIEF FINANCE OFFICER'S STATUTORY REPORT

1 Introduction

The Local Government Act 2003 requires the Chief Finance Officer (CFO) to report to Members, when setting the level of Council Tax, on the robustness of the budget presented and adequacy of reserves. The report below provides a strategic overview of the Council's financial position as a context before making specific considerations on the 2013/14 budget.

2 Strategic Overview

1. *Local Government Funding*

The overall financial climate continues to be severe and is expected to remain so for a number of years. Local Government will continue to play its part in helping to address the National funding deficit, and each Council will be required to contribute accordingly by continuing to deliver services with less resources. Wokingham, as the poorest funded Unitary Authority, will face a particularly difficult challenge. The 2013/14 local government finance settlement represents the most significant change in local government funding arrangements in some time. In addition to the reduction in government grants, the Council is taking on significant responsibilities in relation to Council tax benefits and business rates (explained below). Both these changes place more resource demands on the Council and increase risks. The Business Rates Retention proposals will see local government funding move from Formula Grant to a combination of retained business rates and Revenue Support Grant. In addition, many specific grants will be merged with Formula Grant to provide a 'rolled up' resource position known as 'Start-Up Funding'.

The autumn statement made by the Chancellor on 5 December 2012, announced that local government will be exempt from the 1% reduction in the 2013/14 departmental budget cuts. However, it also confirms that the additional 2% departmental budget savings to be found in 2014/15 will also apply to local authorities. This will add approximately £445 million pressure to an already difficult budget position. The overall impact on the Council is that it suffered grant cuts on Council Tax Freeze Grant, Early Intervention Grant, and Formula Grant amounting to approximately £5m. The Council was also notified of a further reduction in 2014/15 of £2.3m in overall grant funding. The Council will deal with the pressures arising from reductions in government grant, while at the same time meeting the cost of extra pressures on statutory services such as waste, highways and overall population growth.

2. *Regeneration and Strategic Developments*

Although the Council faces significant financial pressures, there is a need to take the lead in developing regeneration projects to ensure that the local community is able to participate in opportunities and help stimulate economic growth. The Council is leading on the development of Wokingham Town Centre to ensure that it remains an attractive location for businesses to locate, and for people to live in and visit for shopping and recreational purposes. In addition, the Council has identified four Strategic Development Locations where new housing and employment opportunities will be located. The budget submission, contained in the Medium Term financial Plan (MTFP), provides for considerable investment in these areas.

3. *Localisation of Business Rates*

From 2013/14 local authorities will retain a proportion of their collected Business Rates, based on Central Shares (a proportion returned to the Government) and Local Shares (retained by the authority). As an incentive the Government will allow local authorities to retain a proportion of any

increase in business rates collected as a result of increased growth. The Council will benefit by 25p in the £1 on any net growth but will be liable for 50p in the £1 on any net reduction.

4. Localisation of Council Tax Benefits

Within the Localism Act, the Government will directly fund local authorities to meet the cost of Council tax benefits, and will require local authorities to establish their own local council tax benefits schemes, subject to protection of certain categories of claimants (e.g. pensioners). The Council will in 2013-14 receive only 89% of current benefit costs. This leaves Wokingham with a significant shortfall, much of which will need to be covered through a revised Council Tax Benefit Scheme or as a growth pressure on the Council Tax.

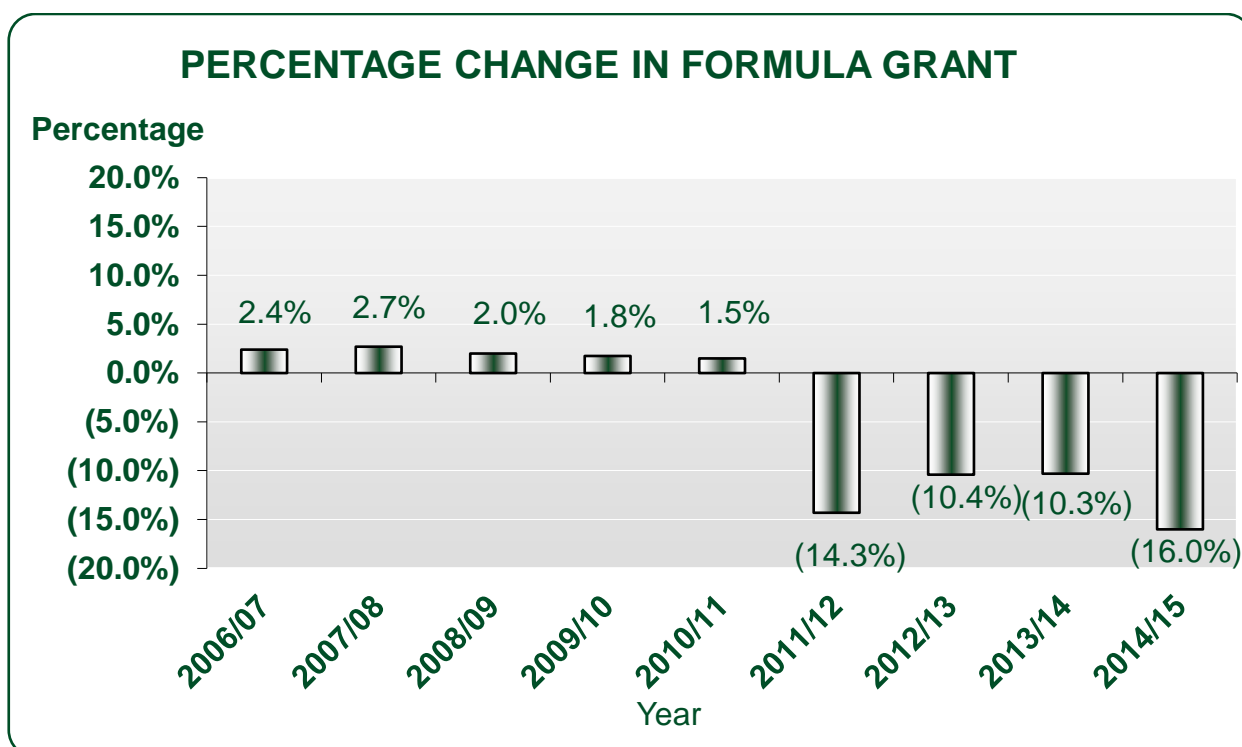
5. Transfer of Public Health Functions and Funding

Public Health functions will transfer from the NHS to the Council in April 2013. The Government grant has now been confirmed as £3.839m for 2013/14 and £4.223m for 2014/15. It is possible that future budget allocations will be increasingly linked to deprivation factors that could be detrimental to the Council.

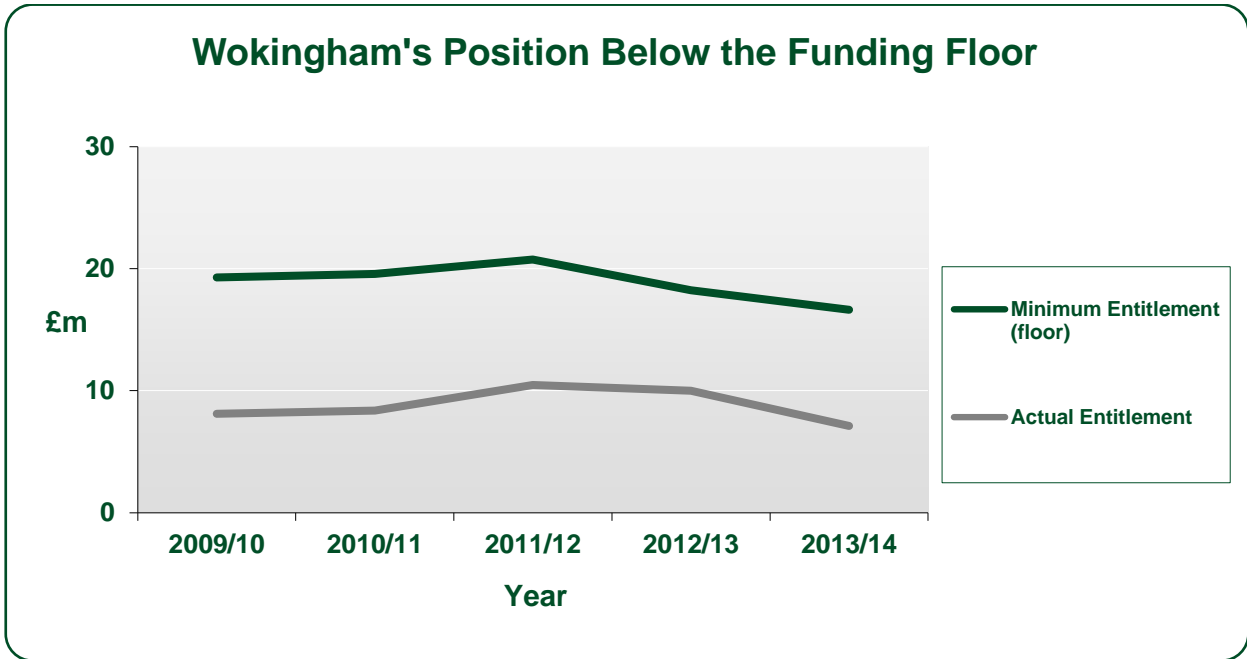
Changes in Government Support

The Council's budget requirement has increased from £102m in 2012/13 to around £112.5m in 2013/14, net of fees and charges and specific grant. This is not a genuine increase in spend, it is primarily due to the net effect of the transfer of various specific grants to Start-Up Funding'. It is funded from two sources: General Government Grant and Council Tax.

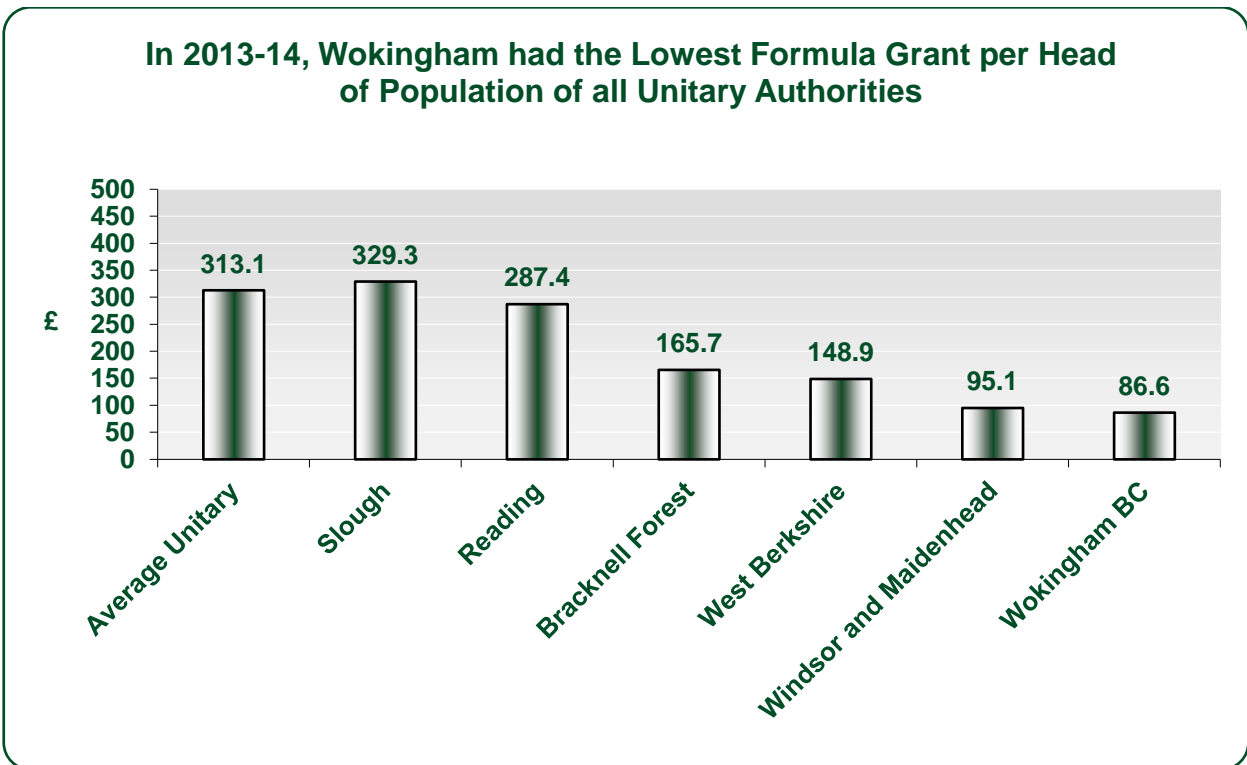
The percentage changes in Government Funding since 2006/07 are shown below. Following the December 2010 Local Government Finance Settlement, Wokingham suffered a reduction in formula grant for the first time in 2011/12 of 14.3%, a reduction of 10.4% in 2012/13, a reduction of 10.3% in 2013/14, and will suffer a further reduction of 16% in 2014/15 (£2.26m), after taking account of the transfer of the Local Authority Central Spend Equivalent Grant (LACSEG) to a specific grant. After taking into account the reductions in Early Intervention Grant and Council Tax Freeze Grant, the grant loss equates to £5m in 2013/14.



The figures below include the net LACSEG amount of £2.656m in both the entitlement and the floor figures in 2013/14 to enable a like for like comparison with 2012/13. The funding floor shown below is £16.6m, £9.5m (134%) above the actual entitlement of £7.1m.



Despite receiving a considerable amount of its funding through 'Floor Damping' (which brings the funding level up to minimum entitlement), Wokingham still receives the lowest funding per head of population when compared with other unitary authorities.



Wokingham Borough Council is the lowest funded unitary authority per head of population. The third lowest is central Bedfordshire at £139.30 per head. Source: Communities and Local Government website

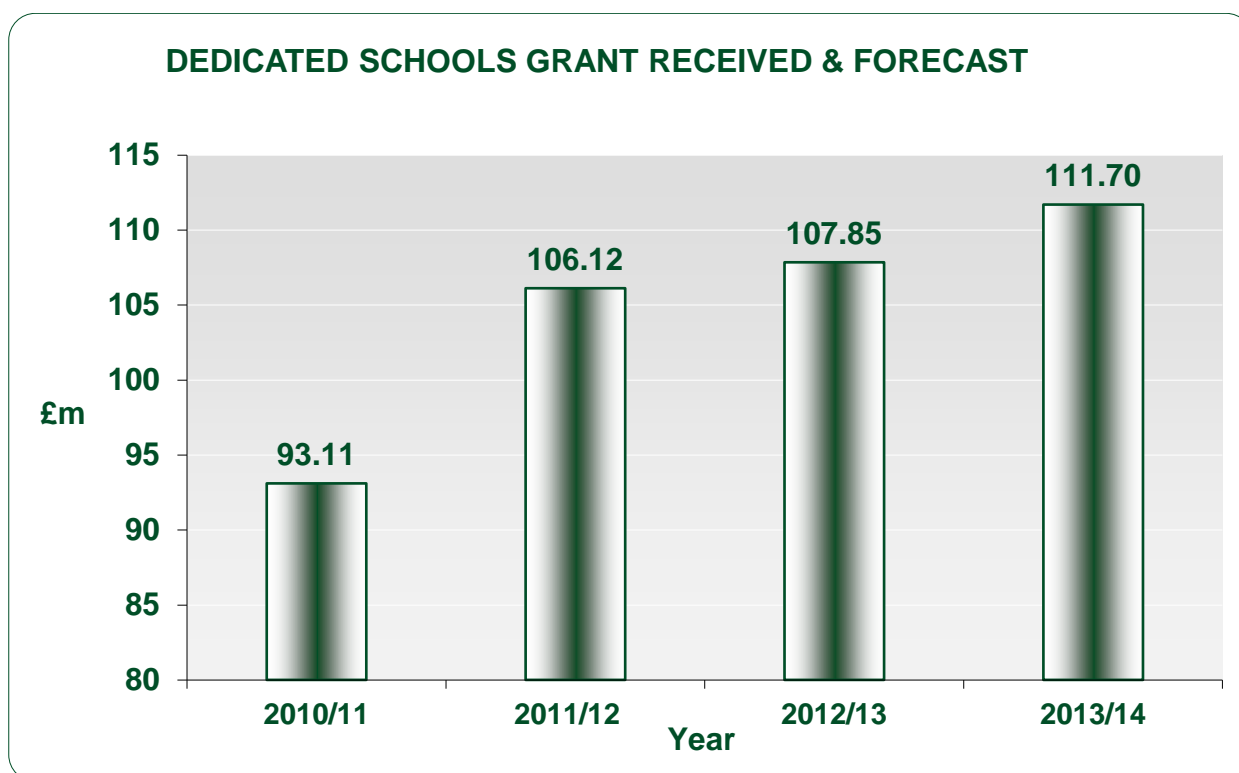
Start-Up Funding

From 2013/14 the Government has introduced the new terminology of 'Start-Up Funding'. For Wokingham this will be £30.88m in 2013/14, and falls to £28.54m in 2014/15. It is made up of Formula Grant (referred to previously) and other grants such as Early Intervention Grant, Learning Disability and Health Reform, Council Tax Freeze Grant, and the new Council Tax Support Funding (previously funded directly by the Government).

The Dedicated Schools Grant (DSG)

DSG was introduced in 2006/07 and had the effect of turning a significant part of the Council's Revenue Support Grant into a ring fenced specific grant. The Council receives DSG annually and it must be used in support of the Schools Budget as defined in the School Finance (England) Regulations 2006. The purpose of the Schools Budget is defined in legislation as the provision of primary and secondary education.

The amount of DSG the Council has received in previous years is shown below, together with a forecast for 2013/14. Most of the DSG is based on pupil numbers at October 2012, and is subject to reduction for any academies established after the cut-off point. Due to the funding reforms introduced from April 2013 schools will continue to have more direct control over how the money is spent. This is particularly relevant when looking at the support services the Council provides to the Schools. At this point in time an estimate is being used for 2013/14 as the Department for Education have not yet released the 2013/14 Guaranteed Unit of Funding.

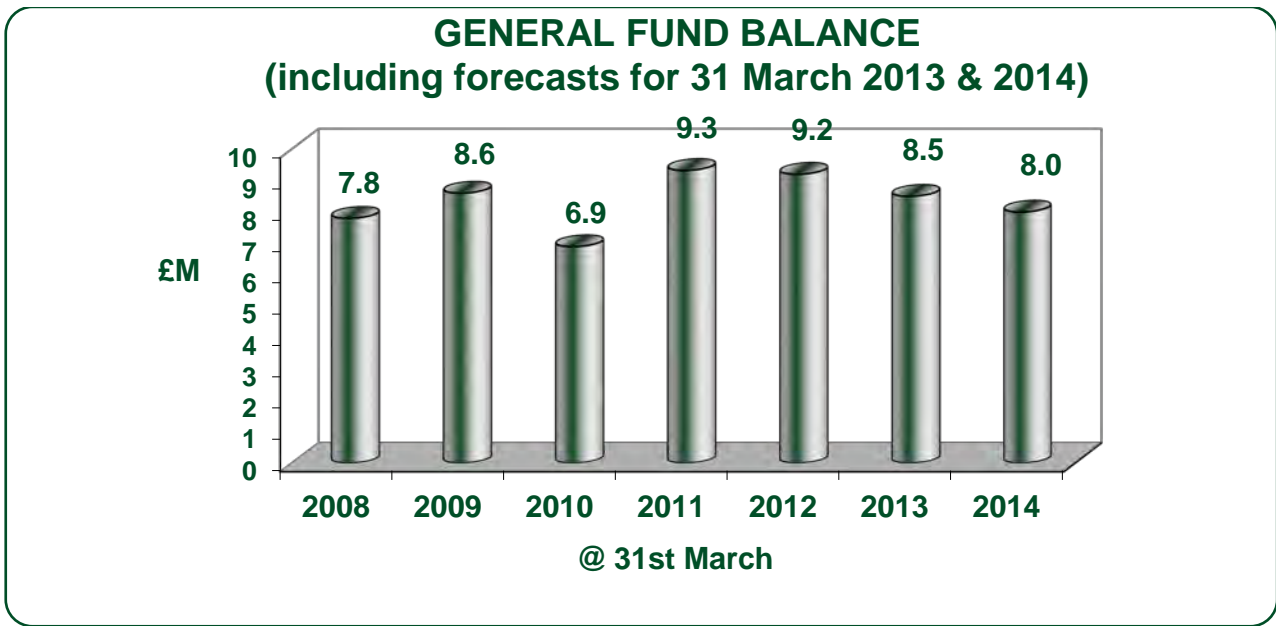


2013/14 DSG shown above is estimated - will be based on October 2012 pupil count, and is before transfer of any academies. The change from 2012/13 is largely due to inflation (RPI).

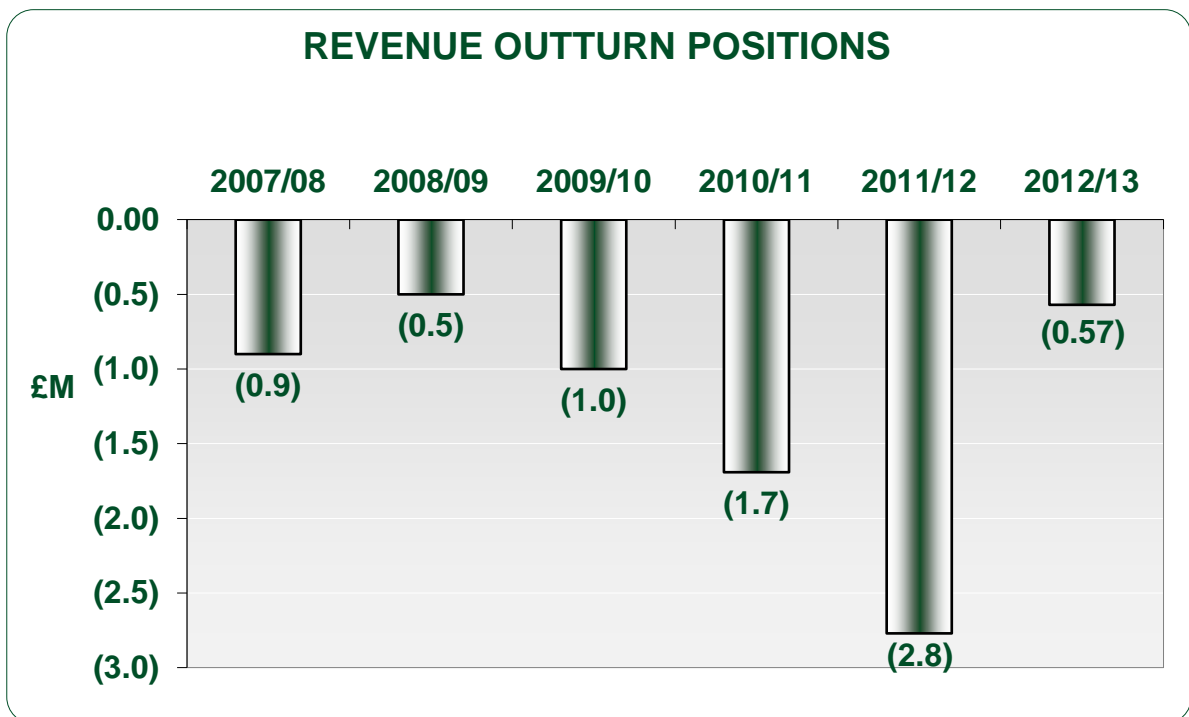
General Fund Balances (GFB)

The GFB is required as a contingency to meet unforeseen spending requirements and to provide stability in Medium Term Financial Planning (e.g. by using balances to contain growth in future

years). The level of balances is informed by a budget risk analysis. This approach was introduced in 2003/04 when the Council agreed the policy on General Fund Balances. The budget risk analysis for 2013/14 is included in the Medium Term Financial Plan. The table below shows actual general fund balances at 31st March 2012 and a forecast for 31st March 2013 and 31st March 2014.



A further consideration in setting a prudent level of General Fund balances and setting a safe budget, is the underlying trend of under/over spending against the budget set at the beginning of the year (see below):-



It is important that the Council ensures that sufficient budget is approved to deliver the agreed levels of service to avoid base budget deficiencies (inadequate budgets).

The forecast budget variance in 2012/13 currently shows an under-spend. It should be recognised that within the overall under-spend position there are significant underlying cost pressures within

the 2012/13 budget, for example underachievement of income expectations on various fees and charges; these need to be considered within the 2013/14 budget submission.

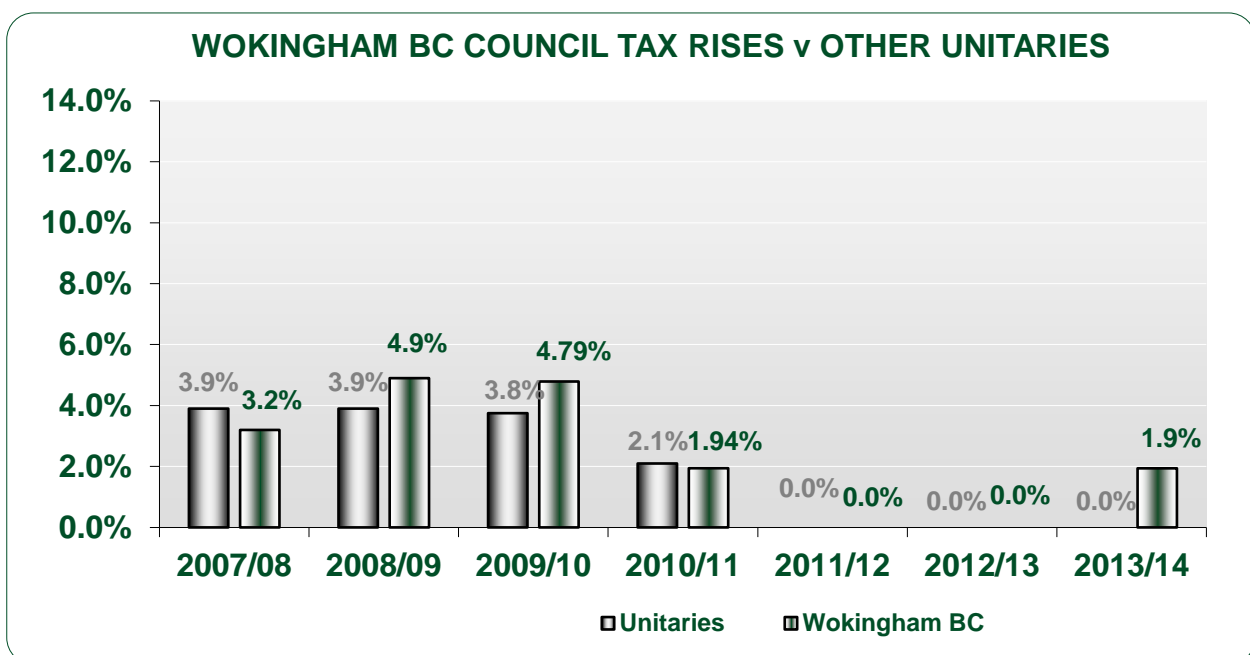
Other Balances

The Council holds other balances in addition to the General Fund balance. These should be reviewed as part of the budget submission and reviewed in the context of their benefit and opportunity cost.

Council Tax

Funding is fixed by the Government and therefore, increases in service funding impacts on the level of Council Tax that must be levied. This is a major area of tension in every budget setting year; the increase in Council Tax versus the quality and level of service delivery. This is a particularly difficult tension in the context of public affordability (e.g. those on a fixed income) and also because over 90% of the Council's services are statutory with escalating costs driven by increasing client needs and numbers.

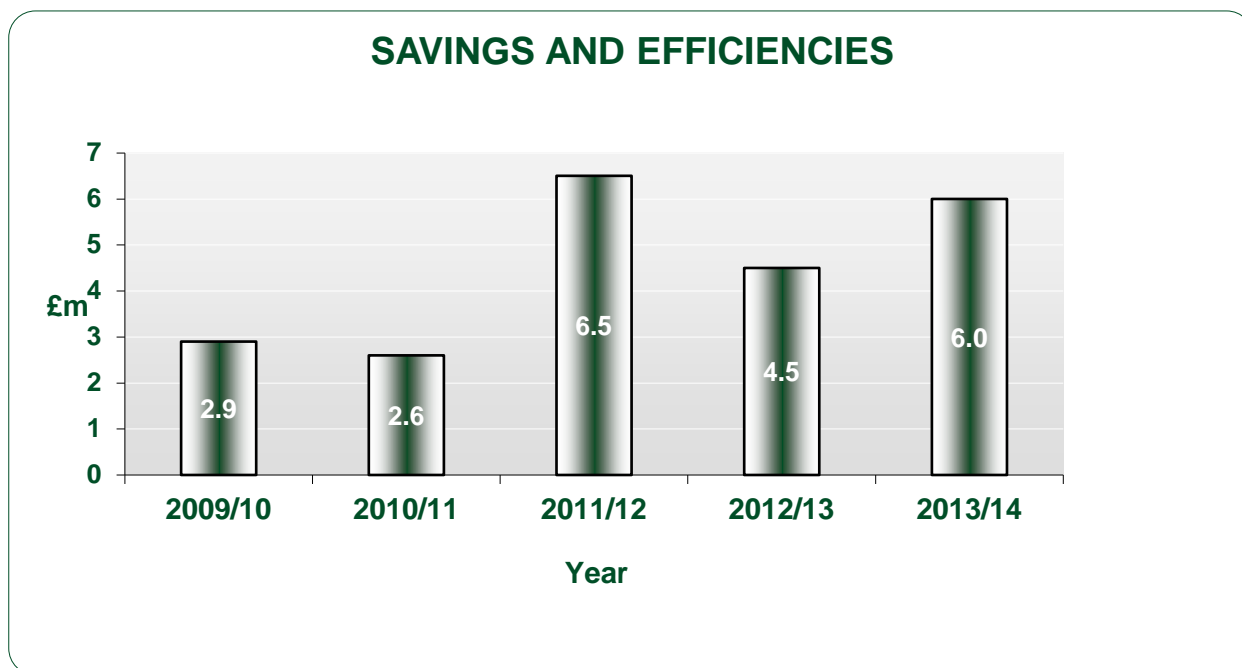
The expenditure pressures for Council Tax increases above inflation are similar each year: client increases (particularly in social care); increase in statutory requirements (e.g. recycling, standards of care); unavoidable expenditure increases above inflation (e.g. maintenance contracts, social care contracts and land fill tax) and pressures to improve services from both the public and the Government. In previous years Wokingham has succeeded in keeping Council Tax increases in line or within inflation (achieving a freeze in 2011/12 and 2012/13) and has contained its increases below the unitary average up until 2007/08. This is a reflection of the Council's continuing pursuit of efficiencies and value for money. The proposed increase for 2013/14 is 1.9% which is approximately 1% lower than the RPI Index used by the Government in setting their Business Rate increase for 2013/14.



Note: The 2013/14 % is not yet known for all Unitaries

Savings

The total savings and efficiencies that have been identified in setting the Council tax in previous years are shown below. It equates to over £22.5m over the 5 years below.



The savings in 2013/14 are those proposed in the Medium Term Financial Plan (MTFP) presented to Council in February 2012 and are included in the submission in February 2013.

Economic Outlook

The Eurozone debt crisis has continued to cast a pall over the world economy and has depressed growth in most countries. This has impacted the UK economy which is creating a major headwind for recovery in 2013.

The Government's austerity measures, aimed at getting the public sector deficit into order over the next four years, now look as if they will fail to achieve their objectives in the original planned timeframe. Achieving this target is dependent on the UK economy growing at a reasonable pace but recession in the Eurozone, our biggest trading partner, has depressed growth whilst tax receipts have not kept pace with additional welfare benefit payments.

Economic growth has, basically, flat lined since the election of 2010 and, worryingly, the economic forecasts for 2012 and beyond were revised substantially lower in the Bank of England Inflation quarterly report for August 2012.

Inflation has fallen sharply during 2012 from a peak of 5.2% in September 2011 to 2.2% in September 2012 and inflation is expected to fall further to the 2% target level within the two year horizon.

The UK continues to enjoy an AAA sovereign rating. However, the credit rating agencies will be carefully monitoring the rate of growth in the economy as a disappointing performance in that area could lead to a major derailment of the plans to contain the growth in the total amount of Government debt over the next few years.

Revenue Resources Outlook beyond 2013/14

The financial picture from 2014/15 onwards remains very uncertain and the Council may need to respond to significant variations in its forecast in resources. A reasonable measure of caution has been included in the budget for 2014/15 to mitigate some of the risks. However, there are considerable unknowns at this stage and the Council will need to keep a close watching brief on developments. The major issues that may impact on future resources are;

1. Council Tax Freeze Grant 2013/14

In October 2012 the Government announced that for a third year in a row it would provide a grant to local authorities in England that decide to freeze or reduce their Council tax in 2013/14. This grant has been declared for two years only. It means it will generate Council Tax pressure in 2015/16 to the extent it funded ongoing cost in 2013/14. The Grant equates to a 1% increase in Council Tax and therefore, the Council could face an immediate pressure of 1% (or £830k) in 2015/16 before providing for any other growth pressure in statutory services and inflation. This would be on top of the funding shortfall generated by the Council Tax Freeze grant taken in 2012/13 that stops in 2013/14, which equates to a loss of £2m.

2. Referendum for Increase in Council Tax increases

The Government announced a change in the figure at which a Referendum is required for Council Tax increases. This has reduced from 3.5% in 2012/13 to 2% in 2013/14. This will prevent the Council passing on the 2.5% Council Tax Freeze Grant falling out in 2013/14, through a Council tax rise (without sanctions through a referendum)

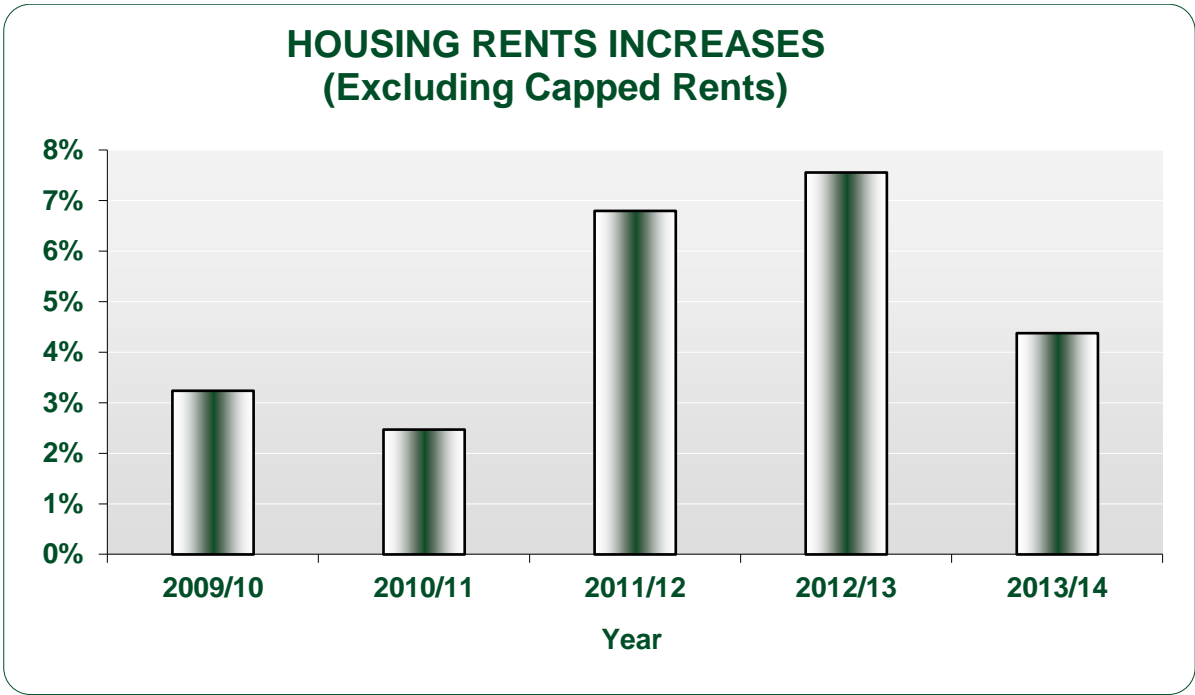
The 2012 Autumn Statement raised concerns that the cuts in Public Spending may be more severe and last longer than initially planned. It is not possible to determine what the impact will be on Local Authorities fully beyond the two year settlement to 2014/15 but future significant reductions in the funding coming from Central Government are clearly possible.

3. Funding removed for Academies

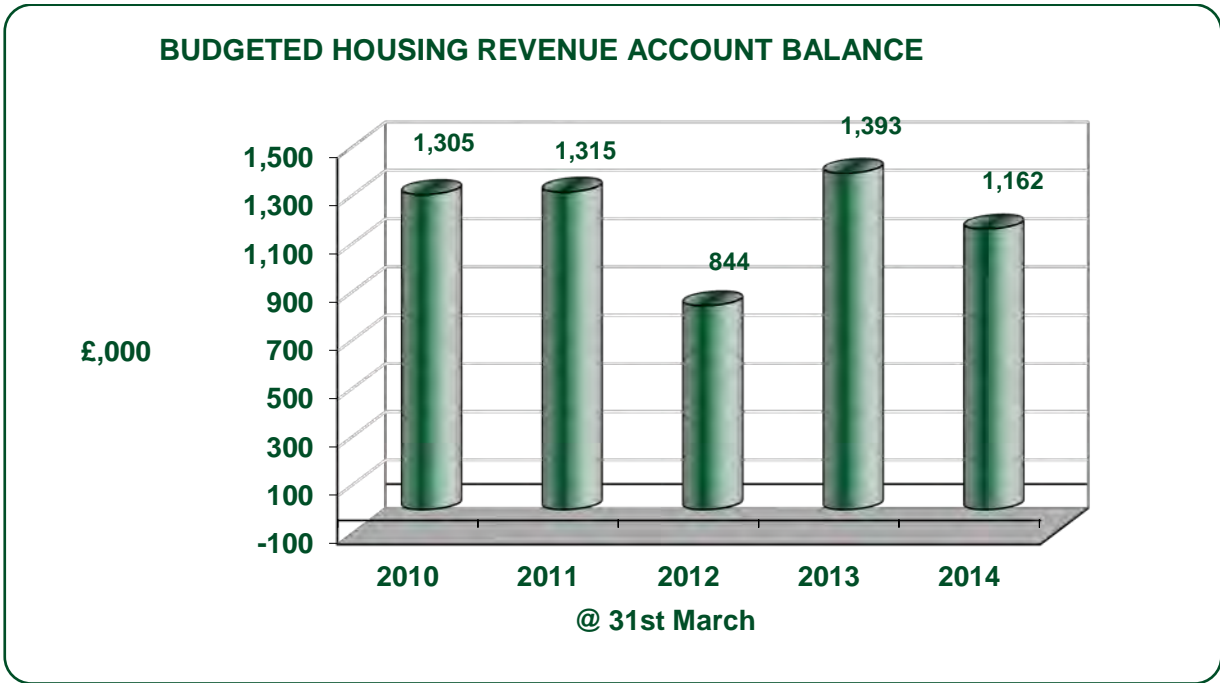
In previous years there was a deduction made to reflect the reduction in Local Authority Support costs arising from the transfer of Schools to Academy Status (known as LACSEG). Under this mechanism £3.3m is deducted from the Council's Formula Grant and repaid pro-rata to the number of pupils educated by the Council. Since the genuine compensatory cost reductions to the Council are fairly minimal, the amount 'lost' for Academies present a direct loss of overall funding.

Housing Revenue Account (HRA)

The HRA is a ring-fenced account and as such has no impact on the level of Council Tax. The money spent on maintaining the Council's housing stock (valued at approximately £150m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants (93%). Gross expenditure on the HRA is in the region of £14.7m and is predominately in the areas of repairs and maintenance (£2.5m), capital financing (£9m), and management (£2.3m). Housing rents are required to be increased annually in accordance with Government guidelines.



Housing rents increases for 2013/14 are indicative only, are based on Government guidance, and are forecast to rise by an average 4.4% in 2013/14. The HRA requires a balance in the same way as the General Fund. A risk analysis is also undertaken on HRA budgets to inform a prudent level of balance. The risk assessment for 2013/14 is included in the Medium Term Financial Plan.



The table above shows actual HRA balances up to 2011/12, and a forecast for 31 March 2013 and 31 March 2014 (included in the MTFP submission).

Housing Revenue Account – Self Financing

Under the Localism Act the Council took control of its housing rental income thus enabling more effective planning for the long term management of these key assets. In return Wokingham took on its share of the £28bn national housing debt as part of the self-financing settlement. Although the Council took on significant debt to do this, the scheme should be beneficial to the Council and its

tenants in the longer term both with regard to retaining income and generating capacity to invest in the housing stock.

Capital

Capital Strategy

A 10 year capital strategy has been developed with the aims of realising the Council's vision, raising the quality of life of residents and improving medium to long term planning.

To finance the capital strategy, an approach to funding has been taken that: optimises assets; seeks flexible use of future Section 106 contributions, and attracts new funding sources where available (particularly through the bidding for Government grants).

Under the Prudential Code, all authorities are able to borrow as much as they require to fund their capital programme provided it is affordable, prudent and sustainable. As Wokingham is on the 'floor' the financing costs of any new borrowing falls directly upon the Council tax payer. The cost of borrowing is approximately 8.3% (4% principal, 4.3% interest).

Capital Programme

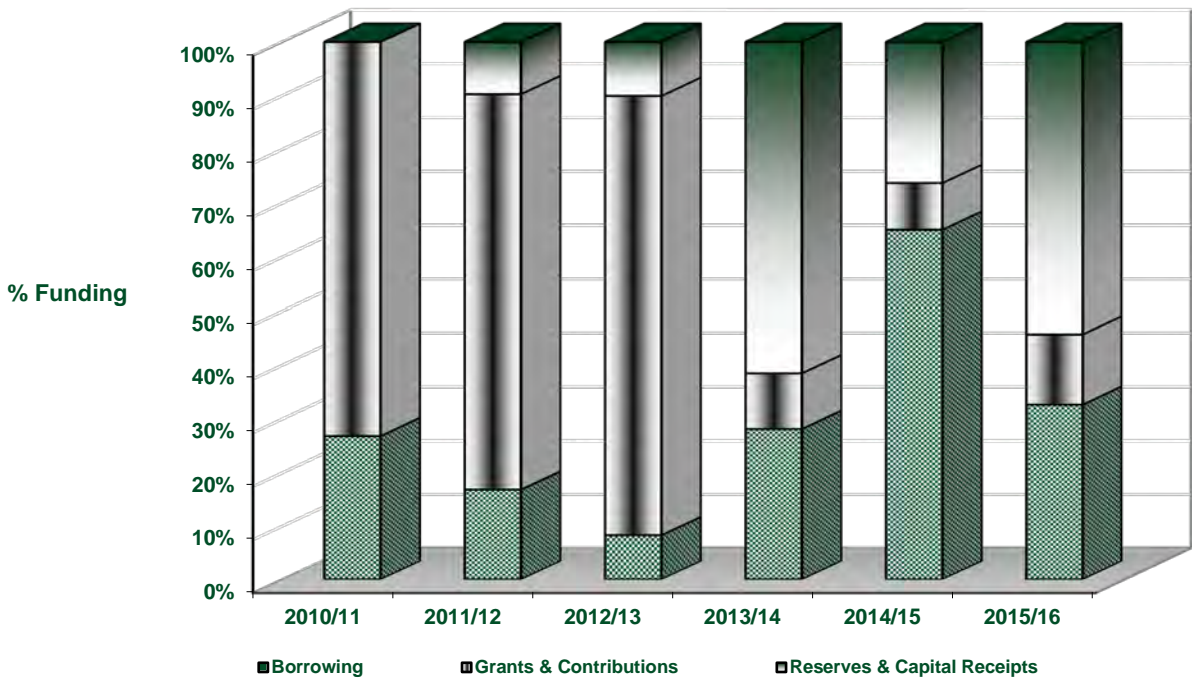
The first three years of the capital vision is effectively the capital programme. This has been developed following an assessment against key Council priorities, including a value for money and risk analysis.

The capital programme over the next 3-years will include existing asset investment (predominantly school buildings and infrastructure assets) and schemes that align to the Council's key priorities (e.g. extra-care housing). A major element of the service development schemes is funded from specific grants; the Primary Capital Programme is a good example of this.

The capital programme is funded from a variety of sources; capital receipts, borrowing, grants and other contributions. The relative reliance on each funding source is shown below.

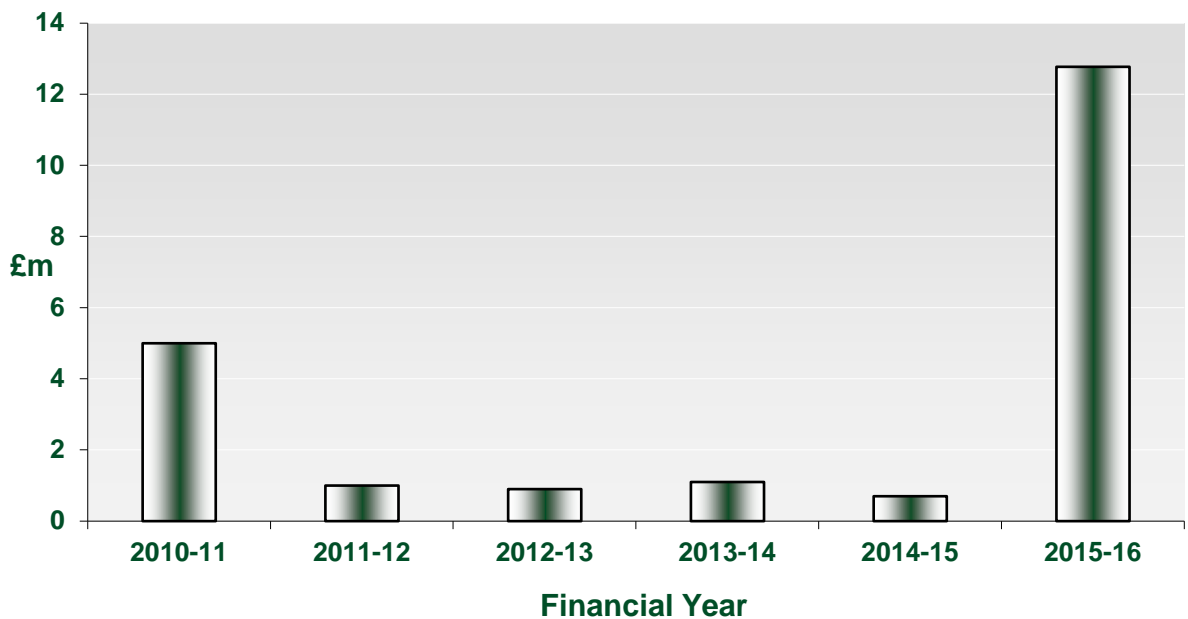
The two tables below comprise the standard capital programme and also include the resourcing around Wokingham town centre regeneration, Strategic Development Locations (SDL's) and Eustace Crescent.

CAPITAL PROGRAMME FUNDING



There has been a significant increase in the percentage of the capital programme funded by grant. It is important this increase in grant funding continues so that we are able to address the substantial cost of assets in need of repair such as schools and bridges.

CAPITAL RECEIPTS



Note: Receipts from 2012-13 to 2015/16 are estimates

The significant amount of capital receipts in 2015-16 is due to forecast receipts from sale of houses due to the Wokingham town centre regeneration.

Capital Resources and Borrowing Outlook

There are some significant developments in the Council's Capital position; some driven locally, some driven by Government and some impacting as early as 2012/13.

1. Town Centre Regeneration

The regeneration project is now progressing at pace with planning consent for the refurbishment of Peach Place granted in November 2012. This is the first milestone in an ambitious project to regenerate Wokingham Town Centre as one of the Council's key investment priorities. Although the Regeneration approach is considered to offer best value and the borrowing required to fund the scheme is well within the Council's borrowing limits, the Council's debt will increase significantly. It is essential the scheme costs and timetable to completion is carefully monitored to guard against increased borrowing and delays in rental streams required to meet the costs of financing.

2. Capital Receipts/Contributions

The disposal of Capital Assets and optimisation of infrastructure contributions are vital in meeting the Council's investment. This is key in minimising the financial impact of any 'unfunded' infrastructure requirements associated with the Strategic Development Locations.

3 Budget Submission

Particular features in the process reflected in the annually updated Service and Financial Planning Framework include:

Process

- 3 year revenue budgeting in the context of the Council's vision and priorities
- A 10 year capital vision and a 3 year capital programme in the context of the Councils Vision and Priorities
- 'Invest to Contain/Save' bids that recognise the need to invest in prevention services to contain otherwise unavoidable growth pressures in future years
- The integration of Revenue and Capital financial planning
- Maximising service efficiencies through effective procurement, efficient processes and investment in IT
- Investment at above statutory minima where the activity is considered a priority or generates financial benefit

Local Authority Trading Companies

Optalis Ltd

Optalis provides care and support services to older people and adults with a disability. The objective of Optalis is to provide a sustainable social care service that is known for its quality and commitment to service delivery. There are ambitious plans in place to grow the business over the next few years. There are no funding requirements, and no dividend proposals, included in the MTFP for Optalis. These will be developed in the following budget cycle in the context of the Councils financial challenges.

Wokingham Housing Ltd

This company is in its initial operating stages and will provide a range of high quality affordable and market housing schemes for the residents of Wokingham Borough. Work is underway to progress

potential schemes identified by the Council and subject to viability introduces them into the development pipe-line. There are no funding requirements, and no dividend proposals, included in the MTFP for Wokingham Housing Ltd. There will be development in the following budget cycle in the context of the Council's financial challenges.

Wokingham Enterprises Ltd

Now in its third year of trading, this profit generating company has fulfilled its objectives by providing property expertise in preparation for Wokingham Town Centre Regeneration. The company has successfully managed a portfolio of key town centre properties played an important role in the regeneration agreement now being delivered by the Council and having completed its initial objective the company will be made dormant at the optimal time for the Council. There are no funding requirements, and no dividend proposals, included in the MTFP for Wokingham Enterprises Ltd.

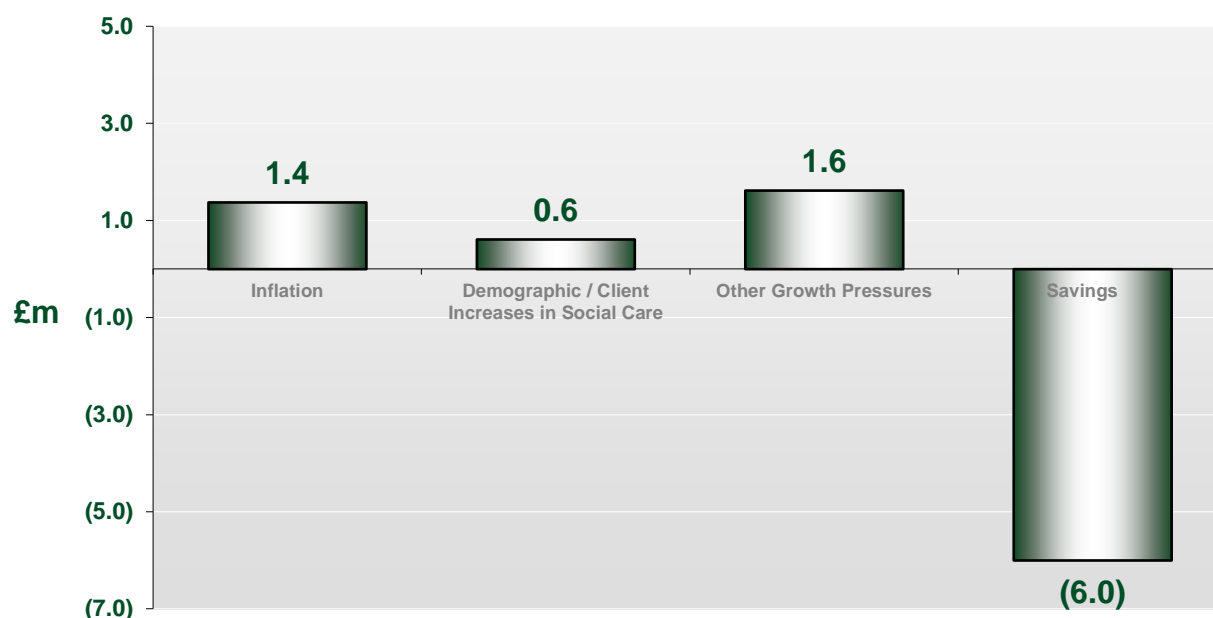
Key Facts/Features

The key facts/features of the budget submission are as follows:

- Formula Grant. The Council's Formula Grant will fall from £15.584m in 2012/13 to £13.983m in 2013/14 (10.3%) on a like for like basis.
- Start Up Funding Assessment. The Council's start up funding comprises the previous Formula Grant, and a number of rolled up grants. These total £30.880m in 2013/14 compared to an equivalent figure of £33.626m for 2012/13, a reduction of £2.746m (8.2%)
- Position below the floor increases to £9.5m in 2013/14
- Early Intervention Grant falls from £5.309m in 2012/13 to an equivalent £3.854m, reflecting the transfer of funding for two year olds to Dedicated Schools Grant
- Dedicated Schools Grant figures are a provisional £111.7m, a cash increase of approximately £4m, however, this includes extra funding for education of two year olds, and also the total will be subject to reduction if more schools transfer to academy status.

An overview of the 2013/14 budget pressures is shown below. The detail of the full and updated set of budget movements is contained in the Summary of Budget Movements (SoBM) section of the Medium Term Financial Plan (MTFP).

INDICATIVE BUDGET PRESSURES 2013/14



The £1.4m for inflation above is largely in respect of unavoidable contractual inflation, there is no provision for pay inflation. The demographic growth relates to pressures in adult social care services. The other growth includes pressures such as: waste disposal, highways maintenance, and the revenue costs associated with capital work, and loss of income due to the economic downturn.

4 Budget Risks

Under the Council's budget management protocol, Members are required to agree budgets based on the best estimate for the agreed level of service.

A budget risk analysis has been undertaken for 2013/14 (annually updated) and is detailed in the MTFP. This identifies budgets where there remains a risk of overspending, given the best estimate is included in the budget submission. The budget risk analysis is used as a guide to determine the level of General Fund balance required.

Given the growing unavoidable expenditure pressures to meet the Council's statutory responsibilities, coupled with significant reductions in overall Government Grants, the budget will inevitably contain a degree of risk.

Key Risks – Service and Financial

The most significant risks and uncertainties facing the Council are set out in the sections '**Revenue Resources Outlook beyond 2013/14**' and '**Capital Resources and Borrowing Outlook**'. Given the level of uncertainty and potential enormity of the impact it is essential that the Council maintains a strong financial focus moving forward. The risks listed below are at a somewhat lesser scale but are still relevant and significant. They are largely those that featured in the budget submission February 2012.

1) Impact of the Economic Downturn

Particular consideration will need to be given to the following in the budget proposals:

- Loss of interest from investments arising from the fall in bank base rates;

- Loss of income related to development and housing market such as Planning Fees, Search Fees and developer contribution for infrastructure;
- Increase in benefit claimants and bad debts;
- Reduced capital receipts realised on planned asset disposals;
- Potential increase in homelessness;
- Loss of income from Fees and Charges

Services directly related to meeting the needs of those suffering from the impacts of the economic downturn will need to continue to meet the increased level of demand.

2) Children's Services

There has been considerable service and financial improvement in this area over the past year, however significant challenges remain. Children's Services will suffer significant cuts in specific grants in 2013/14 and will need to continue to work within the budget reductions agreed in response to this.

3) Demand Led Budgets (including increasing responsibilities from the Government)

Client numbers for statutory services are notoriously difficult to control. Although best efforts have been made to accurately forecast budget requirements and contain escalating demand through prevention, there will always be a considerable degree of uncertainty. This uncertainty is compounded in the current economic climate and increasing service needs. Significant and recent increases in statutory responsibilities arise from the transfer of Public Health services and from meeting the cost of Council Tax support (Benefits). Both will become the Council's direct responsibility from April 2013.

4) Sustainability

The Council faces potential new and increasing penalties or taxes from the Government if it does not meet certain targets in the future. Most notable areas are around waste landfill, with landfill tax increasing year on year and more waste generated through an increased number of dwellings.

An additional emerging concern is around the Carbon Reduction Commitment which commenced in April 2010 (largely involving collecting and reporting data) and effectively goes live in 2013 with the payment of "carbon emission allowances". The 'credit' recycling element of the scheme was removed in the Comprehensive Spending Review 2011, thereby increasing the potential net costs to the Council. The 'league table' rewards/penalties element has also been removed.

A further concern arises from the potential risk of fines from the European Union relating to issues such as air quality. The power for the Government to pass on these fines to local authorities is contained in the Localism Act. Although this is being strongly resisted by bodies such as the Local Government Association, it is an area that needs to be kept under close review.

5) Changes in Local Government Finance

All local authorities will face significant extra financial risks from 2013/14 onwards due to Government legislation on localisation of business rates and Council tax. From 2013/14 onwards local authorities will be able to share part of any growth in business rates, which is an incentive to encourage growth. However, Councils will also have to bear a share of any shortfall on business rates, due to closures of premises, successful appeals against valuations of which many are outstanding from the 2010 revaluation, bad debts and other factors. These factors complicate the budgeting process for business rates significantly.



A handwritten signature in black ink that reads "Graham Ebers". The signature is written in a cursive style.

Graham Ebers
Strategic Director of Resources (and Chief Financial Officer)

Reserves and Balances

The Council keeps a number of reserves in the balance sheet. Of these, some are required to be held for statutory reasons, some to comply with proper accounting practice and others have been set up voluntarily to earmark resources for future spending plans. The reserves are reviewed bi-annually for continued relevance and adequacy as part of the budget setting process and closedown.

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
General Fund Reserves:					
General Fund (Statutory)	Resource available to meet future running costs for non-housing services	<ul style="list-style-type: none"> Policy based on a combination of financial risks and Audit Commission guidance as follows: Min 5% of net expend (excl dedicated Schools grant) – this equates to £5.5m Risk assessments of budgets - this suggests £8.4m To enable stability in longer term financial planning Current recommended level of balances is £7.5m to £10m (med & high financial risks) – see MTFP 	2012 £9.2m 2013 £8.0m 2014 £8.0m 2015 £8.0m 2016 £8.0m	Provides: <ul style="list-style-type: none"> General contingency for unavoidable or unseen expenditure Stability for longer term planning Interest on Balances helps to reduce costs to the taxpayer: IoB @ 2% = £231k 	<ul style="list-style-type: none"> Could be used to fund one off GF expenditure which would result in loss of interest £20k per £1m Could be used instead of borrowing @ 8.3% = £95k per £1m but loss of interest of £20k per £1m Could be used to boost Insurance Fund to achieve greater self-insurance levels
Insurance Fund (Earmarked Reserve)	This is used to fund part of each insurance claim, up to losses of £600k in a year.	<ul style="list-style-type: none"> Needs to be at a level where provision could sustain claims in excess of current claims history May have to meet claims incurred but not yet reported Looking to increase the reserve balance to achieve greater self insurance levels 	2012 £2.0m 2013 £1.8m 2014 £1.8m 2015 £1.8m 2016 £1.8m	<ul style="list-style-type: none"> Funds deductibles / excesses in order to minimise premiums Provides the Supply Teacher Scheme Helps maintain current rates charged to schools Interest earned builds up the reserves 	<ul style="list-style-type: none"> Excess funds could be used to fund one off GF expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Renewals Funds (Earmarked Reserves)	These are reserves held in order to finance the renewal or maintenance of specific items of equipment or furnishings.	<ul style="list-style-type: none"> Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life 	2012 £0.6m 2013 £0.6m 2014 £0.6m 2015 £0.6m 2016 £0.6m	<ul style="list-style-type: none"> Build up reduces pressure on maintenance budgets Interest is accrued on the reserves at 2% = £12k which helps to reduce costs 	<ul style="list-style-type: none"> Could be used for alternative maintenance or other revenue expenditure
Waste PFI Equalisation Fund (Earmarked Reserve)	The reserve is held to even out the cost of the waste PFI contract over the life of the contract	The level of the balance and contributions to the reserve are set out in the PFI financial model and reviewed annually as part of the budget setting process	2012 (£1.4m) 2013 £0.4m 2014 £1.2m 2015 £2.0m 2016 £2.7m	<ul style="list-style-type: none"> Reserve will be in deficit during the early years of the contract and return to a surplus by 2013/14 Provides stability of budgets in the medium to long-term 	<ul style="list-style-type: none"> A reserve in deficit cannot be used for other purposes, it will be offset by General Fund Reserves
Interest Equalisation Fund (Earmarked Reserve)	This fund reflects that investments are held at the lower end of market value and purchase price. Includes funds to cover any potential losses in investments with Icelandic banks.	<ul style="list-style-type: none"> To build up reserve based on favourable investment returns over budget Contributions from the reserves will be used to fund Wokingham Town Centre Regeneration until cash flow becomes positive in 2018/19 Receipts from recovery of investments in Icelandic banks will be paid to reserve to restore the reserve to previous levels 	2012 £2.8m 2013 £3.3m 2014 £3.1m 2015 £1.6m 2016 £0.1m	<ul style="list-style-type: none"> Equals out market fluctuations in income due to volatile interest rates Interest is accrued on the reserves at 2% = £8k which helps to reduce costs 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
Commuted Sums (Earmarked Reserve)	These are amounts received from developers for the maintenance of open spaces and will include Community Infrastructure Levy (CIL) fees from 2013/14 onwards.	<ul style="list-style-type: none"> There is no policy on the level of balances due to the nature of s38 and CIL agreements All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc. 	2012 £1.5m 2013 £1.3m 2014 £1.9m 2015 £2.0m 2016 £2.2m	<ul style="list-style-type: none"> Used to maintain parks and open spaces so avoiding service spend Interest to be used in a specified and agreed manner 	<ul style="list-style-type: none"> Money cannot be used for other purposes

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Capital Reserves:					
Usable Capital Receipts (Statutory)	<ul style="list-style-type: none"> Proceeds of fixed asset sales available to meet future capital requirements and to act as a contingency 	<ul style="list-style-type: none"> The current policy is to ensure that balances are sufficient to cover the 3-year capital programme (including urgent health & safety issues that may arise during the year) A contingency is built up to help deal with priority schemes within the 10-year capital vision Represents available resources that are not yet committed 	2012 £7.3m 2013 £6.6m 2014 £6.7m 2015 nil 2016 nil	<ul style="list-style-type: none"> To finance future capital schemes Balance held back to provide general contingency for unavoidable or unseen expenditure This provides stability for longer term planning Interest on Balances helps to reduce costs to the taxpayer: loB @ 2% 	<ul style="list-style-type: none"> Could be used to fund Capital expenditure which would result in loss of interest £20k per £1m Could be used instead of borrowing @ 9.5% = £95k per £1m but loss of interest of £20k per £1m
Other Capital Contributions:					
S106 and Community Infrastructure Levy (CIL) Capital Contributions	<ul style="list-style-type: none"> Money received from developers as part of their S106 obligations. Also Community Infrastructure Levy (CIL) fees from 2013/14 onwards. A time lag exists between receipt and design/delivery of schemes. 	<ul style="list-style-type: none"> There is no policy on the level of balances due to the nature of the contributions Where possible contributions should be used to fund schemes identified within the 3-year capital programme / 10-year capital vision All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc. 	2012 £13.0m 2013 £12.0m 2014 £11.0m 2015 £10.0m 2016 £9.0m	<ul style="list-style-type: none"> Interest on Contributions helps to reduce costs to the taxpayer: loB @ 2% = £280k 	<ul style="list-style-type: none"> Monies can only be used for purposes specified in the agreement Contributions might be time restricted therefore if not utilised may need to be repaid to the developer

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Ring Fenced Reserves:					
Housing Revenue Account (HRA) (Statutory)	Resources available to meet future running costs for council houses	<ul style="list-style-type: none"> Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA Balance is determined by level of risk associated with the budget Min 5% of gross expend Current recommended minimum level of reserves is £0.7m 	2012 £1.3m 2013 £1.2m 2014 £1m 2015 £1m 2016 £1m	<ul style="list-style-type: none"> Provides general contingency for unavoidable or unseen expenditure or fall in income Stability for longer term planning and for meeting the decent homes standard Interest on Balances helps to reduce costs: loB @ 2% = £26k 	<ul style="list-style-type: none"> Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £20k per £1m Could be used to fund HRA expenditure which would result in loss of interest £20k per £1m Could be used to fund HRA debt repayment
HRA Debt repayment reserve	Resources set aside to meet the repayment of HRA debt	<ul style="list-style-type: none"> Localism act regarding reform of the housing finance system and Prudential code 2011 recommend some form of set aside for debt repayment as good and prudent practice 	2012 nil 2013 £0.7m 2014 nil 2015 £2m 2016 £2m	<ul style="list-style-type: none"> Will be used to repay HRA debt over the long term 	<ul style="list-style-type: none"> Could be used to fund HRA capital or revenue expenditure which would result in loss of £20k per £1m interest
Major Repairs Reserve (Statutory)	This records the unspent balance of HRA Capital projects	<ul style="list-style-type: none"> Use of Capital to meet Decent Homes Standard 	2012 £0.03m 2013 £0.04m 2014 nil 2015 nil 2016 nil	<ul style="list-style-type: none"> Provides capital to invest in stock to meet the government's Decent Homes Standard policy Provides general contingency for unavoidable or unseen expenditure 	<ul style="list-style-type: none"> Could be used to fund HRA Capital expenditure to help meet decent homes standard

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Specific School Reserves (ISB) (Earmarked Reserves)	To resource expenditure directly delegated to schools	<ul style="list-style-type: none"> To clawback uncommitted balances over 5% (secondary schools) or 8% (primary and special schools) 	2012 £5.5m 2013 £5.0m 2014 £4.8m 2015 £4.8m 2016 £4.8m	<ul style="list-style-type: none"> Provides general contingency for unavoidable or unseen expenditure Offset any deficit balance in DSG reserve Interest on Balances helps to reduce costs: IoB @ 2% = £102 	<ul style="list-style-type: none"> Could be used to fund one off schools expenditure which would result in loss of interest £20k per £1m
Central Costs (Dedicated Schools Grant) (Earmarked Reserves)	To resource expenditure not directly delegated to schools	<ul style="list-style-type: none"> To break even over 3 years with the aim to build up a fund over time as a contingency Risk assessments of budgets suggests £0.3m To enable stability in longer term financial planning To improve education standards 	2012 £1.7m 2013 £1.1m 2014 £0.8m 2015 £0.8m 2016 £0.8m	<ul style="list-style-type: none"> Provides general contingency for unavoidable or unseen expenditure 	<ul style="list-style-type: none"> Could be used to fund one off schools expenditure which would result in loss of interest £20k per £1m
Other Earmarked Reserves	These reserves are held for specific accounting reasons	<ul style="list-style-type: none"> The funds in these reserves are ring fenced funds that cannot be used for other purposes 	2012 £1.6m 2013 £1.6m 2014 £1.6m 2015 £1.6m 2016 £1.6m	Reserves include: <ul style="list-style-type: none"> Section 38 Fund Housing Association reserve Youth & Community Centre Reserves Energy contract reserve Library stock reserve LAA grant reserves Taxi and Building Control trading account reserves Sold council houses repairs fund Legislative responsibilities 	<ul style="list-style-type: none"> Interest on these reserves at 2% would be £33k which helps to reduce costs

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2013/14

The service totals below **exclude** the allocation of internal charges (e.g. office accommodation & finance) and depreciation charges.

	2012/13	2012/13	2013/14	2013/14
	Estimate	Revised Estimate after Grant Changes	Estimate	Local Tax Rate
	£	£	£	£
Business Assurance & Democratic Services	1,276,140	1,276,140	1,249,400	19.70
Chief Executive	248,540	248,540	200,700	3.16
Children's Services	16,177,960	21,486,960	20,447,630	322.33
Development & Regeneration	2,145,910	2,145,910	3,264,800	51.47
Governance & Electoral Services	714,470	714,470	654,740	10.32
Health & Wellbeing	35,992,150	42,797,150	41,943,440	661.19
Neighbourhoods	23,269,080	23,472,080	23,038,400	363.17
Resources Directorate	22,496,950	22,496,950	21,671,470	341.63
Transformation	(200,310)	(200,310)	151,930	2.39
Total Net Expenditure	102,120,890	114,437,890	112,622,510	1,775.36
Appropriation to / (from) Balances	847,070	847,070	(37,272)	(0.59)
Borough Council Requirement	102,967,960	115,284,960	112,585,238	1,774.77
Income:				
Government Support (note 1)	(22,175,349)	(38,886,349)	(33,261,239)	(524.32)
New Homes Bonus	(1,174,561)	(1,174,561)	(1,750,000)	(27.59)
Council Tax Collection Fund Surplus	(595,000)	(595,000)	(23,000)	(0.36)
Council Tax for Borough Council Purposes	79,023,050	74,629,050	77,550,999	1,222.50

General Fund Balance Estimates				
Brought Forward	9,271,548		7,902,048	
In year variation	(1,369,500)		(37,272)	
Carried Forward	7,902,048		7,864,776	
Local Tax Base	65,894.2		63,436.4	

Note 1: The government support total includes £12m of grant that was shown as specific grants within services, Council Tax support of £4m and Council Tax Freeze Grant (regarding 2011/12 and 2012/13)

The local tax Band D rate of £1,222.50 is a 1.9% increase on the 2012/13 figure of £1,199.24.

Major changes to Services between years:

(detailed changes can be found in the Service Narratives and summary of budget movement pages)

Children's Services	Transfer of Early Intervention Grant and other specific grants totalling £5.2m to Government Support
Development & Regeneration	Development Management service transferred from Neighbourhoods £1m
Health & Wellbeing	Health Funding Grant transferred from service budget to Government Support £6.8m

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2013/14

The service totals below **include** the allocation of internal charges (e.g. office accommodation & finance) and depreciation charges.

	2012/13	2012/13	2013/14	2013/14
	Estimate	Revised Estimate after Grant Changes	Estimate	Local Tax Rate
	£	£	£	£
Business Assurance & Democratic Services	0	0	0	0.00
Chief Executive	4,409,080	4,409,080	4,268,970	67.30
Children's Services	28,457,300	33,766,300	33,210,800	523.53
Development & Regeneration	2,361,080	2,361,080	4,359,300	68.72
Governance & Electoral Services	299,410	299,410	326,260	5.14
Health & Wellbeing	39,705,010	46,510,010	45,178,390	712.18
Neighbourhoods	31,733,990	31,936,990	29,954,540	472.20
Resources Directorate	9,413,830	9,413,830	10,234,040	161.33
Transformation	(65,430)	(65,430)	221,680	3.49
Depreciation Charges	(14,193,380)	(14,193,380)	(15,131,470)	(238.53)
Total Net Expenditure	102,120,890	114,437,890	112,622,510	1,775.36
Appropriation to / (from) Balances	847,070	847,070	(37,272)	(0.59)
Borough Council Requirement	102,967,960	115,284,960	112,585,238	1,774.77
Income:				
Government Support	(22,175,349)	(38,886,349)	(33,261,239)	(524.32)
New Homes Bonus	(1,174,561)	(1,174,561)	(1,750,000)	(27.59)
Council Tax Collection Fund Surplus	(595,000)	(595,000)	(23,000)	(0.36)
Council Tax for Borough Council Purposes	79,023,050	74,629,050	77,550,999	1,222.50
General Fund Balance Estimates				
Brought Forward	9,271,548		7,902,048	
In year variation	(1,369,500)		(37,272)	
Carried Forward	7,902,048		7,864,776	
Local Tax Base	65,894.2		63,436.4	

GRAND SUMMARY - FORECAST BUDGETS 2014/16

This takes into account budget pressures identified to deliver the Council's Vision. Work will be on-going to contain growth and increase service efficiencies where possible.

The service totals below **exclude** the allocation of internal charges (e.g. office accommodation & finance) and depreciation charges.

	2014/15 Estimate £	2014/15 Local Tax Rate £	2015/16 Estimate £	2015/16 Local Tax Rate £
Business Assurance & Democratic Services	1,349,400	21.27	1,399,400	22.06
Chief Executive	200,700	3.16	200,700	3.16
Children's Services	20,076,630	316.48	20,026,630	315.70
Development & Regeneration	2,762,800	43.55	2,552,800	40.24
Governance & Electoral Services	654,740	10.32	654,740	10.32
Health & Wellbeing	42,481,440	669.67	43,521,440	686.06
Neighbourhoods	23,511,900	370.64	23,729,900	374.07
Resources Directorate	24,123,270	380.27	26,473,160	417.32
Superannuation	215,870	3.40	431,740	6.81
Transformation	151,930	2.39	151,930	2.39
Total Net Expenditure	115,528,680	1,821.17	119,142,440	1,878.14

The above figures are based on the bids detailed in the MTFP. Figures will be revised during the budget setting process for 2014/15 and 2015/16.

BUSINESS ASSURANCE & DEMOCRATIC SERVICES BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

As a predominantly statutory internal support service, Business Assurance and Democratic Services assist the frontline services in delivering their agenda consistent with the Council's Vision and Strategic Priorities. In line with best practice the service aims to deliver excellent value for money in all its services.

Business Assurance & Democratic Services incorporates the following:

➤ **Business Assurance**

- Internal Audit - to deliver a value added professional Internal Audit service to the Council, providing independent and objective assurance on the risks to the Council's priorities; to champion effective Risk Management and good governance;
- Investigations – to provide a professional and independent Investigations service into incidents of benefits fraud, code of conduct breaches, whistleblowing allegations and other suspected irregularities; and,
- Insurance – to provide a professional, effective and efficient insurance service, ensuring that suitable and adequate insurance cover is in place to indemnify the council in respect of its legal liabilities, to protect against the financial consequences of damage to, or loss of, property and to promote and provide information on effective practical risk management.

➤ **Democratic Services**

- The efficient and effective management of the political decision making process, including advice and support to Members, Officers and residents and maintaining and reviewing the Council's Constitution. Administration of a large number of statutory and non-statutory appeals.

Service Outputs - Key Facts and Figures

➤ **Business Assurance:**

- Internal Audit – to provide assurance and consultancy to senior management on a risk basis enabling the Director of Business Assurance and Democratic Services to provide an annual internal audit opinion on the adequacy of the Council's control environment. To deliver an 800 day annual Internal Audit plan via the Council's in-house Business Assurance team;
- Risk Management - to support the Director of Business Assurance and Democratic Services with respect to the Council's risk management arrangements as detailed in the Council's Enterprise Risk Management Policy and Strategy. Support includes the promotion of risk management across the Council, provision of facilitated workshops to refresh corporate, directorate and team risk registers and deliver training sessions to Members and staff with respect to their respective role with regard to risk management;
- Corporate Governance - to support the Chief Executive and the Director of Business Assurance and Democratic Services with respect to the Council's Governance Framework and processes (including ethical governance). Support includes the promotion of corporate governance across the Council; leading on the Corporate Governance Group; co-ordinating the production of the Council's Annual

Governance Statement and associated action plan; delivering training sessions to Members and staff with respect to good governance;

- Investigations – via the Council's in-house Business Assurance team which carried out over 330 benefit fraud and other types of investigations including over 170 Interviews under Caution, over 30 sanctions, identifying over £450k of overpayments due to fraud and error and proactively preventing fraud and corruption; and,
- Insurance - arranging property insurance cover for material assets worth over £1bn (including schools, housing, offices and commercial premises) and cover in respect of the council's legal liabilities. Dealing with over 300 claims a year (including loss of and damage to council property, and employers and public liability claims, such as damage to vehicles on the highway or injuries suffered by school pupils). Providing professional advice in diverse areas such as the law, risk management, technical insurance matters, claims issues, liability, indemnity and contract interpretation.

➤ **Democratic Services:**

- During 2012 Democratic Services attended and serviced: 154 evening meetings, 12 daytime meetings, 29 Individual Member Decisions, 26 tender openings and 219 daytime appeals;
- Of the 219 daytime appeals, 213 were school admission (this figure is higher than the 154 appeals last year), 2 were home to school transport appeals (this figure is lower than in previous years because of the introduction of a new system which filters all applications and necessitates less going to a hearing), 2 were licensing, 1 was street trading and 1 was a taxi appeal;
- The number of secondary school admission appeals lodged has increased from 75 last year to 93 whilst the number of primary appeals has increased from 140 to 207 (an increase of 48%); and,
- 16 Member training sessions were organised in 2012.

Revenue Budget & Service Changes 2013/16

Major changes to the Business Assurance & Democratic Services include the following:

- Selling services to other local authorities to generate income for the council.

Business Assurance & Democratic Services efforts will be concentrated on:

- Addressing those obligations under the revised Access to Information Regulations which fall within the remit of Business Assurance and Democratic Services;
- Setting up and administering the Health and Wellbeing Board;
- Assisting with the review into the Most Appropriate Decision Making Governance Arrangements for Wokingham Borough Council;
- Develop Business Assurance capabilities to provide innovative solutions to meet our clients needs;
- Increasing the value to stakeholders of internal audit; and
- Promoting anti-fraud culture and awareness.

REVENUE SERVICE BUDGETS 2013/2014				Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Business	Assurance	&	Democratic			
Services						
Audit, Review & Insurance (Note 1)				457	377	Muir Laurie
Democratic Services (Note 2)				819	872	Anne Hunter
<i>Internal Recharges & Depreciation Charges</i>				(1,276)	(1,249)	
Total Business Assurance & Democratic Services				0	0	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Increase in internal audit, investigations and fraud income generation (£125k) and £32k new Investigations Officer post.

Note 2. Members Allowances transferred from Resources and salaries transferred from Development & Regeneration £53k.

CHIEF EXECUTIVE'S OFFICE BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

The Chief Executive is responsible for the corporate and overall strategic management of the Authority as a whole. They must report to and provide information for the Executive, the Council, the Overview and Scrutiny Committees and other committees. They are responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Chief Executive is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the Council's decisions.

Revenue Budget & Service Changes 2013/16

Major changes to the Chief Executives Office revenue budget include the following:

- Transfer of staffing to Resources.

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Chief Executive's Office			
Chief Executive's Office (Note 1)	249	201	Andy Couldrick
<i>Internal Recharges & Depreciation Charges</i>	4,160	4,068	
Total Chief Executive's Office	4,409	4,269	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Reduction of Chief Executive salary.

CHILDREN'S SERVICES BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

To work in partnership with all our partners, including schools, to have effective and efficient arrangements for all children and young people in the borough so that:

- They are safe
- They are healthy
- They achieve to their potential
- They make positive contribution to their community

There is an underpinning priority to narrow the gap in the outcomes for children in families with low incomes or who face other kinds of disadvantage compared to the majority of residents.

Children's Services incorporates the following:

- **Safeguarding and Social Care**
 - Provides the full range of statutory social care arrangements for children in need, subject to child protection plans or in care to the local authority;
- **Learning and Achievement**
 - Supports and challenges schools on raising achievement, secures effective early years and childcare provision and provision for children with special educational needs, and through specialist services supports those to access education who might otherwise not attend or be excluded;
- **Early Intervention**
 - Provides targeted services which support children and young people and their families to become more resilient and maintain them within their community and schools. Such provision includes the youth service, youth offending team and parent support advisers. It also includes children's centres where a range of health and learning opportunities are offered for families; and,
- **Commissioning**
 - Supports all children's services in developing strategies, providing and monitoring performance and commissioning infrastructure. It also secures sufficient school places, home school transport and administers the admission arrangements.

Service Outputs - Key Facts and Figures

Children's Service is responsible for delivering the following on an annual basis:

- On average support of 90 children subject to a Child Protection Plan;
- On average support for 75 Children in Care;
- Approximately 4,800 contacts screened;
- 57 schools - Head Teachers, Governors, teachers and support staff - and 21,515 pupils in schools;
- Training courses attended by 2,276 teachers (days), 1,050 Governor training sessions and 2,678 early years participants;
- Provision in excess of 125,000 free school meals;

- Mainstream Home to School Transport 217,550 return journeys;
- Special Education Needs Transport 71,025 return journeys;
- Approximately 750 statements of special educational need;
- 1,800 full day care places;
- 1,400 holiday schemes;
- 155 schools admission appeals heard during the 2011/2012 academic year and 166 appeals heard for places during the 2012/2013 academic year as at January 2013 (figures exclude Aided schools who handle their own appeals);
- Processing of 2,085 primary applications to start in school in reception (F2) in academic year 2012/13, from September 2012 to January 2013;
- Processing of 1,751 secondary transfer applications to transfer to year 7 in a secondary school in academic year 2012/13, from September 2012 to January 2013;
- Approximately 750 parents are receiving education / support through parenting programmes and workshops;
- 2,999 children and 3,358 adults have been seen across the eight Wokingham Borough Children's Centres;
- 50 young people supported to reduce problematic substance misuse;
- Worked with 165 young people at risk of offending, 105 young offenders to reduce re-offending, and 66 victims of youth crime; and,
- Engaged approximately 1,500 young people through the youth service.

Revenue Budget & Service Changes 2013/16

Major changes to the Children's Services revenue budget include the following:

- Reconfiguration of services, savings & efficiencies delivering net £1.6m of savings;
- Special Items of £511k; and,
- Removal of Early Intervention Grant & Other Specific Grants £5.2m.

Capital Budget & Service Changes 2013/16

Children's Services capital schemes include the following:

- Schools Devolved Formula - to carry out specific capital works on schools;
- Schools Urgent Maintenance - Planned improvements and suitability issues;
- School Kitchens - To improve school meals kitchens throughout the Borough;
- Enhancing provision for secondary education – Improving standards of learning in the secondary provision;
- Increase in school places - To meet the need of additional places in the primary provision;
- Aspire Project – A Provision for 14 - 16 year olds who are challenged by their traditional school provision as well as post-16 young people who are in danger of becoming NEET (Not in Education, Employment or Training);
- Enhancing Provision for Children and Young People with Disabilities - Access improvements to Schools and Respite carers;
- Purchase of laptops for use by Children in Care; and,
- Bulmershe School Improvement Scheme - To support a programme of curriculum development by providing new and enhanced teaching and learning facilities.

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Children's Services			
Learning & Achievement (Note 1)	2,961	3,229	Richard Stanley
Early Intervention & Community Support (Note 2)	3,969	3,683	Rachael Wardell
Safeguarding & Social Care (Note 3)	10,661	10,486	Judith Ramsden
Strategy & Partnerships (Note 4)	4,111	3,359	Brian Grady
Business Services (Note 5)	(5,524)	(309)	Robert Stubbs
<i>Internal Recharges & Depreciation Charges</i>	12,279	12,763	
Total Children's Services	28,457	33,211	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Staffing and other transfers totalling £600k from Strategy & Partnerships; service efficiencies and savings (£300k) including service restructure, reduction in commissioned services contract and increased traded income.

Note 2. Rationalisation and targeted provision of services (£798k) including Integrated Youth, Children's Centre and Community Wardens restructure; reduction in commissioned services contract. Special Items Families First £200k and Youth Service & Children's Centre Review £240k.

Note 3. More cost effective provision of placements and purchasing budgets (£239k). Increase Safeguarding & Quality Assurance team £50k.

Note 4. Staffing and other transfers (£600k) to Learning & Achievement; service efficiencies and savings (£135k) including service restructure, Home to School Transport route efficiencies and increased traded income. Special Items Frameworki Team £21k and Local Safeguarding Board £50k.

Note 5. Transfer of Early Intervention Grant and other specific grants, in total £5.2m, from service income to Start-Up Assessment.

DEVELOPMENT & REGENERATION BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

Development and Regeneration incorporates the following:

- **Sustainable Places Policy Planning**
 - To provide the policy base for land use, transportation, housing, economic development, sustainable environment and key infrastructure provision e.g. Community Infrastructure Levy to secure the Borough's vision of being a great place to live and an even better place to do business;
 - To lead on the Council's enabling of new affordable housing, including development and project management of new initiatives, bids for funding for new development and development and implementation of policies to secure homes and funding through negotiations with developers; and,
 - To support Town and Parish Councils to deliver the Neighbourhood Planning agenda at a local level.
- **Development Management**
 - To provide a high quality customer responsive service to determine planning applications, present the Council's case effectively at appeal and to investigate and resolve breaches of planning control; and,
 - To maintain and extend tree protection and provide a professional and responsive landscape and tree advice service.
- **Development Delivery**
 - To provide a multi-disciplinary service to work with applicants, landowners, residents Parish and Town Councils and others in the four Strategic Development Locations (SDL) areas to ensure the timely delivery of high quality infrastructure rich development to meet the Borough's housing need.
- **Infrastructure Planning and Delivery**
 - To promote the Borough's growth agenda to maximise opportunities for funding and other support to deliver the infrastructure needed for the SDLs and the rest of the Borough; and,
 - To coordinate the planning and provision of the infrastructure required for the SDL's through the programming of feasibility studies, the programming of works and the co-ordination of funding sourcing including capital planning, the co-ordination of section 106 contributions and the Community Infrastructure Levy when introduced.
- **Community Development/Engagement**
 - To engage and support evolving communities (SDLs) to ensure sustainability beyond bricks and mortar in particular establishing opportunities for business, voluntary, cultural, leisure, community, sport and health activities in the new communities, all of which are vital to ensure social and economic sustainability; and,
 - To engage and support established communities through developing community capacity and self sufficiency.
- **Sustainable Economy**
 - To play an active role in Thames Valley Berkshire Local Enterprise Partnership to ensure the Borough contributes to the needs of the wider economic area and secures benefits for local residents and businesses;
 - To implement and deliver the Economic Development Strategy and to engage widely with businesses in the Borough both large and small to understand and respond to their concerns and issues; and,
 - To support the economic sustainability of the SDLs including business hubs and local labour initiatives.

- **Community Safety**
 - To deliver the Joint Strategic Assessment of need that informs the priorities of the Community Safety Partnership; and,
 - To engage in the planning and development of the SDL's so as to facilitate their development as safe places to live.
- **Building Control**
 - To provide a high quality, cost effective service for assessing plans and inspecting building works to ensure compliance with Building Regulations, in a way that exceeds customer needs to achieve a healthy, safe, accessible and sustainable built environment.
- **Town Centre Regeneration**
 - To work closely with local stakeholders, including residents, business' and landowners, to develop and implement regeneration plans for all key towns within the Borough which deliver upon a range of physical, economic and social improvements as established in a local regeneration vision for each town centre.

Service Outputs - Key Facts and Figures

- Progression of the Council's Managing Development Delivery DPD to adoption (including the five year land supply) and progress other required DPD / Local Plan documents;
- Progression of the Council's Community Infrastructure Levy charging schedule through its statutory stages;
- The provision and analysis of a range of needs and other data and research and analysis of national policy agenda relating to development and regeneration activity;
- Determination of over 2,500 planning and related consent applications;
- Investigation of over 800 potential breaches of planning control;
- Promotion and defence of the Council's policies at 120 appeals per year;
- Development and co-ordination of Infrastructure Delivery Plans and negotiations to secure acceptable development proposals for each of the four SDL's;
- Effective monitoring of the progress of developments, particularly in the SDL areas, to ensure the prompt payment of s106 monies due and the timely provision of infrastructure provided on site by the developer;
- Engagement with and the development of capacity within local communities both new and evolving;
- Co-ordination and management of the Council's engagement with local businesses;
- Delivery of a range of community based crime reduction activities through the management of key Delivery Groups of the Community Safety Partnership's priorities and plan;
- The management of engagement activity around the SDLs including the four Community Forums;
- The negotiation of both hard and soft community facilities in the SDLs including buildings, sport, leisure and open space and voluntary and community development support to ensure the social fabric supports the community;
- The co-ordination of the Council's relationship with Parish and Town Councils across the Borough;
- The provision of high quality advice to Towns and Parishes to ensure that they are aware of the range of planning policy tools at their disposal and that any Neighbourhood Plan is progressed in accordance with strategic planning policies;
- The commissioning of specialist housing provision and affordable housing provision as part of new development and directly via Wokingham Housing Ltd;
- The co-ordination of the review of the Council's housing policies;
- A largely self-financing Building Control service currently achieving an 80% market share;

- The engagement with local communities and stakeholders in the development of high level visions and viable regeneration schemes for town centres; and,
- The progression and co-ordination of the delivery of the Wokingham Town Centre regeneration scheme.

Revenue Budget & Service Changes 2012/15

Major changes to the Development and Regeneration revenue budget include the following:

- Restructure of service, transferring in Development Management and Strategic Property, and the transfer out of Local Involvement Network Budget;
- Savings and efficiencies from Community Safety and Land Use and Transportation;
- Removal of Special Item.

Capital Budget & Service Changes 2012/15

Development and Regeneration capital schemes include the following:

- Strategic capital fund for allocation to Wokingham Borough Council strategic schemes as required (Strategic Developments Locations etc.);
- The Wokingham Town Centre regeneration programme to support existing and new businesses; increase employment, secure on going investment in the town centre;
- Feasibility studies for various distributor roads in Wokingham Borough Council; and,
- Provision of Superfast Broadband - to provide 100% coverage with speeds of at least 25mb for Berkshire by 2015. The scheme is a partnership with the other Berkshire Unitaries.

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Development & Regeneration			
Development & Regeneration (Note 1)	371	425	Heather Thwaites
Communities (Note 2)	701	705	Josie Wragg
Grants to Individuals / Organisations (Note 3)	334	318	Sue Roberts
Development Management (Note 4)	0	1,080	Mark Cupit
Sustainable Places – Policies and plans (Note 5)	740	808	Sarah Hollamby
Building Control (Note 6)	0	(70)	Ben Langford
Town Centre Regeneration (Note 7)	0	(2)	Bernie Pich
<i>Internal Recharges & Depreciation Charges</i>	215	1,095	
Total Development & Regeneration	2,361	4,359	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Transfer of staffing (Section 106 officer) from Resources and restructure within the service £50k.

Note 2. Restructure within service £136k ; Community Safety savings (£49k); Local Involvement Network Budget transferred to Health & Wellbeing for Healthwatch Project (£83k).

Note 3. Voluntary Association savings (£16k).

Note 4. Development Management transferred in from Neighbourhood Services.

Note 5. Removal of special item £236k; Restructure within service (£136k) and efficiency savings relating to Land Use and Transportation (£35k).

Note 6. Building Control transferred from Neighbourhood Services.

Note 7. Strategic Property transferred in from Resources.

GOVERNANCE & ELECTORAL SERVICES BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

Shared Legal Solutions assists the frontline services for Wokingham and the Royal Borough of Windsor and Maidenhead Councils in delivering their agenda consistent with their Corporate Plans and Visions. It is a shared service for both Councils and in line with best practice; the service aims to deliver value for money and best value services.

Electoral Services is not an internal support service but a statutory function that is independent of the Council and provides a service to the electors, candidates, agents and Councillors in the democratic process.

Land Charges is also a statutory service which provides for the maintenance of the land charges register for Wokingham. It provides a direct service to the public.

Governance and Electoral Services incorporates the following:

- **Shared Legal Solutions**
 - The provision of timely and high quality legal advice and support to the Council's direct provision of services as well as to the Royal Borough of Windsor and Maidenhead as this is now a shared back office service for both Councils.
- **Electoral Services**
 - Maintain an up to date Electoral Register and manage all statutory processes with regard to the running of all elections and referenda in the Borough. Enable all eligible residents within the Wokingham Borough to exercise their democratic rights.
- **Local Land Charges**
 - To maintain statutory land charges registers which are both up-to-date and accurate and to respond to search requests as accurately and as quickly as possible.

Service Outputs - Key Facts and Figures

- **Shared Legal Solutions:**
 - Provides an extremely wide range of legal services and advice to the Councils of Wokingham and the Royal Borough of Windsor and Maidenhead and the schools of both Boroughs;
 - Manages the provision of the legal service to both Councils under a formal legal agreement and shared budgetary provision based on historic usage of the service; and,
 - Between 1st January 2012 and 31st December 2012, the SLS was instructed on 2,060 new matters.
- **Electoral Services:**
 - Has responsibility for running the authority's annual elections, along with all other elections and referenda;
 - Employs and trains hundreds of casual staff at election time; and,
 - Runs an annual canvass of all 65,000 properties in the Borough. Employs trains and manages approximately 60 personal canvassers.

➤ **Local Land Charges:**

The level of searches per year is wholly dependent upon the state of the housing market. The annual figures for recent years are as follows:

2007/2008	2,370
2008/2009	1,380
2009/2010	1,624
2010/2011	1,922
2011/2012	2,057

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Governance and Electoral Services			
Electoral Services	298	299	Susanne Nelson-Weymer
Governance & Democratic (Note 1)	196	143	Susanne Nelson-Weymer
Land Charges (Note 2)	(232)	(249)	Mary Severin
Shared Legal Services	452	462	Susanne Nelson-Weymer
<i>Internal Recharges & Depreciation Charges</i>	(415)	(329)	
Total Governance and Electoral Services	299	326	

Explanation of Movement from 2012/13 to 2013/14

Note 1. (£50k) restructure for transformation savings. Service efficiencies offset by growth for Coroners court joint arrangement.

Note 2. Staffing restructures

HEALTH AND WELLBEING SERVICES BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

Health and Wellbeing Services have statutory responsibilities to enable an assessment of need for care and support on behalf of any vulnerable local resident over the age of 18 years, their family or informal carers, and a duty to allocate resources or arrange support to meet eligible assessed needs. Services are organised to respond to needs arising from old age, physical, sensory or learning disabilities, or serious mental health problems. Health and Wellbeing Services also have a wider role in safeguarding vulnerable adults and enabling community wellbeing by developing and facilitating community support and prevention services to enhance statutory services, as well as a responsibility to ensure the availability of good information and advice services regarding local facilities.

The vision of **the Health and Wellbeing service** is that:

- People have a real say in how their services are arranged;
 - Services are equally accessible to all residents from all backgrounds;
 - Specialist services are focussed on the most vulnerable residents;
 - Services enable residents to retain or regain independence, and to have choice and control over their lives;
 - There will be a shift towards more preventive community support;
 - Community health and social care services have local presence and work in partnership; and,
 - Health & social care needs are a recognised priority across all Council services, promoted and coordinated by the Health and Wellbeing Board.
- **Partnership is an essential ingredient in how we set about achieving our vision. Some of our key partnerships are with:**
- Customers, their carers' and other residents;
 - Social care staff in the Council and the independent sector workforce;
 - Optalis;
 - Other service sectors within the Council, including housing, learning and leisure;
 - Community health and social care providers in the statutory, voluntary, independent and private sectors;
 - The Berkshire West Primary Care Trust which has responsibility for commissioning healthcare for the Borough's population; and the Clinical Commissioning Group going forward; and,
 - Community and voluntary sector organisations; local businesses.
- **Housing Strategy and Development (including the enabling function)**
- Overseeing the development and implementation of the Council's Housing Strategy and homeless strategy;
 - Working with housing associations and developers to deliver accommodation across a range of tenures in support of this Strategy, including affordable accommodation for key workers, vulnerable people and households in housing need; and,
 - Leading on the delivery of key corporate housing projects, including Extra Care housing at Alexandra Place.
- **Housing Needs**
- Delivering housing advice to those in housing need;
 - Managing the Council's response to people who are homeless or threatened with homelessness, including a strong focus on the prevention of homelessness;

- Managing the Council's Housing Register and the process of making nominations from this register; and,
- Providing a housing support advice service to people with a learning disability
- **Tenants Services**
 - Ensuring that the Council's landlord function is managed effectively, including:
 - Managing neighbourhoods;
 - Collection of rent and service charges;
 - Neighbourhood nuisance issues;
 - Enabling tenant / leaseholder participation;
 - Managing the environment around Council properties;
 - Meeting the requirements of the Tenant Services Authority; and,
 - Management of two Council owned gypsy & traveller sites.

Service Outputs - Key Facts and Figures

The service performance is monitored by the Care Quality Commission (CQC); in the Annual Performance Assessment for the year 2011/12, the Council was judged to be 'Performing Well' overall. In two of the outcome areas of 'Improved Health and Wellbeing' and 'Choice and Control', the assessment was 'Performing Excellently'. In all other areas the Council was judged to be 'Performing Well'.

Other Measures:

- Percentage of clients with carers – 23%;
- Number of new contacts in year – 7,288;
- Number of new referrals in year – 3,009;
- Number of people assessed in year – 1,194;
- Number of people reviewed in year – 1,587;
- Number of people receiving services – 2,550; and,
- Percentage of community-based clients who receive Self Directed Support – 41%.
- **Housing Needs**
 - Manage the Housing Register (Waiting List) currently c2,400 registered applicants including assessing individual housing need, administering and inputting applications, updating and renewing applications and communication with customers;
 - House applicants into Council or Housing Association vacancies (including new-build developments and sheltered accommodation) - usually between 250-350 housing allocations annually;
 - Respond to face to face enquiries and applications regarding Homelessness, Housing Advice, Housing Register, Allocations c4000 per annum (c200 per month are complex/enduring/urgent cases);
 - Investigate, decide and provide for statutory homeless applications (Housing Act 96 Part VII); and,
 - Manage and deliver the homelessness prevention service using options such as the Deposit Loan Scheme and the Mortgage Rescue Scheme.
- **Tenants Services**
 - Manage and deliver all aspects of the Council's landlord function to households in Council accommodation;
 - Currently 2,714 properties with 2,643 active tenancies, 90 shared equity tenants and 178 leaseholders;
 - Collection of over £13.8m Housing Revenue Account rents and service charges;
 - Collection of over £300k of Housing General Fund rents and service charges;
 - The asset management team ensure Wokingham Borough Council strategies, policies and action plans provide efficient and effective management in promoting,

maintaining and preserving the Council's housing stock, contributing to sustainable communities;

- To ensure a fit for purpose property portfolio, within a value for money context and available resources;
- To ensure that the Council's housing stock is brought up to Government's Decent Homes standard by March 2015;
- Manages the contracts procured to deliver the repairs and maintenance function to the housing stock; gypsy/traveller sites; mobile home sites and homeless accommodation; and,
- To ensure the provision of Estates Services with the cleaning of communal blocks and management of housing land and estates.

Revenue Budget & Service Changes 2013/16

Service activity and costs are modelled and forecast every year using population data and other trend information. There is a continual focus to deliver services as efficiently as possible.

This year our key challenges remain to:

- Contain cost pressures of demographic growth;
- Protect the most vulnerable people;
- Maintain the development of personalised services including personal budgets;
- Review of Social Care Pathway and Framework;
- Commission further community support and prevention;
- Develop more supported and extra-care housing;
- Continue partnership with community health services;
- Prepare for the transfer of public health responsibilities from the NHS Primary Care Trust to Wokingham Borough Council by April 2013; and,
- Support, retain and develop an excellent workforce for the future.

Capital Budget & Service Changes 2013/16

Capital schemes involving Health and Wellbeing and Housing Services include the following:

- Investing in supporting housing and local community venues;
- Significant capital investment in the Council Housing Stock to meet decent homes, provide adaptations for the disabled, estate improvements and Sheltered homes;
- Development of extra care/sheltered housing to meet expanding capacity and higher care needs; and,
- To increase good quality affordable housing developments (Wokingham Housing Limited).

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Health and Wellbeing			
Statutory Services (Note 1)	26,932	32,773	Karen Jackson
Mental Health Services (Note 2)	2,805	2,715	Christine Dale
Support Services (Note 2)	6,326	6,456	Pat Jones
Community Care Housing (Note 3)	(71)	(1)	Simon Price
<i>Internal Recharges & Depreciation Charges</i>	3,713	3,235	
Total Health and Wellbeing	39,705	45,178	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Health Funding grant rolled into Service Budget £6.8m.

Note 2. Reduction within Mental Health Day Care costs and Residential moves to supported living in line with Service plan.

Note 3. Reduction in grant for Rent Allowances

NEIGHBOURHOOD SERVICES BUDGET 2013/16

Service Aims and Objectives

Neighbourhood Services brings together a number of front line operational services and engages with local communities to identify local priorities and deliver joined up solutions.

The service works with internal and external stakeholders to address the issues which matter most to local residents. This involves direct service provision and the development of strong partnerships such as:

- WSP (the Council's highways consultant);
- Balfour Beatty Living Places (highways contractor);
- Balfour Beatty Street Lighting;
- Leisure Connection (sports and leisure contractor);
- Bracknell Forest and Reading Councils (for the re3 waste partnership and FCC);
- West Berkshire Council (joint provision of Environmental Health, Licensing and Trading Standards services);
- Thames Valley Police; and,
- Town and Parish Councils.

Neighbourhood Services incorporates the following:

Neighbourhoods:

- **Environmental Health, Licensing and Trading Standards**
 - These services are provided through a joint service agreement with West Berkshire Council. This provides a wide range of regulatory services to achieve improvements in the quality of life for those who live, work and visit the Borough. Services include licensing, environmental protection, disabled facilities grants, food safety, health and safety enforcement, trading standards and pest control.
- **Countryside Services**
 - Responsible for managing the Council's country parks including Dinton Pastures, California, Charvil and several other nature reserves; Public Rights of Way; providing countryside and bio-diversity advice and the management of Hurst Golf Course. The Multi Activity Centre at Dinton Pastures provides a wide range of water-based activities and training opportunities. The service supports health, wellbeing and quality of life by providing a wide range of healthy outdoor recreation activities and experiences.
- **Parks and Open Spaces**
 - Responsible for the delivery of all grounds maintenance work including reactive and programmed works, management of Council-owned play areas, events fields, sports pitches, pavilions and associated recreational facilities. Grounds maintenance services are also provided for other Council services – notably highways, tenant services, schools and Children's Services.
- **Libraries & Lifelong Learning**
 - Responsible for the operational management of the Borough's ten libraries; community outreach and engagement; planning, commissioning and operational management of post-19 adult learning provision across the Borough. The service delivers a programme of events for children including holiday activities and child literacy schemes such as Bookstart.
- **Sports Development and Leisure**
 - Responsible for managing sports and leisure programmes including Council leisure centres (in conjunction with Leisure Connection) and the implementation of the

Council's Sports and Leisure Strategy which includes a range of targeted programmes for children and older and vulnerable people; and,

- The Sports Development team play a key role in supporting the corporate prevention agenda, promoting sport and leisure activities for targeted groups resulting in healthier and more inclusive communities. Programmes such as SHINE, Steady Steps and the GP Referral Scheme are helping older people to live active and independent lives.
- **Waste Management & Street Cleansing**
 - Waste & Recycling Services are responsible for the delivery of all aspects of refuse and recycling collection; waste enforcement and abandoned vehicles;
 - Street Cleansing is a statutory function of local authorities to keep specified land clear of litter and refuse and keep the public highway clean. The service delivers a cleaner environment for the Borough's residents, visitors and businesses by removing detritus (naturally accumulated deposits); litter; graffiti, fly-posting; fly-tipping; dumped rubbish and other abandoned waste; treating weeds on adopted highways and the cleansing of the A329M;
 - The Waste Team are responsible for monitoring the delivery of the 25 year Private Finance Initiative (PFI) contract with Bracknell and Reading Councils (re3), through the Joint Waste Board and PFI Governance arrangements; and,
 - The Local Loo Scheme provides publically accessible toilets for residents and visitors to town and village centres and is delivered in partnership with local businesses and community organisations.
- **Registration Service**
 - The Registration Service is responsible for the registration of births, deaths, marriages and civil partnerships. It also delivers citizenship ceremonies, the renewal of vows and other related ceremonies.

Highways and Transport:

- **Highways Development**
 - Responsible for implementing major schemes and overseeing the work of developers. Provides advice on Goods Vehicle Operator Licence applications, and Neighbourhood Watch areas. Provides repairs and replaces street nameplates.
- **Highways Network**
 - Responsible for the delivery of reactive highway maintenance, including land and highway drainage and the structural maintenance programme (major road resurfacing).
- **Structures**
 - Responsible for the management of the Borough's highway structures (bridges, subways, retaining walls, culverts, embankments etc).
- **Integrated Transport**
 - Responsible for the delivery of transport policies, traffic management and road safety schemes and road safety education, training and publicity (ETP).
- **Street Co-ordination**
 - Responsible for the management of Council parking including off street car parks, season tickets, residents' parking, etc, the supervision of all highway street lighting and highway electrical equipment and management and co-ordination of all street works and events carried out on the highway.

Service Outputs - Key Facts and Figures

Neighbourhoods:

- Disposing of approximately 70,000 tonnes of municipal waste, of which around 26,000 tonnes is set to be recycled or composted;
- Removal of over 600 incidents of fly tipping;

- 3.2 million individual refuse and recycling collections per annum;
- Over 13,000 individual clinical waste collections to the elderly and vulnerable;
- Investigating 100 abandoned vehicles per annum;
- Managing the two re3 Household Waste Recycling Centres with re3 partners;
- Advising on waste strategy and waste legislation;
- Clearance of over 100 incidents of graffiti;
- Cleansing over 700 km of highway, including footways and cycle paths;
- Hosting over 450,000 visits to our ten libraries with over 900,000 items of library stock being issued;
- Providing an education package to over 2000 children visiting Dinton Pastures Country Park;
- Delivering a park and a countryside service events programme with over 100 events;
- Management of 283 hectares of parks and open spaces;
- Management of 100 children's play areas and 3 youth shelters;
- Management and maintenance of pavilions and associated sports facilities;
- Management of 2 cemeteries – Shinfield and St Sebastian's; and
- Contract management for 3 leisure centres/swimming pools – St Crispin's, Loddon Valley and Carnival Pool – with over 400,000 visits per annum.

Highways and Transport:

- Issuing over 7,000 works orders for routine highway repairs and approximately 700 highway notices;
- Inspecting and maintaining over 720km of highway and associated footways;
- Management of the A329M motorway;
- Routine maintenance of nearly 30,000 gullies and over 300km of highway drainage pipework;
- Provided cycle training for approximately 1,000 children;
- Assessing the highways, transport and drainage implications of over 1,000 planning applications and the pre application discussions associated with major applications on Strategic Development Location sites;
- Delivering the objectives of the Borough's local transport plan 2011-26;
- Provision of 25 school crossing patrol sites throughout the Borough;
- Managing and maintaining the Council's 16 pay & display and 10 other free off-street car parks;
- Maintaining over 19,000 street lights, illuminated signs, feeder pillars and other similar equipment; and,
- Processing 55,000 notices for works on the highway to ensure co-ordinated works.

Revenue Budget & Service Changes 2012/15

Major changes to the Neighbourhood Services' revenue budget include the following:

➤ **Growth Items**

- Waste Disposal PFI - contract increase as set out in the Private Finance Initiative scheme;
- Increase in energy prices; and,
- Continued support to deliver the core strategy.

Revenue cost increase relating to increased network length and contractual price increases in street lighting have been absorbed within the existing budgets.

➤ **Savings to Support Growth Items:**

- Waste Management & Street Cleansing – efficiencies as a result of more effective contract arrangements;

- New contract for waste collection began in 2012, delivering new collection arrangements and ongoing cost reductions;
- Environmental Health and Licensing shared services - services moved to a joint service delivery with West Berkshire Council – ongoing saving;
- Sports development - extra income through additional courses and activities;
- Countryside – increased income from activities, Dragonfly Café, service efficiencies and review of car park charges;
- Parks and open spaces - amended contract management arrangements;
- Libraries and learning – service efficiencies and introduction of new technologies;
- Transport infrastructure energy use reduction - Removing illumination from Aids to Movement signage or converting to LED;
- Traffic signal upgrade programme – energy use reduction - Changing signals to LED as upgrades are progressed;
- Highway development - Savings against street name plate budget/ Savings against the consultancy budget;
- Highway operations- An overall reduction in service budgets, resulting in a targeting of maintenance work;
- Street lighting - Removal of dangerous lighting columns and conversion to low energy units as budget allows;
- New Roads & Street Works Act - Additional income generated through more inspections;
- Winter - Reducing amount of salt used through change to spec. / Reviewing Winter Service Plan outputs. Structures - Reduction in structures budget with result in targeted and prioritised repairs;
- Traffic Management –a reduction in the costs associated with education and training;
- Drainage - A reduction in service budget; and,
- Public transport - Reduction in public transport support across various contracts.

Capital Budget & Service Changes 2013/16

Neighbourhood Services capital schemes include the following:

- Safety/Crash Barriers - Installing barriers to prevent rail incursion and cross over accidents and improving existing barriers to meet modern standards;
- Strengthening and Major Maintenance of Road Bridges - Works to ensure that the Council's bridge stock is maintained in a safe condition;
- Street Lighting and Asset replacement - Street light column testing, replacements, and conversion of street lamps to part-night lighting;
- Mandatory Disabled Facility Grants - Grants to allow disabled people to remain in their own home by making appropriate physical alterations;
- Road Safety & Traffic Management - Providing facilities to improve road safety for all users, reduce congestion, improving the efficiency of the transport network, promote and provide access to sustainable modes of transport;
- Highway Carriageways - Resurfacing roads and footways in the Borough;
- Highway Drainage - Preventing risk of flooding on the highway, allocation will be used to carry out remedial works to drainage network where flooding problems have been highlighted;
- Wokingham Station – a contribution towards the building of a new railway station in Wokingham town;
- Station Link Road- Essential improvements to Wokingham station and the associated road link that will help facilitate the regeneration of the town. Investing in supported housing and local community venues;
- Traffic Signal Upgrade Programme- urgent upgrade on old and obsolete equipment, also giving the opportunity of installing low energy equipment;

- Highways Footway Structural Maintenance Programme - Resurfacing of footways to extend the life of the asset, improve its condition and increase surface water run-off thereby improving pedestrian safety;
- Infrastructure Transport Fund - to meet potential infrastructure costs surrounding the Strategic Development Locations; and,
- Transport Infrastructure Energy Use Reduction - To reduce the effect of the Councils existing highways infrastructure on the environment by removing illumination or replacing units with low energy fittings, which will result in longer term energy savings.

REVENUE SERVICE BUDGETS 2013/14	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Neighbourhood Services			
Corporate Services (Note 1)	1,405	0	
Neighbourhood Services (Note 2)	14,701	15,961	Neil Carr
Highways & Transportation (Note 3)	5,942	7,077	Matt Davey
Development Management (Note 4)	1,221	0	
<i>Internal Recharges & Depreciation Charges</i>	<i>8,465</i>	<i>6,916</i>	
Total Neighbourhood Services	31,734	29,954	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Restructure of Corporate Services to Neighbourhood Services and Highways and Transport.

Note 2. Service transfers from Neighbourhood's Corporate Services Team £1,038k; Growth in Waste PFI inflation and strategic planning of Strategic Development Locations £396k, offset by savings through efficiencies in Libraries (£78k); re-negotiation of grounds maintenance contract (£58k); efficiencies in street cleansing (£15k) and additional income from Sports Development through targeted advertising and courses (£12k).

Note 3. Service transfers from Resources £785k and Neighbourhoods Corporate Services £460k; Growth in energy prices £46k; Savings through review of levels of service in delivery of road maintenance (£186k) and additional income generation from street works (£18k).

Note 4. Development Management transferred to Development and Regeneration.

RESOURCES DIRECTORATE BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

A significant portion of the directorate provides support to direct Council services. The overarching aim of the Resources Directorate is to provide the best possible support at the lowest possible cost. In delivering direct services, it is also committed to cost effective service provision aligned to the achievement of the Corporate Plan.

Resources incorporates the following:

- **Finance and Procurement**
 - To develop and maintain best practice in financial management and procurement, look for sustainable solutions, achieve long term ongoing efficiencies, value for money and ensure robust governance arrangements.
- **Information Management and Technology (IMT)**
 - To provide information and voice technologies and solutions which meet business needs, improve performance and are value for money; and,
 - To advise and assist across the organisation on the secure and effective management of information.
- **Community Resilience**
 - Ensuring that the organisation has the necessary emergency planning and facilitating internal business continuity structure including an appropriate emergency response capability, including out of hours; and,
 - Promoting preparedness in both residential and business communities.
- **Human Resources**
 - Supports the organisation to manage and organise its human resources so that it can achieve its current and future needs. The service provides HR advice and consultancy, business partnering support, learning and development, health and safety and organisational development.
- **Strategic Asset Management**
 - To provide the strategic direction for assets and property across the organisation in support of the front-line services; and,
 - To manage the Council's commercial estate, property records and provide a valuation service.
- **Operational Property**
 - Responsible for the design, procurement and delivery of the Capital Programme expenditure of c£29m;
 - To act as the designated 'Corporate Property Officer' for the purposes of capital delivery; and,
 - Capital Planned maintenance programme of av. £1.7m per year last three years.
- **Transactional Finance**
 - To maximise the collection of Council Tax, Business Rates, Rent and Sundry Debtor revenues;
 - To provide a speedy and accurate Benefits service while minimising the risk of fraud;
 - To administer the Councils Concessionary Travel Scheme;
 - To provide financial assessments for Social Care service users and general welfare benefits advice and claims support;
 - To provide a corporate wide cashiers service; and,
 - To administer an effective and efficient payments service including staff payroll and suppliers.

- **Customer Services & Administration**
 - First point of contact for all customer enquiries via telephone, email, SMS, online and face to face via Wokingham Direct;
 - Provides the communications and public relations function for the Council;
 - Provides the website function for the Council;
 - First point of contact for all Freedom of Information and Data Protection enquiries;
 - Investigation of complaints on behalf of the Chief Executive and Local Government Ombudsman; and,
 - Provision of effective and sustainable administration support across the whole council, ensuring best use of resources.

Service Outputs - Key Facts and Figures

- **Finance and Procurement:**
 - Co-ordinates budget setting and provides financial advice on a revenue account of c£275m per annum gross, capital of c£50m per annum and Housing Revenue Account (HRA) of c£14.5m per annum gross;
 - Invests an average of £60m per annum and manages borrowing of c£134m; and,
 - Procurement and contract management of corporate contracts valued c£5.5m per annum providing services to over 100 Council buildings and sites.
- **Information Management and Technology (IMT):**
 - Support of the implementation of multiple IT projects including the Integrated Childrens System (ICS) and additional areas for Electronic Document and Records Management System (EDRMS);
 - Improvement of ICT services through the Northgate contracts; and,
 - Management of the ICT estate 1,500 PC's and 110 servers.
- **Community Resilience:**
 - Facilitates internal business continuity planning;
 - Manages the Council's out of hours duty officer service;
 - Liaises with local emergency service partners and neighbouring authorities;
 - Warns and informs the public and local business of potential threats; and,
 - Provides guidance to local commerce on Business Continuity planning.
- **Human Resources:**
 - Customer base: 4,869 headcount, 3,693 FTE staff (including schools);
 - Duty to ensure the Council meets its legal obligations in relation to the employment of staff;
 - Provides corporate training for all staff;
 - Provides Learning & Development specialist support to Children's Services, Health and Wellbeing and Housing; and,
 - Investigates around 10 significant health and safety incidents per annum.
- **Strategic Asset Management:**
 - To act as the designated 'Corporate Property Officer' for the purposes of capital and asset planning;
 - To provide key strategic advice on the use, suitability, capital investment and disposal of assets to the Executive Member, Member groups and Service Heads;
 - To prepare and update the Corporate Asset Management Plan (AMP) and undertake asset planning and development;
 - To assist with the preparation of the capital strategy and service AMPs;
 - To lead on capital disposal/property rationalisation and development programmes;
 - To help develop 3-10 year capital investment programme identifying key areas for investment and be a member of the capital monitoring group;
 - Provides valuations for the council's assets valued at c. £718m;
 - Collects property rentals of c.£2.3m; and,

- To ensure energy is procured in a consistent way across the organisation, to monitor usage and benchmark against other organisations and ensure good practice is cascaded throughout the organisation.
- **Operational Property:**
 - Processing over 5,500 bags of mail, moves 5,000 boxes of library books, sets up 2,000 meeting room bookings and issues 250 security passes per annum;
 - Maintains Council properties including: 57 schools, 7 libraries, 7 Children's Centres 9 youth & community centres, 2 elderly people's homes and 4 leisure centres. Carries out 5,000 reactive maintenance tasks per annum; and,
 - Responsible for Capital Programme expenditure of c£29m.
- **Transactional Finance:**
 - Collects Council Tax of c£92m from c62,500 properties generating over 100,000 accounts annually;
 - Collects Business Rates of c£55m per annum from 3,500 properties on behalf of the Government generating over 7,500 accounts annually;
 - Collect Council Rents of over £15m per annum from 2,700 tenants;
 - Collect over £23m per annum from 20,000 sundry debtor accounts;
 - Administer Housing Benefit and Council Tax Support paying over £27.7m to over 5,700 claimants generating over 12,000 new claim and change calculations per annum;
 - Through cashiers, process over 200,000 transactions per annum totalling c£500m per annum;
 - Conduct over 1,100 Fairer Charging Visits and 1,300 financial assessments for customers in receipt of home based social care;
 - Conduct over 250 welfare advice visits helping the most vulnerable claim over £650,000 in additional welfare benefit income per annum;
 - Make over 60,000 salary payments to staff each year to a value exceeding £63m (including Schools);
 - Make over 58,000 payments to suppliers and contractors each year to a value exceeding £180m;
 - Process c1,500 applications for around 140 vacancies per annum;
 - Process c350 contracts and pre-employment checks for new and existing employees and non-schools staff;
 - Process c1,800 CRB applications, including schools staff; and,
 - Processes over 1.2m WISE transactions per annum on c1,900 Cost Centres.
- **Customer Services and Administration**
 - Handles approximately 260,000 telephone calls per annum;
 - Deals with over 150,000 email requests per annum;
 - Deals with over 75,000 texts per annum;
 - Deals with over 200 visitors per month through kiosks;
 - Handles 500 web chats per month;
 - Deals with more than 650 press enquiries per annum;
 - Handles around 300 complaints, 900 Freedom of Information enquiries and 20 subject access requests per annum; and,
 - Provides administrative support to 30 teams across 18 sites including Shute End.

Revenue Budget & Service Changes 2013/16

Major changes to the Resources revenue budget include the following:

- Service efficiencies by removing non statutory spends on publications, renegotiation of agency contract and further staffing restructures;
- Savings through use of internet for recruitment; and
- Targeted staff training.

Capital Budget & Service Changes 2013/16

Resources Directorate capital schemes include the following:

- Health and Safety related schemes including: gas distribution, Legionella prevention, asbestos control and fire precautions risk assessment and remediation;
- IT related schemes including: Server hardware / Network replacement, Technology futures programme and implementation of new financial system
- Energy costs reduction / efficiencies schemes including solar panel implementation sustainable heating systems and replacement of strip lighting with energy-efficient alternatives.;
- Planned work on corporate buildings (non-schools) to ensure buildings are maintained to the appropriate level.

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head Of Service
Resources Directorate			
Finance and Procurement (Note 1)	4,455	4,114	Robert Stubbs / Kevin Mercer
Business Systems	3,294	3,281	Mike Ibbitson
Central Expenses (Note 2)	228	29	Jan Hale
Community Resilience	126	110	Peter Stuart
Human Resources (Note 3)	1,019	1,045	Jan Hale
Administration	2,257	2,259	Sarah Barrow
Interest on Balances / Debt Charges (Note 4)	4,669	4,941	Robert Stubbs
Property Operations (Note 5)	1,062	343	Chris Gillett / Rodney Hing
Concessionary Travel (Note 6)	1,971	868	Kevin Mercer
Corporate / Non-Committee Expenditure (Note 7)	2,341	3,614	Robert Stubbs
Wokingham Direct	1,077	1,067	Sarah Barrow
<i>Internal Recharges & Depreciation Charges</i>	<i>(13,085)</i>	<i>(11,437)</i>	
Total Resources Directorate	9,414	10,234	

Explanation of Movement from 2012/13 to 2013/14

Note 1 Service efficiencies by removing non statutory spends on publication, reduction in audit fees and consultancy (£180k), renegotiation of agency contract (£100k) and further staffing restructures (£50k)

Note 2. Service transfers to Human Resources (£160k) and savings through use of internet for recruitment. (£40k)

Note 3. Service reconfiguration from Central Expenses £160k and commissioning for Optalis training contract, offset by targeted staff training (£130k).

Note 4. Special item for additional borrowing costs £206k, growth for capital financing £160k and efficiencies by standardising payment terms (£100k).

Note 5. Reduction through removal of Special item (£314k), Transfer of staff and operational budgets to Development and Regeneration (£67k), savings from staffing restructures (£180k), disposal of corporate assets and renegotiation of maintenance contracts (£100k)

Note 6. Reduction as a result of staff transfer to Neighbourhood Services (£785k); removal of Special item (£75k) and review of concessionary travel (£150k).

Note 7. Transfer of responsibilities and special item for redundancy costs, following restructures of services.

TRANSFORMATION BUDGET 2013/16

SERVICE NARRATIVE

Service Aims and Objectives

The Transformation function was responsible for supporting and enabling the delivery of the Council's Transformation Programme - a large-scale, organisation-wide, fundamental change that impacted the future shape, size and service delivery approach of the Council. This programme will come to an end on 31 March 2013 but there is on-going activity to support the Council's financial sustainability.

A core team will remain which will have the following service areas and objectives:

➤ **Core Programme Team**

- Providing leadership and / or support in the fields of organisational development and business transformation; and,
- Providing strategic monitoring of the Council's key externally focused programmes and projects.

Service Outputs - Key Facts and Figures

- Cumulative ongoing revenue savings; and,
- Reduced size of directly employed workforce

Revenue Budget

REVENUE SERVICE BUDGETS 2013/2014	Budget 2012/2013 £'000	Budget 2013/2014 £'000	Head of Service
Transformation			
Organisational Change (Note 1)	318	152	Andrew Moulton
Transformation Projects (Note 2)	(518)	0	Andrew Moulton
<i>Internal Recharges & Depreciation Charges</i>	135	70	
Total Transformation	(65)	222	

Explanation of Movement from 2012/13 to 2013/14

Note 1. Staffing efficiencies to transformation projects.

Note 2. Transfer of service budgets to Transformation to realise efficiencies.

Summary of Budget Movements 2013/14

	Business Assurance and Democratic Services	Chief Executive	Children's Service	Development & Regeneration	Governance & Electoral	Health & Wellbeing	Neighbourhood Services	Resources	Transformation	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2012/2013 Restructured Service Budget (excluding Capital & Internal recharges)	1,276	249	16,179	2,146	715	35,992	23,269	22,497	(200)	102,121
Adjustments/Additions										
Exclude one off revenue items in 2012/2013 (Special Items)	0	0	(27)	0	0	0	(912)	(405)	(700)	(2,044)
Inflation for non-pay activities								1,374		1,374
Superannuation - increase in employers' contribution across the Council	0	0	0	0	0	0	0	216	0	216
Adjustments between services (e.g. budget reallocations)	67	(49)	214	556	(73)	151	731	(2,517)	918	0
Total	67	(49)	187	556	(73)	151	(181)	(1,332)	218	(455)
Funding to Maintain / Improve Services										
Investigations Officer to generate income/benefit cost reduction	32									32
Safeguarding and Quality Assurance Team improve auditing & quality assurance and role of the statutory Local Authority Designated Officer function			50							50
Home to School Transport initial increased pupil roll numbers and contractual inflation			22							22
School organisation and planning post increase to full time to increase capacity to address increasing roles & new provision required within Strategic Development Locations (SDL's)			25							25
Increase in General Fund Building Control residual costs due to changes in 2010 fee regulations				28						28
Planning officers to provide chargeable pre application advice service				100						100
Monitoring officer(s) to ensure compliance with SDL conditions and S106 commitments				45						45
Loss of planning income due to economic downturn				100						100
Transfer of Coroner's Court to local authorities					13					13
Older people domiciliary care - increase in client costs due to volume, complexity & costs						125				125
Learning Disability - increase in client costs due to increase in volume, complexity and cost						80				80
Mental health - increase in total cost of residential and supported living packages						126				126
Older People - Increases in number of clients requiring nursing care						75				75
Transport for clients to/from day centres and residential/ nursing homes						25				25
Transitional Children - Children entering adult social care						180				180
Waste Disposal - increase in line with PFI contractual commitment							75			75
Street lighting - increase in energy prices							46			46
SDL programme manager - Highways							95			95
Highway Development Control support for major planning applications (SDL's)							55			55
Ongoing work to support sports and leisure and country parks, regarding the delivery of infrastructure through the strategic planning/SDL process							50			50
Loss of income from University for Industry for Learndirect service							33			33
Loss of income due to demolition of Beverley House							10			10
Loss of green fees due to economic downturn							20			20

Summary of Budget Movements 2013/14

	Business Assurance and Democratic Services	Chief Executive	Children's Service	Development & Regeneration	Governance & Electoral	Health & Wellbeing	Neighbourhood Services	Resources	Transformation	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Loss of libraries income due to economic downturn							8			8
Loss of registrar income due to economic downturn							13			13
Reduce vacancy factor for all council budgets								185		185
Revenue contributions to capital schemes								96		96
Net additional borrowing costs to support capital programme (less debt rescheduling and additional interest income)								160		160
Purchase Information Technology Management Storage as a Service								70		70
Increase in the cost of gas and electricity								34		34
Slippage in savings target 2012/13									150	150
Total	31	0	97	273	13	611	405	545	150	2,125

Special Items 2013/14

Delivery of national Troubled Families Programme years 2 & 3 reduced from original programme will necessitate reduction in number of families & type of intervention offered			200							200
Local Safeguarding Children's Board provision of Development Manager to improve multi agency work on Safeguarding through Statutory LSCB			50							50
Frameworkki Support Team review of operations identified need for additional training, development & support			21							21
Review of Children's Centres and Youth Service			240							240
Community Infrastructure Levy - completion and examination of charging schedule				50						50
Preparation of Gypsy Roma Traveller Local Plan				96						96
Minerals and Waste Local Plan - contingency if Berkshire Districts decide to progress				10						10
Strategic Development Locations - operational needs - 2 principal planners				17						17
Neighbourhood Planning Officer - extension of fixed term contract				25						25
Neighbourhood Planning - progression of plans through statutory processes				55						55
SDL and town centre pre-application work (Development Management)				200						200
Diamond Jubilee commemorative trees maintenance				55						55
Loss of planning income due to economic downturn				100						100
Frameworkki Support Team review of operations identified need for additional training, development & support						21				21
Strategic Development Locations and town centre pre-application work (highways)							56			56
Loss of green fees due to economic downturn							20			20
Loss of libraries income due to economic downturn							9			9
Loss of registrar income due to economic downturn							14			14
Wokingham Town centre regeneration - additional borrowing costs								206		206
Temporary contract to implement urgent recommendations in the Website review								15		15
Customer Service Advisors for 2013 waste changeover of bags/bins etc								18		18
Costs arising from the transformation of council services (i.e. redundancy)								300		300
Total	0	0	511	608	0	21	99	539	0	1,778

Summary of Budget Movements 2013/14

	Business Assurance and Democratic Services	Chief Executive	Children's Service	Development & Regeneration	Governance & Electoral	Health & Wellbeing	Neighbourhood Services	Resources	Transformation	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Funded by the following Service Efficiencies										
Internal Audit - charging for services	(13)									(13)
Investigations - charging for services	(12)									(12)
Investigations officer income generation - reduction in benefit payments	(100)									(100)
Learning disability - to be funded from DSG			(130)							(130)
Review of children's centres and youth service			(570)							(570)
Residential Care - reduced placement levels as children in care leave the system			(140)							(140)
Reduction in purchasing budgets - rigorous scrutiny has identified reduced demand			(64)							(64)
Learning difficulties and disabilities - efficiency savings in relation to short break & respite services			(25)							(25)
Safeguarding & Social Care reduced staff mileage			(10)							(10)
Youth Services - reduction in the investment in universal youth services & refocus on targeted prevention			(50)							(50)
Young People Not in Education Employment or Training (NEET) reduction in prevention & narrowing the target groups to be supported			(50)							(50)
Youth Offending Service refocusing in-house delivery of Intensive Support and Supervision			(18)							(18)
Children's Centres reduction in open access provision, refocus on increasing targeting of the most vulnerable families & greater income generation			(60)							(60)
Community Wardens focus on targeted aspects which support early intervention; greater efficiencies through closer collaboration with Community Development Workers and other services			(50)							(50)
Early Years service re-structure & review of operations			(51)							(51)
Raising Participation Age Partnership commissioned services reduced contract without loss of service			(62)							(62)
Learning & Achievement increased income rates for traded services for schools			(67)							(67)
Local Safeguarding Children's Board (LSCB) increased contributions from partner agencies or reconfiguration LSCB activity across the West of Berkshire			(40)							(40)
Strategy & Partnerships increased income rates for traded services for schools relating to Health & Safety and ICT			(30)							(30)
Strategy & Partnerships efficiency savings from service reconfiguration			(50)							(50)
Strategy & Partnerships income from joint provision with neighbouring authorities			(20)							(20)
Reduced Special Educational Needs Home to School Transport due to more pupils being placed locally			(40)							(40)
Reduced Mainstream Home to School Transport due to promotion of independent travel & children attending local schools			(30)							(30)
Savings to be achieved through staffing & more effective placement procurement			(150)							(150)
Community safety budget - savings following removal of CCTV				(49)						(49)
Building Control - charge to reopen dormant cases				(7)						(7)
Planning policy salary saving				(5)						(5)
Increase in developer contributions (S106) monitoring fees to fund monitoring officer post(s)				(66)						(66)

Summary of Budget Movements 2013/14

	Business Assurance and Democratic Services	Chief Executive	Children's Service	Development & Regeneration	Governance & Electoral	Health & Wellbeing	Neighbourhood Services	Resources	Transformation	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Reduction of Central Government performance reporting requirements				(35)						(35)
Development Management Pre application charges				(110)						(110)
Neighbourhood Plans - income received from Communities and Local Government on completion of plans				(30)						(30)
Voluntary sector - reduction in allocation				(16)						(16)
Extension and redevelopment of Twyford orchards site						(2)				(2)
Care funding calculator-review of placements						(25)				(25)
Hold inflationary uplift to providers to 0%						(350)				(350)
Continuing healthcare income						(50)				(50)
Greater use of assistive technology – domiciliary care						(25)				(25)
Funding review to Housing Revenue Account (HRA) supported accommodation						(50)				(50)
Robust retendering of prevention service						(25)				(25)
Care funding calculator review of transferred learning disability (LD) residential care homes						(55)				(55)
Develop 'ordinary residence' expertise - reduction in LD residential growth						(50)				(50)
Tighten equipment store authorisation to spend criteria and equipment list						(50)				(50)
Optalis contract efficiency gain						(96)				(96)
Fine tuning of the Resource Allocation System for Personal Budgets						(100)				(100)
Review funding for Tobacco Control Alliance						(6)				(6)
Mobility allowance to be taken into account when determining personal budgets						(100)				(100)
Housing Needs						(26)				(26)
Charged to Housing Revenue Account						(300)				(300)
Lean review of Social Care access						(30)				(30)
Reduction in support function for Trading Companies set up						(40)				(40)
Review community activities (Council wide)						(30)				(30)
Efficiencies against historical health funded activity (LD)						(150)				(150)
Housing Related Support - review of contracts to third parties						(75)				(75)
Benefit overpayment recovery - Housing Benefit						(75)				(75)
Transport infrastructure energy use reduction							(20)			(20)
Traffic signal upgrade programme - energy saving							(3)			(3)
Sports development-increased courses and activities							(12)			(12)
Countryside-various proposals e.g. increase courses/participants, longer opening hours at Dinton pastures café and use of S106 biodiversity contributions							(38)			(38)
Parks and open spaces - amended contract management							(58)			(58)
Library Efficiencies							(78)			(78)
Waste management - discontinuation of some graffiti service & cleansing surveys							(23)			(23)
Highway development - Savings against street name plate budget/ Savings against the consultancy budget							(24)			(24)
Highway operations - reduction in highways reactive maintenance							(130)			(130)
New Roads & Street Works Act - Additional income generated through more inspections							(18)			(18)
Winter - Reducing amount of salt used through change to spec. / Moving some primary routes to secondary to reduce overall run lengths							(22)			(22)

Summary of Budget Movements 2013/14

	Business Assurance and Democratic Services	Chief Executive	Children's Service	Development & Regeneration	Governance & Electoral	Health & Wellbeing	Neighbourhood Services	Resources	Transformation	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Structures (bridges) -managed reduction in structures' reactive maintenance							(19)			(19)
Drainage - managed reduction in reactive maintenance							(35)			(35)
Traffic Management reduction in payments to third parties re Education / Training							(35)			(35)
Public transport - reduction in subsidy payments							(40)			(40)
Corporate finance - standardising payment terms								(100)		(100)
Corporate finance - further finance review savings								(50)		(50)
Procurement - remove non statutory spends e.g. subscriptions, consultancy								(60)		(60)
Procurement - Robust Management of Council wide frameworks								(100)		(100)
Information Management Technology efficiencies								(225)		(225)
Reprographics retender printer contact								(10)		(10)
Human Resources efficiencies								(65)		(65)
Transactional finance concessionary travel - reduction in bus pass reimbursements - in line with current take-up								(90)		(90)
Revenues & Benefits - overpayment recovery								(18)		(18)
Resource review on social care pathway (Newton Review)								(15)		(15)
Property Services Revenue savings from disposal of corporate assets								(67)		(67)
Facilities maintenance - efficiencies through centralisation								(50)		(50)
Wokingham Direct - withdraw from benchmarking programme								(21)		(21)
Wokingham Direct - cessation of kiosk contract - under utilised								(6)		(6)
Staff turnover								(500)		(500)
Training Budgets								(130)		(130)
Concessionary travel - transfer to Free National Bus Pass and individual needs assessment.								(60)		(60)
Discretionary fees & charges RPI increase								(30)		(30)
Reduction in general service budgets									(9)	(9)
Income generation - services to other local authorities & public bodies									(7)	(7)
Total	(125)	0	(1,707)	(318)	0	(1,710)	(554)	(1,597)	(16)	(6,027)
Invest to Contain / Save										
Total	0	0	0	0	0	0	0	0	0	0
Transfer of Responsibilities										
Funding changes to grant allocation			5,182			6,878		1,020		13,080
Total	0	0	5,182	0	0	6,878	0	1,020	0	13,080
Service Budget 2013/2014 (excluding internal recharges and depreciation)	1,249	200	20,448	3,265	654	41,943	23,039	21,672	152	112,623
<i>Internal Recharges & Depreciation Charges</i>	<i>(1,249)</i>	<i>4,068</i>	<i>12,763</i>	<i>1,095</i>	<i>(328)</i>	<i>3,235</i>	<i>6,916</i>	<i>(11,437)</i>	<i>70</i>	<i>15,131</i>
Service Budget 2013/14 (including internal recharges and depreciation)	0	4,269	33,211	4,359	326	45,178	29,955	10,234	222	127,754

THREE YEAR BUDGET FORECAST

Service plans

2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
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Growth

	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
Business Assurance & Democratic Services			
Increase in Insurance Premium spend	0	100	150
Investigations Officer to generate income/benefit cost reduction	32	32	32
Children's Services			
Home to School Transport initial increased pupil roll numbers and contractual inflation	22	72	122
Safeguarding and Quality Assurance Team improve auditing & quality assurance and role of the statutory Local Authority Designated Officer function	50	50	50
School organisation and planning post increase to full time to increase capacity to address increasing roles & new provision required within Strategic Development Locations (SDL's)	25	15	15
Home to school transport contractual inflation	0	0	0
Development And Regeneration			
Increase in General Fund Building Control residual costs due to changes in 2010 fee regulations	28	28	28
Planning officers to provide chargeable pre application advice service	100	100	100
Monitoring officer(s) to ensure compliance with SDL conditions and S106 commitments	45	90	90
Loss of planning income due to economic downturn	100	100	100
Governance & Electoral Services			
Transfer of Coroner's Court to local authorities	13	13	13
Health & Wellbeing			
Older people domiciliary care - increase in client costs due to volume, complexity & costs	125	325	525
Learning Disability - increase in client costs due to increase in volume, complexity and cost	80	230	380
Mental health - increase in total cost of residential and supported living packages	126	276	416
Older People - Increases in number of clients requiring nursing care	75	225	375
Transport for clients to/from day centres and residential/ nursing homes	25	50	50
Transitional Children - Children entering adult social care	180	380	580
Prevention - investment in preventative services	0	100	300

THREE YEAR BUDGET FORECAST

	Service plans		
	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
Neighbourhood Based Services			
Waste Disposal - increase in line with PFI contractual commitment	75	225	225
Highways maintenance -carriageway & footway (inflation and length)	0	147	225
Highway Drainage increased maintenance costs due to industry indices and additional network length	0	57	87
Winter service - increased maintenance costs due to industry indices and additional network length	0	37	57
Street lighting - increase in energy prices	46	96	149
Highway structures (bridges) - Revenue implications of increased Capital scheme (major refurbishments/strengthening)	0	10	10
Highway structures (bridges) - Revenue implications in 3rd party costs (maintenance of structures adjacent to/over railway)	0	10	10
Revenue implications of integrated transport capital scheme (to contain congestion, improve safety and environmental impact)	0	39	60
SDL programme manager - Highways	95	95	95
Highway Development Control support for major planning applications (SDL's)	55	110	110
Street lighting Maintenance	0	39	60
Ongoing work to support sports and leisure and country parks, regarding the delivery of infrastructure through the strategic planning/SDL process	50	50	45
Loss of income from University for Industry for Learndirect service	33	33	33
Highways Consultancy	0	9	9
Loss of income due to demolition of Beverley House	10	10	10
Loss of green fees due to economic downturn	20	20	20
Loss of libraries income due to economic downturn	8	9	9
Loss of registrar income due to economic downturn	13	14	14
Resources Directorate			
Increase in the cost of gas and electricity	34	75	122
Purchase Information Technology Management Storage as a Service	70	70	70
Transformation			
Slippage in savings target 2012/13	150	150	150
Council Wide			
Reduce vacancy factor for all council budgets	185	560	560
Revenue contributions to capital schemes	96	504	650
Net additional borrowing costs to support capital programme (less debt rescheduling and additional interest income)	160	160	160
Total Growth	2,125	4,714	6,265

THREE YEAR BUDGET FORECAST

Service plans

	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
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Savings

Business Assurance & Democratic Services			
Internal Audit - charging for services	(13)	(13)	(13)
Investigations - charging for services	(12)	(12)	(12)
Investigations officer income generation - reduction in benefit payments	(100)	(100)	(100)
Children's Services			
Learning disability - to be funded from DSG	(130)	(130)	(130)
Review of children's centres and youth service	(570)	(570)	(570)
Residential Care - reduced placement levels as children in care leave the system	(140)	(140)	(140)
Reduction in purchasing budgets - reduced demand	(64)	(64)	(64)
Learning difficulties and disabilities - efficiency savings in relation to short break & respite services	(25)	(25)	(25)
Safeguarding & Social Care reduced staff mileage	(10)	(10)	(10)
Youth Services - reduction in the investment in universal youth services & refocus on targeted prevention	(50)	(50)	(50)
Young People Not in Education Employment or Training (NEET) reduction in prevention & narrowing the target groups to be supported	(50)	(50)	(50)
Youth Offending Service refocusing in-house delivery of Intensive Support and Supervision	(18)	(18)	(18)
Children's Centres reduction in open access provision, refocus on increasing targeting of the most vulnerable families & greater income generation	(60)	(60)	(60)
Community Wardens reduction of the service to focus on targeted aspects which support early intervention; greater efficiencies through closer collaboration with Community Development Workers and other services	(50)	(50)	(50)
Early Years service re-structure & review of operations	(51)	(51)	(51)
Raising Participation Age Partnership commissioned services reduced contract without loss of service	(62)	(62)	(62)
Learning & Achievement increased income rates for traded services for schools	(67)	(67)	(67)
Local Safeguarding Children's Board (LSCB) increased contributions from partner agencies or reconfiguration LSCB activity across the West of Berkshire	(40)	(40)	(40)
Strategy & Partnerships increased income rates for traded services for schools relating to Health & Safety and ICT	(30)	(30)	(30)
Strategy & Partnerships efficiency savings from service reconfiguration	(50)	(50)	(50)
Strategy & Partnerships potential income from joint provision with neighbouring authorities	(20)	(20)	(20)
Reduced Special Educational Needs Home to School Transport due to more pupils being placed locally	(40)	(40)	(40)
Reduced Mainstream Home to School Transport due to promotion of independent travel & children attending local schools	(30)	(30)	(30)
Savings to be achieved through staffing efficiencies & more effective placement procurement in Children's Services & Health and Wellbeing	(150)	(150)	(150)
Development And Regeneration			
Community safety budget - savings following removal of CCTV	(49)	(49)	(49)
Building Control - charge to reopen dormant cases	(7)	(7)	(7)
Planning policy salary saving	(5)	(5)	(5)
Increase in developer contributions (S106) monitoring fees to fund monitoring officer post(s)	(66)	(155)	(215)
Reduction of Central Government performance reporting requirements	(35)	(35)	(35)
Development Management Pre application charges	(110)	(110)	(110)
Neighbourhood Plans - income received from Communities and Local Government on completion of plans	(30)	(30)	(30)
Voluntary sector - reduction in allocation	(16)	(16)	(16)

THREE YEAR BUDGET FORECAST

Service plans

	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
Health & Wellbeing			
Extension and redevelopment of Twyford orchards site	(2)	(18)	(18)
Extra care/enhanced sheltered housing	0	(400)	(400)
Care funding calculator-review of placements	(25)	(25)	(25)
Hold inflationary uplift to providers to 0%	(350)	(350)	(350)
Continuing healthcare income	(50)	(50)	(50)
Greater use of assistive technology – domiciliary care	(25)	(25)	(25)
Funding review to Housing Revenue Account (HRA) supported accommodation	(50)	(50)	(50)
5% saving imposed on all prevention service re-tendered	(25)	(25)	(25)
Care funding calculator review of transferred learning disability (LD) residential care homes	(55)	(55)	(55)
Develop 'ordinary residence' expertise - reduction in LD residential growth	(50)	(50)	(50)
Tighten equipment store authorisation to spend criteria and equipment list	(50)	(50)	(50)
Optalis contract efficiency gain	(96)	(96)	(96)
Fine tuning of the Resource Allocation System for Personal Budgets	(100)	(100)	(100)
Review funding for Tobacco Control Alliance	(6)	(6)	(6)
Mobility allowance to be taken into account when determining personal budgets	(100)	(100)	(100)
Housing Needs	(26)	(26)	(26)
Charged to Housing Revenue Account	(300)	(300)	(300)
Lean review of Social Care access	(30)	(30)	(30)
Reduction in support function for Trading Companies set up	(40)	(40)	(40)
Review community activities (Council wide)	(30)	(30)	(30)
Efficiencies against historical health funded activity (LD)	(150)	(150)	(150)
Housing Related Support - review of contracts to third parties	(75)	(75)	(75)
Benefit overpayment recovery - Housing Benefit	(75)	(75)	(75)
Neighbourhood Based Services			
Transport infrastructure energy use reduction	(20)	(50)	(50)
Traffic signal upgrade programme - energy saving	(3)	(5)	(5)
Sports development-extra income through additional courses and activities	(12)	(12)	(12)
Countryside-various proposals e.g. increase courses/participants, longer opening hours at Dinton pastures café and use of S106 biodiversity contributions	(38)	(38)	(38)
Parks and open spaces - amended contract management	(58)	(58)	(58)
Library Efficiencies	(78)	(78)	(78)
Waste management - discontinuation of some graffiti service & cleansing surveys	(23)	(23)	(23)
Highway development - Savings against street name plate budget/ Savings against the consultancy budget	(24)	(24)	(24)
Highway operations - reduction in highways reactive maintenance	(130)	(130)	(130)
New Roads & Street Works Act - Additional income generated through more inspections	(18)	(18)	(18)
Winter - Reducing amount of salt used through change to spec. / Moving some primary routes to secondary to reduce overall run lengths	(22)	(22)	(22)
Structures (bridges) - reduction in structures' reactive maintenance	(19)	(19)	(19)
Traffic Management reduction in payments to third parties re Education / Training	(35)	(35)	(35)
Drainage - reduction in reactive maintenance	(35)	(35)	(35)
Public transport - reduction in subsidy payments	(40)	(40)	(40)

THREE YEAR BUDGET FORECAST

Service plans

	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
Resources Directorate			
Corporate finance - standardising payment terms	(100)	(100)	(100)
Corporate finance - further finance review savings	(50)	(50)	(50)
Procurement - remove non statutory spends e.g. subscriptions, consultancy	(60)	(60)	(60)
Procurement - Robust Management of Council wide frameworks	(100)	(100)	(100)
Information Management Technology efficiencies	(225)	(225)	(225)
Reprographics retender printer contact	(10)	(10)	(10)
Human Resources efficiencies	(65)	(70)	(70)
Transactional finance concessionary travel - reduction in bus pass reimbursements - in line with current take-up	(90)	(90)	(90)
Revenues & Benefits - overpayment recovery	(18)	(168)	(168)
Resource review on social care pathway (Newton Review)	(15)	(15)	(15)
Property Services Revenue savings from disposal of corporate assets	(67)	(67)	(67)
Facilities maintenance - efficiencies through centralisation	(50)	(50)	(50)
Wokingham Direct - withdraw from benchmarking programme	(21)	(21)	(21)
Wokingham Direct - cessation of kiosk contract - under utilised	(6)	(6)	(6)
Concessionary travel - transfer to Free National Bus Pass and individual needs assessment.	(60)	(60)	(60)
Transformation			
Reduction in general service budgets	(9)	(9)	(9)
Income generation - services to other local authorities & public bodies	(7)	(7)	(7)
Council Wide			
Staff turnover	(500)	(500)	(500)
Training Budgets	(130)	(130)	(130)
Discretionary fees & charges RPI increase	(30)	(30)	(30)
Total Savings	(6,027)	(6,719)	(6,779)

THREE YEAR BUDGET FORECAST

Service plans

2013/2014 2014/2015 2015/2016
 £'000 £'000 £'000

Special Items

	2013/2014 £'000	2014/2015 £'000	2015/2016 £'000
Children's Services			
Delivery of national Troubled Families Programme years 2 & 3 reduced from original programme will necessitate reduction in number of families & type of intervention offered	200	100	0
Local Safeguarding Children's Board provision of Development Manager to improve multi agency work on Safeguarding through Statutory LSCB	50	0	0
Frameworkki Support Team review of operations identified need for additional training, development & support	21	0	0
Review of Children's Centres and Youth Service	240	0	0
Development And Regeneration			
Community Infrastructure Levy - completion and examination of charging schedule	50	0	0
Preparation of Gypsy Roma Traveller Local Plan	96	0	0
Minerals and Waste Local Plan - contingency if Berkshire Districts decide to progress	10	0	0
Strategic Development Locations - operational needs - 2 principal planners	17	0	0
Neighbourhood Planning Officer - extension of fixed term contract	25	50	0
Neighbourhood Planning - progression of plans through statutory processes	55	0	0
SDL and town centre pre-application work (Development Management)	200	0	0
Diamond Jubilee commemorative trees maintenance	55	0	0
Loss of planning income due to economic downturn	100	100	0
Health & Wellbeing			
Frameworkki Support Team review of operations identified need for additional training, development & support	21	0	0
Neighbourhood Based Services			
Strategic Development Locations and town centre pre-application work (highways)	56	0	0
Loss of green fees due to economic downturn	20	0	0
Loss of libraries income due to economic downturn	9	0	0
Loss of registrar income due to economic downturn	14	0	0
Resources Directorate			
Estimate of future years Special Items	0	300	500
Wokingham Town centre regeneration - additional borrowing costs	206	1,071	826
Temporary contract to implement urgent recommendations in the Website review	15	0	0
Customer Service Advisors for 2013 waste changeover of bags/bins etc.	18	0	0
Costs arising from the transformation of council services (i.e. redundancy)	300	0	0
Total Special Items	1,778	1,621	1,326
Invest to Save / Contain			
Total Invest to Save / Contain	0	0	0

Three Year Budget Forecast Summary

Growth	2,125	4,714	6,265
Savings	(6,027)	(6,719)	(6,779)
Special Items	1,778	1,621	1,326
Increase in superannuation	216	432	648
Invest to Save / Contain	0	0	0
Total	(1,908)	47	1,459

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2013/14 - TO INFORM THE LEVEL OF GENERAL FUND BALANCE

The budget submission is based on the best estimate of the expected expenditure for the agreed level of service, this variable and risk analysis identifies potential budget overspends. The potential overspends are not included in the budget submission but will inform the required level of balances.

Description	Best Case	Most Likely as per Budget	Worst Case	Relative Risk		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Health & Wellbeing						
Learning Disability - unknown high cost placements	4,860	5,035	5,285	150	75	25
Mental Health - unknown high cost placements	927	1,005	1,235	25	25	180
Physical Disability - unknown high cost placements	444	475	725	75	150	25
Domiciliary Care - increases above expected levels	6,213	6,497	6,722	100	100	25
Transfers of ordinary residence	0	0	600	300	200	100
Risk of Litigation against assessment outcomes	0	0	100	50	25	25
Inflationary % increases in providers rates	0	0	350	175	100	75
Reduction in rental income due to increase in void properties for periods of the year	(240)	(240)	(80)	80	40	40
TOTAL Health & Wellbeing	12,204	12,772	14,937	955	715	495
Governance & Electoral Services						
Legal - failure to collect s106 income to budgeted levels	(125)	(125)	(75)	0	25	25
TOTAL Governance & Electoral Services	(125)	(125)	(75)	0	25	25
Children's Services						
Additional high cost residential placements (between £70k and £250k per client depending on needs)	1,342	1,615	2,237	47	375	200
Additional Independent Foster agency placement (average £47k per client)	818	912	1,100	47	47	94
Additional Mainstream home to school transport packages	781	881	911	0	20	10
Additional Special Educational Needs transport packages	1,427	1,527	1,567	0	30	10
Failure to recruit to essential Social Worker posts with permanent staff resulting in high cost agency cover	0	0	400	50	100	250
Youth Offending Service Secure Remand (average £45k per client)	0	0	104	104	0	0
Adoption Inter-Agency Agreements - increased number of children being placed	20	20	44	0	10	14
Permanence Allowances - increased demand/ eligibility for payments of allowances due to changes in benefit system	364	364	404	20	10	10
Foster Placement Allowance Scheme - increased placements and costs, including cost of therapeutic packages	685	735	785	20	20	10
Joint Legal Team - increased costs of Joint Arrangement	331	368	385	5	7	5
Traded Services income target	(289)	(264)	(177)	67	10	10
Failure to deliver savings & efficiencies relating to review of Children's Centres & Youth Service	(380)	(380)	0	65	115	200
TOTAL Children's Services	5,099	5,778	7,760	425	744	813
Neighbourhood Services						
Street lighting energy cost increase	670	680	700	10	10	0
Street lighting maintenance - aging assets (repair and maintenance)	457	457	477	0	20	0
Potential loss of income due to fuel price increase, bad weather, economic downturn	(1,943)	(1,878)	(1,622)	15	183	58
New Roads and Street Works Act - Decrease in recovered income due to less road works	(263)	(243)	(223)	0	20	0
Loss of green waste income due to not reaching anticipated participation levels	(610)	(565)	(554)	5	6	0
Waste Collection - Amenity service - Increase in manning due to health & safety	23	23	57	0	0	34
Aging leisure centre buildings, additional maintenance may be required	83	83	118	0	15	20
Leisure Trust - in the event of change of current legislation	(411)	(411)	0	411	0	0
Loss of income from fishing season tickets (fish disease in fisheries)	(70)	(70)	0	70	0	0

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2013/14 - TO INFORM THE LEVEL OF GENERAL FUND BALANCE

The budget submission is based on the best estimate of the expected expenditure for the agreed level of service, this variable and risk analysis identifies potential budget overspends. The potential overspends are not included in the budget submission but will inform the required level of balances.

Description	Best Case	Most Likely as per Budget	Worst Case	Relative Risk		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Loss of income due to excessive weed algal growth prohibiting use of the Multi Activity Centre	(138)	(138)	(48)	90	0	0
Reduction in income from Hurst Golf Course through course closure due to machinery failure or poor weather conditions	(125)	(120)	(60)	0	60	0
Greater demand in planning application appeals re Highway Development issues (consultancy costs)	18	18	38	0	20	0
Cost of planning application appeals re Highway development issues (costs awarded against WBC)	0	0	50	50	0	0
Failure on an embankment on highway	0	0	500	250	250	0
Emergency maintenance (road traffic accidents; water bursts, etc)	59	59	80	21	0	0
Highways (Roads and Footways) urgent repairs following flooding and freezing	1,159	1,159	1,259	20	50	30
Winter maintenance (bad weather)	133	133	178	0	45	0
Unachievable income from Park and Ride operations	(160)	(160)	(90)	0	0	70
Third party income (accident damage without ability to recover the costs)	(35)	(29)	(19)	5	5	0
TOTAL Neighbourhood Services	(1,153)	(1,002)	841	947	684	212
Resources Directorate						
Failure to realise income from property portfolio due to market conditions	(2,163)	(2,163)	(2,088)	15	15	45
Increasing changes to statutory legislation regarding health and safety, fire, asbestos, Legionella and gas	0	0	50	25	25	0
Interest on Balances - reduction of interest	(979)	(920)	(766)	75	79	0
Major emergency within the community e.g. weather event/pandemic flu or major incident	0	0	2,000	1,000	500	500
TOTAL Resources Directorate	(3,142)	(3,083)	(804)	1,115	619	545
Development & Regeneration						
S106 Fees - under achievement of predicted income	(50)	(66)	(40)	11	15	0
Planning Applications - under-achievement of predicted fee income	(600)	(775)	(500)	50	75	150
Pre Applications fees - under achievement of predicted fee income	(90)	(110)	(60)	0	20	30
Judicial Review - potential legal challenge to Policy documents and Appeal decisions	0	0	50	20	30	0
TOTAL Development & Regeneration	(740)	(951)	(550)	81	140	180
Non-Specific						
Breakdown of partnership working with other bodies	0	0	200	50	50	100
Collapse of major contractor (e.g. Northgate, Balfour Beatty etc) eg 1% increase in cost	0	0	500	100	150	200
Council Tax Collection Fund (allows for reduction of 1%)	0	0	780	260	260	260
Energy costs - increase in price	950	1,000	1,300	0	150	150
Increase in Bad Debt Provision	0	0	550	150	200	200
Unavoidable Capital Schemes (e.g. Urgent Health and Safety) due to low capital balances	0	0	272	100	100	72
Uninsured / Major Event up to Bellwin threshold	0	0	500	200	200	100
Failure to provide adequate pupil placements resulting in alternative provision including Local Government Ombudsman compensation charge; risk based on up to 90 pupils not being placed	0	0	1,410	400	370	640
TOTAL Non-Specific	950	1,000	5,512	1,260	1,480	1,722
Total Variable - General Fund	13,093	14,389	27,621	4,783	4,407	3,992

GENERAL FUND RESERVES – POLICY STATEMENT

1 Definition / Purpose

The accumulated surplus on the General Fund Revenue Account serves several purposes:

- (i) to provide a general contingency to cushion the impact of unexpected events or emergencies;
- (ii) to provide a working balance to help cushion the impact of uneven cash flows;
- (iii) to provide stability for longer term planning.

Additionally, interest earned on the balance contributes to financing the gap between local taxation and the net cost of services.

	£m
Balance as at 31 March 2012	£9.2m
Estimated Balance 31 March 2013	£8.0m
Estimated Balance 31 March 2014	£8.0m
Estimated Balance 31 March 2015	£8.0m
Estimated Balance 31 March 2016	£8.0m

2 Policy (Criteria for Calculating Fund Requirement)

The budget assumes a best estimate of forecast outturn given all information available. General Fund balances are in addition to this.

There is no generally applicable minimum level of reserves, although, previous guidance from the Audit Commission suggested a crude measure as 5% of net expenditure (excluding the dedicated schools grant) as a minimum. For Wokingham Borough Council, this criterion currently equates to approximately £5.5m.

Good financial management practice requires a budget risk assessment to inform the level of reserves. Such a risk assessment is undertaken on an annual basis (as part of the budget setting process) and is detailed in the MTFP. Although it should not be seen as an exact science, it provides an informed assessment of the level of risk inherent in the budgets (value and likelihood). The assessment of the budget contained in the MTFP for 2013/14 indicates that balances of approximately £8.4m are required to provide for budget risks identified as high and medium. The recommended level of balances (below) is based on this.

In determining the budget strategy each year, Members may also wish to consider any additional sum needed for longer term planning purposes, taking into account the financial projections contained in the financial forecast.

3 Recommendation

The following recommendation is made (based on the suggested policy): -

- £5.5m – absolute minimum (5% net budget)
- £7.5m to £9m – ideal level (H/M risks)
- £13.2m – upper limit (H/M/L risks)

SUBJECTIVE ANALYSIS - 2013/14

Service	Employees	Premises Related	Transport Related	Supplies & Services	Third Party Payments	Transfer Payments	Other Expenses	Internal Recharges	Depreciation Charges	Total Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Business Assurance & Democratic Services	921	0	12	651	0	0	(39)	134	0	1,679
Chief Executive's Office	171	1	1	28	0	0	0	4,284	0	4,485
Children's Services	11,215	553	2,719	3,064	3,836	1,693	(1,077)	3,578	9,186	34,767
Development & Regeneration	3,713	135	47	1,065	177	0	(66)	1,352	58	6,481
Governance & Electoral Services	1,606	13	14	280	170	0	0	687	0	2,769
Health & Wellbeing	4,168	219	571	6,321	45,033	23,494	(294)	3,702	305	83,519
Neighbourhoods	4,357	7,100	983	5,114	13,356	0	(239)	2,898	4,328	37,896
Resources Directorate	10,360	2,372	822	5,638	2,579	364	5,165	3,440	1,237	31,977
Transformation	156	0	0	3	0	0	(7)	70	0	222
TOTAL GENERAL FUND	36,667	10,393	5,169	22,164	65,151	25,551	3,442	20,145	15,113	203,796
Central Schools Block	3,941	1,153	273	1,959	1,053	0	4,745	460	0	13,582
Individual Schools Budget	66,540	1,692	0	22,808	0	0	0	0	0	91,040
Children's Services - DSG	70,481	2,845	273	24,767	1,053	0	4,745	460	0	104,622
TOTAL	107,148	13,237	5,441	46,931	66,204	25,551	8,187	20,605	15,113	308,418

Housing Revenue Account (HRA)										
Housing Revenue Account	1,326	2,582	87	5,172	73	19	2,815	772	1,999	14,845

Service	Fees & Charges	Grants	Other Income	Internal Income	Total Income	Net Expenditure
	£,000	£,000	£,000	£,000	£,000	£,000
Business Assurance & Democratic Services	(7)	(135)	(154)	(1,383)	(1,679)	0
Chief Executive's Office	0	0	0	(216)	(216)	4,269
Children's Services	(371)	(1,185)	0	0	(1,556)	33,211
Development & Regeneration	(1,807)	0	0	(315)	(2,122)	4,359
Governance & Electoral Services	(444)	(897)	(87)	(1,016)	(2,444)	326
Health & Wellbeing	(5,226)	(32,376)	33	(772)	(38,341)	45,178
Neighbourhoods	(5,010)	(2,514)	(108)	(310)	(7,942)	29,955
Resources Directorate	(3,264)	(646)	(1,718)	(16,115)	(21,743)	10,234
Transformation	0	0	0	0	0	222
TOTAL GENERAL FUND	(16,128)	(37,753)	(2,034)	(20,127)	(76,042)	127,754
Central Schools Block	0	(13,350)	0	0	(13,350)	232
Individual Schools Budget	0	(91,040)	0	0	(91,040)	0
Children's Services - DSG	0	(104,390)	0	0	(104,390)	232
TOTAL	(16,128)	(142,143)	(2,034)	(20,127)	(180,432)	127,986
Housing Revenue Account (HRA)						
Housing Revenue Account	(14,603)	0	(12)	0	(14,615)	230

HOUSING REVENUE ACCOUNT BUDGET 2013/14

		2012/13 Budget £'000	2013/14 Budget £'000	2014/15 Budget £'000	2015/16 Budget £'000
INCOME					
Rents					
Dwelling Rents	Note 1	(13,417)	(13,479)	(14,466)	(15,037)
Garage Rents		(190)	(190)	(190)	(190)
Commercial Rents		(6)	(8)	(8)	(8)
Total Rents		(13,614)	(13,677)	(14,664)	(15,234)
Fees & Charges					
Service Charges		(439)	(411)	(411)	(411)
Leasehold Charges		(59)	(85)	(85)	(85)
Sheltered Fees & Charges	Note 2	(293)	(330)	(331)	(331)
Interest on balances		(15)	(12)	(16)	(23)
Total Income		(14,419)	(14,515)	(15,506)	(16,085)
EXPENDITURE					
Housing Repairs	Note 3	2,834	2,503	2,580	2,662
General Management	Note 4	2,364	2,328	2,395	2,458
Sheltered Accommodation		739	730	750	771
Other Special Expenses		194	184	190	195
House Sales		18	0	0	0
Sold Houses Admin		19	0	0	0
Depreciation	Note 5	2,871	1,999	1,332	3,001
Revenue Contribution to Capital	Note 6	1,800	2,104	3,650	3,966
Capital Finance Interest Charge	Note 7	3,459	2,821	2,807	2,807
HRA Principal Repayment of Loan	Note 8	0	2,076	1,802	226
Transfer to Earmarked Reserves		0	0	0	0
Total Expenditure		14,298	14,745	15,506	16,085
Net Expenditure / (Income)		(121)	230	0	0
REVENUE ACCOUNT					
Balance at Beginning of Year		(879)	(1,230)	(1,000)	(1,000)
Transfer to earmarked reserve		0	0	0	0
Forecast outturn for year	Note 9	(351)	230	0	0
Balances at End of Year		(1,230)	(1,000)	(1,000)	(1,000)

Note 1. The average rental increase in 2013/14 is 4.37%, and increase in line with statutory guidelines in later year

Note 2. Increased fees reflect full cost recovery.

Note 3. Budget reduced due to capitalisation of staffing and responsive repairs budget Increased to reflect actual

Note 4. Increase of planned maintenance staffing charges to capital to achieve decent homes standard.

Note 5. The 2012/13 depreciation was based on the full implementation of self financing. However, the HRA will now phase in self financing, allowing depreciation to gradually rise from 2013/14 onwards to required level.

Note 6. This sum increases each year in order to achieve decent homes standards.

Note 7. The interest charge reduces from 2013/14 due to better than forecast rates achieved in self financing.

Note 8. A loan repayment will be made which will reduce future interest payments.

Note 9. The forecast outturn will be approximately £230k higher than predicted, which will move into reserves.

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2013/14 - TO INFORM THE LEVEL OF THE HOUSING REVENUE ACCOUNT RESERVES

The budget submission is based on the best estimate of the expected expenditure for the agreed level of service, this variable and risk analysis identifies potential budget overspends. The potential overspends are not included in the budget submission and will inform the required level of balances.

Description	Key Variable			Worst Case Relative Risk		
	Best Case £'000	Most Likely as per Budget £'000	Worst Case £'000	Low £'000	Medium £'000	High £'000
Health & Wellbeing (Housing Revenue Account)						
Failure of major equipment e.g. Lifts, boilers etc	0	0	200	100	100	0
Climate/ Natural disasters - impacts on properties - cold weather issues	0	0	300	150	150	0
Major contract supplier becoming insolvent	0	0	100	50	50	0
Bad Debt Provision Increase due to Welfare Reform, Increase in rent arrears as a result of the bedroom tax and other changes to the welfare system	65	130	260	25	25	80
Inability to meet customer demands as a result of Localism Act, many customers may want to mutually exchange or transfer as a result of welfare changes, this could also lead to higher number of voids and associated costs	185	324	540	35	60	121
Changes to supporting people funding and service redesign have an adverse impact on the business plan	(45)	(45)	0	0	0	45
TOTAL HOUSING REVENUE ACCOUNT	205	409	1,400	360	385	246

HOUSING REVENUE ACCOUNT RESERVES - POLICY STATEMENT

1 Definition / Purpose

The accumulated surplus on the Housing Revenue Account (HRA) is retained to provide a general contingency in the event of unavoidable or unforeseen expenditure or a fall in income for the HRA.

The balance serves two additional purposes:-

- (i) Interest on the balance helps to reduce costs;
- (ii) The balance provides stability for longer term planning and for meeting the decent homes standard.

	£'000
Balance as at 31st March 2012	1,273
Estimated Balance 31st March 2013	1,230
Estimated Balance 31st March 2014	1,000
Estimated Balance 31st March 2015	1,000
Estimated Balance 31st March 2016	1,000

This excludes Capital Balances.

2 Policy (Criteria for Calculating Fund Requirement)

The budget assumes a best estimate of forecast outturn given all information available. Housing Revenue Account balances are in addition to this.

Previous guidance from the Audit Commission is that 5% of gross expenditure is recommended as a minimum which currently indicates a minimum level of £0.715m, WBC is 7.4%.

The HRA reserve will be reviewed on an annual basis to ensure that the current balance is above the minimum level as recommended by the guidelines.

3 Recommendation

£730k - minimum (5% of gross expenditure)

£630k - Ideal level (based on H/M risks)

£990k - Upper level (covers H/M/L risks) based on risk assessment.

SCHOOLS BLOCK BUDGET 2013/14

It is a statutory requirement under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009 to prepare and submit an education budget statement showing the major elements of expenditure and how these are met by grants.

	2012/13 Budget £'000	2013/14 Budget £'000	2014/15 Budget £'000	2015/16 Budget £'000
INCOME				
Dedicated Schools Grant (Note 1)	(108,047)	(96,303)	(96,303)	(96,303)
Education Funding Agency specific grant (Note 2)	(10,885)	(6,226)	(6,226)	(6,226)
Pupil Premium	(1,100)	(1,748)	(1,748)	(1,748)
Total Income	(120,032)	(104,277)	(104,277)	(104,277)
EXPENDITURE				
Individual Schools Budget (ISB) (Notes 4,6 & 7)	103,733	82,915	82,915	82,915
Expenditure for Education of Children under 5s in Private, voluntary/ independent settings	4,046	6,561	6,561	6,561
Pupil Premium allocated to schools	1,080	1,715	1,715	1,715
School-specific contingencies	619	608	548	598
Contingency for Growth (Note 3)	0	599	800	364
Early Years Contingency	275	275	275	275
Provision for pupils with SEN (including assigned resources) (Note 4)	1,101	1,722	1,722	1,672
Provision for pupils with SEN, provision not included above	111	114	114	114
Support for Inclusion	437	961	637	537
Fees for pupils at independent special schools & abroad (Note 5)	4,551	5,384	5,634	5,884
Special Educational Needs Transport	230	230	230	230
Inter-authority recoupment (Note 6)	(1,553)	0	0	0
Pupil Referral Units	602	602	602	602
Behaviour Support Services	679	487	489	489
Education out of school	497	618	618	618
14 - 16 More practical learning options (Note 7)	582	0	0	0
Support to under-performing ethnic minority groups and bilingual learners	134	127	127	127
School Meals - nursery, primary and special schools (Note 7)	205	0	0	0
School Kitchens - repair and maintenance (Note 7)	643	0	0	0
Insurance	739	578	578	578
School admissions	303	285	285	285
Licences/subscriptions	221	237	237	237
Miscellaneous	42	92	92	92
Servicing of schools forums	4	4	4	4
Staff costs - supply cover (not sickness)	452	395	395	395
Total Expenditure	119,733	104,509	104,578	104,292
NET EXPENDITURE / (INCOME)	(299)	232	301	15
Balance Brought Forward (Note 8)	(1)	(1,348)	(1,116)	(815)
Budgeted Net Expenditure / (Income)	(299)	232	301	15
Forecast in-year over / (under) spend	0	0	0	0
Balance Carried Forward	(300)	(1,116)	(815)	(800)

Note 1. Reduced Budget is due to the removal of funding that is now paid directly to Academies rather than via the Authority.

Note 2. Previously funded by the Young Peoples Learning Agency (YPLA)

Note 3. A newly introduced line under the 2012 Funding Reforms. A specific line has been introduced to fund growth in school places.

Note 4. Increase in funds shows the transfer to the new High Needs Block from the ISB of Individually Assigned Resources.

Note 5. Shows anticipated growth due to specialist care & demographic changes being required outside the borough.

Note 6. Inter-authority recoupment will not continue, as schools will deal with authorities directly.

Note 7. Items previously held centrally that have been delegated to the ISB

Note 8. Any surplus or deficit balance at the end of each financial year can be carried forward into the following year.

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2013/14 - TO INFORM THE LEVEL OF THE DEDICATED SCHOOLS GRANT RESERVES

The budget submission is based on the best estimate of the expected expenditure for the agreed level of service, this variable and risk analysis identifies potential budget overspends. The potential overspends are not included in the budget submission and will inform the required level of balances.

Description	Key Variable			Worst Case Relative Risk		
	Best Case	Most Likely as per Budget	Worst Case	Low	Medium	High
	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services (Dedicated Schools Grant)						
Increased placements and fees to Independent Special Schools	5,112	5,384	5,634	130	60	60
Schools Specific Contingency - includes in year allocations for pupils with statements over 20 hours	466	466	616	50	50	50
TOTAL VARIABLE DEDICATED SCHOOLS GRANT	5,578	5,850	6,250	180	110	110

SPECIFIC SCHOOL RESERVES - POLICY STATEMENT

1 Definition / Purpose

The accumulated surplus on the Individual Schools Budget is retained to resource expenditure directly delegated to schools.

The reserve serves two additional purposes:-

- (i) Interest on the reserve helps to reduce costs;
- (ii) The reserve offsets any deficit balance in Dedicated Schools Grant reserve held in relation to central costs

	Schools £m	DSG £m	Total £m
Balance as at 31st March 2012	£5.5m	£1.7m	£7.2m
Estimated Balance 31st March 2013	£5.0m	£1.1m	£6.1m
Estimated Balance 31st March 2014	£4.8m	£0.8m	£5.6m
Estimated Balance 31st March 2015	£4.8m	£0.8m	£5.6m
Estimated Balance 31st March 2016	£4.8m	£0.8m	£5.6m

This excludes Capital Balances.

2 Policy (Criteria for Calculating Fund Requirement)

The budget assumes a best estimate of forecast outturn given all information available.

The Schools hold balances under delegated schemes in accordance with the Schools Standards and Framework Act 1998.

Schools may consider any additional sum for longer term planning purposes, taking into account the financial projections contained in the financial forecast.

A mechanism exists to clawback uncommitted balances over 5% (secondary schools) or 8% (primary and special schools) of income budgets for redistribution to schools in consultation with the Schools Forum.

3 Recommendation

£220k - minimum (to offset any deficit likely to be incurred through the medium and high risks)
£1,263k - Ideal level (as above plus known commitments estimated at 1% of school income budgets)
£3,897k - Upper level based on % of total schools income to delegated budgets

CAPITAL PROGRAMME 2013/16 and Prudential Indicators

1 Process

The formulation of the Capital Programme has been based on appraising capital bids in the context of Corporate Priorities, value for money and an assessment of risk. To enable effective prioritisation of the capital bids, all schemes were divided into the following categories: -

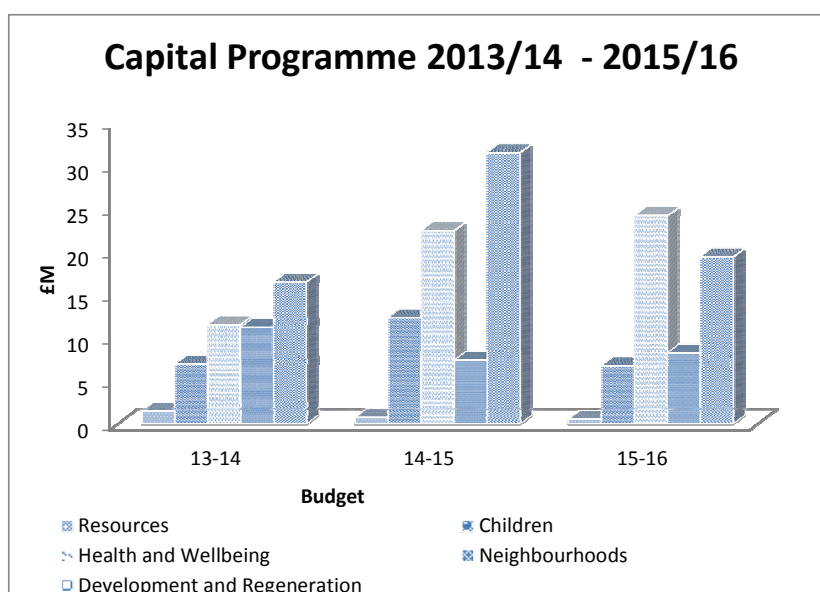
Infrastructure: This is capital investment to keep assets fit for purpose and includes: planned capital maintenance, statutory compliance works, system upgrades / replacements, rolling programmes and new business or IT systems.

Commissioning Priorities: These are schemes that help meet our aspirations and priorities. They help improve service delivery and are outward facing schemes.

2 Capital Programme

An overview of the proposed programme over the next 3 years is shown below. The detail of the Capital Programme allocation across categories and departments is contained in the schedules further on in this section of the Medium Term Financial Plan (MTFP).

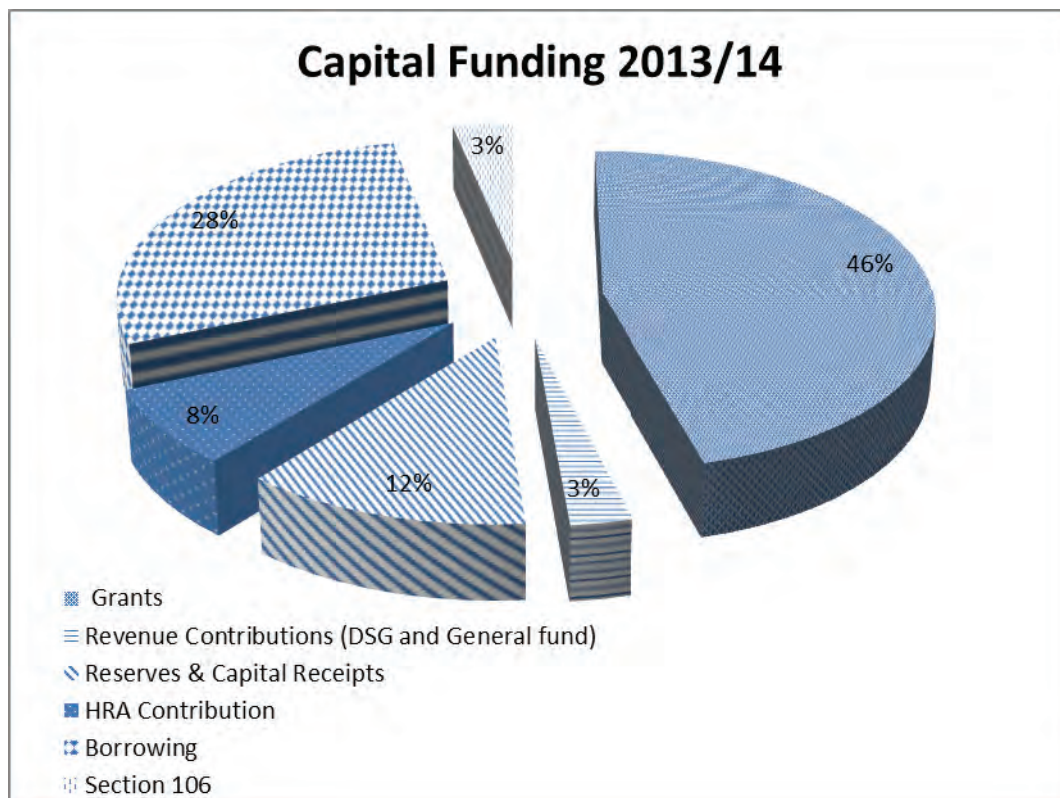
Department	2013/14 £'000	2014/15 £'000	2015/16 £'000
Health & Wellbeing	11,503	22,450	24,201
Children's Services	6,904	12,317	6,758
Neighbourhoods	11,192	7,381	8,220
Resources	1,469	730	530
Development and Regeneration	16,452	31,500	19,372
Total Council Services	47,520	74,378	59,081



3 Capital Funding

The anticipated funding for the Capital Programme over the next 3 years is detailed in the 'Funding of Capital Programme for 2013/16' (see later).

Funding for the 2013/14 Capital Programme comes mainly from capital grants (£24.9m), borrowing (£15.3m), capital receipts and reserves (£6.6m), revenue contributions to capital (£1.4m), HRA contribution to capital (£4.2m) and Section 106 (£1.8), as shown below:



4 Capital Vision

Capital Strategy

A 10 year capital strategy has been developed with the aims of realising the service ambitions of the Council, raising the quality of life of residents and improving medium to long term planning. The capital strategy will be an essential component of the Council's vision and long term direction of travel.

To finance the capital strategy a funding approach has been developed involving asset disposals, the flexible use of future Section 106 contributions and the leveraging in of external funding where possible. Inevitably a funding gap exists which will be bridged through a combination of maximising resources, prioritising and modifying schemes.

5 Prudential Indicators

The Prudential Code operates by the provision of prudential indicators which highlight particular aspects of the capital expenditure planning. The purpose of the indicators is to provide a framework for capital expenditure decision making. It highlights through the prudential indicators, the level of capital expenditure, the impact on borrowing and investment levels and the overall controls in place to ensure the activity remains affordable, prudent and sustainable.

The Prudential Indicators and limits for 2012/13 to 2015/16 are set as:

		2012/13 Revised	2013/14 Estimated	2014/15 Estimated	2015/16 Estimated
Capital expenditure	£'000	38,343	73,253	74,378	59,081
Capital financing requirement	£'000	182,920	195,151	235,850	251,794
Authorised limit for external debt	£'000	202,000	223,000	298,000	289,000
Operational boundary for external debt	£'000	190,000	212,000	284,000	275,000
Ratio of financing costs to net revenue stream – Non HRA		3.43%	4.31%	4.24%	4.21%
Ratio of financing costs to net revenue stream – HRA		19.75%	19.21%	18.14%	17.44%
Incremental impact of capital investment decisions on the Band D Council Tax		(£57.00)	(£57.70)	(£67.02)	(£63.32)
Incremental impact of capital investment decisions on housing rents levels		0	0	0	0

The Treasury Management Prudential Indicators are set as:

	2013/14 Upper £,000	2014/15 Upper £,000	2015/16 Upper £,000
Limits on fixed interest rates:			
- Debt	180,000	230,000	245,000
- Investments	-80,000	-80,000	-80,000
Limits on variable interest rates:			
- Debt	40,000	40,000	40,000
- Investments	-40,000	-40,000	-40,000

Maturity Structure of Fixed Interest Rate Borrowing

	%
Under 12 months	14%
12 months to 2 years	2%
2 years to 5 years	16%
5 years to 10 years	14%
10 years and above	54%
Maximum principal sums invested > 364 days	£10m

CAPITAL SERVICE BUDGETS

	Infrastructure Capital Programme			Commissioning Priorities Capital Programme			Total		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services									
Schools Devolved Formula									
Specific Government Grant to carry out capital works, controlled by schools	455	455	455				455	455	455
Schools Urgent Maintenance									
Urgent capital planned improvements and suitability issues	1,000	1,000	1,000				1,000	1,000	1,000
School Kitchens									
To improve the mechanical ventilation, flooring, equipment, doors and windows in various school meals kitchens throughout the Borough	150	150	153				150	150	153
Enhancing Provision for Secondary Education									
To improve standards of learning in the Secondary provision	0	2,000	2,000				0	2,000	2,000
Basic needs - Additional places across the Borough									
To meet the demand of additional places in the Primary provision	2,007	7,962	3,000				2,007	7,962	3,000
Aspire project									
Targeted support for 14-16 year olds				740	0	0	740	0	0
Enhancing Provision for Children & Young People with Disabilities									
(1) Adaptations to properties to enabled disabled children to be cared for in their home/respice care environment. (2)To improve facilities in schools to allow for full integration of pupils and adults to comply with DDA regulations				125	125	125	125	125	125
ICT Equipment for children in care									
To purchase/replace equipment that is provided to Children in Care. This is in line with our Children in Care pledge.				25	25	25	25	25	25
Bulmershe School Improvement Scheme									
To support a programme of curriculum development by providing new and enhanced teaching and learning facilities. This will support the school in delivery of its improvement plan				2,402	600	0	2,402	600	0
Total Children's Services	3,612	11,567	6,608	3,292	750	150	6,904	12,317	6,758
Development and Regeneration									
Strategic capital fund									
To supplement the Infrastructure Transport Fund	2,450	450	1,050				2,450	450	1,050
Town Centre Regeneration									
The Town Centre regeneration will support existing and new businesses; increase employment, secure ongoing investment into the town centre and improve the quality of the open space within the town centre.	12,872	31,050	18,322				12,872	31,050	18,322
Provision for Super-fast Broadband									
Provision of 100% coverage of 25mb broadband for Berkshire by 2015. The scheme is a partnership with the other Berkshire Unitarians				80	0	0	80	0	0
South Wokingham Distributor Road									
A study to look into options and feasibility for a distributor road running between Coppid Beech and Finchampstead Road to the south of Wokingham town.	350	0	0				350	0	0
Arborfield Relief Road									
A study to look into options and feasibility for a road to provide relief to the A327 at Arborfield Cross.	350	0	0				350	0	0
North Wokingham Distributor road									
A study to look into options and feasibility for a distributor road running between Coppid Beech and A329 Reading Road near the junction with Old Forest Road	350	0	0				350	0	0
Total Development and Regeneration	16,372	31,500	19,372	80	0	0	16,452	31,500	19,372

CAPITAL SERVICE BUDGETS

	Infrastructure Capital Programme			Commissioning Priorities Capital Programme			Total		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Health & Wellbeing									
Housing Repairs & adaptations for disabled									
Provision of appropriate and sustainable housing	7,150	7,150	6,851				7,150	7,150	6,851
Older People's Housing									
Provision for improved Health and Well-Being options for Older People to meet rising demographic need				0	250	3,750	0	250	3,750
Supported Living Accommodation									
To provide suitable and sustainable accommodation for vulnerable people with mental health needs				30	1,200	0	30	1,200	0
Suffolk Lodge - Internal Re-design and Redecoration									
To enhance the independence of residents at Suffolk Lodge and to provide a more attractive environment that supports the care needs of the residents				20	350	0	20	350	0
Woodley community hub									
To provide a hub for day care activities and wider community access in Woodley area	1,000	0	0				1,000	0	0
Refurbishment of the Oxford Road hostel									
To provide nine units, seven self contained with modular kitchens and either bath or shower. Two units will have their own kitchen with shared bathroom facilities				153	0	0	153	0	0
Wokingham Housing Future sites									
To increase the good quality affordable housing development and the quality and type of such housing	2,900	9,500	11,600				2,900	9,500	11,600
Extra Care / Enhanced Sheltered Housing									
To re-model/ redevelop their extra care/sheltered housing, expand capacity and meet higher care needs.				250	4,000	2,000	250	4,000	2,000
Total Health & Wellbeing	11,050	16,650	18,451	453	5,800	5,750	11,503	22,450	24,201
Neighbourhoods									
Safety / Crash Barriers									
Improving safety / crash barriers on the highway to reduce the risk of injury to road users	1,500	750	750				1,500	750	750
Highways Carriageways Structural Maintenance									
Resurfacing of carriageways to improve highway safety and extend the life of the asset	2,400	2,400	2,400				2,400	2,400	2,400
Highway Structures									
To maintain Wokingham Borough Council's highway structures assets in such condition that they remain safe for highway users and available for use by traffic permitted to use them.	500	500	1,250				500	500	1,250
Traffic Signal Upgrade Programme - Street furniture, poles, fencing, lighting at Junctions and Crossings									
To carry out urgent upgrade on old and obsolete equipment, also giving the opportunity of installing low energy equipment	250	250	250				250	250	250
Strengthening Approach Embankments to Bridges									
To repair major damage caused by deterioration, vehicle impact and where appropriate to meet the changing demands of users	500	50	500				500	50	500
Integrated Transport Schemes									
Providing facilities to ensure that the public are safe on the Borough's roads	400	400	400				400	400	400
Highway Drainage Schemes									
To arrest the overall degradation of the highway drainage network which suffers from 'silting up', breakages, tree root damage, inadequate size and increased loading	100	100	100				100	100	100
Contribution to Infrastructure Transport Fund									
To establish a budget to meet potential infrastructure costs surrounding the SDL's				1,000	1,000	1,000	1,000	1,000	1,000

CAPITAL SERVICE BUDGETS

	Infrastructure Capital Programme			Commissioning Priorities Capital Programme			Total		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Transport Infrastructure Energy Use Reduction									
To reduce the effect of the Councils existing highways infrastructure on the environment with the added benefit of reducing the Councils energy and cost				100	100	100	100	100	100
Mandatory Disabled Facility Grants									
Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home				330	330	330	330	330	330
Station Link Road									
Essential improvements to Wokingham station and the associated road link that will help facilitate the regeneration of the town				2,445	500	250	2,445	500	250
Street Lighting Asset Replacement									
To replace age-expired and dangerous street lighting assets, which will bring added benefit in reduced maintenance/running costs. A reduction of running costs and light pollution will also be achieved in part by night dimming				750	750	750	750	750	750
London Road Landfill – Gas Managing System									
To maintain the safety of the site around pollution prevention and especially the managing of leachate and methane gas.	60	0	0				60	0	0
Street Lighting Column Structural Testing									
Structural safety testing of street lighting columns				40	40	40	40	40	40
Civil Parking Enforcement									
WBC replacing the police for the responsibility of enforcing on-street parking restrictions				111	111	0	111	111	0
Wokingham Station									
Provision of a public transport interchange; the provision of new station and car park accesses.				566	0	0	566	0	0
Open Drainage Ditches									
Re-introduction of open drainage ditches that are critical to protect properties from flooding.				40	0	0	40	0	0
Highways Footway Structural Maintenance Programme									
Resurfacing of footways to extend the life of the asset, improve its condition and increase surface water run-off thereby improving pedestrian safety				100	100	100	100	100	100
Total Neighbourhoods	5,710	4,450	5,650	5,482	2,931	2,570	11,192	7,381	8,220
Resources									
Legionella Management									
Continuation of legionella appraisals on all WBC buildings and carry out programme of removal	50	50	50				50	50	50
Asbestos Management									
To continue asbestos appraisals on all WBC buildings and carry out programmed removal of asbestos as necessary.	50	50	50				50	50	50
Gas Management and Structural Repairs									
Replacement of non-compliant gas pipe work in WBC owned areas	50	50	50				50	50	50
Commercial Portfolio - Improvement to Industrial Units									
To ensure commercial properties are viable in the marketplace for letting	100	100	50				100	100	50
Server Hardware Replacement									
To replace servers which are out of manufacturers warranty and support	50	50	0				50	50	0
Network Hardware Replacement									
To replace unreliable / out of warranty components. (Network switches, routers modems etc.)	50	50	0				50	50	0

CAPITAL SERVICE BUDGETS

	Infrastructure Capital Programme			Commissioning Priorities Capital Programme			Total		
	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16	2013/14	2014/15	2015/16
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non School Building Works									
Urgent Capital Planned Improvements on non schools buildings	30	30	30				30	30	30
Technology Futures Programme									
Essential technology upgrades which include replacement of core components (e.g. to facilitate smart working)	100	0	0				100	0	0
Customer Services Technology									
Adoption of new technology provides an opportunity to improve customer service	400	0	0	0	0	0	400	0	0
Sustainable Heating Systems									
The scheme will be used to fund the additional costs of replacing existing heating systems with sustainable heating systems				100	100	100	100	100	100
Solar and Renewable Energy Systems									
Generation of electricity from a renewable resource. To create a reduction in energy bills.				50	100	100	50	100	100
Shute End Office - Replacement of Control Valves to Air Handling									
To replace an obsolete and failing air handling system at Shute End offices.				45	0	0	45	0	0
Financial IT System									
Implementation of new financial system				74	0	0	74	0	0
Dilapidations Old Forge									
To return building to original form				250	0	0	250	0	0
LED and T5 Lighting Replacement									
Replacement of corporate strip lighting with energy-efficient alternatives. To facilitating and influence schools to engage in the scheme. To create a Reduction in lighting costs and emissions by 20-50%				20	50	50	20	50	50
Asset & Service Development Fund									
To enable successful transition from feasibility stage to build development				50	100	50	50	100	50
Total Resources	880	380	230	589	350	300	1,469	730	530
TOTAL COUNCIL SERVICES BUDGET	17,640	21,480	24,331	6,524	9,081	8,620	24,164	30,561	32,951

ESTIMATED CAPITAL RESOURCES STATEMENT

	2013/14 £'000	2014/15 £'000	2015/16 £'000
Proposed Capital Programme (excluding Carry Forwards)	47,520	74,378	59,081
Non Ring-Fenced Funding			
Borrowing	15,268	44,051	19,306
Capital Receipts in Year (Note 1)	1,100	700	12,772
Capital Receipts Contributions from / (to) Reserves	5,542	6,689	0
Revenue Contribution to Capital Outlay	700	850	850
Local Transport Plan Direct Grant	3,341	3,737	3,737
Disabled Facilities Grant (Note 2)	330	330	330
Schools Basic Needs Grant (Note 2)	6,325	6,325	6,325
Basic Needs Grant (additional allocation c/f from 2012-13)	7,777	0	0
Schools Capital Maintenance Grant (Note 2)	2,355	2,355	2,355
Early education for two-year-olds	150	0	0
Extra funding Disabled Facilities Grant – Grant Determination 2012/13:	54	0	0
Additional local highways maintenance funding	446	257	0
Adult Personal Social Services Grant	216	220	210
Future year grants & contributions (Note 3)	0	0	5,040
Sub-Total Non Ring-Fenced Funding	43,604	65,514	50,925
Ring-Fenced Funding			
HRA Capital Programme funded from the Major Repairs Reserve	4,160	5,023	6,851
Decent Homes Backlog Funding	2,990	2,127	0
Devolved Formula Capital Grant (Note 4)	455	455	455
Section 106 contributions	1,785	854	853
Influencing Travel Behaviour -local sustainable transport fund	470	405	0
Dedicated school grant contribution	321	0	0
Performance Reward Grant	424	0	0
Sub-Total Ring-Fenced Funding	10,605	8,864	8,159
Total Funding	54,209	74,378	59,084
Surplus / (Deficit) for Year based on current resources	6,689	0	3
MOVEMENTS ON CAPITAL WBC RESERVES			
Opening Balance (Note 5)	5,542	6,689	0
Estimate of Capital Receipts from sale of assets (Note 1)	1,100	700	12,771
Capital Reserves used to fund Capital Programme	47	(7,389)	(12,768)
Closing Balance	6,689	0	3

Notes

****All grants for 14-15 onwards are estimates and could change****

Note 1. Capital receipts in 2015/16 relate to Wokingham Town Centre first phase of housing sales

Note 2. Capital receipts include some receipts which may not materialise

Note 3. A prudent estimate on future Grants and contributions

Note 4. Schools have discretion on how they can spend devolved capital

Note 5. This funding is the estimated amount of the opening level of uncommitted capital reserves

CAPITAL RESERVES – POLICY STATEMENT

1 Definition / Purpose

These reserves were established to finance future capital schemes. The accumulated surplus on the Capital Reserve needs to cover the 3-year approved capital programme, provide a general contingency in the event of unavoidable or unforeseen capital expenditure and to help deal with priority schemes within the 10-year capital vision.

The reserve serves two additional purposes: -

- (i) Interest on the reserve contributes to financing the gap between local taxation and the net cost of services;
- (ii) The reserve provides stability for longer term planning.

	£'000
Estimated Uncommitted Balance 31 March 2013	5,542
Estimated Uncommitted Balance 31 March 2014	6,689
Estimated Uncommitted Balance 31 March 2015	0
Estimated Uncommitted Balance 31 March 2016	3

Actual reserves will be higher due to schemes carrying forward in the Capital Programme. The reserves position in 2015 and 2016 will need to be reviewed in the context of the recommended minimum reserve levels shown below.

2 Policy (Criteria for Calculating Fund Requirement)

In determining the capital budget strategy each year, Members may wish to consider any additional sum needed for longer term planning purposes, taking into account the financial projections contained in the financial forecast.

The level of balances is dependent on the high-risk strategy of asset disposals. If these are not achieved, there would be an impact on the level of reserves and consequently on the future capital programme. Therefore, any reserve could also be used to smooth out the utilisation of available capital receipts.

Review the capital reserve each year on a rolling basis to ensure that there are sufficient resources over the 3-year period.

3 Recommendation

The following recommendation is made (based on the suggested policy):-

- £1.0m – absolute minimum (general contingency)
- Must cover 3-year capital programme year on year
- Build up a reserve to fund 10-year capital vision

10-YEAR CAPITAL VISION (in £'000)

SCHEME	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 and beyond	Total
ANTICIPATED CAPITAL SCHEMES							
Infrastructure							
Children's Services							
Schools Devolved Formula	455	455	455	4,655	455	2,275	8,750
School Kitchens	150	150	153	153	153	765	1,524
Schools Urgent Maintenance	1,000	1,000	1,000	1,000	1,000	5,000	10,000
Enhancing Provision for Secondary Education	0	2,000	2,000	2,000	2,000	10,000	18,000
Basic needs - Additional places across the Borough	2,007	7,962	3,000	3,000	5,500	20,000	41,469
Development and Regeneration							
Strategic capital fund	2,450	450	1,050	0	0	0	3,950
Town Centre Regeneration	12,872	31,050	18,322	2,618	0	0	64,862
South Wokingham Distributor Road (feasibility)	350	0	0	0	0	0	350
Arborfield Relief Road (feasibility)	350	0	0	0	0	0	350
North Wokingham Distributor road (feasibility)	350	0	0	0	0	0	350
Health and Wellbeing incl Housing							
Woodley community hub - To provide a hub for day care activities and wider community access in Woodley area	1,000	0	0	0	0	0	1,000
Housing repairs and adaptations for disabled	7,150	7,150	6,851	6,850	4,853	5,023	37,877
Wokingham Housing Future sites	2,900	9,500	11,600	3,100	3,100	10,400	40,600
Neighbourhoods							
Strengthening Approach Embankments to Bridges	500	50	500	50	0	0	1,100
Traffic Signal Upgrade Programme - Street furniture, poles, fencing, lighting at Junctions and Crossings	250	250	250	250	250	1,250	2,500
Highways Carriageways Structural Maintenance	2,400	2,400	2,400	2,400	2,400	12,000	24,000
London Road Landfill – Gas Managing System	60	0	0	0	0	0	60
Highway Structures	500	500	1,250	500	500	2,500	5,750
Safety / Crash Barriers	1,500	750	750	0	0	0	3,000
Integrated Transport Schemes	400	400	400	400	400	2,000	4,000
Highway Drainage Schemes	100	100	100	100	100	500	1,000

10-YEAR CAPITAL VISION (in £'000)

SCHEME	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 and beyond	Total
Resources							
Server Hardware Replacement	50	50	0	0	0	0	100
Non School Building Works	30	30	30	30	30	150	300
Network Hardware Replacement	50	50	0	0	0	0	100
Technology Futures Programme	100	0	0	0	0	0	100
Customer Services Technology	400	0	0	0	0	0	400
Legionella Management	50	50	50	50	50	250	500
Asbestos Management	50	50	50	50	50	250	500
Gas Management and Structural Repairs	50	50	50	50	50	250	500
Commercial Portfolio - Improvement to Industrial Units	100	100	50	50	50	50	400
SUBTOTAL INFRASTRUCTURE	37,624	64,547	50,311	27,306	20,941	72,663	273,392
Commissioning Priorities							
Children's Services							
Aspire project	740	0	0	0	0	0	740
ICT Equipment for children in care	25	25	25	25	25	125	250
Enhancing Provision for Children & Young People with Disabilities	125	125	125	125	125	625	1,250
Bulmershe School Improvement Scheme	2,402	600	0	0	0	0	3,002
Health and Wellbeing incl Housing							
Older People's Housing – Fosters Residential Care Home Site	0	250	3,750	0	0	0	4,000
Extra Care Housing/Enhanced Sheltered Housing	250	4,000	2,000	3,000	2,500	6,000	17,750
Supported Living Accommodation - Mental Health	30	1,200	0	0	0	0	1,230
Suffolk Lodge - Internal Re-design and Redecoration	20	350	0	0	0	0	370
Eustace Crescent	0	0	0	0	0	0	0
Oxford Road Hostel	153	0	0	0	0	0	153

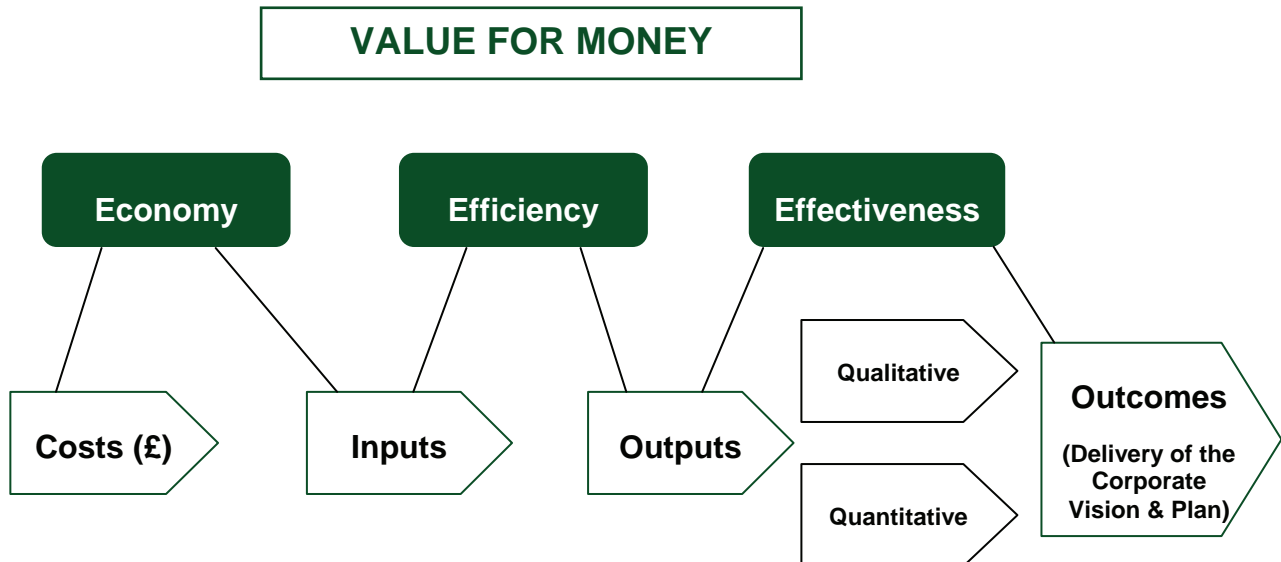
10-YEAR CAPITAL VISION (in £'000)

SCHEME	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 and beyond	Total
Neighbourhoods							
Wokingham Station	566	0	0	0	0	0	566
Open Drainage Ditches	40	0	0	0	0	0	40
Street Lighting Column Structural Testing	40	40	40	40	40	200	400
Transport Infrastructure Energy Use Reduction	100	100	100	100	100	5,000	5,500
Highways Footway Structural Maintenance Programme	100	100	100	100	100	500	1,000
Civil Parking Enforcement	111	111	0	0	0	0	222
Mandatory Disabled Facility Grants	330	330	330	330	330	330	1,980
Station Link Road	2,445	500	250	0	0	0	3,195
Street Lighting Asset Replacement	750	750	750	750	750	3,750	7,500
Contribution to Infrastructure Transport Fund	1,000	1,000	1,000	1,000	1,000	5,000	10,000
Resources							
Shute End Office - Replacement of Control Valves to Air Handling	45	0	0	0	0	0	45
Financial IT System	74	0	0	0	0	0	74
Dilapidations Old Forge	250	0	0	0	0	0	250
LED and T5 Lighting Replacement	20	50	50	0	0	0	120
Asset & Service Development Fund	50	100	50	50	100	300	650
Sustainable Heating Systems	100	100	100	100	100	100	600
Solar and Renewable Energy Systems	50	100	100	100	100	100	550
Development and Regeneration							
Provision for Super-fast Broadband	80	0	0	0	0	0	0
SUBTOTAL COMMISSIONING PRIORITIES	9,896	9,831	8,770	5,720	5,270	22,030	61,437
TOTAL	47,520	74,378	59,081	33,026	26,211	94,693	334,829

PLEASE NOTE - The 10yr capital vision lists all aspirational projects which will be prioritised in line with available resources and are therefore not all committed at this stage. Funding has been identified for the first three years.

VALUE FOR MONEY

Good Value for Money for a local authority is achieved by balancing low costs, high performance and successful outcomes. These three factors are referred to as the 3 Es: Economy, Efficiency and Effectiveness. Their relationship is illustrated below:



Nationally there have been significant cuts in public sector funding from central government. This makes it imperative for the Council to ensure that resources are used as effectively as possible and that Value for Money (VfM) is embedded across the organisation. One of our underpinning principles is: Offer Excellent Value for your Council Tax - where we aim to maintain stable local taxation and provide value for money for our residents.

The Council has a VfM Strategy and produces a VfM framework which lists examples of Value for Money achieved over the past year across all services. This includes non-cashable items such as changes to governance arrangements and benchmarking as well as cashable savings

To demonstrate good financial management and VfM, the Council is ensuring that:

- Resources are directed to our key priorities;
- We operate the most appropriate form of service delivery (eg Traded Service, outsourced or in-house);
- We are innovative in service delivery; and,
- We continue to build up greater partnership working with the public, private and third sector.

CAPITAL SERVICE BUDGETS - SUSTAINABILITY & ACCESSIBILITY IMPACTS

Department	2013/14 £'000	2014/15 £'000	2015/16 £'000	Sustainability & Accessibility Impacts
Children's Service				
Aspire project	740	0	0	Targeted support for 14-16 year olds
Basic needs - Additional places across the Borough	2,007	7,962	3,000	To meet the demand of additional places in the Primary provision
Bulmershe School Improvement Scheme	2,402	600	0	To support a programme of curriculum development by providing new and enhanced teaching and learning facilities. This will support the school in delivery of its improvement plan
Enhancing Provision for Children & Young People with Disabilities	125	125	125	(1) Adaptations to properties to enabled disabled children to be cared for in their home/respite care environment. (2)To improve facilities in schools to allow for full integration of pupils and adults to comply with DDA regulations
Enhancing Provision for Secondary Education	0	2,000	2,000	To improve standards of learning in the Secondary provision
School Kitchens	150	150	153	To improve the mechanical ventilation, flooring, equipment, doors and windows in various school meals kitchens throughout the Borough
Schools Devolved Formula	455	455	455	Specific Government Grant to carry out capital works, controlled by schools
Schools Urgent Maintenance	1,000	1,000	1,000	Urgent capital planned improvements and suitability issues
Total	6,879	12,292	6,733	
Health & Wellbeing				
Extra Care / Enhanced Sheltered Housing	250	4,000	2,000	To re-model/ redevelop their extra care/sheltered housing, expand capacity and meet higher care needs.
Housing Repairs & adaptations for disabled	7,150	7,150	6,851	Provision of appropriate and sustainable housing
Older People's Housing	0	250	3,750	Provision for improved Health and Well-Being options for Older People to meet rising demographic need
Suffolk Lodge - Internal Re-design and Redecoration	20	350	0	To enhance the independence of residents at Suffolk Lodge and to provide a more attractive environment that supports the care needs of the residents.
Supported Living Accommodation	30	1,200	0	To provide suitable and sustainable accommodation for vulnerable people with mental health needs.
Woodley community hub	1,000	0	0	To provide a hub for day care activities and wider community access in Woodley area
Total	8,450	12,950	12,601	

CAPITAL SERVICE BUDGETS - SUSTAINABILITY & ACCESSIBILITY IMPACTS

Department	2013/14 £'000	2014/15 £'000	2015/16 £'000	Sustainability & Accessibility Impacts
Neighbourhood Service Delivery				
Highway Drainage Schemes	100	100	100	To arrest the overall degradation of the highway drainage network which suffers from 'silting up', breakages, tree root damage, inadequate size and increased loading
Highway Structures	500	500	1,250	To maintain Wokingham Borough Council's highway structures assets in such condition that they remain safe for highway users and available for use by traffic permitted to use them.
Highways Carriageways Structural Maintenance	2,400	2,400	2,400	Resurfacing of carriageways to improve highway safety and extend the life of the asset
Highways Footway Structural Maintenance Programme	100	100	100	Resurfacing of footways to extend the life of the asset, improve its condition and increase surface water run-off thereby improving pedestrian safety
Mandatory Disabled Facility Grants	330	330	330	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home
Open Drainage Ditches	40	0	0	Re-introduction of open drainage ditches that are critical to protect properties from flooding.
Safety / Crash Barriers	1,500	750	750	Improving safety / crash barriers on the highway to reduce the risk of injury to road users
Station Link Road	2,445	500	250	Essential improvements to Wokingham station and the associated road link that will help facilitate the regeneration of the town
Street Lighting Asset Replacement	750	750	750	To replace age-expired and dangerous street lighting assets, which will bring added benefit in reduced maintenance/running costs. A reduction of running costs and light pollution will also be achieved in part by night dimming
Strengthening Approach Embankments to Bridges	500	50	500	To repair major damage caused by deterioration, vehicle impact and where appropriate to meet the changing demands of users
Traffic Signal Upgrade Programme - Street furniture, poles, fencing, lighting at Junctions and Crossings	250	250	250	To carry out urgent upgrade on old and obsolete equipment, also giving the opportunity of installing low energy equipment
Wokingham Station	566	0	0	Provision of a public transport interchange; the provision of new station and car park accesses.
Total	9,481	5,730	6,680	
Resources				
Non School Building Works	30	30	30	Urgent Capital Planned Improvements on non schools buildings
Commercial Portfolio - Improvement to Industrial Units	100	100	50	To ensure commercial properties are viable in the marketplace for letting
Total	130	130	80	

Major Revenue Contracts over £100,000 per annum

Contract	2013/14 £'000	2014/15 £'000	2015/16 £'000	Contract Expiry
Business Assurance & Democratic Services				
Insurance	1,204	1,304	1,354	Jun-13
Children's Services				
Independent Foster Agencies –net total contract	773	731	830	Various
Mainstream Home to School Transport –net total contract	881	931	981	Various
Residential Care – net total contract	1,285	1,061	1,136	Various
Schools Broadband – net total contract	238	238	238	Aug-13
Special Education Needs Home to School Transport – net total contract	1,527	1,527	1,527	Various
Health and Wellbeing				
Day Care – Commissioned Services	353	353	353	Various
Accommodation Based Services – Total Contract	20,491	20,491	20,491	Various
Domiciliary Care	1,543	1,543	1,543	Various
Housing Related Support	442	442	442	Various
Gas Appliance Maintenance Services	538	538	538	Mar-14
Partnership Contract (Reading BC) for Responsive Maintenance, including Help Desk, General Repairs & Voids	1,566	1,566	1,566	Mar-14
Adult Social Care Provision	8,061	8,061	8,061	Jun-14
Neighbourhood Services				
Adult Learning	297	297	297	July-14
Bridge Maintenance Construction (Revenue & Capital)	678	688	698	Mar-18
Grounds Maintenance Contract	843	851	860	Mar-16
Gully Emptying & Highways Drainage Maintenance*	140	140	140	Mar-17
Highways & Transportation Consultancy Contract	1,344	1,378	1,412	Mar-18
Highways Network Works Contract (Revenue & Capital)	3,500	3,500	3,500	Mar-18
Leisure Contract	654	654	654	Apr-15
Refuse & Recycling Collection	2,890	2,948	3,036	Mar-19
Stockfund – Contract awarded and managed by CBC on WBC's behalf – total combined value	197	197	197	Various
Street Cleaning	799	823	848	Mar-16
Street Lighting Energy*	680	730	783	Apr-14
Street Lighting Maintenance	457	496	517	Mar-17

Traffic Signal Maintenance	119	122	125	Mar-14
Waste PFI	8,737	9,026	9,383	Dec-31
Trading Standards Joint Service Delivery	328	336	344	Jun-15
Environmental Health and Licensing Joint Service Delivery	672	689	706	Jan-17
Park & Ride – Reading Transport	160	160	160	Feb-14
Supported Bus Service	660	660	660	Various
Resources Directorate				
Building Cleaning	694	694	694	May-15
Education Catering Service	300	300	300	Jul-15
Energy	2,490	2,750	3,040	Apr-15
Civica – software maintenance	178	178	178	Various
Northgate – software maintenance	172	172	172	Various
Virgin Media – wide are network	162	162	162	Various
IT Managed Services Contract	1,800	1,800	1,800	Dec-15
Microsoft Enterprise Agreement	106	106	106	Mar 14
Mixing Valves & Legionella Testing service & maintenance	100	100	100	Aug-15
Term Maintenance – Buildings Unit	250	250	250	Sep-15
Waste Collection (Schools and other LA buildings)	150	150	150	Jul-15
Schools Block				
Early Education Funding – net total contract	2,184	2,184	2,184	Various
Independent School Fees – net total contract	5,384	5,634	5,884	Various

*The Gully Cleansing and Street Lighting Maintenance Contracts have recently been re-let. They will commence on 1 April 2013 and end on 31 March 2017. Extensions for both contracts are possible (up to a further 2 years).

KEY ACTIVITY DATA

	Unit Description	Units	2013/14 Ave Price £	Total £'000	Units	2014/15 Ave Price £	Total £'000	Units	2015/16 Ave Price	Total £'000	Risk Indicator
Children's Services											
Foster Placement Allowances Independent Foster Placements	weeks	848	912	773	834	876	731	939	884	830	High
Residential Care	weeks	792	1,688	1,337	590	1,798	1,061	595	1,909	1,136	High
Development & Regeneration											
Building Control - Inspection fee	per application	8,800	40	352	8,800	42	370	8,800	44	387	Low
Building Control - Plan check fee	per application	896	308	276	896	323	289	896	338	303	Low
Building Control - Regularisation	per application	65	525	34	65	551	36	65	576	37	Low
Development Control - Planning Application Fees - Major	per application	16	3,700	59	16	3,700	59	16	3,700	59	High
Development Control - Planning Application Fees - Minor	per application	1,482	187	277	1,482	187	277	1,482	187	277	Medium
Governance & Electoral Services											
Land Searches	per search	2,930	107	314	2,930	107	314	2,930	107	314	High
Health & Wellbeing											
Learning Disability, Residential Care	weeks	7,036	1,462	10,286	6,828	1,462	9,982	6,724	1,462	9,830	High
Learning Disability, Supported Living	weeks	7,764	611	4,744	7,914	611	4,836	8,064	611	4,927	High
Mental Health, Residential Care	weeks	541	1,358	734	645	1,358	875	749	1,358	1,016	Medium
Older People, Homecare	hours	176,650	19	3,356	180,183	19	3,423	194,598	19	3,697	High
Older People, Nursing Care	weeks	5,462	855	4,670	5,612	855	4,798	5,762	855	4,927	Medium
Older People, Residential Care	weeks	5,777	601	3,472	6,037	601	3,628	6,297	601	3,785	Medium
Physical Disability, Homecare	hours	38,263	19	727	39,028	40	1,561	39,809	40	1,592	High
Physical Disability, Residential Care	weeks	293	953	279	293	953	279	293	953	279	Medium
Neighbourhood Services											
Waste Disposal (based on 71,000 tonnes pa combined landfill and recycling. Average price based on current year actuals plus increase in landfill tax year on year)	charge per tonne	70,428	103	7,254	70,851	106	7,510	71,276	110	7,840	Medium
Loddon Bridge Park & Ride	per trip	40,000	4	160	0	0	0	0	0	0	High
Resources Directorate											
Disabled Travel Direct Payment	per application	787	159	125	787	159	125	787	159	125	Low
Free Bus Pass	per pass	24,687	30	750	24,687	30	750	24,687	30	750	Medium
Investment Returns	% of return	41m	0.5%	(483)	35m	0.75%	(521)	31m	1.75%	(722)	High
Schools Block - Dedicated Schools Grant											
Independent Special School Placements	per pupil	90	59,822	5,384	94	59,822	5,634	98	59,822	5,884	High

COUNCIL TAX BACKGROUND INFORMATION

1 Council Tax – Valuation Bands

Most dwellings are subject to the council tax. There is one bill per dwelling, whether it is a house, bungalow, flat, maisonette, mobile home or houseboat, and whether it is owned or rented.

Each dwelling has been allocated to one of eight bands according to its open market capital value at 1st April, 1991:

Valuation Band	Range of values
A	Up to and including £40,000
B	£ 40,001 - £ 52,000
C	£ 52,001 - £ 68,000
D	£ 68,001 - £ 88,000
E	£ 88,001 - £120,000
F	£120,001 - £160,000
G	£160,001 - £320,000
H	More than £320,000

The council tax bill states which band applies to a dwelling.

2 Council Tax – Exempt Dwellings

Some dwellings are exempt, including properties occupied only by students, and vacant properties which:

- Are unfurnished (partially exempt under local rules)
- Are owned by a charity (exempt for up to six months)
- Require or are undergoing structural alteration or major repair (partially exempt under local rules)
- Are left empty by someone who has gone into prison, or who has moved to receive personal care in a hospital or a home or elsewhere
- Are left empty by someone who has moved in order to provide personal care to another person
- Are left empty by students
- Are waiting for probate or letters of administration to be granted (for up to six months after)
- Have been repossessed
- Are the responsibility of a bankrupt's trustee
- Are empty because their occupation is forbidden by law
- Are waiting to be occupied by a minister of religion
- Occupied by visiting forces (reciprocal arrangement)
- Consists of an empty caravan pitch or boat mooring
- Are occupied only by persons under 18
- Consists of an unoccupied annex which may not be let separately
- Are occupied only by severely mentally impaired persons
- Consists of an annex that is occupied by a 'dependant relative'. A dependant relative is someone that is over 65 years of age or is severely mentally impaired or is substantially and permanently disabled.

Forces barracks and married quarters are also exempt, their occupants contribute to the cost of local services through a special arrangement.

3 Council Tax - Discounts

The full council tax bill assumes that there are two adults living in a dwelling. If only one adult lives in a dwelling (as their main home), the council tax bill is reduced by a quarter (25%). If a dwelling is no-one's main home, the bill can be reduced by between 0% - 50% depending on whether the property is furnished or not. Some of these discounts may be time limited.

People in the following groups do not count towards the number of adults resident in a dwelling:

- Full-time students, student nurses, apprentices and Youth Training trainees
- Patients resident in hospital
- People who are being looked after in care homes
- People who are severely mentally impaired
- People staying in certain hostels or night shelters
- 18 and 19 year olds who are at or have just left school
- Care Workers working for low pay, usually for charities (below £44 per week)
- People caring for someone with a disability who is not a spouse, partner, or child under 18
- Members of visiting forces and certain international institutions
- Members of religious communities (monks and nuns)
- People in prison (except those in prison for non-payment of council tax or a fine)

4 Council Tax – People with Disabilities

If a taxpayer, or someone who lives with him/her (including children), need a room, or an extra bathroom or kitchen, or extra space in a property to meet special needs arising from a disability, he/she may be entitled to a reduced council tax bill. The bill may be reduced to that of a property in the band immediately below the band shown on the valuation list. These reductions ensure that disabled people do not pay more tax on account of space needed because of a disability. If a home is in Band A it will already be in the lowest council tax band. However, it may be reduced by a ninth of Band D.

5 Council Tax - Benefit

From 1st April 2013, the national council tax benefit scheme is replaced with a local council tax support scheme. The new scheme ensures that people in receipt of income support, other state benefits or on low incomes have their bills reduced. It is a means tested reduction.

6 Council Tax Base

This is the total number of properties in each band converted to the Band D equivalent figure. The numbers take account of the 25% discounts for single person occupancy, the discounts for unfurnished properties and second homes and reductions granted in respect of disabilities.

From this figure an adjustment is made:

- For estimated changes in the Tax Base which could arise for a variety of reasons, such as appeals, disability relief awarded, new properties and properties falling off the valuation list.
- For an allowance for non-collection of the tax.
- For the value of fixed grant made available by Government towards funding the localised council tax reduction scheme.

The resulting figure is the Band D equivalent Tax base.

7 Council Tax Rate

The Band D Council Tax rate is calculated by dividing the net budget requirement by the Band D Tax base to give the Council Tax requirement for a Band D property.

The Tax rates applicable to the other Bands are calculated by using the following ratios to the Band D tax -

Band	Ratio
A	6/9
B	7/9
C	8/9
D	1
E	11/9
F	13/9
G	15/9
H	18/9

8 Precepts and Collection Fund Surplus / Deficit

Wokingham Borough Council also collects council tax on behalf of the Police and Crime Commissioner for Thames Valley, and the Royal Berkshire Fire Authority. The precepts for 2012/13 and 2013/14 are as follows:

Precept	2012/13 £	Band D £	2013/14 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	10,167,475	154.30	9,983,621	157.38	2.0
Royal Berkshire Fire Authority	3,667,671	55.66	3,848,052	60.66	9.0

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2014. The calculation was made on the 15th January as required by the legislation. The surplus / deficit is required to be apportioned between the precepting authorities pro rata to the previous year's precept. As at the 31st March 2014 the collection fund aims to achieve a surplus of £28,000, therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £23,828
 Police and Crime Commissioner for Thames Valley – £3,066
 Royal Berkshire Fire Authority - £1,106

PARISH PRECEPTS 2013/14

PARISH	TAX BASE	2012/13	COUNCIL TAX BAND D	TAX BASE	2013/14	COUNCIL TAX BAND D
		PARISH PRECEPT £			PARISH PRECEPT £	
Arborfield & Newland	1,295.6	81,800	63.14	1,241.4	80,341	64.72
Barkham	1,442.5	34,000	23.57	1,428.1	37,142	26.01
Charvil	1,418.6	37,618	26.52	1,374.0	38,353	27.91
Earley	11,882.5	721,624	60.73	11,500.4	711,300	61.85
Finchampstead	5,763.8	106,630	18.50	5,576.6	105,955	19.00
Remenham	306.0	6,400	20.92	309.4	21,000	67.87
Ruscombe	530.6	10,475	19.74	484.8	9,575	19.75
St. Nicholas Hurst	1,038.1	22,500	21.67	1,014.2	22,500	22.18
Shinfield	4,546.0	212,753	46.80	4,383.4	205,143	46.80
Sonning	817.3	31,654	38.73	775.2	31,459	40.58
Swallowfield	954.7	13,000	13.62	920.1	15,000	16.30
Twyford	3,014.2	59,552	19.76	2,911.6	58,191	19.99
Wargrave	2,099.1	146,370	69.73	2,050.7	147,253	71.81
Winnersh	3,935.0	107,881	27.42	3,742.6	104,606	27.95
Wokingham Town	13,815.1	604,777	43.78	13,444.0	604,764	44.98
Wokingham Without	3,153.0	143,382	45.47	3,037.2	138,092	45.47
Woodley	9,882.1	1,132,983	114.65	9,242.7	1,059,676	114.65
TOTAL	65,894.2	3,473,399	52.71	63,436.4	3,390,350	53.44

COUNCIL TAX BY BAND AND PARISH 2013/14

Band	A £	B £	C £	D £	E £	F £	G £	H £
Average Council Tax	995.99	1,161.99	1,327.99	1,493.98	1,825.98	2,157.98	2,489.97	2,987.96
WBC plus average Parish	850.63	992.40	1,134.17	1,275.94	1,559.49	1,843.03	2,126.57	2,551.88
Average Parish	35.63	41.57	47.51	53.44	65.32	77.20	89.07	106.88
Police Authority	104.92	122.41	139.89	157.38	192.35	227.33	262.30	314.76
Fire Authority	40.44	47.18	53.92	60.66	74.14	87.62	101.10	121.32
Wokingham Borough Council	815.00	950.83	1,086.67	1,222.50	1,494.17	1,765.83	2,037.50	2,445.00

Band	A £	B £	C £	D £	E £	F £	G £	H £
Parish Precepts								
Arborfield & Newland	43.15	50.34	57.53	64.72	79.10	93.48	107.86	129.44
Barkham	17.34	20.23	23.12	26.01	31.79	37.57	43.35	52.02
Charvil	18.61	21.71	24.81	27.91	34.12	40.32	46.52	55.82
Earley	41.23	48.11	54.98	61.85	75.59	89.34	103.08	123.70
Finchampstead	12.67	14.78	16.89	19.00	23.22	27.44	31.67	38.00
Remenham	45.25	52.79	60.33	67.87	82.96	98.04	113.12	135.74
Ruscombe	13.17	15.36	17.56	19.75	24.14	28.53	32.92	39.50
St. Nicholas Hurst	14.79	17.25	19.72	22.18	27.11	32.04	36.97	44.36
Shinfield	31.20	36.40	41.60	46.80	57.20	67.60	78.00	93.60
Sonning	27.05	31.56	36.07	40.58	49.60	58.62	67.64	81.16
Swallowfield	10.87	12.68	14.49	16.30	19.93	23.55	27.17	32.60
Twyford	13.32	15.54	17.77	19.99	24.43	28.87	33.31	39.98
Wargrave	47.87	55.85	63.83	71.81	87.76	103.72	119.68	143.62
Winnersh	18.63	21.74	24.84	27.95	34.16	40.37	46.58	55.90
Wokingham Town	29.99	34.99	39.99	44.98	54.98	64.98	74.97	89.96
Wokingham Without	30.31	35.36	40.42	45.47	55.57	65.67	75.78	90.94
Woodley	76.43	89.17	101.91	114.65	140.13	165.61	191.08	229.30

Band	A £	B £	C £	D £	E £	F £	G £	H £
All Precepts								
Arborfield & Newland	1,003.51	1,170.76	1,338.01	1,505.26	1,839.76	2,174.26	2,508.76	3,010.52
Barkham	977.70	1,140.65	1,303.60	1,466.55	1,792.45	2,118.35	2,444.25	2,933.10
Charvil	978.97	1,142.13	1,305.29	1,468.45	1,794.78	2,121.10	2,447.42	2,936.90
Earley	1,001.59	1,168.53	1,335.46	1,502.39	1,836.25	2,170.12	2,503.98	3,004.78
Finchampstead	973.03	1,135.20	1,297.37	1,459.54	1,783.88	2,108.22	2,432.57	2,919.08
Remenham	1,005.61	1,173.21	1,340.81	1,508.41	1,843.62	2,178.82	2,514.02	3,016.82
Ruscombe	973.53	1,135.78	1,298.04	1,460.29	1,784.80	2,109.31	2,433.82	2,920.58
St. Nicholas Hurst	975.15	1,137.67	1,300.20	1,462.72	1,787.77	2,112.82	2,437.87	2,925.44
Shinfield	991.56	1,156.82	1,322.08	1,487.34	1,817.86	2,148.38	2,478.90	2,974.68
Sonning	987.41	1,151.98	1,316.55	1,481.12	1,810.26	2,139.40	2,468.54	2,962.24
Swallowfield	971.23	1,133.10	1,294.97	1,456.84	1,780.59	2,104.33	2,428.07	2,913.68
Twyford	973.68	1,135.96	1,298.25	1,460.53	1,785.09	2,109.65	2,434.21	2,921.06
Wargrave	1,008.23	1,176.27	1,344.31	1,512.35	1,848.42	2,184.50	2,520.58	3,024.70
Winnersh	978.99	1,142.16	1,305.32	1,468.49	1,794.82	2,121.15	2,447.48	2,936.98
Wokingham Town	990.35	1,155.41	1,320.47	1,485.52	1,815.64	2,145.76	2,475.87	2,971.04
Wokingham Without	990.67	1,155.78	1,320.90	1,486.01	1,816.23	2,146.45	2,476.68	2,972.02
Woodley	1,036.79	1,209.59	1,382.39	1,555.19	1,900.79	2,246.39	2,591.98	3,110.38

BUDGET MANAGEMENT PROTOCOL

This Protocol has been produced to clarify the roles and responsibilities of Officers and Members in Budget Management.

Roles & Responsibilities:

Budget Manager

The budget holder is the person identified as the responsible officer against a cost centre budget as recorded in the General Financial Ledger. He/she is responsible for:

- Signing annual Resources Statements for all budgets under their remit
- Ensuring there is sufficient budget approved for the level of service agreed
- Ensuring a budget monitoring system is in place to properly monitor and forecast service expenditure/income for the year
- Keeping net expenditure within budget
- Where expenditure cannot be kept within budget, securing additional resources prior to committing expenditure
- Seeking value for money in commitment decisions
- Keeping the Business Partner informed of potential variations from budget and management action to rectify the situation.

Strategic Directors

The Strategic Director is responsible for keeping within the overall budget total for their department and has authority to vire between budget heads as stated in the Financial Regulations. He/she is responsible for:

- Ensuring adequate budget is agreed for the service level agreed, for the department as a whole
- Ensuring potential risks for which no budget provision has been made have been properly identified (or where budget may not be sufficient)
- Ensuring there is an adequate budget monitoring system in place across the department
- Ensuring the necessary channels of communication within the department are in place to react to emerging budget pressures
- Ensuring any necessary budget virements are approved
- Ensuring the appropriate budget managers have been identified in the department and ensure that they have been adequately trained
- Ensuring budget managers within the department are meeting their budget management responsibilities
- Presenting department budgets to Corporate Leadership Team in the agreed format in accordance with the agreed timetable
- Formulating and implementing an action plan to address any forecast overspends that cannot be contained within the department budget, as directed by Corporate Leadership Team or Members.

Corporate Leadership Team

Corporate Leadership Team will monitor the overall Council's budgetary position on a monthly basis (and quarterly to Executive). They are responsible for keeping within the overall Council budget. They are specifically responsible for:

- Ensuring reports are produced in the format agreed with Members
- Ensuring Strategic Directors are meeting their Budget Management responsibilities
- Ensuring any necessary cross-service delivery unit virements are approved
- Periodically reporting the monitoring report to Executive (this is currently agreed as quarterly)
- Ensuring supplementary estimate requests are sought where spending pressures cannot be contained within the overall budget.

Members

Members are responsible for approving sufficient budget for the service levels required and taking decisions to keep within or increase service budgets. More specific responsibilities are:

- Setting service delivery policy, standards and levels
- Approving service budgets sufficient to meet the level of service required
- Agreeing, with Corporate Leadership Team, the format of the overall budget monitoring information
- Aligning Member responsibility to service budgets
- Agreeing the process by which the appropriate Members receive budget information
- Receiving, considering and taking appropriate action on information received
- Approving additional budget or approving the reduction in the service standard/level in the event of spending pressures that cannot be contained within existing budget
- Taking into account the advice of the S151 Officer in respect of the adequacy of budgets and general fund balance.

S151 Officer (Strategic Director – Resources)

This is the statutory finance post in the organisation. His/her responsibility is to ensure that budget management roles and responsibilities are clear; budget managers are properly supported and ensure that functions and controls are in place so that finances are kept under review on a regular basis. In addition, the S151 Officer will provide guidance to Members when formulating budgets on how prudent budgets are considered to be (including the level of reserves & balances).

BUDGET MANAGEMENT - ESSENTIAL PRACTICE FOR BUDGET MANAGERS

1) Ensure you are clear who is responsible for the budget / commitment decision (all budgets identified to one accountable person responsible for 2 to 7 below)

2) Ensure you know the budget you have for the year (track it to the financial system)

3) Ensure you know what you have committed to spend (continually update forecast for the year and beyond)

4) Ensure you know the financial impact of the commitment you are about to undertake (for the year and beyond)

5) Ensure you have considered Value For Money (VFM) in respect of this commitment (is this the most effective, efficient, economical way of delivering the service)

6) If insufficient budget – secure additional budget or cease commitment process

7) If you are the budget manager you are responsible for all of the above. Your Business Partner will play an essential role in this process and must be informed of all variations to budget.





WOKINGHAM
BOROUGH COUNCIL

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