



# Medium term financial plan 2015/2016

Including Revenue Budget Forecast and  
Capital Budget Forecast to 2017/18





# WOKINGHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN

## (Revenue Budget Forecast & Capital Budget Forecast to 2017/18)

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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 2015/16 budget.

## 2 Strategic Overview

### ***Local Government Funding***

The overall financial climate continues to be extremely challenging and is expected to remain so for a number of years. The 2014/15 settlement saw a number of changes to the way the Council is funded. The 2015/16 settlement was explained in the Chancellor's update on the current state of public finances in December 2014 and in the latest economic forecasts from the Office for Budget Responsibility. In recent years, the Chancellor has announced changes that have significantly reduced local government funding. Wokingham, as the poorest funded unitary authority per head of population, will continue to face a particularly difficult challenge. The 2015/16 local government finance settlement represents a continuation of grant cuts for the council.

### ***Adult Social Care Reforms***

The Care Act 2014 sets out a new framework for local authority duties in relation to the funding of social care, along with a number of changes to the regulation of social care providers. It covers: the assessment of care needs, duties to arrange care, care funding and a maximum lifetime contribution payable by service users. It includes a new provision for a single national test of eligibility. There is a real risk that significantly more people will qualify for financial assistance with social care needs under the new national threshold. The volume of care assessments carried out by the Council will increase significantly.

Wokingham operates at the highest level of the "fairer access to care services" thresholds of 'Critical Only', and under the new arrangements the Council will have to meet the needs of those with 'Substantial' needs as well as those with Critical only needs, placing significant pressure on already tight budgets. The potential service implications, and the number of additional clients, are very difficult to quantify, however the extra costs are likely to be in the millions of pounds annually.

### ***Regeneration and Strategic Developments***

Whilst Wokingham faces significant financial pressures, there is a need to drive the development of regeneration projects to 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, and for people to visit for shopping and recreation. In addition, the Council has identified four Strategic Development Locations (SDLs) which will generate new housing and employment opportunities. The budget submission, contained in the Medium Term Financial Plan (MTFP), will continue to identify considerable investment in these areas.

### ***Government's Autumn Statement December 2014***

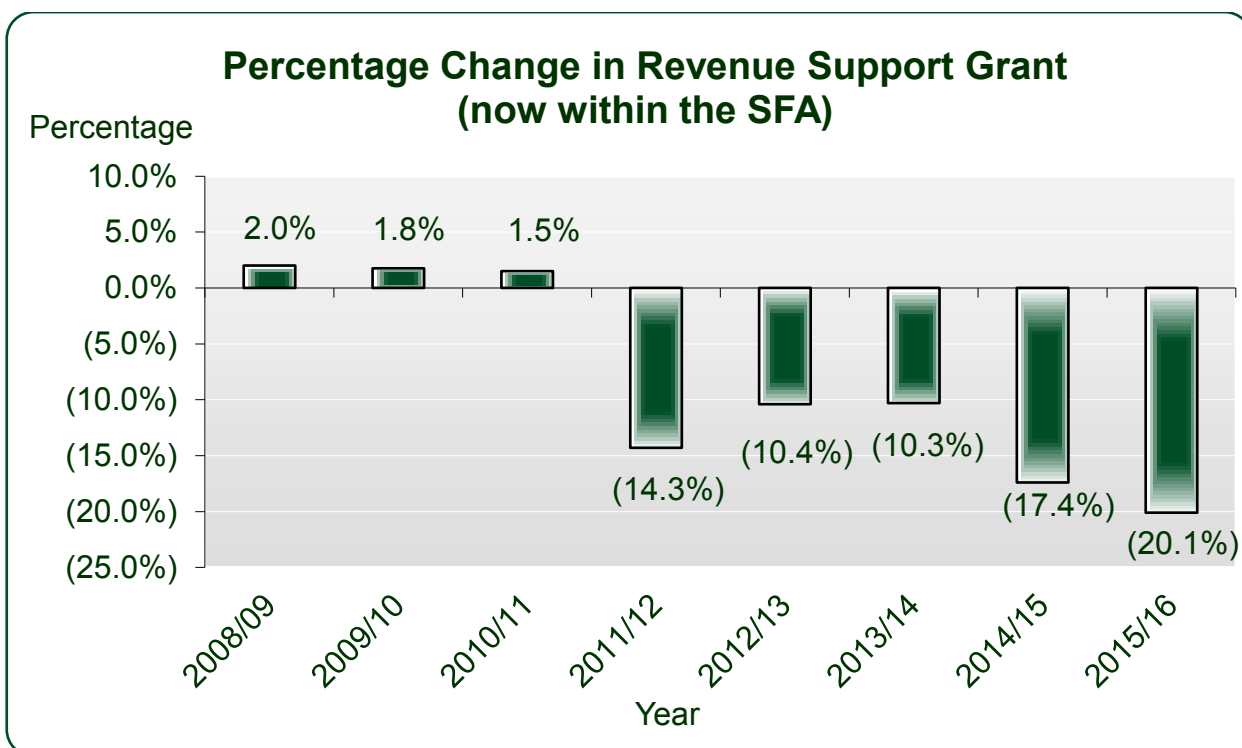
There were a number of measures which will affect local government, including £15bn for delivery of 84 road projects by 2021, £2bn for flood defence schemes to protect 300,000 homes, as well as a continuation of increases in the Better Care Fund to enable transfer of services from the NHS.

The precise impact on Wokingham of these measures is being assessed. The Government has also committed to protect spending on schools and hospitals, and reduce the welfare and public sector pensions bills by £3bn by 2017/18. The Chancellor pledged to undertake a full review of business rates structure, and also agreed to continue to cap inflation linked increases in business rates to 2% in 2015/16.

### 3 Reductions in Government Funding

The percentage changes in Government Funding since 2008/09 are shown below. Following the December 2010 Local Government Finance Settlement, Wokingham suffered a reduction in Revenue Support grant (Previously called Formula Grant) for the first time in 2011/12 (of 14.3%), followed by reductions of 10.4% in 2012/13, 10.3% in 2013/14, 17.4% in 2014/15 and 20.1% in 2015/16.

Revenue Support Grant was previously the significant unringfenced grant that supports the council’s ongoing revenue expenditure. From 2013/14 it has been incorporated within the Settlement Funding Assessment (SFA). The graph below reconstructs the revenue support grant to enable a year on year and like for like comparison. The 20.1% reduction for Wokingham is higher than the Berkshire average reduction of 19.1%, and the average for all unitary authorities of 18.6%. Revenue Support Grant is an element of SFA. Total SFA reduced by 10.5% from 2014/15 to 2015/16 due to another element of SFA, the baseline funding, increasing by inflation.



The Formula Grant loss is estimated at £2.34m in 2015/16, a reduction from £11.54m in 2014/15 to £9.2m in 2015/16.



## Reductions in Government Grants since 2010/11

The reductions in main Government grants have been continuous since 2010/11 and by 2015/16 the total reductions are estimated to be a cumulative cash reduction of 53%, and a real terms reduction of 73% taking account of inflation and population changes. The information is set out in the table below.

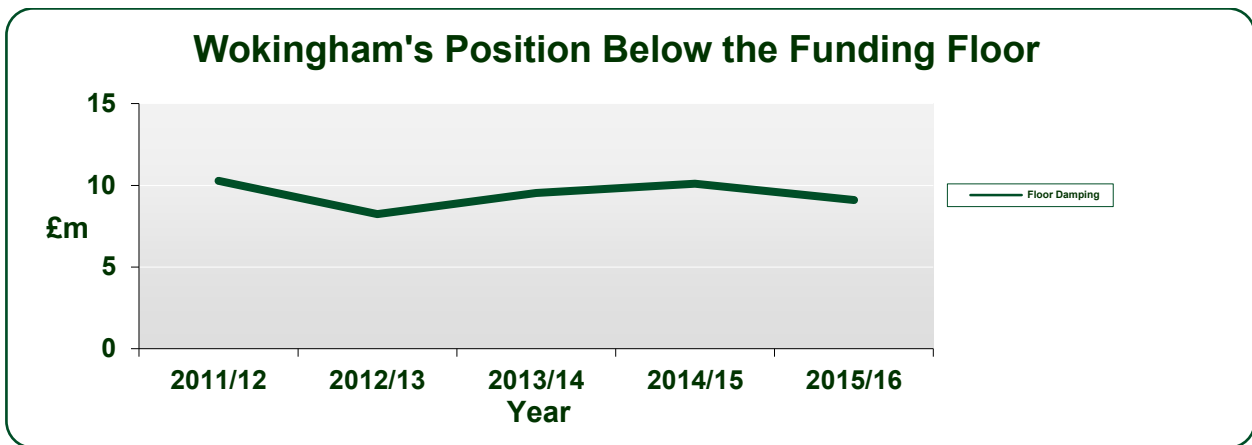
<b>Main Government Grants (Revenue Support Grant and Retained Business Rate income)</b>	<b>£m</b>
2010/11	26.6
2011/12	22.7
2012/13	22.1
2013/14	17.4
2014/15	15.1
2015/16	12.4
<b>Cumulative Reduction from 2010/11 to 2015/16</b>	<b>53%</b>
<b>Cumulative Reduction from 2010/11 to 2015/16 taking account of inflation and population changes</b>	<b>73%</b>

## Expenditure Reductions since 2010/11

The reductions in Government grants highlighted above have had a major impact on the Council's finances and budgets since 2010/11. The Council's net expenditure budget has been reduced each year since 2010/11 as shown in the table below, which indicates that the net expenditure budget has been reduced by £23.8m (23%) between 2010/11 and 2015/16.

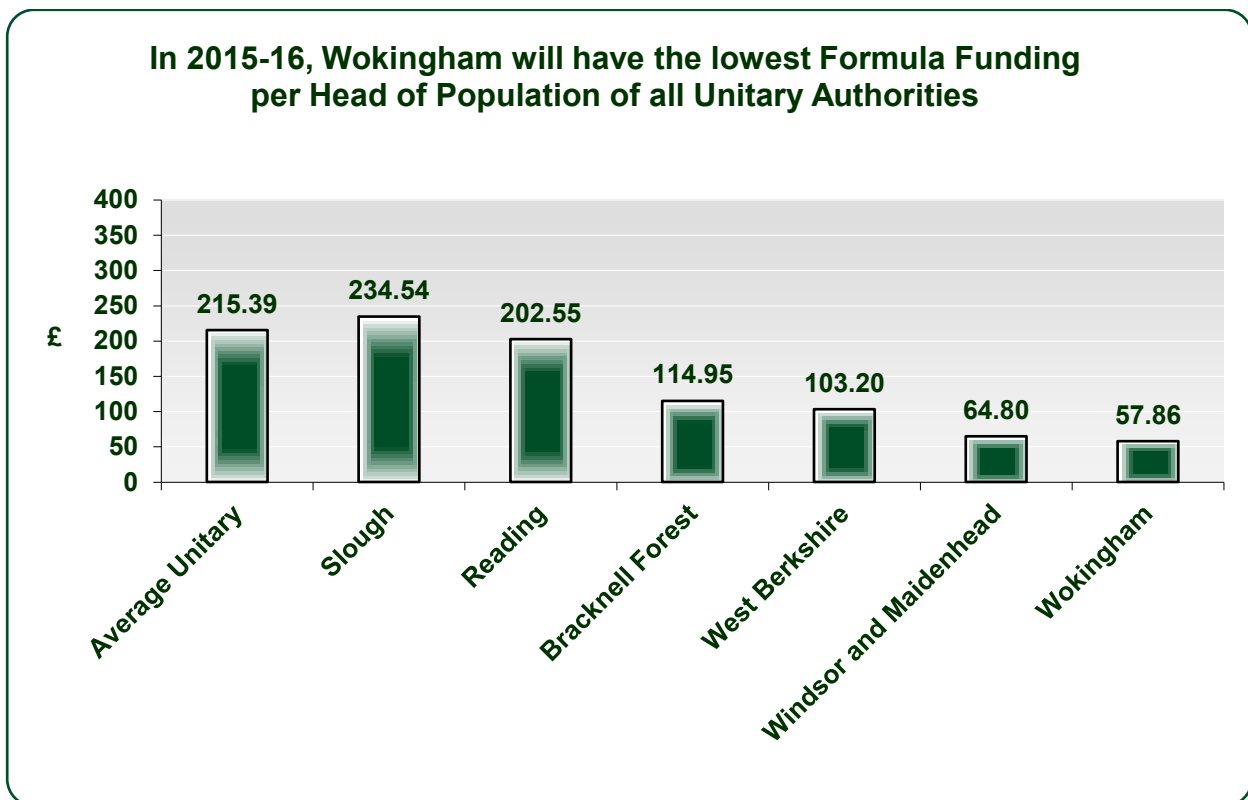
	<b>£m</b>
<b>WBC 2015/16 Net Expenditure Budget</b>	<b>112.1</b>
Less Rolled in Grants from services to Formula Grant	(11.1)
Less discount re inflation since 2010/11 (based on CPI)	(14.6)
Less discount re growth in council tax base since 2010/11	(5.0)
<b>Net Expenditure Budget 2015/16 Discounted to 2010/11 Prices</b>	<b>81.4</b>
<b>2010/11 Net Expenditure Budget</b>	<b>105.2</b>
<b>Reduction in Expenditure since 2010/11</b>	<b>£23.8m (23%)</b>

The graph below shows how much grant funding that Wokingham receives for being below the 'floor'.



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. Should the floor be removed at any point, Wokingham could suffer severe financial pressures through further funding cuts.

Formula grant was previously the significant unringfenced grant that supports the council's ongoing revenue expenditure. From 2013/14 it has been incorporated within the Settlement Funding Assessment (SFA). The graph below reconstructs the formula grant on a per head basis to enable a year on year and like for like comparison. The Wokingham figure of £57.78 per head is again the lowest in Berkshire as well as the lowest of any unitary authority. It is only 27% of the average for all unitary authorities of £214.77.



**Wokingham Borough Council is the lowest funded unitary authority per head of population. Source: Communities and Local Government website.**

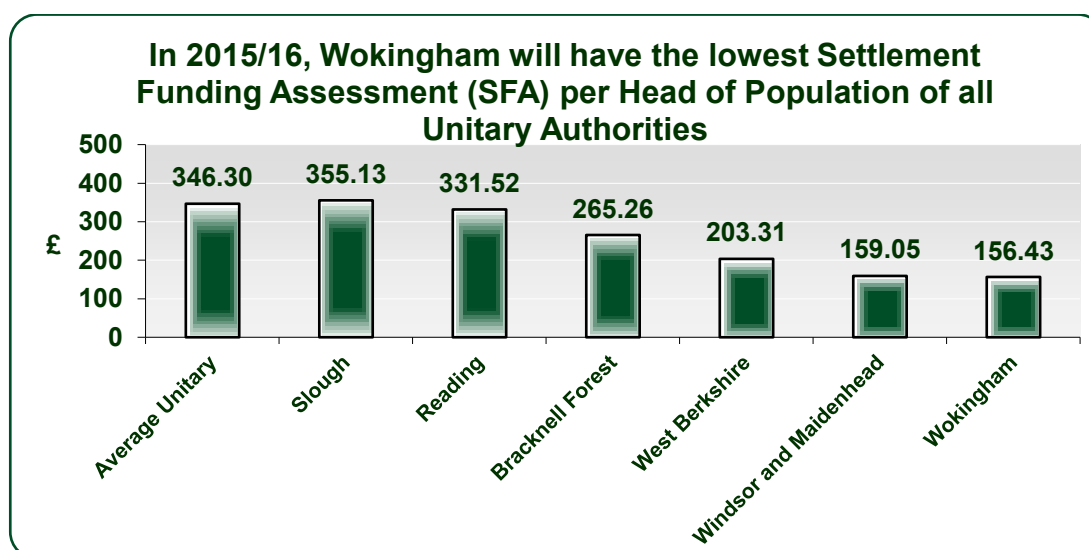
## Settlement Funding Assessment (SFA)

In 2014/15 the Government introduced the new terminology of 'Settlement Funding Assessment' which has continued in 2015/16. This comprises the Revenue Support Grant (former Formula Grant), plus grants previously provided for specific activities (ring-fenced), and for new responsibilities, as explained in the table below. Wokingham's total SFA will be £25.27m in 2015/16, compared to £28.22m in 2014/15, a reduction of 10.5%. The ongoing reduction is £2.95m year on year, of which £2.3m is in respect of Revenue Support Grant. The movement from Revenue Support Grant to SFA is shown below and provides a comparison with the 2014/15 figures.

### Grant Comparisons 2014/15 to 2015/16

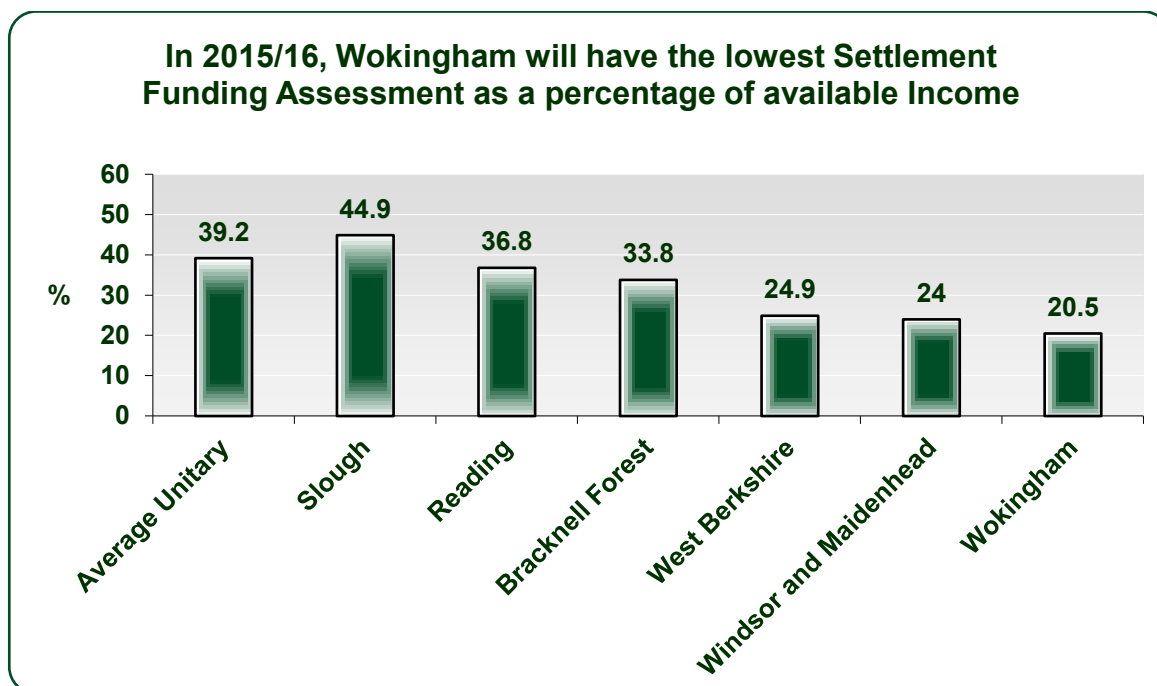
Description of Grant	2014-15	2015-16	Change		Comment
	£m	£m	£m	%	
<b>Revenue Support Grant</b>	11.54	9.22	(2.32)	(20.1)	Former Formula Grant
Learning Disability & Health Reform	7.05	7.03	(0.02)	0.3	Previously ring fenced
Early Intervention Grant	3.62	3.30	(0.32)	(8.8)	Previously ring fenced
Minor grants	0.2	0.29	0.09	(45.0)	Previously ring fenced
Council Tax support	3.85	3.47	(0.38)	(10.0)	New responsibility
Council tax freeze grant 2011/12	1.96	1.96	0.0	0	
<b>Settlement Funding Assessment Total</b>	<b>28.22</b>	<b>25.27</b>	<b>(2.95)</b>	<b>(10.5)</b>	

The graph below shows the Settlement Funding Assessment on a per head of population basis for each Berkshire council as well as an average for all unitary authorities. Wokingham will receive the lowest grant per head of £156.43, which is less than half (45%) of the unitary authorities average of £346.30. It is also less than half the two highest Berkshire authorities.



Wokingham's Settlement Funding Assessment Grant is only 20.5% of its 2015-16 total available income (known as Spending Power). This is less than half the highest funded Berkshire council (44.9%), and approximately half the average for all 55 unitary councils of 39.2%. The practical implication for Wokingham is that it must fund a higher proportion of the council's expenditure

through its council tax than any other Unitary Authority, and therefore increases/decreases in council tax have a greater proportional impact on services.



In 2015/16, Wokingham will receive the lowest percentage of SFA grant as a share of its total income, of any unitary authority. Wokingham will receive 20.5%, compared to some unitary councils for whom government grants will fund nearly 55%. As a result, the percentage of expenditure met by Wokingham council tax payers is the highest of any unitary authority.

### Analysis of Spending Power Changes

A 'headline' that follows the Local Government Finance Settlement is the change in an authorities spending power. This can be misleading as it masks the real ongoing income position for the council that it must consider in its budget setting process. The table below shows that what is initially presented as a £3.17m increase in spending power, after deducting for the new expenditure commitments that come with the increased spending power, there is an ongoing reduction of £3.15m. This is substantially made up of the reduction in SFA mentioned previously.

Spending Power	£m	Analysis
2014/15	120.12	
2015/16	<u>123.29</u>	
<b>Increase</b>	<b>3.17</b>	2.6% increase
<b>2015/16 Main Adjustments :</b>		
Better Care Fund	4.25	New responsibility – transfer from NHS
Council Tax Freeze Grant 2015/16	0.84	Cannot be assumed to be ongoing
NHB increase	0.7	Cannot be assumed to be ongoing
Assumed council tax base change	<u>0.53</u>	Required to meet increased population.
<b>Total</b>	<b>6.32</b>	
2015/16 less main increases	116.97	
Less 2014/15 spending power	(120.12)	
<b>Real reduction in spending power</b>	<b><u>3.15</u></b>	<b>2.6% reduction</b>

## **Education Services Grant (ESG, formerly LACSEG)**

The Government introduced the Education Services Grant in 2013/14 to replace the LACSEG grant (Local Authority Central Spend Equivalent Grant). It is a method of providing funding for the transfer of local authority central education budget to academies and free schools. The grant is payable on a per pupil weighted basis, and whenever a school becomes an academy or free school, the council loses grant in the region of £250,000-£300,000 per year for each secondary school. Although the Council works hard to reduce its education support costs when responsibilities move to academies, it is very difficult to achieve reductions anywhere near the level of lost income because of the fixed cost involved and the assumed element of Education Services Grant being far greater than actual costs.

The allocations for ESG indicate a further reduction in 2015/16, equating to approximately £0.3m. This reduction, which would be exacerbated by any further school transfers, will put significant extra pressure on the council's budget in 2015/16 and later years.

## **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 Early Years and Schools Finance (England) Regulations 2013. The purpose of the Schools Budget is defined in legislation as the provision of primary and secondary education.

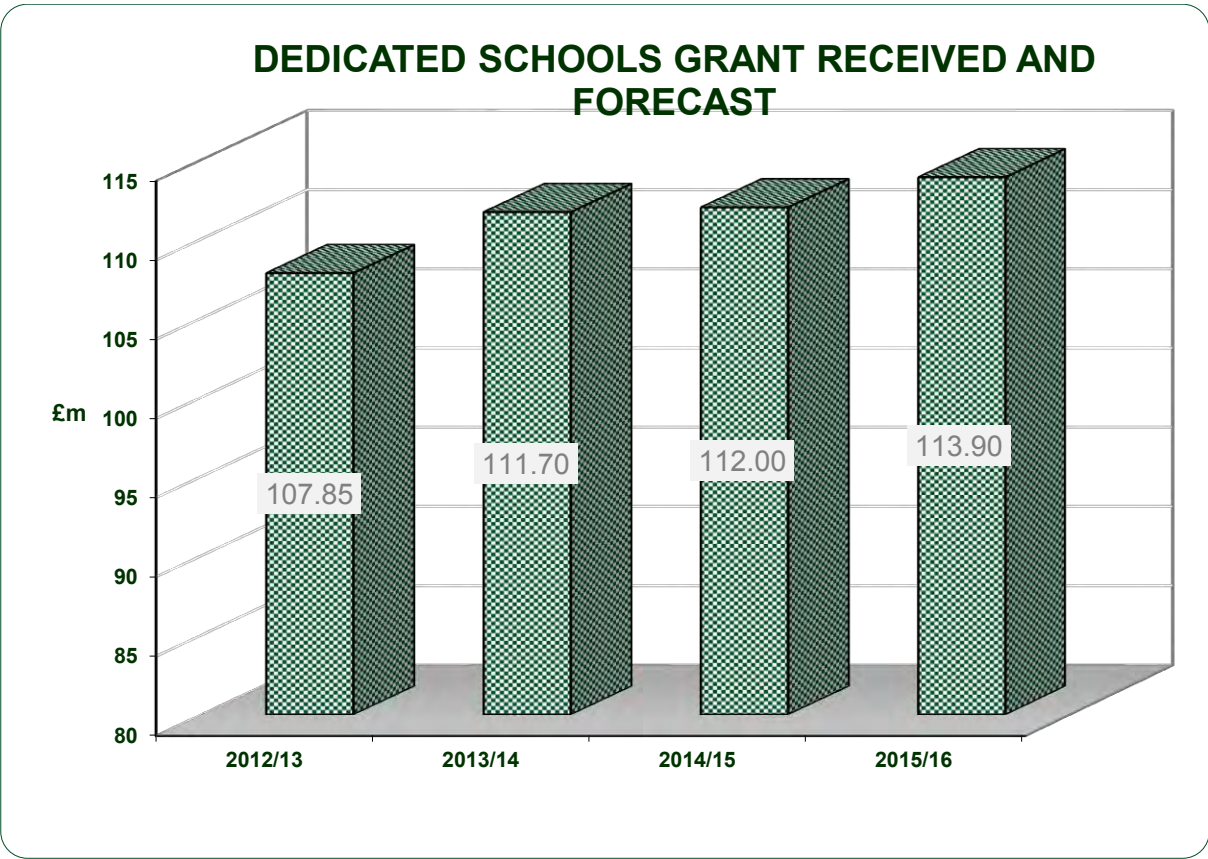
The amount of DSG the Council has received in previous years is shown below. An amount of £115.6m for 2015/16 was notified by the DfE in December 2014, however £1.7m of this amount is in respect of free schools and must be paid to them. The allocation available to the Council is therefore £113.9m, compared to approximately £112m for 2014/15. The increase from 2014/15 is accounted for largely by changes in pupil numbers, and the introduction of the minimum funding level. Due to the funding reforms introduced from April 2013 schools will continue to have more direct control over how money is spent. This is particularly relevant when looking at the support services the Council provides to the Schools and the reduction in Education Services Grant.

## **Effect of DSG 2012/13 Reforms from 2014/15 onwards**

The Government's funding reforms of 2013/14 will move into the second phase of a longer term plan for a National Funding Formula by 2015/16. The over-arching objective is to have a simpler, transparent and more equitable approach to funding pupils irrespective of where they live in the country. The implications for Wokingham schools is that a number of them may lose out, as there is less ability for the Council to target funding to the most vulnerable schools and pupils.

The first year saw the number of factors that a local authority could use to distribute funding to schools drastically reduce from 37 to 12, to introduce a more "level playing field" and improving comparisons between schools across the country. Many factors previously used to fund smaller schools were removed and the basis of allocation was restricted. School funding challenges will be further exacerbated by a growing proportion of SEN pupils both nationally and locally. The Government have imposed a ceiling on funding so that the additional costs of SEN provision must be met within current schools budgets.

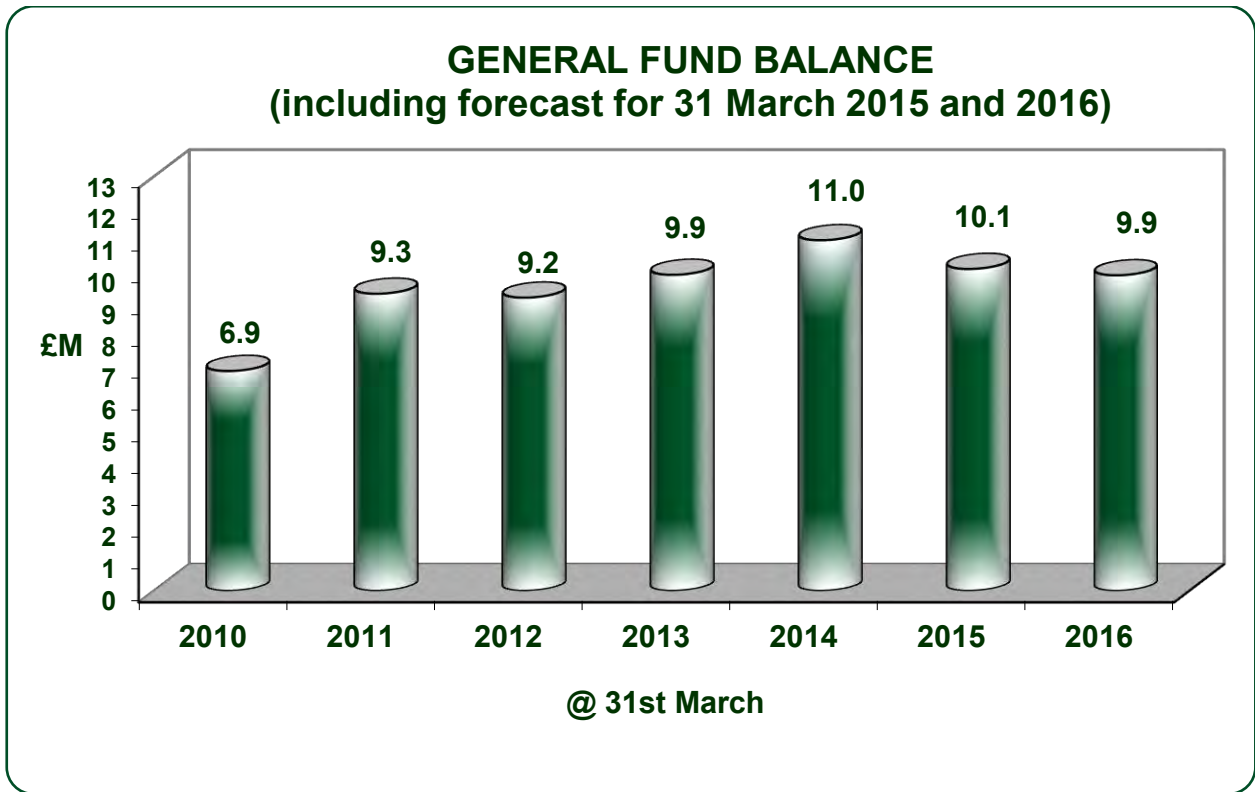
In summary, the DSG changes mean that schools block money is much more aligned to pupil numbers, but there is no growth mechanism in the High Needs Block (HNB), and schools have less ability to incorporate fixed budget allocations. Schools with falling pupil numbers will therefore be more affected than others. Furthermore there are growing SEN pressures on the overall budget which may reduce the money available for allocation.



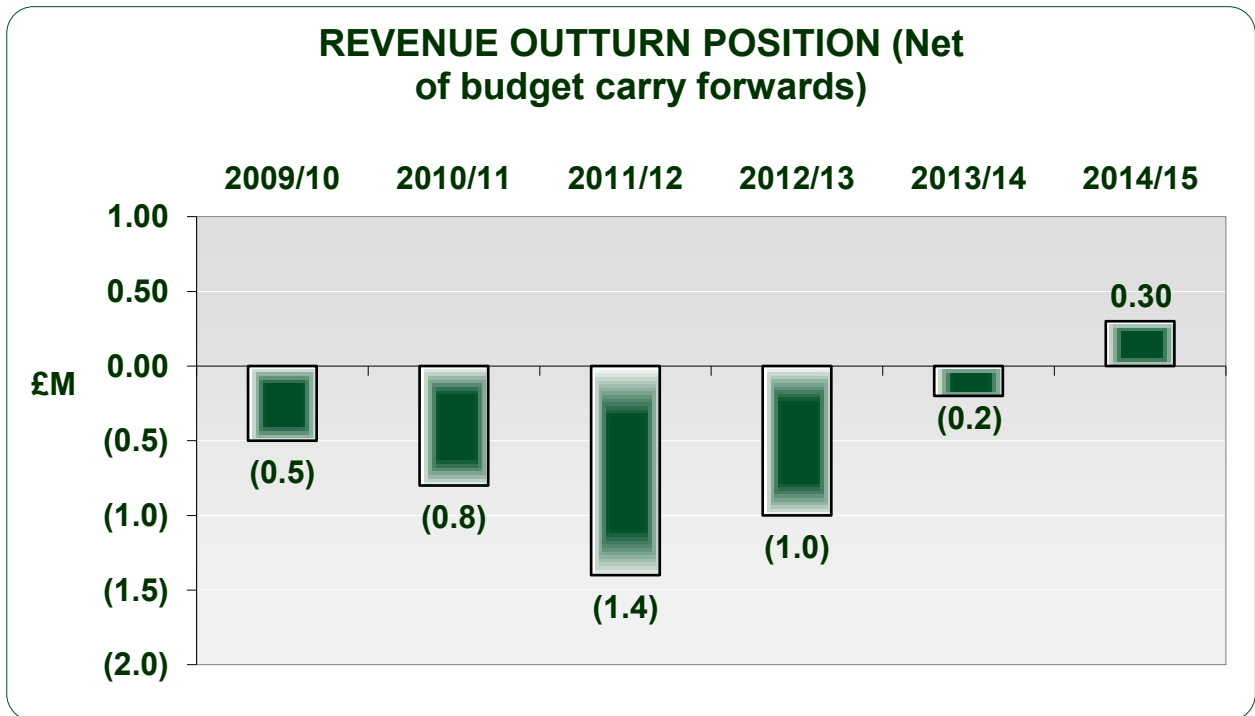
**4 General Fund Balances (GFB)**

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 2015/16 is included in the Medium Term Financial Plan. The table below shows actual general fund balances at 31 March 2014 and a forecast for 31 March 2015 and 31 March 2016.

General Fund balances need to remain in the region of £10m going forward as the number and level of risks facing the Council's finances have increased significantly. They include the implication of future years of austerity and further grant reductions, additional service pressures, substantial regeneration programmes requiring forward funding of interest costs on SDL schemes, and significant risks around the Care Act potentially in the millions of pounds.



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 2014/15 currently shows an overspend of £0.3m. It should be recognised that within the overall position there are significant underlying cost pressures within the

2014/15 budget including, for example, pressures on child placements above expectations; this will need to be considered within the 2015/16 budget submission.

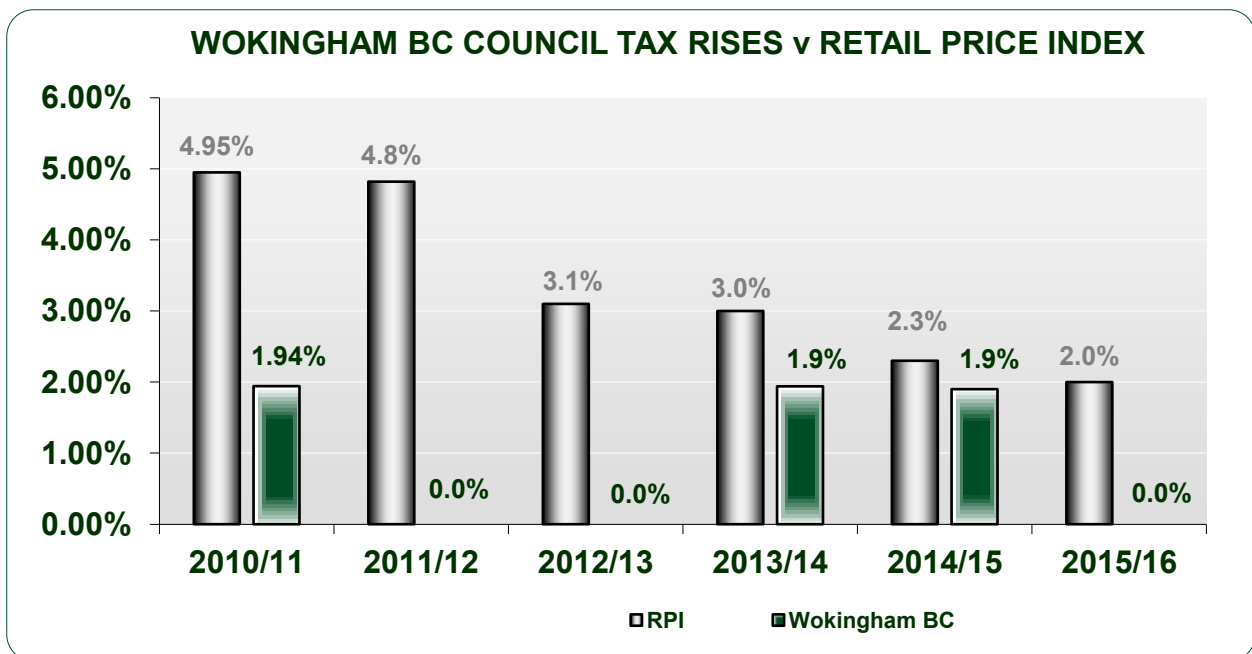
## 5 Other Balances

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

## 6 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 a high proportion of the Council's services are statutory with escalating costs driven by increasing client needs and numbers.

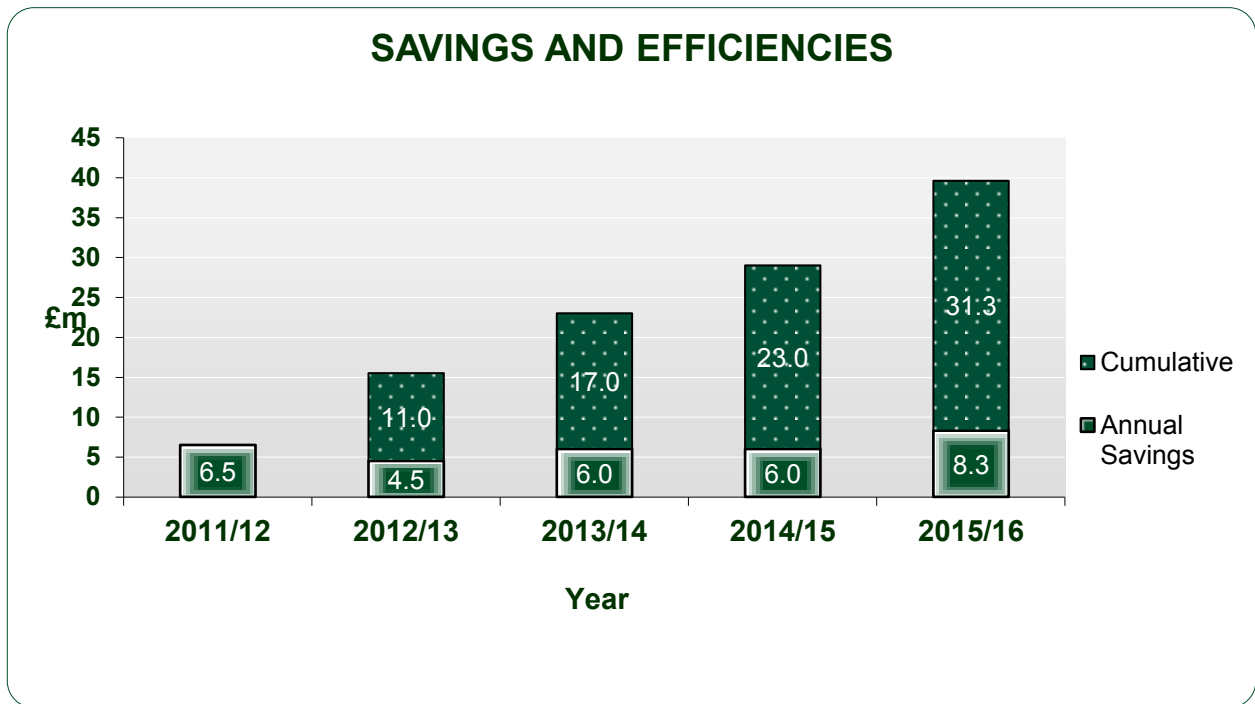
The expenditure pressures for Council Tax increases above inflation are similar each year: client increases (particularly in social care); increase in statutory requirements (e.g. recycling, standards of care); unavoidable expenditure increases above inflation (e.g. maintenance contracts, social care contracts and land fill tax) and pressures to improve services from both the public and the Government. In recent years Wokingham has succeeded in keeping Council Tax increases in line with or below inflation (achieving a freeze in 2011/12 and 2012/13) as shown in the graph. This is a reflection of the Council's continuing pursuit of efficiencies and value for money, particularly in the context of it being the lowest grant funded Unitary Authority per head of population.





## 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 £31m over the 5 years below. Savings are used to fund growth, inflation and reductions in Government grants.

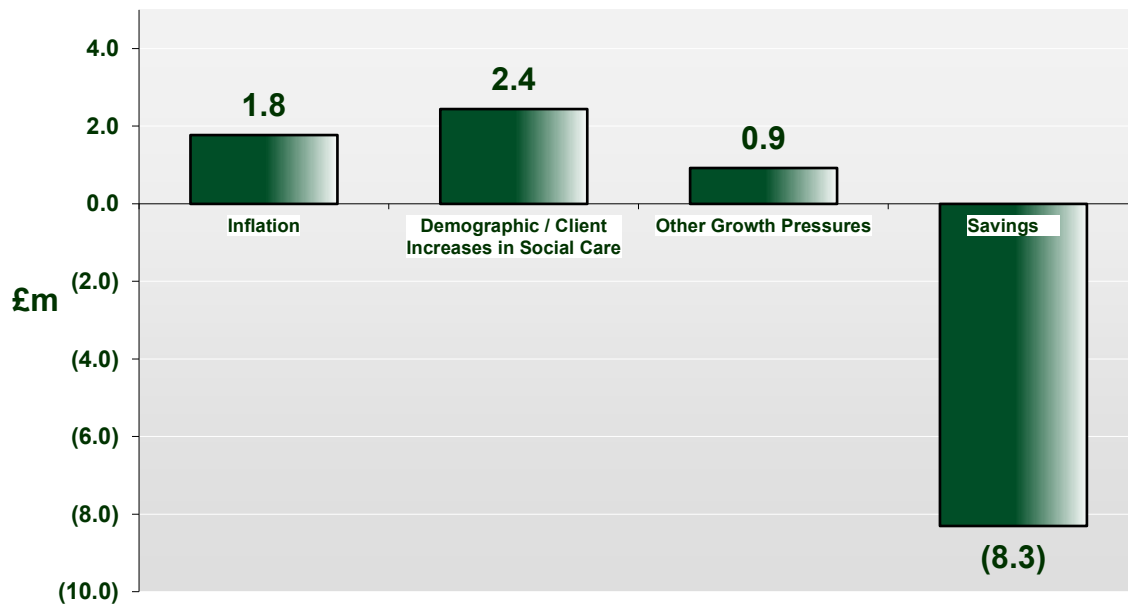


The savings shown for 2015/16 of £8.3m are those included in the 2015/16 MTFP as part of the budget setting process.

## 7 Budget Pressures

An overview of the 2015/16 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).

## BUDGET PRESSURES 2015/16



The demographic growth relates to pressures in adults services and home to school transport. The other growth includes pressures such as: investment in adult care preventative services, highways maintenance and drainage, and home to school transport.

### 8 Revenue Resources Outlook and Risks 2016/17 and beyond

The financial future remains very uncertain and the Council may need to respond to significant variations in its forecast in resources. 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 will be undertaken for 2016/17 (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 will be used as a guide to determine the level of General Fund balance required. Many of the risks are largely those that featured in the budget submission February 2014, updated where appropriate, and some such as the economic downturn, include capital as well as revenue risks.

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. A reasonable measure of caution is included 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 Capital Resources Outlook and Risks are covered in paragraph 9 below.

The major issues that may impact on future revenue resources are;

## ***Adult Social Care Reforms***

The Care Act has introduced a new national threshold and a cap on individual care costs of £74k. The implications are highlighted in detail in the Strategic Overview in paragraph 2 of the report. The potential demand from extending eligibility to certain adult services from the Critical threshold to the Substantial threshold is expected to be significant, but very difficult to quantify, with a potential cost in the millions of pounds each year to the Council.

## ***Funding the Council's Ambitions for Regeneration***

The Council is at the stage of significant investment in its Strategic Development Locations (SDL's) and Town Centre Regeneration (TCR) ambitions. This requires significant up front funding pending the receipt of developer contributions of income from commercial assets. As such the Council must meet the initial capital costs of investment which generates a sizeable funding pressure on the Council's revenue account.

## ***Referendum for Council Tax Increases***

The Government confirmed in December 2014 that the level at which a referendum was required for a council tax increase will be 2% for 2015/16. This figure is often debated as part of the Local Government Finance Settlement and there are aspirations within the Government for a reduction. Any reduction would severely limit the Council's ability to respond to its growing financial pressures without reducing services.

## ***New Homes Bonus***

The council is due to receive £3.5m for New Homes Bonus in 2015/16. This is expected to increase again in 2016/17 as more new homes are completed. However, the future of this grant is very uncertain and could be amended, or ceased entirely. It is therefore applied as a key source of funding for the significant special items faced by the council in delivering its regeneration agenda.

## ***Impact of the Economic Downturn***

Although much of the impact of the economic downturn has reduced, it is still having an impact in certain areas of the Council's budget as set out below. Particular consideration will need to be given to the following in the budget proposals:

- Loss of interest from investments arising from the low bank base rates;
- Loss of income including business rates and rent related to development, and developer contributions 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.

## ***Demand Led Budgets (including increasing responsibilities from the Government)***

Further to the pressures identified under the Care Act there are additional statutory services pressures, which 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 increases in statutory responsibilities also arose from the transfer of Public Health services and from meeting the cost of Council Tax Support (Benefits). Both of these became the Council's direct responsibility from April 2013.

## ***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.

The Carbon Reduction Commitment which commenced in April 2010 (largely involving collecting and reporting data) went 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.

## ***Localisation of Business Rates and Council Tax***

All local authorities are facing 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 have been 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 still outstanding from the 2010 revaluation, bad debts and other factors. The final position for 2014/15 business rates is still very unclear, with outstanding valuations and appeals. These factors significantly add to the council’s financial risk profile. In addition the Council now directly meets the cost of Council Tax Benefits and will bear the risk of economic conditions giving rise to an increase in claims.

## ***Economic Outlook***

The UK will have the strongest rate of growth of any G7 country (the former G8 major world economies, less Russia, suspended in March 2014) in 2014 currently estimated at an annual rate of 3.1% in quarter 3 (October – December 2014). It also appears very likely that strong growth will continue into 2015 as forward surveys for the services and construction sectors are very encouraging and business investment is also strongly recovering. The manufacturing sector has also been encouraging though recent figures indicate a weakening in the future trend rate of growth. However, for this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance.

In the Autumn Statement in December 2014, the Chancellor stated that inflation would fall to 1.2% in 2015, and is forecast to remain near to, or under, the 2% target level over the MPC’s two year horizon. A first increase in Bank Rate is expected in the second quarter of 2015 and increases after that are expected to be at a slow pace to lower levels than prevailed before 2008 as increases in Bank Rate will have a much bigger effect on heavily indebted consumers than they did before 2008. A further 500,000 new jobs have been created in 2014, 85% of which are full time, while unemployment is forecast to fall to 5.4% in 2015

The return to strong growth has also helped lower forecasts for the increase in Government debt over the next five years, and a budget surplus of £4bn is forecast for 2018-19. However, monthly public sector deficit figures have disappointed so far in 2014/15. Government borrowing as a percentage of GDP is forecast to rise to a peak of 81% in 2015/16, and then gradually reduce.

## 9 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, Community Infrastructure Levy 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 more directly upon the council tax payer. The revenue cost of new borrowing is approximately 7.5% (4% principal, 3.5% interest).

### Capital Programme

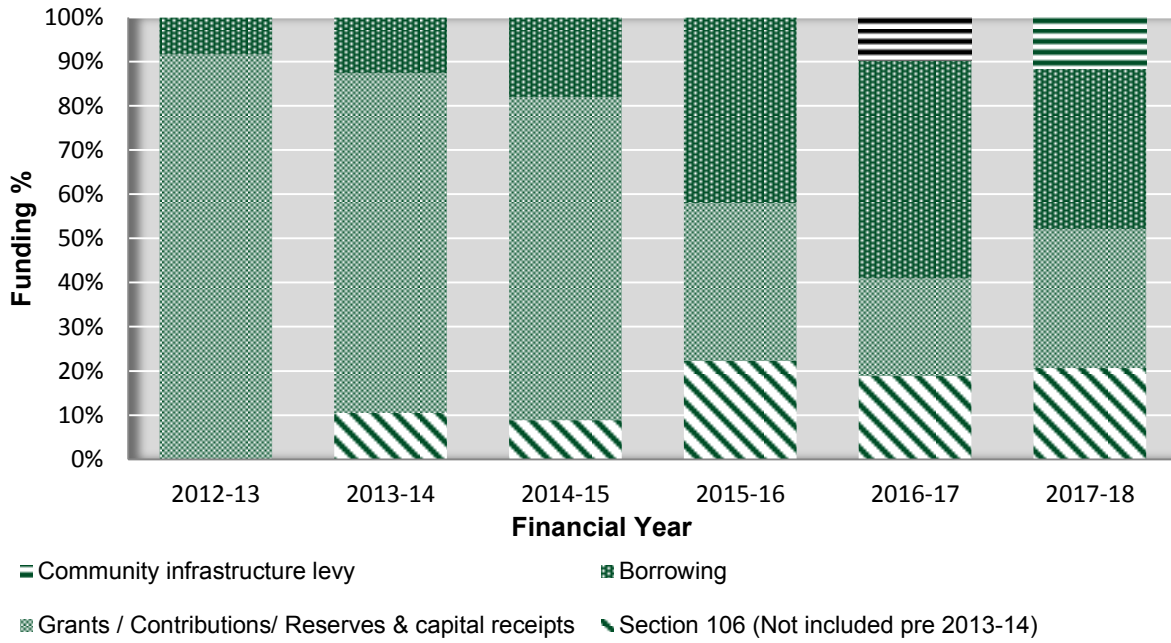
The first three years of the capital vision is effectively the capital programme. This has been developed following an assessment against key Council priorities, including a value for money and risk analysis.

The capital programme over the next 3 years will include existing asset investment (predominantly school buildings and infrastructure assets) and schemes that seek to deliver the Council's vision.

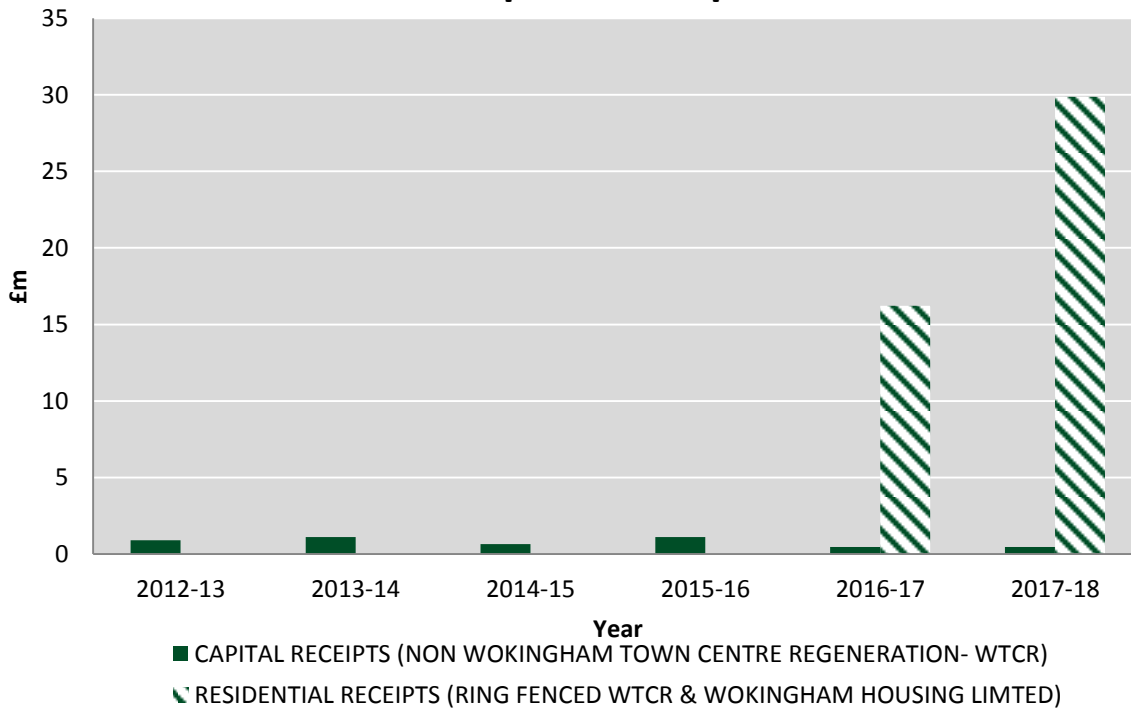
The capital programme is funded from a variety of sources; capital receipts, borrowing, grants and other contributions. The relative reliance on each funding source is set out below and shows a greater dependency on developer contributions as the Council embarks on its ambition to develop its four Strategic Development Locations.

The two tables below show the funding for the standard capital programme and includes the resourcing for the Wokingham town centre regeneration, Strategic Development Locations (SDL's) and Wokingham Housing Ltd investments. The capital programme funding is expected to increase considerably over the period of the MTFP in order to fund the council's investment ambition.

## Capital Programme Funding



## Capital Receipts



**Note: Receipts from 2014-15 to 2017/18 are estimates**

The significant amount of capital receipts forecast from 2016-17 onwards is due to forecast receipts from sale of houses arising from the Wokingham town centre regeneration and Wokingham Housing Limited.

### ***Capital Resources and Borrowing Outlook***

There are some significant developments in the Council's capital programme.

### ***Town Centre Regeneration***

The first phase of Wokingham Town Centre Regeneration, which is one of the Council's key investment priorities, has now finished with the refurbishment of Peach Place. The Peach Place planning application for the Redevelopment of Peach Place has now been submitted. Subject to planning consent, Peach Place Redevelopment works are expected to commence late 2016. Scoping works for Elms Field and Carnival Pool are progressing for the final stages of Wokingham Town Centre Regeneration. It is essential that anticipated build costs and forecast capital receipts are closely monitored as small variations could have a significant impact on capital resources.

### ***Capital Receipts/Contributions***

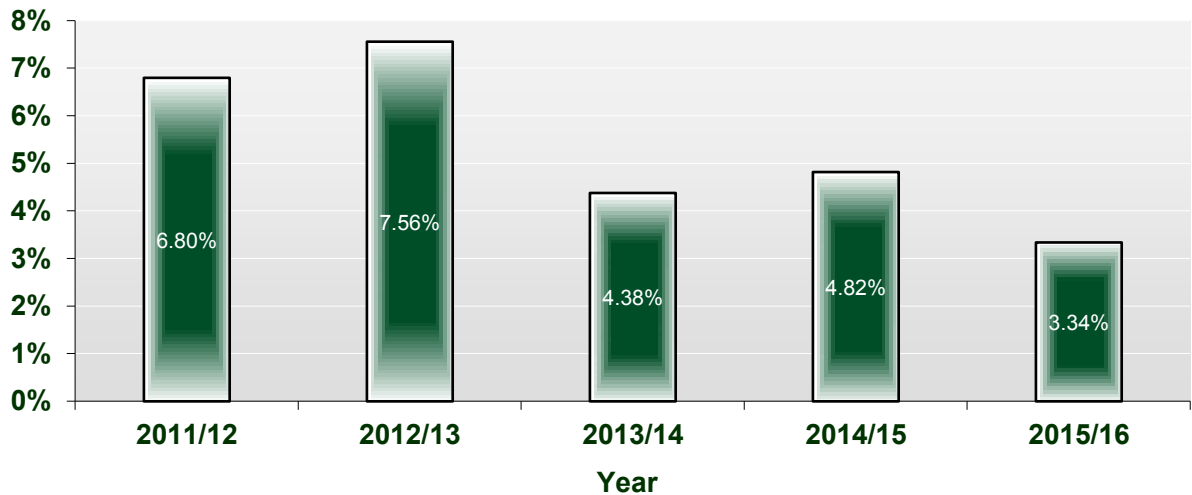
Significant costs relating to the development of SDL's are in respect of building major roads and schools. Developer contributions through S106 contributions or Community Infrastructure Levy are key to funding these and minimizing the burden on general council capital resources. Given the size of the investment required the timing of the capital receipts becomes important as the capital financing costs of any timing lag falls on the general fund. Years two and three in the capital programme show a rising deficit in investment ambition verses funding available. This will be bridged by through a combination of maximising resources, prioritising and modifying schemes.

## **10 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 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. Gross expenditure on the HRA is in the region of £16.6m and is predominately in the areas of repairs and maintenance, capital financing, investment in capital works, and management. Housing rents are required to be increased annually in accordance with Government guidelines.

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.

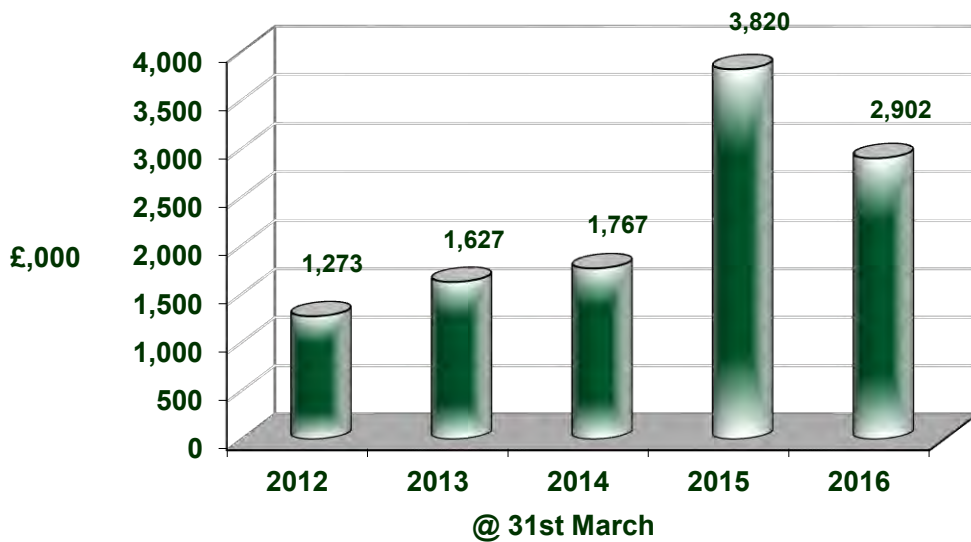
### HOUSING RENTS INCREASES (Excluding Capped Rents)



Housing rents increase for 2015/16 is indicative only. It is based on Government guidance, and forecast to rise by an average of 3.34% in 2015/16.

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.

### BUDGETED HOUSING REVENUE ACCOUNT BALANCE



The table above shows actual HRA balances at 31 March 2014, and a forecast for 31 March 2015 and 31 March 2016. The significant increase in the estimated balance at 31 March 2015 will be used to fund capital expenditure in 2015/16 and later years.



## 11 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 plans in place to grow the business over the next few years and this growth will be reflected in the MTFP when the financial impact is clearer. Savings are included in the MTFP in respect of a reduction in contract payment.

### Wokingham Housing Ltd

This company is now developing a range of high quality affordable and market housing schemes for the residents of Wokingham Borough. Work is well underway developing schemes identified by the council and more schemes will be included into the development pipe-line in future years. The financial implications of the WHL business plan will be included in the MTFP. Significant investment has been included in the Capital Programme for two major developments, at Eustace Crescent and Foster's. The cost of borrowing will be funded by the company. The company are in the process of compiling a fully worked up business plan and the financial impact of this will be incorporated into the Council's MTFP.



### Graham Ebers

Director of Finance & Resources (and Chief Financial Officer)

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

## 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
<b>General Fund Reserves:</b>					
<b>General Fund (Statutory)</b>	Resource available to meet future running costs for non-housing services	<ul style="list-style-type: none"> <li>Policy based on a combination of financial risks and Audit Commission guidance as follows:</li> <li>Min 5% of net expend (excluding Dedicated Schools Grant) – this equates to £5.5m</li> <li>Risk assessments of budgets - this suggests £10m approximately</li> <li>To enable stability in longer term financial planning</li> <li>Current recommended level of balances is £9.2m to £10.5m (med &amp; high financial risks) – see MTFP</li> </ul>	2014 £11.0m 2015 £10.2m 2016 £9.9m 2017 £9.7m 2018 £9.7m	Provides: <ul style="list-style-type: none"> <li>General contingency for unavoidable or unforeseen expenditure</li> <li>Stability for longer term planning</li> <li>Interest on Balances helps to reduce costs to the taxpayer: Interest on Balances @ 0.5% = £50k</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund one off GF expenditure which would result in loss of interest £5k per £1m</li> <li>Could be used instead of borrowing @ 8% = £80k per £1m but loss of interest of £5k per £1m</li> </ul>
<b>Insurance Fund (Earmarked Reserve)</b>	This is used to fund part of each insurance claim, up to losses of £600k in a year.	<ul style="list-style-type: none"> <li>Needs to be at a level where provision could sustain claims in excess of current claims history</li> <li>May have to meet claims incurred but not yet reported</li> <li>Looking to increase the reserve balance to achieve greater self insurance levels</li> </ul>	2014 £2.1m 2015 £2.1m 2016 £2.1m 2017 £2.1m 2018 £2.1m	<ul style="list-style-type: none"> <li>Funds deductibles / excesses in order to minimise premiums</li> <li>Provides the Supply Teacher Scheme</li> <li>Helps maintain current rates charged to schools</li> <li>Interest earned builds up the reserves</li> </ul>	<ul style="list-style-type: none"> <li>Excess funds could be used to fund one off GF expenditure</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Renewals Funds</b> <b>(Earmarked Reserves)</b>	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"> <li>Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life</li> </ul>	2014 £0.6m 2015 £0.6m 2016 £0.6m 2017 £0.6m 2018 £0.6m	<ul style="list-style-type: none"> <li>Reduces pressure on maintenance budgets</li> <li>Interest is accrued on the reserves at 0.5% = £3k which helps to reduce costs</li> </ul>	<ul style="list-style-type: none"> <li>Could be used for alternative maintenance or other revenue expenditure</li> </ul>
<b>Waste PFI Equalisation Fund</b> <b>(Earmarked Reserve)</b>	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	2014 £0.5m 2015 £0.9m 2016 £0.9m 2017 £0.9m 2018 £0.9m	<ul style="list-style-type: none"> <li>Reserve was in deficit during the early years of the contract and returned to a surplus in 2012/13</li> <li>Provides stability of budgets in the medium to long-term</li> </ul>	<ul style="list-style-type: none"> <li>A reserve in deficit cannot be used for other purposes, it will be offset by General Fund Reserves</li> </ul>
<b>Interest Equalisation Fund</b> <b>(Earmarked Reserve)</b>	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.	<ul style="list-style-type: none"> <li>To build up reserve based on favourable investment returns over budget</li> <li>Contributions from the reserves will be used to fund Wokingham Town Centre Regeneration (WTCR) until cash flow becomes positive</li> </ul>	2014 £2.8m 2015 £2.6m 2016 £1.1m 2017 £0.1m 2018 £ nil	<ul style="list-style-type: none"> <li>Equals out market fluctuations in income due to volatile interest rates</li> <li>Interest is accrued on the reserves at 0.5% = £14k which helps to reduce costs</li> <li>Equalises WTCR scheme costs</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul>
<b>Commuted Sums</b> <b>(Earmarked Reserve)</b>	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"> <li>There is no policy on the level of balances due to the nature of s38 and CIL agreements</li> <li>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.</li> </ul>	2014 £1.7m 2015 £1.9m 2016 £2.0m 2017 £2.2m 2018 £2.2m	<ul style="list-style-type: none"> <li>Used to maintain parks and open spaces so avoiding service spend</li> <li>Interest to be used in a specified and agreed manner</li> </ul>	<ul style="list-style-type: none"> <li>Money cannot be used for other purposes</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Capital Reserves:</b>					
<b>Usable Capital Receipts (Excluding right to buy) (Statutory)</b>	<ul style="list-style-type: none"> <li>Proceeds of fixed asset sales available to meet future capital requirements and to act as a contingency</li> <li>Right to buy sales receipts are shown below</li> </ul>	<ul style="list-style-type: none"> <li>The current policy is to ensure that balances are sufficient to cover the 3-year capital programme (including urgent health &amp; safety issues that may arise during the year)</li> <li>A contingency is built up to help deal with priority schemes within the 10-year capital vision</li> <li>Represents available resources that are not yet committed</li> </ul>	2014 £5.4m 2015 £0.2m 2016 £0.2m 2017 £0.0m 2018 £0.0m	<ul style="list-style-type: none"> <li>To finance future capital schemes</li> <li>Balance held back to provide general contingency for unavoidable or unforeseen expenditure</li> <li>This provides stability for longer term planning</li> <li>Interest on Balances @ 0.5% helps to reduce costs to the taxpayer.</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund Capital expenditure which would result in loss of interest £5k per £1m</li> <li>Could be used instead of borrowing @ 8% = £80k per £1m but loss of interest of £5k per £1m</li> </ul>
<b>Usable Capital Receipts (Right to buy element)</b>	<ul style="list-style-type: none"> <li>The Council's share of HRA sale receipts are ring fenced for One for One Replacement</li> </ul>	<ul style="list-style-type: none"> <li>Housing sales receipts must be used for the government's right to buy one for one replacement scheme</li> </ul>	2014 £1.4m 2015 £2.2m 2016 £2.4m 2017 £2.9m 2018 £2.9m	<ul style="list-style-type: none"> <li>Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy are used to fund its replacement, on a one for one basis, with a new home for Affordable Rent</li> </ul>	<ul style="list-style-type: none"> <li>Will be used to help fund the HRA reinvestment in new homes for affordable rent</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Other Capital Contributions:</b>					
<b>S106 and Community Infrastructure Levy (CIL) Capital Contributions</b>	<ul style="list-style-type: none"> <li>Money received from developers as part of their S106 obligations. Also Community Infrastructure Levy (CIL) fees from 2013/14 onwards.</li> <li>A time lag exists between receipt and design/delivery of schemes.</li> </ul>	<ul style="list-style-type: none"> <li>There is no policy on the level of balances due to the nature of the contributions</li> <li>Where possible contributions should be used to fund schemes identified within the 3-year capital programme / 10-year capital vision</li> <li>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.</li> <li>Balances may increase due to restrictions on how contributions may be spent, and matching these to schemes within the capital programme</li> </ul>	2014 £12.8m 2015 £17.6m 2016 £2.6m 2017 £6.7m 2018 £2.1m	<ul style="list-style-type: none"> <li>Interest on Contributions helps to reduce costs to the taxpayer: Interest on Balances @ 0.5% = £280k</li> </ul>	<ul style="list-style-type: none"> <li>Monies can only be used for purposes specified in the agreement</li> <li>Contributions might be time restricted therefore if not utilised may need to be repaid to the developer</li> </ul>
<b>Ring Fenced Reserves:</b>					
<b>Housing Revenue Account (HRA) (Statutory)</b>	Resources available to meet future running costs for council houses	<ul style="list-style-type: none"> <li>Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA</li> <li>Balance is determined by level of risk associated with the budget</li> <li>Min 5% of gross expenditure</li> <li>Current recommended minimum level of reserves is £0.83m</li> </ul>	2014 £1.8m 2015 £3.8m 2016 £2.9m 2017 £1.0m 2018 £1.0m	<ul style="list-style-type: none"> <li>Provides general contingency for unavoidable or unforeseen expenditure or fall in income</li> <li>Stability for longer term planning and for meeting the decent homes standard</li> <li>Interest on Balances helps to reduce costs: Interest on Balances @ 0.5% = £8k</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £5k per £1m</li> <li>Expenditure would result in loss of interest £5k per £1m</li> <li>Could be used to fund HRA debt repayment</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Major Repairs Reserve</b> <b>(Statutory)</b>	This records the unspent balance of HRA Capital projects	<ul style="list-style-type: none"> <li>Use of Capital to meet Decent Homes Standard</li> </ul>	2014 £2.0m 2015 £1.1m 2016 nil 2017 nil 2018 nil	<ul style="list-style-type: none"> <li>Provides capital to invest in stock to meet the government's Decent Homes Standard policy</li> <li>Provides general contingency for unavoidable or unseen expenditure</li> </ul>	<ul style="list-style-type: none"> <li>Will be used to fund HRA capital expenditure to help meet decent homes standard</li> </ul>
<b>Specific School Reserves (ISB)</b> <b>(Earmarked Reserves)</b>	To resource expenditure directly delegated to schools	<ul style="list-style-type: none"> <li>To clawback uncommitted balances over 5% (secondary schools) or 8% (primary and special schools)</li> <li>The estimates are based on the existing number of schools and do assume any further transfers to academies, which would impact upon these estimates.</li> </ul>	2014 £5.3m 2015 £5.0m 2016 £4.6m 2017 £4.3m 2018 £4.0m	<ul style="list-style-type: none"> <li>Provides general contingency for unavoidable or unseen expenditure</li> <li>Offset any deficit balance in DSG reserve</li> <li>Interest on Balances helps to reduce costs: Interest on Balances @ 0.5% = £25k</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund one off schools expenditure which would result in loss of interest £5k per £1m</li> </ul>
<b>Central Costs (Dedicated Schools Grant)</b> <b>(Earmarked Reserves)</b>	To resource expenditure not directly delegated to schools	<ul style="list-style-type: none"> <li>To break even over 3 years with the aim to build up a fund over time as a contingency</li> <li>Risk assessments of budgets suggests £0.3m minimum</li> <li>To enable stability in longer term financial planning</li> <li>To improve education standards</li> </ul>	2014 £1.5m 2015 £1.4m 2016 £0.7m 2017 £0.5m 2018 £0.7m	<ul style="list-style-type: none"> <li>Provides general contingency for unavoidable or unseen expenditure</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund one off schools expenditure which would result in loss of interest £5k per £1m</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Other Earmarked Reserves</b>	These reserves are held for specific accounting reasons	<ul style="list-style-type: none"> <li>The funds in these reserves are ring fenced funds that cannot be used for other purposes</li> </ul>	2014 £4.1m 2015 £4.1m 2016 £4.1m 2017 £4.1m 2018 £4.1m	Reserves include: <ul style="list-style-type: none"> <li>Section 38 Fund</li> <li>Housing Association reserve</li> <li>Youth &amp; Community Centre Reserves</li> <li>Energy contract reserve</li> <li>Library stock reserve</li> <li>LAA and other grant reserves</li> <li>Taxi and Building Control trading account reserves</li> <li>Sold council houses repairs fund</li> </ul>	<ul style="list-style-type: none"> <li>Interest on these reserves at 0.5% would be £20k which helps to reduce costs</li> </ul>

## GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2015/16

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 £
Chief Executive	2,084,100	32.31	3,464,210	53.17
Children's Services	21,305,050	330.32	19,974,830	306.56
Environment	26,606,400	412.51	25,957,390	398.38
Finance & Resources	22,665,770	351.41	22,786,240	349.71
Health & Wellbeing	40,794,560	632.48	39,931,020	612.84
<b>Total Net Expenditure</b>	<b>113,455,880</b>	<b>1,759.04</b>	<b>112,113,690</b>	<b>1,720.66</b>
Appropriation to / (from) Balances	0	0.00	417,654	6.41
<b>Borough Council Requirement</b>	<b>113,455,880</b>	<b>1,759.04</b>	<b>112,531,344</b>	<b>1,727.07</b>
Income:				
Government Support	(29,973,716)	(464.72)	(26,749,420)	(410.54)
New Homes Bonus	(2,773,000)	(42.99)	(3,426,000)	(52.58)
Council Tax Freeze Grant	0	0.00	(837,890)	(12.86)
Council Tax Collection Fund Surplus	(330,000)	(5.12)	(318,480)	(4.89)
<b>Council Tax for Borough Council Purposes</b>	<b>80,379,164</b>	<b>1,246.21</b>	<b>81,199,554</b>	<b>1,246.21</b>
<b>General Fund Balance Estimates</b>				
Brought Forward	11,040,000		10,183,000	
In year variation	(857,000)		(322,346)	
Carried Forward	10,183,000		9,860,654	
<b>Local Tax Base</b>	<b>64,498.9</b>		<b>65,157.2</b>	

The local tax Band D rate of £1,246.21 is a 0% increase on the 2014/15 figure.



## GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2015/16

The service totals below **include** 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 £
Chief Executive	4,710,180	73.03	6,146,040	94.33
Children's Services	33,970,450	526.68	32,581,530	500.04
Environment	34,829,080	539.99	34,633,180	531.53
Finance & Resources	11,711,660	181.58	11,175,520	171.52
Health & Wellbeing	43,795,170	679.01	43,174,960	662.63
Depreciation Charges	(15,560,660)	(241.25)	(15,597,540)	(239.38)
<b>Total Net Expenditure</b>	<b>113,455,880</b>	<b>1,759.04</b>	<b>112,113,690</b>	<b>1,720.66</b>
Appropriation to / (from) Balances	0	0.00	417,654	6.41
<b>Borough Council Requirement</b>	<b>113,455,880</b>	<b>1,759.04</b>	<b>112,531,344</b>	<b>1,727.07</b>
Income:				
Government Support	(29,973,716)	(464.72)	(26,749,420)	(410.54)
New Homes Bonus	(2,773,000)	(42.99)	(3,426,000)	(52.58)
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<b>General Fund Balance Estimates</b>				
Brought Forward	11,040,000		10,183,000	
In year variation	(857,000)		(322,346)	
Carried Forward	10,183,000		9,860,654	
<b>Local Tax Base</b>	<b>64,498.9</b>		<b>65,157.2</b>	

## GRAND SUMMARY - FORECAST BUDGETS 2016/18

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.

	2016/17 Estimate £	2016/17 Local Tax Rate £	2017/18 Estimate £	2017/18 Local Tax Rate £
Chief Executive	3,088,210	47.40	2,988,210	45.86
Children's Services	20,034,830	307.48	20,054,830	307.79
Environment	26,077,390	400.22	25,747,390	395.16
Finance & Resources	25,612,110	393.08	27,755,760	425.98
Health & Wellbeing	41,179,020	631.99	42,949,520	659.17
<b>Total Net Expenditure</b>	<b>115,991,560</b>	<b>1,780.18</b>	<b>119,495,710</b>	<b>1,833.96</b>

The above figures are based on the bids detailed in the MTFP. Figures will be revised during the budget setting process for 2016/17 and 2017/18.

# CHIEF EXECUTIVE BUDGET 2015/18

## SERVICE NARRATIVE

### Service Aims and Objectives

The Chief Executive's Directorate is split into three main areas:-

- Chief Executive
- Governance & Improvement Services
- Town Centre Regeneration

The Chief Executive is the head of the council who leads and takes responsibility for the work of 1,096 paid staff, who run the local authority on a day to day basis, along with ensuring legislation is translated and implemented.

Governance and Improvement Services assist the frontline services in delivering their agenda consistent with the council's vision and strategic priorities. The service includes the statutory functions of Monitoring Officer, Returning Officer and Electoral Registration Officer.

Governance & Improvement Services incorporates the following:

#### ➤ **Business Improvement**

- Project Management – to provide project and programme management capacity and support to major council projects ensuring sound project governance is in place and to work with services in developing a “lean” culture of continuous improvement;
- Risk – to support the council in embedding and integrating proactive risk management;
- Policy and Research – to develop and improve the council's corporate and service planning framework, and performance management framework; 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.

#### ➤ **Shared Internal Audit and Investigations Service (with Royal Borough Windsor & Maidenhead Council)**

- 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 management of risk and good governance; and,
- Investigations – to provide a professional and independent investigations service into incidents of fraud, code of conduct breaches, whistleblowing allegations and other suspected irregularities.

#### ➤ **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.

➤ **Electoral Services**

- Electoral Services is a statutory function that provides a service to the electors, candidates, agents and councillors in the democratic process. It is a public facing service whose main functions include maintaining an up to date Electoral Register and managing all statutory processes with regard to the running of all elections and referenda in the borough. It enables all eligible residents within the Wokingham Borough to exercise their democratic rights.

Town Centre Regeneration Services incorporates the following:

➤ **Town Centre Regeneration**

- To systematically develop viable regeneration plans for all key towns within Wokingham Borough, delivering physical, economic and social improvements.

**Town Centre Regeneration Delivery**

- To implement physical delivery of regeneration projects where required including procurement, appointment and management of partners / contractors.

**Commercial Investment through Regeneration**

- To maximise opportunities for generating capital/revenue income through the regeneration programme including local / national market assessment, risk / benefit analysis, identification of funding approaches and ongoing strategic planning.

**Asset Management and Negotiations**

- To manage the existing regeneration property portfolio and undertake all associated works including site assembly negotiation / Compulsory Purchase Orders, commercial tenant management and lettings.

**Partner Engagement**

- To work strategically with a range of agencies, including the Town/Parish Councils, Police, local NHS organisations and the Fire and Rescue Service, in the development of regeneration plans.

**Community Engagement**

- To work with local residents and businesses/retailers to ensure they are engaged with plans for regeneration and have the opportunity to help shape their communities; and,
- Key Partnerships supported include: Town Centre Forums, Town Team/Town Centre Management Initiatives.

**Targeted Policy Development**

- To input into the timely delivery of policy and strategy required for the effective delivery of regeneration schemes within the borough.

## **Service Outputs - Key Facts and Figures**

➤ **Business Improvement:**

- Risk Management - to support the council 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; 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.

➤ **Shared Internal Audit and Investigations Service (with Royal Borough Windsor & Maidenhead Council):**

- Internal Audit – to provide assurance and consultancy to Audit Committee and senior management on a risk basis enabling the Shared Audit and Investigations Service to provide an annual internal audit opinion on the adequacy of the council's control environment. To deliver the agreed annual Internal Audit plan;
- Corporate Governance - to support the Chief Executive and corporate leadership team 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; and,
- Investigations – The team has identified £388k of housing benefit / council tax benefit overpayments and £88k of other overpayments due to fraud and error and proactively preventing fraud and corruption.

➤ **Democratic Services:**

- During 2014 Democratic Services attended and serviced: 140 evening meetings, 25 daytime meetings, 41 Individual Member decisions, 27 tender openings and 216 daytime appeals;
- Of the 216 daytime appeals, 210 were school admission, 1 was a home to school transport appeal, 3 were licensing, 1 was street trading and 1 was a taxi appeal;
- The number of secondary school admission appeals lodged increased from 77 last year to 93 this year and the number of primary appeals slightly decreased from 176 to 165. These figures are consistent with those of previous years; and,
- 15 Member training sessions were organised in 2014.

➤ **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;
- Runs an annual canvass of all 65,000 properties in the borough. Employs, trains and manages approximately 60 personal canvassers; and,
- Is continuing to implement the new system of Individual Elector Registration during 2015/16. This is being funded by central government will requires close working relationships with the Cabinet Office, Electoral Commission, Department for Works and Pensions, external printers, external software providers and Royal Mail as well as several directorates within the council.

➤ **Town Centre Regeneration:**

- Development of strategic town specific regeneration briefs in consultation with local stakeholders;

- Development of high level and detailed regeneration schemes in response to strategic briefs;
- Co-ordinate and manage the physical delivery of phased regeneration plans for key town centres;
- Monitor national and local property market and identify investment opportunities in relation to regeneration agenda;
- Assess and advise on potential benefits/risks of investment opportunities and approaches recognising the balance of both financial and social gain;
- Effective management of the existing regeneration property portfolio in a targeted manner to support longer term regeneration aspirations;
- Undertake, through negotiation or Compulsory Purchase Orders, all necessary site assembly to deliver phased development programmes;
- Co-ordinate and manage appropriate funding for delivery of regeneration schemes;
- Engagement and communicate with local communities to support regeneration;
- Liaison and communication with stakeholders to support the ongoing process of regeneration; and,
- Support services in the development of the policy and strategy infrastructure documents necessary for successful delivery of regeneration.

## Revenue Budget & Service Changes 2015/18

Major changes to Governance and Improvement Services include the following:

- Reducing the cost of the internal audit and investigations function through sharing the service with another authority;
- Reducing the overall cost of member allowances; and,
- Growth in the insurance premium costs.

The directorate's efforts will be concentrated on:

- Supporting the delivery of the council's major programmes and projects;
- Integrating and developing governance and improvement activity across the council;
- Supporting the organisational development of the council to enhance the organisation's ability to deliver its vision and priorities;
- Ensuring the management and planning of the 2015 elections using the new system of Individual Electoral Registration;
- Continuing to implement the new system of Individual Electoral Registration; and,
- Implementation of the committee decision management system Modern.Gov, including the introduction of a tablet application, whilst ensuring that it meets the needs of Members, Officers and the public.

## Capital Budget & Service Changes 2015/18

### Town Centre Regeneration Capital Schemes

The aim of Wokingham Town Centre Regeneration is to create a town centre which adapts to the changing face of the modern high street and supports local growth. This includes:

- Peach Place – Redevelopment of land at Peach Street, Market Place and Rose Street and the Rose Street car park to deliver new commercial and residential units and new public space. The scheme is being delivered in partnership with Wilson Bowden Developments.

- Elms Field – Development of land at Elms Field to deliver additional retail and leisure units with residential development and improved public open space provision. The scheme is being delivered in partnership with Wilson Bowden Developments and David Wilson Homes.
- Carnival Pool – to deliver a mixed use development with an emphasis on creating a leisure quarter and additional parking to the southern edge of the town centre. The scheme has received a Growing Places loan of £1.5m from the Local Enterprise Partnership towards the provision of the car park element. This will be paid back over a 3.5 year period from December 2016.

<b>REVENUE SERVICE BUDGETS 2015/2016</b>	<b>Budget 2014/2015 £'000</b>	<b>Budget 2015/2016 £'000</b>	<b>Note</b>
<b>Chief Executive</b>			
Chief Executive Office	183	(19)	(1)
Governance & Improvement	1,898	2,347	(2)
Town Centre Regeneration	3	1,136	(3)
<i>Internal Recharges &amp; Depreciation Charges</i>	2,626	2,682	
<b>Total Chief Executive</b>	<b>4,710</b>	<b>6,146</b>	

### **Explanation of Movement from 2014/15 to 2015/16**

**Note 1.** Council wide savings target (£200k) for improving customer services and digitising to becoming a paperless office

**Note 2.** £50k increase in insurance premiums, (£31k) savings in staffing efficiencies, in-service restructure (£180k), centralisation of insurance budgets £466k, Transfer from Collection fund £100k

**Note 3.** Special item £1,126k interest provision for Town Centre Regeneration project

# CHILDREN'S SERVICES BUDGET 2015/18

## 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 Brough so that:

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

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

To deliver improved outcomes for children and families, we have a refreshed and renewed focus on our Early Help approach, building on what works well, empowering professionals to always keep child centred and designing services to enable excellent practice. To achieve this, we are implementing an ambitious Early Help and Innovation strategy, working with Professor Eileen Munro as part of a national innovation programme to improve our practice and service impact.

Children's Services incorporates the following:

- **Social Care and Intervention**
  - Provides care and support for children across the journey of the child. 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; it also provides early help support through children's centres and parent support advisers to prevent, wherever possible, needs escalating to the level where children need statutory social care and intervention and support.
- **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; it administers the admission arrangements and, through specialist services, supports those to access education who might otherwise not attend or be excluded. It also provides targeted services which support children and young people and their families to become more resilient and maintain them in their community.
- **Strategic Commissioning**
  - Provides commissioning leadership across services for children and adults. It supports all children's services in understanding need, developing strategies to meet need, monitoring and supporting improved quality and performance, managing partnerships and commissioning infrastructure. It secures sufficient school places, home to school transport and placements for children in the care of the Local Authority. This service also makes provision for Community Safety Partnership and commissioning leadership across both the Children's and Health & Wellbeing directorates.



## Service Outputs - Key Facts and Figures

Children's Services has delivered the following:

- On average support of 75 children subject to a Child Protection Plan;
- Corporate Parent for 75 Children in Care;
- Approved 13 in-house Foster Carers;
- Supported 38 Care Leavers between the ages of 16-21;
- Training of 84 staff within Signs of Safety Approach to Child Protection Casework;
- Training of 71 staff within Family Star outcomes measurement tool;
- 4,390 children and 5,037 adults have been seen within Children's Centres;
- Approximately 4,600 contacts screened;
- 64 schools - Head teachers, Governors, teachers and support staff - and 24,705 pupils (source May 14 Schools' Census) in schools (includes maintained schools, Pupil Referral Units and academies);
- Training courses attended by over 2,000 teachers (days), 1,100 Governor training sessions and 2,000 early years participants;
- Provision in excess of 272,300 free school meals;
- Mainstream Home to School Transport 201,400 return journeys;
- Special Education Needs Transport 60,400 return journeys;
- Provision of 767 statements of special educational need;
- More than 1,800 full day care places;
- 162 schools admission appeals heard during the 2013/2014 academic year and 171 appeals heard for places during the 2014/2015 academic year (figures exclude aided schools who handle their own appeals);
- Processing of 2,027 primary applications to start in school in reception (F2) in the academic year 2014/15; and 527 infant to junior transfer applications for children living in the Wokingham Borough;
- Processing of 1,771 secondary transfer applications to transfer to year 7 in a secondary school in the academic year 2014/15;
- More than 750 parents receiving education & / or support through 1-1 work parenting programmes and workshops;
- 20 young people supported to reduce problematic substance misuse;
- Worked with 156 young people at risk of offending and 22 victims of youth crime;
- Engaged 287 young people through the youth service; and,
- 23 school kitchens reconfigured.

## Revenue Budget & Service Changes 2015/18

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

- Delivery of a net £1.3m (6%) budget savings. Through changes in service delivery including increased emphasis on provision of family placements rather than residential. Implementing more efficient ways of working such as the Social Care Reward & Retention Strategy. Application of best practice resulting in increased external partner contributions to existing services.

## Capital Budget & Service Changes 2015/18

Children's Services capital schemes include the following:

- Investment in the provision of secondary education while improving standards of learning;

- Information and Communications Technology equipment for children in line with our Children in Care pledge;
- Schools Devolved Formula - to carry out specific capital works on schools;
- Primary extension/new build projects to meet the need of additional places in the borough;
- Capital investment in the provision of Special Education to best meet needs across primary and Secondary.
- School kitchens - to improve school kitchens throughout the borough and the delivery of the universal infant free school meals programme.
- Schools Access - to improve facilities in schools to allow for full integration of pupils and adults with disabilities.
- Young Person Supported Accommodation - To increase the range of accommodation options to deliver our corporate parenting responsibility and helping to support young people towards independence.
- Schools Urgent Maintenance - Planned improvements and suitability issues
- A new secondary school in the south-west to meet demand due to Strategic Development Locations (SDL), rising pupil numbers and other developments; and,
- Adaptations to properties to enabled disabled children to be cared for in their home/respite care environment.

<b>REVENUE SERVICE BUDGETS 2015/2016</b>	<b>Budget 2014/2015 £'000</b>	<b>Budget 2015/2016 £'000</b>	<b>Note</b>
<b>Children's Services</b>			
Learning & Achievement	3,861	3,446	(1)
Social Care & Intervention	12,825	11,421	(2)
Strategic Commissioning	4,621	4,877	(3)
Central Services	(2)	231	(4)
<i>Internal Recharges &amp; Depreciation Charges</i>	<i>12,665</i>	<i>12,607</i>	
<b>Total Children's Services</b>	<b>33,970</b>	<b>32,582</b>	

### Explanation of Movement from 2014/15 to 2015/16

**Note 1.** Early Intervention recontracting and greater partnership working (£200k); Early Years and Childcare matched to current levels of provision including deletion of vacant post (£76k); Education Welfare Service matched to statutory levels of provision & contribution from Schools Forum (£63k); Targeted learning services matched to current levels of provision including deletion of vacant post & increased Public Health Funding (£60k).

**Note 2.** Children's Placements providing family provision rather than residential including an innovative recruitment strategy for foster carers (£515k). Reward & Retention Strategy along with remodelling early intervention and social work practice (£485k); Health Contribution to Children's Placements applying best practice partnership model (£250k); Market test material contracts to reduce costs (£80k).

**Note 3.** Growth for Home to School Transport increased pupil numbers £50k; Special Item Continuing Health Care resource to deliver savings £50k.

**Note 4.** Reduction in Grants £212k.

# ENVIRONMENT BUDGET 2015/18

## SERVICE NARRATIVE

### Service Aims and Objectives

The directorate is responsible for the delivery of services that account for the borough as a 'place' and incorporating the following:

#### ➤ **Development Policy and Planning and Sustainable Economy**

- Responsible for providing 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, an even better place to do business;
- Leadership of external relationship management/funding bids in relation to economic growth, including with the Local Enterprise Partnership (LEP), business, neighbouring authorities and other key stakeholders and related projects e.g. City Deal;
- Leading on the council's enabling of new affordable housing, including bids for funding for new development and development and implementation of policies to secure homes and funding through negotiations with developers;
- Supporting Town and Parish Councils to deliver the Neighbourhood Planning agenda at a local level;
- Playing 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;
- Implementing and delivering the Economic Development Strategy and engaging widely with businesses in the borough both large and small to understand and respond to their concerns and issues; and,
- Supporting the economic sustainability of the Strategic Development Locations (SDLs) including business hubs and local labour initiatives.

#### ➤ **Highways and Transport:**

- Highway Reactive Maintenance - responsible for the delivery of reactive highway maintenance, street lighting and land and highway drainage;
- Transport Assets - responsible for the long term maintenance of the borough's highway assets including roads, structures (bridges, subways, retaining walls, culverts, embankments etc), street lights and the operation of car parks;
- Road Safety and Transport - responsible for the delivery of transport policies, traffic management and road safety schemes and road safety education, training and publicity (ETP) and the corporate transport unit; and,
- Highway Delivery – responsible for delivery of major highway and traffic management schemes and the management and co-ordination of all street works and events carried out on the highway.

#### ➤ **Community Services:**

- 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 Destination Play Area at Dinton. 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 recreational 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 - responsible for the operational management of the borough’s ten libraries; community outreach and engagement and planning. The service delivers a programme of events for children including holiday activities and child literacy schemes such as Bookstart;
- Waste Management - responsible for the delivery of all aspects of refuse and recycling collection; waste enforcement and abandoned vehicles and 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;
- Street Cleansing 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 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;
- Community Development/Engagement - engaging and supporting 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,
- Engaging and supporting established communities through developing community capacity and self sufficiency.

#### ➤ **Development Management and Regulatory Services**

- Responsible for providing 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;
- Maintaining and extending tree protection and provide a professional and responsive landscape and tree advice service;
- 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, food safety, health and safety enforcement, trading standards and pest control; and,
- Building Control will be provided through a joint service agreement with The Royal Borough of Windsor and Maidenhead Council (RBWM). Hosted by Wokingham Borough Council, the service provides 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.

#### ➤ **Development and Infrastructure Delivery**

- Providing a multi-disciplinary service to work with applicants, landowners, residents, Parish and Town Councils and other stakeholders in the four Strategic Development Location areas and Wokingham Town Centre Regeneration schemes to ensure the

- timely delivery of high quality infrastructure rich development to meet the borough's housing need;
- The SDLs will deliver over 10,000 new homes, £28,000 per dwelling in infrastructure (£280,000,000) comprising of leisure, community, highway, schools, health, police and other service related infrastructure and 35% affordable housing up to 2026; and,
- Coordinating the planning and provision of the infrastructure required for the SDL's through the programming of feasibility studies, works and the co-ordination of funding sourcing including capital planning, the co-ordination of section 106 (s106) contributions and the Community Infrastructure Levy (from April 2015).

## Service Outputs - Key Facts and Figures

- Progression of the council's Managing Development Delivery DPD / Local Plan documents including the Gypsy and Traveller Local Plan;
- Engaging in a cross-Berkshire Strategic Housing Market Assessment, and carrying out effective and timely monitoring to ensure the council continues to have a five year supply of deliverable housing land supply in keeping with government requirements;
- Preparation of a new Economic Development Strategy for the council, linking into the LEP's Strategic Economic Plan;
- Overseeing delivery of City Deal at a local level;
- Continuing joint working to progress Reading University's Science Park;
- Supporting development and delivery of an Affordable Housing Strategy including negotiating appropriate affordable housing contributions through the s106 process;
- Supporting and coordinate bids for infrastructure funding;
- Progression of the council's Community Infrastructure Levy charging schedule through its statutory stages;
- 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 planning 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;
- Running five key programmes of community development in existing communities to promote self reliance and develop capacity;
- Co-ordination and management of the council's engagement with local businesses;
- The management of engagement activity around the SDLs including the four Community Forums – running at least 16 community forums per year;
- 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 - four Clerks Forums per annum, four Borough Parish Working Groups;
- 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;
- A largely self-financing joint Building Control dealing with 2,500 building regulation submissions per year;
- Coordinating the council's activities to deliver our Climate Local action plan;
- Disposing of approximately 78,000 tonnes of municipal waste, of which around 29,000 tonnes is set to be reused or recycled;
- Removal of 593 incidents of fly tipping;

- 3.3 million individual refuse and recycling collections per annum;
- Over 10,000 individual clinical waste collections to the elderly and vulnerable;
- Investigating 106 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 36 incidents of graffiti;
- Cleansing over 700 km of highway, including footways and cycle paths;
- Hosting over 465,000 visits to our ten libraries with over 850,000 items of library stock being issued;
- Providing an education package to 2,127 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 two cemeteries – Shinfield and St Sebastian's;
- 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;
- 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 2015/18

Major changes to the Environment revenue budget include the following:

- Closure of Hurst Golf Course has meant realignment of income and expenditure budgets
  - Savings and efficiencies from Land Use and Transportation;
  - Removal of special items; and,
  - Building Control transfer to shared service model of delivery with RBWM council.
- **Growth Items**
- Waste Disposal PFI - contract inflation increase as set out in the Private Finance Initiative scheme;
  - Continued support to deliver the core strategy.
  - Revenue cost increase relating to increased network length and inflation contract price increases;
- **Savings to Support Growth Items:**
- Waste management & street cleansing – efficiencies as a result of more effective contract arrangements;
  - Countryside – increased income from activities, Dragonfly Café, service efficiencies and review of car park charges;

- Libraries – service efficiencies and introduction of new technologies;
- Transport infrastructure energy use reduction – removing illumination from Aids to Movement signage or converting to LED;
- Street lighting – Replacement of a significant proportion of older lighting columns and conversion to low energy LED units has eliminated the need for growth.

## Capital Budget & Service Changes 2015/18

Environment 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 lower energy and part-night lighting;
- Road safety and 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 – carry out remedial works to Highways drainage network where flooding problems have been highlighted;
- The continuation of the 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 – continued upgrade of old and obsolete equipment, therefore 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;
- 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;
- Improvements to leisure facilities in the borough including country parks and leisure/sports centres;
- Provision of Superfast Broadband – to provide 100% coverage with speeds of at least 25mb for Berkshire by 2017. The scheme is a partnership with the other Berkshire Unitaries;
- Improvement to the Public Right of Way network;
- Enhanced cemetery provision;
- Continued investment in the waste collection arrangements;
- Strategic land purchases – investments to enable the capital programme; and,
- Air quality monitoring.

<b>REVENUE SERVICE BUDGETS 2015/2016</b>	<b>Budget 2014/2015 £'000</b>	<b>Budget 2015/2016 £'000</b>	<b>Note</b>
<b>Environment</b>			
Environment – Management Unit	431	433	
Building Control	0	(90)	(1)
Community Services	16,323	15,495	(2)
Highways & Transportation	6,932	6,527	(3)
Development – Management & Enforcement	2,250	1,621	(4)
Development - Policy & Planning	670	1,074	(5)
Development – SDL	0	897	(6)
<i>Internal Recharges &amp; Depreciation Charges</i>	8,223	8,676	
<b>Total Environment</b>	<b>34,829</b>	<b>34,633</b>	

### **Explanation of Movement from 2014/15 to 2015/16**

**Note 1.** Service realigned from Management & Enforcement (£90k)

**Note 2.** Community budget moved to Children's Services (£269k), in-service realignment £22k, centralisation of maintenance budgets to Finance & Resources (£489k), savings (£254k) including communities staff restructuring - deleting posts currently vacant and waste - removal of amenity skips, corporate restructure (£145k), inflation £290k.

**Note 3.** In-service realignment £117k, corporate restructure (£133k), growth £95k including highways maintenance - carriageways & footways, savings (£586k) including acceleration of road maintenance programme, capitalisation of staff budgets against infrastructure projects, inflation £128k.

**Note 4.** Special item £252k capacity to deliver SDL's, contractual inflation £21k, service realigned to Building Control £90k & SDL's (£1,001k)

**Note 5.** Special items £300k Local plan document & £100k minerals and waste core strategy

**Note 6.** Savings (£201k) generated through introduction of Community Infrastructure Levy charge, special item £98k capacity to deliver SDL's, service realigned from Management & Enforcement £1,001k



# FINANCE & RESOURCES BUDGET 2015/18

## SERVICE NARRATIVE

### Service Aims and Objectives

The directorate makes a significant contribution in supporting services to deliver the councils vision and priorities. In doing this the directorate has a major role to play in the organisation with projects such as; improving the Customer Experience, Asset Rationalisation and Effective Procurement. The overarching aim of Finance & Resources is to be as efficient and effective as possible so that residents receive the best possible outcomes for the best possible cost. It also delivers direct services such as Tax Collection and Benefit payment aligned to the achievement of the council's objectives.

Finance and Resources incorporates the following:

#### ➤ Finance

- To develop and maintain best practice in financial management, to look for sustainable solutions, achieve long term ongoing efficiencies, value for money and ensure robust governance arrangements;
- 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 and Information Management and Technology (IMT)

- First point of contact for customer enquiries via telephone, email, SMS, online and face to face;
- To provide information and voice technologies and solutions which meet business needs, improve performance and are value for money;
- Provides the communications and public relations function for the council;
- To advise and assist across the organisation on the secure and effective management of information;
- 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;
- 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;
- Registration of births, deaths, marriages and civil partnerships, citizenship ceremonies, the renewal of vows and other related ceremonies; and,
- 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

#### ➤ Support Services

- Works with the organisation in support of the people related priorities and interventions required to achieve the council's vision and priorities both now and in the future taking into account Learning and Development (L&D), Human Resource &

- Health and Safety (H&S) requirements. Provides the strategic direction for assets and property across the organisation in support of the front-line services;
- Manages the council's commercial estate, property records and provides a valuation service;
- Responsible for the design, procurement and delivery elements of the Capital Programme expenditure, including but not limited to educational facilities;
- Undertake a significant planned maintenance programme, and reactive maintenance requirements to effectively maintain our assets and their value;
- Provision of administrative support across the range of council services including; front line service delivery, as well as managerial and service support functions. This support increases resilience in a cost effective way
- Provision of a high quality, low cost Shared Legal Service across two partner organisations and a growing number of traded clients.

#### ➤ **Commercial Services and Procurement**

- Procuring and centrally managing key corporate contracts on behalf of the council, schools and other partners
- Developing, executing and maintaining best practice in procurement and contract management across the organisation through Business Partnering and Operational Procurement support
- Leading, supporting and co-ordinating delivery of targeted procurement efficiency savings across council directorates and services
- Supporting remodelling and redesign of council services to improve cost effectiveness whilst maintaining or improving service delivery
- Delivering the council transparency reporting obligations for contracts and monthly council spend over £500
- Optimising income generation from existing revenue streams; and,
- Identifying, promoting and commercialising new income generation opportunities from assets and services across the council

## **Service Outputs - Key Facts and Figures**

#### ➤ **Finance:**

- Co-ordinates budget setting and provides financial advice on a revenue account of c£298m per annum gross, capital of c£95.8m per annum and Housing Revenue Account (HRA) of c£17m per annum gross;
- Invests an average of £67m per annum and manages borrowing of c£132m;
- Collects Council Tax of c£98.3m from c64,000 properties generating over 110,000 accounts annually;
- Collects Business Rates of c£57m per annum from 3,700 properties. generating over 9,000 accounts annually;
- Collect council rents of c£15m per annum from 2,600 tenants;
- Collect over £12m per annum on sundry debtor accounts;
- Administer Housing Benefit and Council Tax Support;
- Through cashiers, process over 220,000 transactions per annum totalling c£500m per annum;
- Conduct Fairer Charging Visits and financial assessments for customers in receipt of home based social care;
- Conduct welfare advice visits helping the most vulnerable claim additional welfare benefit income per annum;
- Make over 59,000 salary payments to staff each year to a value exceeding £66m (including Schools);

- Make over 45,000 payments to suppliers and contractors each year which represents 80,000 invoices with a value exceeding £220m; Process c3,100 applications for around 300 vacancies per annum;
- Process c600 contracts and pre-employment checks for new and existing employees and non-schools staff;
- Process c1,400 CRB applications, including schools staff; and,
- Manage over 25,000 elderly and disabled Concessionary Bus Passes and reimburse operators over £800k per annum for journeys taken.

➤ **Customer Services and Information Management and Technology (IMT):**

- Delivery of the Optimising Resident and Customer Perceptions programme
- Support of the implementation of Information and Communication Technology (ICT) and information projects including the Technology Futures Programme and key business application improvements;
- Management of the ICT estate, c1,500 PC's and 115 servers;
- Facilitates internal business continuity planning;
- Manages the council's out of hours duty officer service;
- Liaises with local emergency service partners and neighbouring authorities;
- Handles approximately 197,000 telephone calls per annum (reduction from last year as approximately 80,000 other calls are now directly routed to Council Tax and Benefits);
- Deals with over 36,500 email requests per annum;
- Issues over 71,000 texts per annum;
- Deals with c2,000 visitors to Shute End main reception per month;
- Handles 2,075 web chats per annum;
- Deals with more than 700 press enquiries per annum; and,
- Handles around 320 complaints, 1,200 Freedom of Information enquiries and 25 subject access requests per annum.

➤ **Support Services :**

- Customer base: 1,096 headcount (excluding schools);
- Enabling role to ensure the council meets its legal obligations in relation to the employment and learning and development of staff and health and safety overall;
- Compiles and analyses workforce statistics to provide the council with the appropriate management information to track its performance, identify where good practice is working and recommend improvements where needed;
- Facilitates annual training/learning needs analysis (organisational, service and individual);
- Designs and delivers a corporate training programme for all staff in accordance with agreed organisational learning needs and priorities;
- Supports people related strategic projects;
- Provides Learning & Development advice, consultancy and solutions to all WBC services, with a deeper service to Health & Wellbeing and Children's Services; in response to the professional requirements of the social care workforce and Safeguarding requirements;
- Provides opportunities for the Private, Voluntary and Independent sectors to meet their training needs;
- Provides the mechanism and support for individuals, internally and externally, to access and book L&D interventions; reports on L&D activity;
- L&D manage, on average, 135 events per year to support the progress of people management solutions in conjunction with HR Business Partners and service managers through pro-active, effective L&D interventions;
- Contributing to corporate and service level projects and action groups, particularly but not exclusively in relation to people management.

- In addition to the learning events managed through our Learning Management System (LMS or My Learning), the service facilitates access to appropriate events run by other authorities / external companies; on average around 200 staff per year.
- Supporting members of staff undertaking professional qualifications (currently 20 staff)
- HR Operations provides a traded service to 27 schools and 1 academy school; Corporate Health and Safety trades with 3 academy schools and Optalis;
- Corporate Health and Safety fulfils the statutory 'competent person' role for the council which includes, amongst other things, providing a full advisory service to the entire organisation including school governors; undertaking an independent auditing function (on average 50 audits/inspections per year); investigating on average 15 significant health and safety injury incidents per annum and ensuring the health and safety training needs of the organisation are met (approximately 400+ delegates per year).

#### ➤ **Administration**

- Process and issue 1,800 disabled parking badges per annum;
- 220 children in care reviews; 165 child protection conferences and 131 local authority designated officer (LADO) enquiries, 25 of which resulted in LADO strategy meetings;
- Process 152 access to records (children and young people) requests;
- Support 210 training courses for schools, 100 for early years and 60 governor training sessions;
- 102 newly qualified teachers were registered and supported through their induction year with all appropriate documentation recorded; and,
- Process 75 applications for two year old funding

#### ➤ **Property Service**

- 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 Wokingham Borough Council Asset Management Plan (AMP) and undertake asset planning and development;
- To embed the Service AMP into the corporate (council-wide) service planning exercise.
- 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. £714 m
- Collects property rentals of c.£2.44 m; and,
- To ensure energy is procured in a consistent and competitive way across the organisation, to monitor usage, benchmark against other organisations and ensure good practice is cascaded throughout the organisation.
- To ensure that council energy expenditure is kept as economical as possible and to implement a series of projects to further reduce energy expenditure.
- To look to implement energy generation projects capable of bringing much needed revenue into the council (i.e. solar panel placements).
- To keep our property energy bills (£3M per annum) to a minimum.
- Processing over 3000 bags of mail, moves 6000 boxes of library books, sets up 5000 meeting room bookings and issues 800 security passes per annum;
- Maintains council properties including: 55 schools, 7 libraries, 7 Children's Centres, 3 youth and community centres, 1 elderly people's homes and 4 leisure centres. Carries out 4,635 reactive maintenance tasks per annum; and,
- Responsible for Capital Programme expenditure of c£20m

### ➤ **Shared Legal Solutions (SLS)**

- Provides an extremely wide range of legal services and advice to the councils of Wokingham, Slough and the Royal Borough of Windsor and Maidenhead. Provides further advice to other public sector bodies within the borough including parish and town councils, the schools of both boroughs and charities;
- Generated additional £86k income for April 2014 to October 2014;
- SLS successfully prosecutes on behalf of the council including breaches HMO legislation, breach of planning enforcement, dog cruelty, benefit fraud and outstanding debts;
- SLS conducts defences of Judicial Review at Supreme Court in relation to planning, village green and other matters;
- Advised and represented councils in employment tribunal claims – currently all defeated at no or nominal costs;
- Advice and representation on developer and infrastructure agreements from small developer to 1000+ unit developments including delivery of relief roads and building a new fire station in Windsor;
- Provides immediate and practical advice given to schools on numerous matters using telephone helpline service, conducted several academy conversions and assisted independent free school on all matters when academy trust was prevented from supporting them;
- Provides support to council's trading companies, support of town centre regeneration and waterways project;
- Advice and negotiations in several shared service initiatives including advising on TUPE implications of outsourcing of a large service with a number of workers on different types of contracts for service, contracts of service, relief arrangements, and contractor arrangements;
- Successful set up of company to allow for Teckal arrangement for food waste disposal arrangement with neighbouring local authority;
- Provides advice to numerous planning committees (4 committees per month), cabinet, and subcommittees (licensing, rights of way, alley gating);
- Acting for the council as landlord for numerous leases and licenses for council including during disputes involving mortgagees and insolvent tenants; and,
- Advised on several applications for Assets of Community Value including advising on new procedures for appeal challenges.

## **Revenue Budget & Service Changes 2015/18**

Major changes to the Finance and Resources revenue budget include the following:

- Settling down of the management restructures, realignment of savings targets, continued focus on improving the customer experience, more effective council wide procurement and a greater focus on commercialisation.

## **Capital Budget & Service Changes 2015/18**

Finance & Resources 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 and implementation of new software system across the council arising from new government legislation;

- Energy costs reduction / efficiencies schemes including solar panel implementation sustainable heating systems and replacement of strip lighting with energy-efficient alternatives;
- Improvements to Wokingham Borough Council commercial portfolio; and,
- Strategic capital fund for allocation to Wokingham Borough Council strategic schemes as required (Strategic Developments Locations etc.).

<b>REVENUE SERVICE BUDGETS 2015/2016</b>	<b>Budget 2014/2015 £'000</b>	<b>Budget 2015/2016 £'000</b>	<b>Note</b>
<b>Finance &amp; Resources</b>			
Support Services	3,694	4,358	(1)
Customer Services	3,852	3,812	(2)
Commercial Services	673	7	(3)
Finance (Inc. Council-wide)	14,447	14,609	(4)
<i>Internal Recharges &amp; Depreciation Charges</i>	<i>(10,954)</i>	<i>(11,611)</i>	
<b>Total Finance &amp; Resources</b>	<b>11,712</b>	<b>11,176</b>	

### **Explanation of Movement from 2014/15 to 2015/16**

**Note 1.** Review and rationalisation of strategic assets £1,011k; centralisation of insurance budgets (£124k); service efficiencies (£184k)

**Note 2.** Efficiencies in IT applications (200k), offset by support team required for new system £90k

**Note 3.** Procurement (£580k) and other self-funded service efficiencies (£90k)

**Note 4.** Net effect of special items, in service restructures and inflation balance of £270k

# HEALTH AND WELLBEING SERVICES BUDGET 2015/18

## SERVICE NARRATIVE

### Service Aims and Objectives

The purpose of the Health and Wellbeing Service is to work in partnership with key local agencies and the community to promote improved health and wellbeing for the people of Wokingham, through the provision of: -

- Adult social care
- Housing services
- Public health and leisure services

Whilst the council has a wider duty to promote the health and wellbeing of all residents, adult social care has a particular focus on delivering services to those whose safety or independence is most at risk – older people, those with disabilities and those with mental health needs. These services are often delivered in partnership with the NHS.

Decent, secure housing is the foundation for health and wellbeing. Wokingham enjoys a very high level of home ownership, but affordability is an issue for many. The Housing Service aims to provide a range of affordable housing in the borough to meet housing need. For those already with a council tenancy, the Housing Service provides a comprehensive landlord function, managing, maintaining and improving the housing stock to enable tenants to peacefully enjoy their home and their neighbourhood.

Many public health duties transferred from the NHS back to Local Authorities in 2013. Wokingham residents are amongst the healthiest in the country when measured against a range of health outcomes. The aim of public health is to further improve good health and to extend that to all of our residents and communities. The key responsibilities of the public health team are: -

- Improvement in the health of the population
- Health protection
- Delivery of public health care advice and support to the Clinical Commissioning Group (CCG) (health commissioners)

Leisure services play a vital role in encouraging residents to lead active healthy lives. The Leisure Service aims to ensure that there is the affordable opportunity for all to participate in a full range of sports and leisure activities.

### Adult Social Care

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, including a new duty to meet carers' 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.

Increasingly there is a cross-over between a person's health needs and their social care needs. Government policy is focussed on the integration of health and social care so as to

provide a seamless service to the individual. The Better Care Fund is a national ring-fenced fund aimed at bringing together health and social care. Wokingham's Better Care Fund of £9.5m is a pooled budget between the council and Wokingham Clinical Commissioning Group to fund joint health and social care projects and services. It is overseen by Wokingham's Health and Wellbeing Board (a committee of the council).

New legislation, The Care Act 2013, comes into effect from April 2015. The council has new duties under the Care Act to: -

- Provide services to those who are eligible by reference to new national eligibility criteria (a big change for Wokingham as one of only 3 local authorities currently at 'critical' eligibility);
- Extend services to carers who become entitled to services in their own right; and,
- Provide a 'deferred payment' scheme so that no-one is forced to sell their home to pay for their care in their lifetime – though the council is already providing a similar discretionary service.

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 to achieve integrated delivery through a single point of access; 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 Clinical Commissioning Group, which has responsibility for commissioning healthcare for the borough's population at both a local Wokingham level and where appropriate as a Berkshire West health and social care economy; and,
- Community and voluntary sector organisations; local businesses.

## Housing

➤ **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.

➤ **Housing Needs**

- Delivering housing advice to those in housing need, including a dedicated Accommodation Finder Service;



- 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 (housing people into social housing); and,
- Providing a housing support advice service to people with a learning disability or mental health problems

#### ➤ **Tenant Services**

- Ensuring that the council's landlord function is managed effectively, including:
- Managing neighbourhoods;
- Neighbourhood nuisance issues;
- Enabling tenant / leaseholder participation;
- Managing the environment around council properties;
- Meeting the requirements of the Homes and Communities agency; and,
- Management of two council owned gypsy & traveller sites.

## **Public Health**

The Public Health and Leisure Development teams work fully supports the councils vision for the borough to be: *"A great place to live, an even better place to do business"*.

In particular there is focus on the themes to:

- *"Increase the vibrancy of all our communities"* through involvement in physical activity, sports and leisure activities;
- *"Continue to work with our partners to maintain our outstanding educational attainment"* through positive partnership with our Children's Services teams, especially on the planned commissioning of 0-5 early years health services from October 2015;
- *"Deliver well designed development and strong communities"* through the provision of expert knowledge with a focus on creating health promoting design and community facilities in working with planning and environment service areas; and to,
- *"Invest in prevention services that increase or maintain our resident's independence"* across the full life course and with a particular focus on bringing the expertise of the Sports Development Team in promoting physical activity with those least motivated to participate.

The underpinning Principle to *"Look after the vulnerable"* forms an important driver for all public health programmes in the borough, as we focus on eliminating inequalities in health outcomes and encouraging those with poorer outcomes to become self-sufficient and self-reliant.

The underpinning Principle to *"Improve health, wellbeing and quality of life"* essentially underlies the work of the whole service, and includes our statutory core-offer to the Clinical Commissioning Group (CCG) to improve outcomes through commissioning services.

Finally the underpinning Principle to *"Deliver quality in all that we do"* reflects the fact that Public Health is a professionally regulated service with staff needing registration, regulation and requiring revalidation. Delivering quality and maintaining professional standards at all times therefore is of paramount importance to the service.

In line with the Health and Social Care Act, Local authorities are required to discharge their statutory public health responsibilities, detailed in the Public Health Outcomes framework. The Framework identifies three key tasks for the local authority to deliver:

- Improvement in the health of population through commissioning specific services
- Health protection

- Delivery of public health care advice and support to local commissioners

## Service Outputs - Key Facts and Figures

Performance measures 2013/14:

- Number contacts from new customers in year – 5,100;
- Number of new people assessed in year – 1,025;
- Number of people reviewed in year – 1,380;
- Number of people receiving services – 2,425;
- Number of carers who have had assessment or review – 615;
- Proportion of people receiving a community based service – 80.2%;
- Percentage of community-based clients who receive Self Directed Support – 95.8% (local indicator);
- Percentage of people who received a Direct Payment – 25.7%; and,
- Permanent admissions to residential and nursing homes – 155.

An annual customer experience survey is carried out as part of the national adult social care outcome measures. The summary results for the last published survey (2013/14) were:

- |  |       |
|--|-------|
| • The proportion of people who use services who have as much control over their daily life as they want or who have adequate control over daily life | 76.9% |
| • The proportion of people who use services who are extremely or very satisfied with the care and support services they receive                      | 66.9% |
| • The proportion of people who use services and carers who find it very easy or fairly easy to find information about services                       | 78.9% |
| • The proportion of people who use services who feel as safe as they want  | 66.2% |
| • The proportion of people who use services who say that those services have made them feel safe and secure  | 85.6% |

### ➤ Housing Needs

- Manage the Housing Register (Waiting List) currently c2,200 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 approximately 350 housing allocations annually;
- Respond to face to face and telephone enquiries and applications regarding Homelessness, Housing Advice, Housing Register, Allocations c4000 per annum;
- 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 other creative and individual responses

### ➤ Tenant Services

- Manage and deliver all aspects of the council's landlord function to households in council accommodation;
- Currently 2,618 properties, 89 shared equity tenants, 179 leaseholders and 800 garages;

- The asset management team ensure Wokingham Borough Council's 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 continues to meet the Government's Decent Homes Standard;
- 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 2015/18**

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;
- Achieve the required outcomes of the Care Bill and the Better Care Fund;
- Prepare for the integration of Health responsibilities from April 2015,
- Commission further community support and prevention;
- Develop more supported and extra-care housing;
- Continue partnership with community health services; and,
- Support, retain and develop an excellent workforce for the future.

## **Capital Budget & Service Changes 2015/18**

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

- Investment in suitable and sustainable accommodation for vulnerable people with mental health needs;
- Continuation of significant capital investment programmes to provide council's housing stock which meets the Government's Decent Homes Standard;
- Adaptations for the disabled, estate improvements and sheltered homes for the council's housing stock;
- A programme to re-model / redevelop extra care/sheltered housing/Nursing Home, expand capacity and meet higher care needs; and,
- To increase good quality affordable housing developments (Wokingham Housing Limited).

REVENUE SERVICE BUDGETS 2015/2016	Budget 2014/2015 £'000	Budget 2015/2016 £'000	Note
<b>Health and Wellbeing</b>			
Statutory Services	35,206	34,763	(1)
Public Health	(994)	(647)	(2)
Mental Health Services	2,591	2,572	(3)
Support Services	4,163	3,481	(4)
Housing Needs and Benefits	(172)	(238)	(5)
<i>Internal Recharges &amp; Depreciation Charges</i>	3,001	3,244	
<b>Total Health and Wellbeing</b>	<b>43,795</b>	<b>43,175</b>	

### Explanation of Movement from 2014/15 to 2015/16

**Note 1.** Growth in complex needs and client volumes £1,700k and various efficiency savings targets (£2,150k).

**Note 2.** Public Health budget re-aligned to reflect growth in activity £400k due to full staffing capacity and increase in Leisure contract income (£60k).

**Note 3.** Decrease in client volumes currently using Day care (£20k).

**Note 4.** Protection of social services from the Better Care Fund (£600k) and reduction in Learning Disability shared lives clients (£80k).

**Note 5.** Re-alignment of Housing Needs budget to reflect reduction of provision for repairs (£30k) and utility cost savings for Oxford Road homeless hostel (£40k).

## Summary of Budget Movements 2015/2016

	Chief Executive £'000	Children's Services £'000	Environment £'000	Finance & Resources £'000	Health & Wellbeing £'000	Total £'000
<b>2014/2015 Service Budget (excluding Capital &amp; Internal recharges)</b>	<b>2,084</b>	<b>21,305</b>	<b>26,606</b>	<b>22,666</b>	<b>40,795</b>	<b>113,456</b>
<b>Adjustments/Additions</b>						
Exclude one off revenue items in 2014/2015 (Special Items)	0	0	(150)	(2,421)	0	(2,571)
Inflation for non-pay activities				1,724		1,724
Superannuation - increase in employers' contribution across the Council	0	0	0	216	0	216
Adjustments between services (e.g. budget reallocations)	335	(101)	(292)	(9)	67	0
<b>Total</b>	<b>335</b>	<b>(101)</b>	<b>(442)</b>	<b>(490)</b>	<b>67</b>	<b>(631)</b>
<b>Funding to Maintain / Improve Services</b>						
Increase in insurance premium	50					50
Home to School Transport increased pupil numbers		50				50
Legislation changes allowing young people to stay with their foster carers until their 21st birthday		40				40
Additional children's residential placements		1,115				1,115
Reduction in grant allocation		212				212
Highways maintenance - carriageways and footways			39			39
Highway Drainage increased maintenance costs due to additional network length			15			15
Winter service - increased maintenance costs due to additional network length			10			10
Highway structures (bridges) - revenue implications of increased Capital scheme (major refurbishments/strengthening)			10			10
Revenue implications of integrated transport capital scheme (to contain congestion, improve safety and environmental impact)			21			21
Wiser (new corporate IT system) support team				90		90
Filming of council meetings				12		12
Older people domiciliary care - increase in client costs due to volume, complexity and costs					222	222
Learning Disability - increase in client costs due to increase in volume, complexity and cost					200	200
Older People - increases in number of clients requiring nursing care					361	361
Transitional children - children entering adult social care					238	238
Physical disabilities increase in client numbers					218	218
Prevention - investment in preventative services					100	100
Care Act - change in eligibility criteria					200	200
<b>Total</b>	<b>50</b>	<b>1,417</b>	<b>95</b>	<b>102</b>	<b>1,539</b>	<b>3,203</b>

## Summary of Budget Movements 2015/2016

	Chief Executive £'000	Children's Services £'000	Environment £'000	Finance & Resources £'000	Health & Wellbeing £'000	Total £'000
<b>Special Items 2015/2016</b>						
Interest provision for Wokingham Town Centre Redevelopment	1,126					1,126
Continuing health care resource to deliver savings		50				50
Monitoring and review of strategic planning evidence base			300			300
Capacity to deliver SDL's following cessation of Homes and Communities Agency funding			350			350
Minerals and Waste local plan preparation			100			100
Estimated resource requirement to deliver future savings				500		500
Forward Funding (Infrastructure bridging loan)				250		250
Provision for business rates appeals				600		600
Care Act - council preparation costs					292	292
Care Act funding - for council preparation costs					(292)	(292)
Assessors to target savings on care packages					100	100
Outcome based commissioning consultant					50	50
Assessments for new eligibility criteria					500	500
Deprivation of Liberty safeguarding pressures					185	185
<b>Total</b>	<b>1,126</b>	<b>50</b>	<b>750</b>	<b>1,350</b>	<b>835</b>	<b>4,111</b>

### Funded by the following Service Efficiencies

Internal Audit shared service efficiency	(20)					(20)
Reduction in Executive Members	(11)					(11)
Customer services - coordinated delivery of service across council	(150)					(150)
Digitisation - efficiencies from paperless and amalgamating print and post spend	(50)					(50)
Capitalisation of policy & strategy post		(40)				(40)
Changes in practice and efficiencies delivering targeted savings from 2014/15		(317)				(317)
Changing support to IT systems matched to current levels with a more efficient, effective and focused approach		(50)				(50)
Children's placements - providing family provision rather than residential including an innovative recruitment strategy for foster carers		(515)				(515)
Commissioning of new adoption arrangement - delivering efficiencies from partnership agreement matched to current levels with a more efficient, effective and focused approach		(50)				(50)
Community safety redesign of staffing and retendering of services		(43)				(43)
Community Support reduction in operational budgets to current levels of provision		(30)				(30)
Early intervention recontracting and greater partnership working		(200)				(200)
Early years and childcare services matched to current levels of provision including deletion of vacant post		(76)				(76)
Family resource team part of wider restructure of social care teams releasing long term vacancies		(149)				(149)
Health contributions to children's placements where young people have health needs being met		(250)				(250)
Home to school transport implementation of practice and policy changes		(160)				(160)
Increased traded services income targets		(28)				(28)
National innovation project remodelling early intervention and social work services		(115)				(115)
Public Health contribution to child & adolescent mental health service		(30)				(30)
Public Health contribution to children's centres		(30)				(30)
Public Health contribution to targeted mental health services		(38)				(38)
Public Health contribution to therapeutic services		(50)				(50)
Quality & assurance team part of wider restructure of social care teams releasing long term vacancies		(41)				(41)
Recommission top 20 children's placement and other service delivery contracts		(80)				(80)

## Summary of Budget Movements 2015/2016

	Chief Executive £'000	Children's Services £'000	Environment £'000	Finance & Resources £'000	Health & Wellbeing £'000	Total £'000
Recruitment and retention strategy for children's social work leading to savings against agency spend, as the retention measures will achieve a more stable workforce		(25)				(25)
Social care and interventions matched to current levels of provision including cessation in the use of agency workers to cover supervised contact		(70)				(70)
Information and Intelligence projects reduction to current levels of activity		(5)				(5)
Bursaries to nursery providers reduction to current levels of activity		(31)				(31)
Education Welfare Service matched to statutory levels of provision & contribution of funding from Schools Forum		(63)				(63)
Schools block funding to support children with autism in and out of school		(30)				(30)
Strengthening families and reducing court interventions		(40)				(40)
Targeted learning services matched to current levels of provision including deletion of vacant post and increased public health funding		(60)				(60)
Training & development matched to current levels with a more efficient, effective and focused approach		(80)				(80)
School crossing patrols - investigate alternative sources of funding			(85)			(85)
Waste - removal of amenity waste service			(76)			(76)
Acceleration of road maintenance programme			(206)			(206)
Introduction of the Community Infrastructure Levy charge			(201)			(201)
Capitalisation of staff budgets against infrastructure projects			(100)			(100)
Communities staff restructuring - delete posts currently vacant			(77)			(77)
Reduced spend with WSP - a highways alliance contractor			(50)			(50)
Reduced park & ride costs following closure of Showcase site			(50)			(50)
Waste - cease separate collection of offensive waste			(30)			(30)
Car parking income - increased usage			(25)			(25)
Utilities works on highways - permit income			(25)			(25)
School crossing patrols - delete posts currently vacant			(20)			(20)
Waste - reduce frequency of litter picking A329M			(19)			(19)
Car parking income (country parks) increased visitors			(15)			(15)
Berkshire Record Office - savings across Berkshire wide contract			(11)			(11)
Stock purchase costs - moving from books to audio and e-books			(11)			(11)
Dragonfly Café - increased income from increased visitors			(10)			(10)
Bus shelter advertising			(10)			(10)
Winnersh parking security - savings following closure of Showcase site			(10)			(10)
Management charge to Building Control account			(8)			(8)
Safer roads costs - reduced contribution to initiatives			(5)			(5)
Waste - introduce an annual tag/sticker to verify waste payment received			(4)			(4)
Householder pre application planning fee increase			(3)			(3)
Libraries printing			(1)			(1)
Information and communication technology consolidation of applications				(185)		(185)
Superannuation Fund - Early payment to attract higher interest				(150)		(150)
Extending debt repayment (MRP) following technical review				(100)		(100)
Lean efficiencies				(90)		(90)
New printing and printers contract				(60)		(60)
Operational Property - economies of scale from centralisation of facilities management, and removal of vacancies				(58)		(58)
Reduction in ineligible claims for Single Person Discounts				(85)		(85)
Retrospective invoice audit and validation project				(50)		(50)
Shared Legal Services - increased income from external clients, team development to reduce externalisation of specialised work				(49)		(49)
Human Resources - restructure will reduce salary budgets and contract management will reduce costs				(47)		(47)

## Summary of Budget Movements 2015/2016

	Chief Executive £'000	Children's Services £'000	Environment £'000	Finance & Resources £'000	Health & Wellbeing £'000	Total £'000
Income generation web advertising and registrars				(35)		(35)
Bank tender - cost reduction				(30)		(30)
Administration - removal of vacancies due to automation and service efficiencies				(30)		(30)
Amalgamation of telephony contracts				(25)		(25)
Court costs revised charges for summonses				(20)		(20)
Central consultancy budget reduction				(15)		(15)
Introduction of fixed credit card transaction fee				(10)		(10)
Increase management fee to schools for traded services				(10)		(10)
Reduce overdraft facility from £2m to £0.5m - more effective cash management				(7)		(7)
Central publications and subscriptions budget reduction				(5)		(5)
Protection of Social care services from Better Care Fund grant - specifically targeted to protecting reductions in adult social care					(600)	(600)
Outcome based commissioning					(50)	(50)
Better Care Fund - step up step down					(178)	(178)
Residential / Nursing supply and market influence					(50)	(50)
Introduction of electronic time recording					(30)	(30)
Optalis - outsource of procurement and supplier relations function					(15)	(15)
Ordinary residence transfers costs - local residents service users in/from other boroughs funding; to be recovered from or paid to appropriate agency					(500)	(500)
Further public health opportunities - deploying public health funding to support general fund activity that supports public health outcomes					(202)	(202)
Higher rate clients who leave the service and are replaced by new clients using revised market rates for WBC					(328)	(328)
Reduced need for WBC reablement services through more targeted support					(210)	(210)
Recalibrating Resource Allocation System - to improve assessment and reduce personal budget allocations through stringent controls					(300)	(300)
Savings in efficient practice and targeting main contracts					(255)	(255)
Block contract management - better value from existing block contracts					(250)	(250)
Charging policy - full cost recovery (means tested) for 'double handed' home care, day services, meals on wheels (alternative provision)					(120)	(120)
Supported living - market test care support to working age disability supported housing schemes					(85)	(85)
Increased funding from Housing Revenue Account following council senior management restructure					(76)	(76)
Brokerage culture - brokers to adopt a cost effective model for clients to reduce care package costs					(36)	(36)
Blue badge assessment revised to reduce resource usage and increase income					(20)	(20)
<b>Total</b>	<b>(231)</b>	<b>(2,696)</b>	<b>(1,052)</b>	<b>(1,060)</b>	<b>(3,305)</b>	<b>(8,344)</b>



## Summary of Budget Movements 2015/2016

	Chief Executive £'000	Children's Services £'000	Environment £'000	Finance & Resources £'000	Health & Wellbeing £'000	Total £'000
<b><u>Council Tax Collection Fund Surplus Distribution</u></b>						
Reduction in ineligible council tax benefit claims	100					100
Reduction in ineligible claims for Single Person Discounts				218		218
<b>Total</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>218</b>	<b>0</b>	<b>318</b>
<b>Service Budget 2015/2016 (excluding internal recharges and depreciation)</b>	<b>3,464</b>	<b>19,975</b>	<b>25,958</b>	<b>22,786</b>	<b>39,931</b>	<b>112,114</b>
<i>Internal Recharges &amp; Depreciation Charges</i>	2,682	12,607	8,676	(11,611)	3,244	15,598
<b>Service Budget 2015/2016 (including internal recharges and depreciation)</b>	<b>6,146</b>	<b>32,582</b>	<b>34,633</b>	<b>11,176</b>	<b>43,175</b>	<b>127,711</b>

## THREE YEAR BUDGET FORECAST

	2015/2016 £'000	2016/2017 £'000	2017/2018 £'000
<b>Growth</b>			
<b>Chief Executive</b>	=		
Increase in insurance premium	50	100	100
<b>Children's Services</b>			
Home to School Transport increased pupil numbers	50	100	150
Legislation changes allowing young people to stay with their foster carers until their 21st birthday	40	40	40
Additional children's residential placements	1,115	1,115	1,115
Reduction in grant allocation	212	212	212
<b>Environment</b>			
Highways maintenance - carriageways and footways	39	78	117
Highway drainage increased maintenance costs due to additional network length	15	30	45
Winter service - increased maintenance costs due to additional network length	10	20	30
Highway structures (bridges) - revenue implications of increased Capital scheme (major refurbishments/strengthening)	10	20	30
Revenue implications of integrated transport capital scheme (to contain congestion, improve safety and environmental impact)	21	42	63
Waste PFI	0	25	50
<b>Finance &amp; Resources</b>			
Wiser (new corporate IT system) support team	90	90	90
Filming of council meetings	12	12	12
<b>Health &amp; Wellbeing</b>			
Older people domiciliary care - increase in client costs due to volume, complexity and costs	222	462	693
Learning disability - increase in client costs due to increase in volume, complexity and cost	200	400	600
Older people - increases in number of clients requiring nursing care	361	715	1,073
Transitional children - children entering adult social care	238	490	735
Physical disabilities - increase in client numbers	218	355	492
Prevention - investment in preventative services	100	200	300
Care Act - change in eligibility criteria	200	1,000	1,500
<b>Council Wide</b>			
National Insurance increase due to changes in state pension	0	670	670
<b>Total Growth</b>	<b>3,203</b>	<b>6,176</b>	<b>8,117</b>

## THREE YEAR BUDGET FORECAST

	2015/2016 £'000	2016/2017 £'000	2017/2018 £'000
<b>Savings</b>			
<b>Chief Executive</b>			
Internal Audit shared service efficiency	(20)	(20)	(20)
Reduction in Executive Members	(11)	(11)	(11)
<b>Children's Services</b>			
Capitalisation of policy & strategy post	(40)	(40)	(40)
Changes in practice and efficiencies delivering targeted savings from 2014/15	(317)	(317)	(317)
Changing support to IT systems matched to current levels with a more efficient, effective and focused approach	(50)	(50)	(50)
Children's placements - providing family provision rather than residential including an innovative recruitment strategy for foster carers	(515)	(515)	(515)
Commissioning of new adoption arrangement - delivering efficiencies from partnership agreement matched to current levels with a more efficient, effective and focused approach	(50)	(50)	(50)
Community safety redesign of staffing and retendering of services	(43)	(43)	(43)
Community Support reduction in operational budgets to current levels of provision	(30)	(30)	(30)
Early intervention recontracting and greater partnership working	(200)	(200)	(200)
Early years and childcare services matched to current levels of provision including deletion of vacant post	(76)	(76)	(76)
Family resource team part of wider restructure of social care teams releasing long term vacancies	(149)	(149)	(149)
Health contributions to children's placements where young people have health needs being met	(250)	(250)	(250)
Home to school transport implementation of practice and policy changes	(160)	(160)	(160)
Increased traded services income targets	(28)	(28)	(28)
National innovation project remodelling early intervention and social work services	(115)	(115)	(115)
Public Health contribution to child & adolescent mental health service	(30)	(30)	(30)
Public Health contribution to children's centres	(30)	(30)	(30)
Public Health contribution to targeted mental health services	(38)	(38)	(38)
Public Health contribution to therapeutic services	(50)	(50)	(50)
Quality & assurance team part of wider restructure of social care teams releasing long term vacancies	(41)	(41)	(41)
Recommission top 20 children's placement and other service delivery contracts	(80)	(80)	(80)
Recruitment and retention strategy for children's social work leading to savings against agency spend, as the retention measures will achieve a more stable workforce	(25)	(25)	(25)
Social care and interventions matched to current levels of provision including cessation in the use of agency workers to cover supervised contact	(70)	(70)	(70)
Information and Intelligence projects reduction to current levels of activity	(5)	(5)	(5)
Bursaries to nursery providers reduction to current levels of activity	(31)	(31)	(31)
Education Welfare Service matched to statutory levels of provision & contribution of funding from Schools Forum	(63)	(63)	(63)
Schools block funding to support children with autism in and out of school	(30)	0	0
Strengthening families and reducing court interventions	(40)	(40)	(40)
Targeted learning services matched to current levels of provision including deletion of vacant post and increased public health funding	(60)	(60)	(60)
Training & development matched to current levels with a more efficient, effective and focused approach	(80)	(80)	(80)

### THREE YEAR BUDGET FORECAST

	2015/2016 £'000	2016/2017 £'000	2017/2018 £'000
<b>Environment</b>			
School crossing patrols - investigate alternative sources of funding	(85)	(85)	(85)
Waste - removal of amenity waste service	(76)	(76)	(76)
Acceleration of road maintenance programme	(206)	(206)	(206)
Introduction of the Community Infrastructure Levy charge	(201)	(201)	(201)
Capitalisation of staff budgets against infrastructure projects	(100)	(100)	(100)
Communities staff restructuring - delete posts currently vacant	(77)	(77)	(77)
Reduced spend with WSP - a highways alliance contractor	(50)	(50)	(50)
Reduced park & ride costs following closure of Showcase site	(50)	(50)	(50)
Waste - cease separate collection of offensive waste	(30)	(30)	(30)
Car parking income - increased usage	(25)	(25)	(25)
Utilities works on highways - permit income	(25)	(25)	(25)
School crossing patrols - delete posts currently vacant	(20)	(20)	(20)
Waste - reduce frequency of litter picking A329M	(19)	(19)	(19)
Car parking income (country parks) increased visitors	(15)	(15)	(15)
Berkshire Record Office - savings across Berkshire wide contract	(11)	(11)	(11)
Stock purchase costs - moving from books to audio and e-books	(11)	(11)	(11)
Dragonfly Café - increased income from increased visitors	(10)	(10)	(10)
Bus shelter advertising	(10)	(10)	(10)
Winnersh parking security - savings following closure of Showcase site	(10)	(10)	(10)
Management charge to Building Control account	(8)	(8)	(8)
Safer roads costs - reduced contribution to initiatives	(5)	(5)	(5)
Waste - introduce an annual tag/sticker to verify waste payment received	(4)	(4)	(4)
Householder pre application planning fee increase	(3)	(3)	(3)
Libraries printing	(1)	(1)	(1)
<b>Finance &amp; Resources</b>			
Information and communication technology consolidation of applications	(185)	(185)	(185)
Superannuation Fund - Early payment to attract higher interest	(150)	(150)	(150)
Extending debt repayment (MRP) following technical review	(100)	(100)	(100)
Lean efficiencies	(90)	(90)	(90)
New printing and printers contract	(60)	(60)	(60)
Operational Property - economies of scale from centralisation of facilities management, and removal of vacancies	(58)	(58)	(58)
Reduction in ineligible claims for Single Person Discounts	(85)	(85)	(85)
Retrospective invoice audit and validation project	(50)	(50)	(50)
Shared Legal Services - increased income from external clients, team development to reduce externalisation of specialised work	(49)	(49)	(49)
Human Resources - restructure will reduce salary budgets and contract management will reduce costs	(47)	(47)	(47)
Income generation web advertising and registrars	(35)	(35)	(35)
Bank tender - cost reduction	(30)	(30)	(30)
Administration - removal of vacancies due to automation and service efficiencies	(30)	(30)	(30)
Amalgamation of telephony contracts	(25)	(25)	(25)
Court costs revised charges for summonses	(20)	(20)	(20)
Central consultancy budget reduction	(15)	(15)	(15)
Introduction of fixed credit card transaction fee	(10)	(10)	(10)
Increase management fee to schools for traded services	(10)	(10)	(10)
Reduce overdraft facility from £2m to £0.5m - more effective cash management	(7)	(7)	(7)
Central publications and subscriptions budget reduction	(5)	(5)	(5)

## THREE YEAR BUDGET FORECAST

	2015/2016 £'000	2016/2017 £'000	2017/2018 £'000
<b>Health &amp; Wellbeing</b>			
Protection of Social care services from Better Care Fund grant - specifically targeted to protecting reductions in adult social care	(600)	(600)	(600)
Outcome based commissioning	(50)	(50)	(50)
Better Care Fund - step up step down	(178)	(178)	(178)
Residential / Nursing supply and market influence	(50)	(50)	(50)
Introduction of electronic time recording	(30)	(30)	(30)
Optalis - outsource of procurement and supplier relations function	(15)	(15)	(15)
Ordinary residence transfers costs - local residents service users in/from other boroughs funding; to be recovered from or paid to appropriate agency	(500)	(500)	(500)
Further public health opportunities - deploying public health funding to support general fund activity that supports public health outcomes	(202)	(202)	(202)
Higher rate clients who leave the service and are replaced by new clients using revised market rates for WBC	(328)	(328)	(328)
Reduced need for WBC reablement services through more targeted support	(210)	(210)	(210)
Recalibrating Resource Allocation System - to improve assessment and reduce personal budget allocations through stringent controls	(300)	(300)	(300)
Savings in efficient practice and targeting main contracts	(255)	(255)	(255)
Block contract management - better value from existing block contracts	(250)	(250)	(250)
Charging policy - full cost recovery (means tested) for 'double handed' home care, day services, meals on wheels (alternative provision)	(120)	(120)	(120)
Supported living - market test care support to working age disability supported housing schemes	(85)	(85)	(85)
Increased funding from Housing Revenue Account following council senior management restructure	(76)	(76)	(76)
Brokerage culture - brokers to adopt a cost effective model for clients to reduce care package costs	(36)	(36)	(36)
Blue badge assessment revised to reduce resource usage and increase income	(20)	(20)	(20)
<b>Council Wide</b>			
Customer services - coordinated delivery of service across council	(150)	(150)	(150)
Digitisation - efficiencies from paperless and amalgamating print and post spend	(50)	(50)	(50)
<b>Total Savings</b>	<b>(8,344)</b>	<b>(8,314)</b>	<b>(8,314)</b>
<b>Special Items</b>			
<b>Chief Executive</b>			
Interest provision for Wokingham Town Centre Redevelopment	1,126	800	700
<b>Children's Services</b>			
Continuing health care resource to deliver savings	50	30	0
<b>Environment</b>			
Monitoring and review of strategic planning evidence base	300	300	200
Capacity to deliver SDL's following cessation of Homes and Communities Agency funding	350	350	0
Minerals and Waste local plan preparation	100	100	100
<b>Health &amp; Wellbeing</b>			
Care Act - council preparation costs	292	0	0
Care Act funding - for council preparation costs	(292)	0	0
Assessors to target savings on care packages	100	0	0
Outcome based commissioning consultant	50	0	0
Assessments for new eligibility criteria	500	0	0
Deprivation of Liberty safeguarding pressures	185	0	0
<b>Council Wide</b>			
Estimated resource requirement to deliver future savings	500	500	500
Forward Funding (Infrastructure bridging loan)	250	650	1,000
Provision for business rates appeals	600	600	600
<b>Total Special Items</b>	<b>4,111</b>	<b>3,330</b>	<b>3,100</b>

## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2015/16 - 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
<b>Children's Services</b>						
Additional residential placements (between £70k and £300k depending on needs)	1,761	1,822	2,564	122	498	122
Additional independent foster agency placements (average £47k per client)	774	868	1,089	47	127	47
Failure to recruit to essential social worker posts with permanent staff resulting in high cost agency cover	0	0	171	38	38	95
Permanence allowances - increased activity & / or eligibility for payments of allowances due to changes in benefit system including Special Guardianship Orders in line with changes in Government Agenda	490	495	520	5	10	10
Foster placement allowance scheme - increased number of children being placed	715	720	760	10	10	20
Joint legal team - increased costs of joint arrangement	368	368	400	5	7	20
Emergency duty team (supporting children's and health & wellbeing) - increased cost of joint arrangement	93	93	115	2	10	10
Children in care remaining with foster carers until 21 years old	40	40	60	10	10	0
Health funding towards children's placements	(250)	(250)	(125)	75	50	0
Additional mainstream home to school transport packages	1,078	1,078	1,174	22	32	42
Additional special educational needs home to school transport packages	1,423	1,423	1,652	47	64	118
Youth offending service secure restriction of Liberty Order (average £50k per client)	0	10	50	0	40	0
Traded services for schools - under achievement of predicted income	(123)	(109)	(87)	0	9	13
Implementation of Children's & Families Bill; changes to provision for children and young people with special educational needs and disabilities	76	76	276	125	25	50
Early intervention commissioning contract - risk of delay in contract negotiations	330	330	363	33	0	0
Grants - under achievement of predicted income	(268)	(268)	(44)	54	54	106
<b>TOTAL Children's Services</b>	<b>6,507</b>	<b>6,696</b>	<b>8,937</b>	<b>595</b>	<b>984</b>	<b>653</b>
<b>Environment</b>						
S106 monitoring fees - under achievement of predicted income	(101)	(101)	(20)	0	11	70
Planning applications - under achievement of predicted fee income	(875)	(875)	(500)	75	150	150
Pre applications fees - under achievement of predicted fee income	(113)	(113)	(50)	13	20	30
Savings generated through the commencement of the Community Infrastructure Levy charge	(201)	(201)	0	0	141	60
Street lighting - energy cost increase	660	667	675	8	0	0
Street lighting maintenance - aging assets (repair and maintenance)	521	521	548	17	10	0
Potential loss of income due to bad weather or customer resistance	(240)	(240)	(165)	10	35	30
Emergency tree works in parks due to bad weather	0	0	15	5	10	0
Additional works due to unforeseen weather changes i.e. wet warm weather based on previous expenditure	0	0	10	10	0	0
Additional works due to heavy and prolonged rainfall	496	496	530	35	0	0
New Roads and Street Works Act - decrease in recovered income due to less road works	(158)	(138)	(118)	0	20	0
Loss of permit income due to less road works	(200)	(200)	(175)	15	10	0
Loss of green waste income due to not maintaining participation levels	(700)	(662)	(650)	4	6	2
Loss of income from fishing season tickets (fish disease in fisheries)	(75)	(75)	0	75	0	0
Loss of income due to excessive weed algal growth prohibiting use of the Multi Activity Centre	(181)	(181)	(40)	100	41	0
Loss of countryside income due to poor weather or customer resistance	(217)	(217)	(100)	107	10	0
Failure on an embankment on highway	0	0	600	500	100	0
Emergency maintenance (road traffic accidents; water bursts, etc.)	60	60	80	20	0	0
Highways (roads and footways) urgent repairs following flooding and freezing	1,021	1,021	1,104	17	41	25
Winter maintenance (bad weather)	165	165	320	0	155	0
Loss on Park and Ride due to new site not being ready	(70)	(70)	0	40	20	10
Park and Ride expenditure at Showcase site if new site is not ready	0	0	40	0	14	26
Third party income (accident damage without ability to recover the costs)	(35)	(31)	(21)	5	5	0
<b>TOTAL Environment</b>	<b>(243)</b>	<b>(174)</b>	<b>2,083</b>	<b>1,056</b>	<b>799</b>	<b>403</b>

## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2015/16 - 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
<b>Finance &amp; Resources</b>						
Failure to achieve targeted procurement savings across the council	(672)	(672)	(350)	0	172	150
Changes in local job market	0	0	35	0	0	35
Income target from property portfolio not realised	(2,300)	(2,300)	(1,800)	400	50	50
Costs due to legislation changes e.g. health and safety, fire, legionella etc.	0	0	100	50	30	20
Increase in legal challenge and costs due to legislation changes, e.g. Care Act	0	0	500	300	150	50
Loss of data or sensitive information	0	0	100	50	40	10
Interest cost of borrowing budget - risk for SDL forward funding overspend	2,006	2,006	2,106	0	100	0
Major emergency within the community e.g. weather event / pandemic flu or major incident	0	0	2,000	1,000	500	500
<b>TOTAL Finance &amp; Resources</b>	<b>(966)</b>	<b>(966)</b>	<b>2,691</b>	<b>1,800</b>	<b>1,042</b>	<b>815</b>
<b>Health &amp; Wellbeing</b>						
Learning disability - unknown high cost placements	378	438	918	230	150	100
Mental health - unknown high cost placements	193	247	497	100	75	75
Physical disability - unknown high cost placements	188	218	278	10	25	25
Older people - increases above expected levels	479	583	1,183	150	200	250
Transfers of ordinary residence	0	0	600	300	200	100
Risk of litigation against assessment outcomes (including Deprivation of Liberty Safeguarding)	0	0	950	250	400	300
Inflationary increases in providers rates	0	195	295	15	50	35
Implications for void beds	(240)	(240)	(80)	80	40	40
Saving targets not being achieved	0	0	330	75	130	125
Leisure Trust - in the event of change of current legislation	(600)	(600)	0	0	600	0
Care Act implementation costs funding shortfall	0	200	3,000	700	1,400	700
Better Care Fund grant funding shortfall	0	0	275	100	100	75
<b>TOTAL Health &amp; Wellbeing</b>	<b>398</b>	<b>1,041</b>	<b>8,246</b>	<b>2,010</b>	<b>3,370</b>	<b>1,825</b>
<b>Non-Specific</b>						
Uninsured event / major event up to Belwin threshold	0	0	289	100	100	89
<b>TOTAL Non-Specific</b>	<b>0</b>	<b>0</b>	<b>289</b>	<b>100</b>	<b>100</b>	<b>89</b>
<b>Total Variable - General fund</b>	<b>5,696</b>	<b>6,597</b>	<b>22,247</b>	<b>5,561</b>	<b>6,295</b>	<b>3,785</b>

# 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 2014	£11.0m
Estimated Balance 31 March 2015	£10.2m
Estimated Balance 31 March 2016	£9.9m
Estimated Balance 31 March 2017	£9.7m
Estimated Balance 31 March 2018	£9.7m

## 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 on the previous page. 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 2015/16 indicates that balances of at least £9m 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 Budget Risk Analysis

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

- £5.5m – absolute minimum (5% net budget)
- £9.2m to £10.5m – ideal level (High/Medium risks)
- £15.6m – upper limit (High/Medium/Low risks)



<u>2014/15 Budget</u> <u>£'000</u>	<u>Gross Income and Expenditure</u>	<u>2015/16 Budget</u> <u>£'000</u>
	<b>Income</b>	
	<b>General Fund</b>	
16,640	Fees and Charges	17,135
38,973	Specific Grants	39,206
1,839	Other Income	1,567
20,277	Internal Income	8,863
<b>77,728</b>		<b>66,771</b>
	<b>Dedicated Schools Grant</b>	
101,620	Specific Grants	102,087
373	Internal Income	687
843	Plus movements from reserves	658
<b>102,836</b>		<b>103,432</b>
	<b>Housing Revenue Account</b>	
15,282	Fees and Charges	15,718
9	Specific Grants	2
0	Other Income	14
0	Plus movements from reserves	918
<b>15,291</b>		<b>16,651</b>
<b>195,855</b>	<b>Total Income</b>	<b>186,855</b>
	<b>Expenditure</b>	
	<b>General Fund</b>	
7,104	Chief Executive	7,735
35,947	Children's Services	37,346
43,294	Environment	43,372
36,455	Finance & Resources	21,700
83,945	Health & Wellbeing	84,330
<b>206,745</b>		<b>194,483</b>
	<b>Dedicated Schools Grant</b>	
13,832	Central Schools Block	13,993
89,004	Individual Schools Block	89,439
0	Less: surplus to reserves	0
<b>102,836</b>		<b>103,432</b>
	<b>Housing Revenue Account</b>	
15,291	Housing Revenue Account	16,651
0	Less: surplus to reserves	0
<b>15,291</b>		<b>16,651</b>
<b>324,872</b>	<b>Sub Total Expenditure</b>	<b>314,566</b>
15,560	Less: depreciation	15,598
2,571	Less: special items	4,111
<b>18,131</b>		<b>19,709</b>
<b>306,741</b>	<b>Total Expenditure</b>	<b>294,858</b>
<b>110,886</b>	<b>Net Expenditure</b>	<b>108,003</b>

## HOUSING REVENUE ACCOUNT BUDGET 2015/16

	2014/15 Budget £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
<b>INCOME</b>				
<b>Rents</b>				
Dwelling Rents <b>Note 1</b>	(14,544)	(14,993)	(15,595)	(16,252)
Garage Rents	(199)	(204)	(209)	(214)
Commercial Rents	(5)	(5)	(6)	(6)
<b>Total Rents</b>	<b>(14,748)</b>	<b>(15,202)</b>	<b>(15,810)</b>	<b>(16,472)</b>
<b>Fees &amp; Charges</b>				
Service Charges	(378)	(365)	(375)	(388)
Leasehold Charges	(44)	(49)	(50)	(51)
Sheltered Fees & Charges	(80)	(80)	(82)	(84)
Interest on balances	(9)	(6)	(20)	(20)
<b>Total Income</b>	<b>(15,259)</b>	<b>(15,702)</b>	<b>(16,337)</b>	<b>(17,015)</b>
<b>EXPENDITURE</b>				
Housing Repairs	2,735	2,768	2,796	2,873
General Management	2,480	2,525	2,556	2,606
Sheltered Accommodation	655	655	688	688
Other Special Expenses	197	197	203	207
Depreciation	3,098	3,313	3,372	3,455
Revenue Contribution to Capital <b>Note 2</b>	639	3,412	3,189	2,530
Capital Finance Interest Charge	2,888	2,838	2,838	2,838
HRA Principal Repayments <b>Note 3</b>	0	912	2,564	1,750
Transfer to/(from) Bad Debts Provision <b>Note 4</b>	514	0	0	100
Transfer to redevelopment reserve <b>Note 5</b>	2,053	0	0	0
<b>Total Expenditure</b>	<b>15,259</b>	<b>16,620</b>	<b>18,206</b>	<b>17,047</b>
<b>Net Expenditure / (Income)</b>	<b>0</b>	<b>918</b>	<b>1,869</b>	<b>32</b>
<b>REVENUE ACCOUNT</b>				
Balance at Beginning of Year	(1,767)	(3,820)	(2,902)	(1,032)
Transfer to earmarked reserve <b>Note 5</b>	(2,053)	0	0	0
Forecast outturn for year	0	918	1,869	32
<b>Balances at End of Year</b>	<b>(3,820)</b>	<b>(2,902)</b>	<b>(1,032)</b>	<b>(1,000)</b>

**Note 1.** The average rental increase in 2015/16 is 3.34%

**Note 2.** Increase in the Revenue Contribution to Capital due to increase in activity

**Note 3.** Based on the maturity of the loans taken up to fund HRA Self Financing

**Note 4.** The transfer to bad debts provision is reduced to nil in 2015/16 due to the estimated significant balance at 31 March 2015, and no further increase should be required before 2017/18

**Note 5.** The transfer to development reserve of £2.053m in the 2014/15 budget is not required, and the saving will be used to fund capital expenditure from 2015/16 onwards

## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2015/16 - 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	Most Likely	Worst	Low	Medium	High
	Case	as per Budget	Case			
£'000	£'000	£'000	£'000	£'000	£'000	
<b>Health &amp; Wellbeing (Housing Revenue Account)</b>						
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 introduction of Universal Credit and other changes to the welfare system	65	0	200	0	150	50
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	0	150	200	0	0	50
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>65</b>	<b>150</b>	<b>1,000</b>	<b>300</b>	<b>450</b>	<b>100</b>

# 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 2014	1,767
Estimated Balance 31st March 2015	3,820
Estimated Balance 31st March 2016	2,902
Estimated Balance 31st March 2017	1,032
Estimated Balance 31st March 2018	1,000

This excludes any 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.

Guidance from the Audit Commission is that 5% of gross expenditure is recommended as a minimum to hold in reserve which currently indicates a minimum level of £0.831m.

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 Budget Risk Analysis

£831k - minimum (5% of gross expenditure)

£0.85m - Covers high/medium/low risks based on risk assessments

## SCHOOLS BLOCK BUDGET - presented to Schools Forum 22 January 2015

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.

	2014/15 Budget £'000	2015/16 Budget £'000	2016/17 Budget £'000	2017/18 Budget £'000
<b>INCOME</b>				
Dedicated Schools Grant ( <b>Note 1</b> )	(92,520)	(95,742)	(90,742)	(90,742)
Education Funding Agency specific grant	(7,100)	(4,000)	(4,000)	(5,500)
Pupil Premium	(2,000)	(3,000)	(3,800)	(3,000)
<b>Total Income</b>	<b>(101,620)</b>	<b>(102,742)</b>	<b>(98,542)</b>	<b>(99,242)</b>
<b>EXPENDITURE</b>				
Individual Schools Budget (ISB)	80,116	80,076	75,076	75,076
Expenditure for Education of Children under 5s in Private, voluntary/ independent settings	6,585	6,438	6,824	7,234
Pupil Premium allocated to schools	2,000	3,000	3,000	3,000
School-specific contingencies	192	132	132	132
Contingency for Growth ( <b>Note 2</b> )	600	765	1,500	1,500
Early Years Contingency	229	229	229	229
Provision for pupils with SEN (including assigned resources)	2,518	2,418	2,000	2,000
Provision for pupils with SEN, provision not included above	123	100	123	123
Support for Inclusion	611	577	425	425
Fees for pupils at independent special schools & abroad	6,144	6,340	6,160	5,980
Special Educational Needs Transport	230	230	230	230
Pupil Referral Units	484	500	500	500
Behaviour Support Services	321	321	321	321
Education out of school	636	600	600	600
Support to under-performing ethnic minority groups and bilingual learners	146	146	146	146
Insurance	558	558	558	558
School admissions	281	281	281	281
Licences/subscriptions	224	224	224	224
Miscellaneous	92	92	92	92
Servicing of schools forums	4	4	4	4
Staff costs - supply cover (not sickness)	369	369	369	369
<b>Total Expenditure</b>	<b>102,463</b>	<b>103,400</b>	<b>98,794</b>	<b>99,024</b>
<b>NET EXPENDITURE / (INCOME)</b>	<b>843</b>	<b>658</b>	<b>252</b>	<b>(218)</b>
Balance Brought Forward ( <b>Note 3</b> )	(1,200)	(1,382)	(724)	(472)
Budgeted Net Expenditure / (Income)	843	658	252	(218)
Forecast in-year over / (under) spend	(1,025)	0	0	0
<b>Balance Carried Forward</b>	<b>(1,382)</b>	<b>(724)</b>	<b>(472)</b>	<b>(690)</b>

Note 1. 15/16 budget increase a result of Universal Infant Free School Meals £1.3m, introduction of minimum funding levels by government resulting in additional grant of £0.5m and pupil growth. The fall in 16/17 reflects the conversion to Academy of a Secondary School with the funds paid direct from the Education Funding Agency.

Note 2. A newly introduced line under the 2012 Funding Reforms for the provision of funds to support pupil growth in school places anticipated across the Borough.

Note 3. Any surplus or deficit balance at the end of each financial year can be carried forward into the following year

## CAPITAL PROGRAMME 2015/18 and Prudential Indicators

### 1 Process

The formulation of the Capital Programme has been based on the appraisal of 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: -

**Statutory:** This is capital investment to keep assets fit for purpose in line with the authority's statutory obligations and includes planned capital maintenance and statutory compliance works.

**Service Development:** These are schemes that help meet our aspirations and priorities. They help improve service delivery through capital investment.

### 2 Capital Programme

An overview of the proposed programme over the next three years is shown below. It includes an estimated brought forward for the 2014-15 Capital Programme (as at December 2014). 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.

	2015/16 £'000	2016/17 £'000	2017/18 £'000
<b>Service</b>			
Chief Executive	1,250	7,966	34,686
Children's Services	19,330	17,730	16,142
Environment	11,041	23,119	73,162
Finance & Resources	1,490	5,300	5,400
Health & Wellbeing including Housing	21,469	31,209	30,128
<b>Total new bids</b>	<b>54,580</b>	<b>85,324</b>	<b>159,518</b>
	<b>2015/16 £'000</b>		
<b>Estimated bought forward 2014/15</b>			
Chief Executive	16,862		
Children's Services	8,144		
Environment	5,955		
Health & Wellbeing including Housing	8,000		
Finance & Resources	2,305		
<b>Total estimated bought forwards</b>	<b>41,266</b>		
<b>Total Programme</b>	<b>95,846</b>		

### 3 Capital Funding

The anticipated funding for the Capital Programme over the next 3 years is detailed in the 'Estimated Capital Resource Statement'. (This can be found latter in this document).

The proposed capital budget for 2015/16 is £95.8m. It is proposed that this be funded by a combination of grants (£18.8m), developer's contributions (£21.6m), capital receipts from sale of

assets and reserves (£7.0m), revenue contributions (£1.6m), borrowing (£38.8m) and the Housing Revenue Account contributing towards housing schemes (£8.0m).

## 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.

## 5 Prudential Indicators

The Prudential Code operates by the provision of prudential indicators which highlight particular aspects of capital expenditure planning. The purpose of the indicators is to provide a framework for 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 2014/15 to 2017/18 are set as:

	2014/15 Revised	2015/16 Estimated	2016/17 Estimated	2017/18 Estimated
Capital Expenditure £'000	53,384	95,566	85,324	159,518
Capital Financing Requirement £'000	196,671	210,196	239,622	271,960
Authorised Limit for external Debt £'000	222,000	225,000	285,000	348,000
Operational Boundary For external debt £'000	212,000	212,000	268,000	325,000
Ratio of financing costs to net revenue stream - Non HRA	3.98%	4.54%	5.08%	5.54%
Ratio of financing costs to net revenue stream - HRA	18.62%	18.16%	17.44%	16.77%
Incremental impact of capital investment decisions on Band D Council Tax £,p	29	31	35	37

**The Treasury Management Prudential Indicators are set as:**

<b>Interest Rate Exposures</b>	<b>2014/15 Budget £'000</b>	<b>2015/16 Budget £'000</b>	<b>2016/17 Budget £'000</b>	<b>2017/18 Budget £'000</b>
Limits on fixed interest rates:				
· Debt only	180,000	212,000	268,000	325,000
· Investments only	(80,000)	(80,000)	(80,000)	(80,000)
<b>Total</b>	<b>(100,000)</b>	<b>(132,000)</b>	<b>(188,000)</b>	<b>(245,000)</b>
Limits on variable interest rates				
· Debt only	40,000	40,000	40,000	40,000
· Investments only	(40,000)	(40,000)	(40,000)	(40,000)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Maturity structure of fixed interest rate borrowing  
2014/15 as at 31-03-2015**

Under 12 months	6.45%
12 months to 2 years	3.23%
2 years to 5 years	6.45%
5 years to 10 years	19.35%
10 years and above	61.29%



## CAPITAL SERVICE BUDGETS

	Statutory Capital Programme			Service Development Capital Programme			Total		
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
<b>Chief Executive</b>									
<b>Strategic acquisition sites</b>									
Strategic purchase of sites in relation to town centre regeneration	0	0	0	0	0	3,000	0	0	3,000
<b>Town centre development including Peach Place and Carnival pool area</b>									
The schemes will support existing and new businesses, increase employment, secure ongoing investment into the town centre (including surrounding areas) and improve the quality of the open space within the town centre	0	0	0	1,250	7,966	31,686	1,250	7,966	31,686
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,250</b>	<b>7,966</b>	<b>34,686</b>	<b>1,250</b>	<b>7,966</b>	<b>34,686</b>
<b>Chief Executive estimated brought forward from 2014/15</b>									
Town Centre Regeneration	0	0	0	16,862	0	0	16,862	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,862</b>	<b>0</b>	<b>0</b>	<b>16,862</b>	<b>0</b>	<b>0</b>
<b>Total Chief Executive</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,112</b>	<b>7,966</b>	<b>34,686</b>	<b>18,112</b>	<b>7,966</b>	<b>34,686</b>
<b>Children's Services</b>									
<b>Basic needs primary - additional places</b>									
Extension/new build projects to provide additional places throughout the Borough to meet need	4,468	4,068	2,000	0	0	0	4,468	4,068	2,000
<b>Basic needs secondary - additional places</b>									
Extension/new build projects to provide additional places throughout the Borough to meet need	1,000	0	0	0	0	0	1,000	0	0
<b>Enhancing provision for children and young people with disabilities</b>									
Adaptations to properties to enable disabled children to be cared for in their home/respice care environment	75	75	75	0	0	0	75	75	75
<b>ICT equipment for children in care</b>									
To purchase/replace equipment that is provided to Children in Care in line with our Children in Care pledge	0	0	0	25	25	25	25	25	25
<b>Investment in secondary schools</b>									
To improve standards of learning in the Secondary provision	0	0	0	2,000	1,000	0	2,000	1,000	0
<b>New primary schools provided by SDL developers</b>									
New primary school provision in Strategic Development Locations (SDL)	0	0	3,000	0	0	0	0	0	3,000
<b>New secondary school in the south west</b>									
A new secondary school in the south-west to meet demand due to SDL, rising pupil numbers and other developments	10,000	10,000	9,430	0	0	0	10,000	10,000	9,430
<b>Schools access</b>									
To improve school facilities to enable full integration of pupils and adults with disabilities	50	50	50	0	0	0	50	50	50
<b>Schools kitchens</b>									
To improve various school meals kitchens throughout the Borough including delivery of the universal free school meal programme	150	150	150	0	0	0	150	150	150
<b>Schools led enhancement</b>									
Specific government grant to carry out capital works, controlled by schools	412	412	412	0	0	0	412	412	412
<b>Schools urgent maintenance</b>									
Urgent capital planned improvements and suitability issues	500	1,000	1,000	0	0	0	500	1,000	1,000
<b>Special education needs</b>									
Capital investment required to reconfigured Primary and Secondary special education needs provision to best meet needs	500	0	0	0	0	0	500	0	0
<b>Young person supported accommodation - new build</b>									
To increase the range of accommodation options to deliver our corporate parenting responsibility and helping to support young people towards independence	150	950	0	0	0	0	150	950	0
<b>Total</b>	<b>17,305</b>	<b>16,705</b>	<b>16,117</b>	<b>2,025</b>	<b>1,025</b>	<b>25</b>	<b>19,330</b>	<b>17,730</b>	<b>16,142</b>

## CAPITAL SERVICE BUDGETS

	Statutory Capital Programme			Service Development Capital Programme			Total		
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
<b>Children's Services Estimated brought forward from 2014/15</b>									
Basic needs primary - additional Places	3,132	0	0	0	0	0	3,132	0	0
Bulmershe school improvement scheme	0	0	0	363	0	0	363	0	0
Enhancing provision for children and young people with disabilities	109	0	0	0	0	0	109	0	0
Schools kitchens	8	0	0	0	0	0	8	0	0
Schools access	40	0	0	0	0	0	40	0	0
Schools led enhancement	1,624	0	0	0	0	0	1,624	0	0
Schools urgent maintenance	270	0	0	0	0	0	270	0	0
Secondary improvement programme	0	0	0	380	0	0	380	0	0
Special education needs	2,218	0	0	0	0	0	2,218	0	0
<b>Total</b>	<b>7,401</b>	<b>0</b>	<b>0</b>	<b>743</b>	<b>0</b>	<b>0</b>	<b>8,144</b>	<b>0</b>	<b>0</b>
<b>Total Children's Services</b>	<b>24,706</b>	<b>16,705</b>	<b>16,117</b>	<b>2,768</b>	<b>1,025</b>	<b>25</b>	<b>27,474</b>	<b>17,730</b>	<b>16,142</b>
<b>Environment</b>									
<b>Arborfield Cross relief road</b>									
Design and implementation of the new road	0	0	0	250	1,000	17,000	250	1,000	17,000
<b>Bridge strengthening</b>									
To maintain Wokingham Borough Council's bridges in such condition that they remain safe for highway users and available for use by traffic permitted to use them	250	500	500	0	0	0	250	500	500
<b>Cemetery provision</b>									
To increase cemetery provision throughout the Borough	50	0	0	0	0	0	50	0	0
<b>Civil Parking Enforcement</b>									
WBC taking on the responsibility of enforcing on-street parking restrictions	0	0	0	0	135	0	0	135	0
<b>Country park capital investment programme</b>									
Investment in the Borough's country parks	0	0	0	300	1,200	500	300	1,200	500
<b>Four footbridges over the Waterloo Line</b>									
Investment in new footbridges over the Waterloo rail line	0	0	0	0	0	8,800	0	0	8,800
<b>Full northern relief road (Wokingham)</b>									
Design and implementation of the new road	0	0	0	250	500	500	250	500	500
<b>Future road building/Enhancements across the Borough</b>									
Investment in future road building/enhancement across WBC road network	0	0	0	0	0	0	0	0	0
<b>Greenways</b>									
A network of quiet commuting and leisure routes for pedestrians and cyclists	0	0	0	0	1,000	1,000	0	1,000	1,000
<b>Highways carriageways structural maintenance</b>									
Resurfacing of carriageways to improve highway safety	2,400	2,400	2,400	0	0	0	2,400	2,400	2,400
<b>Highway drainage schemes</b>									
To arrest the overall degradation of the highway drainage network which suffers from 'silting up', breakages, tree root damage, inadequate size and increased loading	200	200	200	0	0	0	200	200	200
<b>Highways footway structural maintenance programme</b>									
Resurfacing of footways to improve its condition and increase surface water run-off thereby improving pedestrian safety	0	0	0	50	100	100	50	100	100
<b>Highway infrastructure flood alleviation schemes</b>									
Highway infrastructure flood-alleviation schemes to raise the level of various roads on the highway network to reduce the need for their closure during times of flooding	100	2,000	2,000	0	0	0	100	2,000	2,000
<b>Integrated transport schemes</b>									
Providing facilities to ensure that the public are safe on the Borough's roads	400	400	400	0	0	0	400	400	400

## CAPITAL SERVICE BUDGETS

	Statutory Capital Programme			Service Development Capital Programme			Total		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Environment continued</b>									
<b>LED streetlight replacement programme</b> An investment in new street lighting equipment that will reduce WBC energy bill, improve street lighting quality and lower the risk of column failure	4,000	4,000	4,000	0	0	0	4,000	4,000	4,000
<b>London road landfill reparation</b> To support the monitoring and any resultant work on the London Road Landfill Site	60	60	60	0	0	0	60	60	60
<b>New allotments to serve non strategic development locations (SDL)</b> To serve non SDL development up to 2026	0	0	0	0	138	0	0	138	0
<b>Nine Mile Ride extension</b> To progress the design of the new road to detailed design and construction, and to include all feasibility work up to and including planning application submission	0	0	0	0	0	3,000	0	0	3,000
<b>Provision and installation of air quality monitoring equipment</b> To provide air quality management areas (AQMA) with a greater level of detailed monitoring to ensure full data capture	10	10	10	0	0	0	10	10	10
<b>Public rights of way network</b> Investment in all public rights of way and other non-motorised routes to support the needs of all types of users	0	0	0	250	25	125	250	25	125
<b>Public transport network</b> Investment in an integrated and inclusive public transport network that provides a convenient, acceptable, reliable and affordable alternative to car travel	0	0	0	0	2,500	2,500	0	2,500	2,500
<b>Replacement railway bridge (Guildford line) on the A321 Finchampstead road</b> Continued progression of the Finchampstead Road Bridge schemes to include completion of survey, testing and feasibility	0	0	0	0	0	5,630	0	0	5,630
<b>Replacement railway bridge (Waterloo Line) on the A321 Finchampstead road</b> Continued progression of the Finchampstead Road Bridge schemes to include completion of survey, testing and feasibility	0	0	0	0	0	2,500	0	0	2,500
<b>Safety / crash barriers</b> Improving safety / crash barriers on the highway to reduce the risk of injury to road users	0	0	0	400	750	750	400	750	750
<b>Shinfield Eastern relief road</b> To progress the design of the new road to detailed design and construction, and to include all feasibility work up to and including planning application submission	0	0	0	0	0	15,308	0	0	15,308
<b>South Wokingham distributor road</b> Design and implementation of the new road	0	0	0	150	50	50	150	50	50
<b>Sports provision across the Borough</b> Investment in the Borough's sport provision	0	0	0	40	700	500	40	700	500
<b>Station link road</b> The continuation of the station link road scheme	0	0	0	250	0	0	250	0	0
<b>Strategic land purchases</b> Opportunity to purchase land for strategic purposes	0	0	0	0	3,000	3,000	0	3,000	3,000
<b>Street lighting column structural testing</b> Annual testing to determine rate of deterioration of column structural stability	20	40	40	0	0	0	20	40	40
<b>Strengthening approach embankments to bridges</b> To repair major damage caused by deterioration, vehicle impact and where appropriate to meet the changing demands of users	50	950	950	0	0	0	50	950	950
<b>Super fast broadband</b> Provision of 100% coverage of 25mb broadband for Berkshire by 2017. The scheme is in partnership with the other Berkshire unitary councils	0	0	0	122	122	0	122	122	0

## CAPITAL SERVICE BUDGETS

	Statutory Capital Programme			Service Development Capital Programme			Total		
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
<b>Environment continued</b>									
<b>Traffic signal upgrade programme - street furniture, poles, fencing, lighting at Junctions and crossings</b>									
To carry out urgent upgrades on old and obsolete equipment, also giving the opportunity of installing low energy equipment	250	250	250	0	0	0	250	250	250
<b>Transport infrastructure energy use reduction</b>									
To reduce the effect of the Councils existing highways infrastructure on the environment with the added benefit of reducing the Council's energy and cost	0	0	0	100	0	0	100	0	0
<b>Waste schemes</b>									
The purchase of brown bins, paper sacks and recycling boxes to enable the Borough to continue their waste/recycling scheme	89	89	89	0	0	0	89	89	89
<b>Wokingham Borough cycle network</b>									
Investment in current/future cycle networks in the Borough	0	0	0	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total</b>	<b>7,879</b>	<b>10,899</b>	<b>10,899</b>	<b>3,162</b>	<b>12,220</b>	<b>62,263</b>	<b>11,041</b>	<b>23,119</b>	<b>73,162</b>
<b>Environment Estimated bought forward from 2014/15</b>									
Environment - other	195	0	0	0	0	0	195	0	0
Highways / transport - Other	1,623	0	0	0	0	0	1,623	0	0
Integrated transport	74	0	0	0	0	0	74	0	0
Highways structures	269	0	0	0	0	0	269	0	0
Waste schemes	17	0	0	0	0	0	17	0	0
Crash barrier	1,000	0	0	0	0	0	1,000	0	0
Strategic development	0	0	0	2,460	0	0	2,460	0	0
Economic sustainability	0	0	0	67	0	0	67	0	0
Highways and maintenance	250	0	0	0	0	0	250	0	0
<b>Total</b>	<b>3,428</b>	<b>0</b>	<b>0</b>	<b>2,527</b>	<b>0</b>	<b>0</b>	<b>5,955</b>	<b>0</b>	<b>0</b>
<b>Total Environment</b>	<b>11,307</b>	<b>10,899</b>	<b>10,899</b>	<b>5,689</b>	<b>12,220</b>	<b>62,263</b>	<b>16,996</b>	<b>23,119</b>	<b>73,162</b>

## CAPITAL SERVICE BUDGETS

	Statutory Capital Programme			Service Development Capital Programme			Total		
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
<b>Finance &amp; Resources</b>									
<b>Asbestos management</b> To continue asbestos appraisals on all WBC buildings and carry out programmed removal as necessary	0	50	50	0	0	0	0	50	50
<b>Care act - pre paid card software</b> The purchase and implementation of an automated pre-paid card system that allows for more efficient monitoring of client spend is crucial to enhancing service capacity and reducing future staffing growth	0	0	0	50	0	0	50	0	0
<b>Commercial portfolio - improvement to industrial units</b> To ensure commercial properties are suitable for letting	0	0	0	220	0	100	220	0	100
<b>Gas management and structural repairs</b> Replacement of non-compliant gas pipe work in WBC owned areas	0	50	50	0	0	0	0	50	50
<b>ICT services</b> Continued service design work of the ICT service to a new delivery model	0	0	0	250	0	0	250	0	0
<b>IT hardware replacement</b> To replace unreliable / out of warranty components	100	100	100	0	0	0	100	100	100
<b>Legionella management</b> Continuation of legionella appraisals on all WBC buildings and carry out programme of removal	0	50	50	0	0	0	0	50	50
<b>Non school building surveys and works at various premises</b> To collect Asset Management data on WBC Properties (excluding schools) in order to provide accurate information for capital bidding purposes and to provide up front information of future capital projects and to carry out the high urgent health and safety priority 1 condition works	0	0	0	0	50	50	0	50	50
<b>Risk based verification software</b> A software system which will analyses benefit applications and performs various actions on financial data for a household	0	0	0	90	0	0	90	0	0
<b>Support services energy reduction schemes</b> Investment in energy reduction schemes through the various mechanism e.g. lighting, insulation and improvements, which is envisaged to deliver demonstrable energy bill savings	0	0	0	500	0	0	500	0	0
<b>Strategic capital reserve</b> Strategic capital fund for allocation to Wokingham Borough Council strategic schemes as required (Strategic Developments Locations etc.)	0	0	0	0	5,000	5,000	0	5,000	5,000
<b>Technology futures programme</b> The programme will improve technology across the council focussing on embedding digital practices to support efficiency	0	0	0	280	0	0	280	0	0
<b>Total</b>	<b>100</b>	<b>250</b>	<b>250</b>	<b>1,390</b>	<b>5,050</b>	<b>5,150</b>	<b>1,490</b>	<b>5,300</b>	<b>5,400</b>
<b>Finance &amp; Resources Estimated brought forward from 2014/15</b>									
Property - other	0	0	0	567	0	0	567	0	0
Strategic assets - other	0	0	0	241	0	0	241	0	0
IMT resources - other	0	0	0	34	0	0	34	0	0
Technology futures programme	0	0	0	330	0	0	330	0	0
Strategic capital reserve	0	0	0	1,133	0	0	1,133	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,305</b>	<b>0</b>	<b>0</b>	<b>2,305</b>	<b>0</b>	<b>0</b>
<b>Total Finance &amp; Resources</b>	<b>100</b>	<b>250</b>	<b>250</b>	<b>3,695</b>	<b>5,050</b>	<b>5,150</b>	<b>3,795</b>	<b>5,300</b>	<b>5,400</b>

## CAPITAL SERVICE BUDGETS

	Statutory Capital Programme			Service Development Capital Programme			Total		
	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
<b>Health &amp; Wellbeing including Housing</b>									
<b>Bulmershe swimming pool/leisure centre</b>									
New Build of leisure facilities in the Woodley Area	0	0	0	0	0	6,000	0	0	6,000
<b>Renovation of bulmershe leisure centre (including addition health and fitness gym)</b>									
Renovation of Bulmershe Leisure Centre (including additional health and fitness gym) *subject to bid above*	0	0	0	0	0	1,000	0	0	1,000
<b>Day services for adults with physical disability</b>									
Investment in the provision of Day Services for adults with physical disability, working with the voluntary sector and partners to create a mixed community use centre	0	228	0	0	0	0	0	228	0
<b>Extra care / enhanced sheltered housing</b>									
To re-model/ redevelop extra care/sheltered housing, or develop nursing home capacity to meet higher care needs	0	5,500	5,000	0	0	0	0	5,500	5,000
<b>Leisure investment in the Borough</b>									
Investment in leisure provision across the Borough	0	0	0	0	0	4,000	0	0	4,000
<b>Investment in the council's housing stock (Inc. adaptations/ estate improvements)</b>									
Investment programme to provide a Council's housing stock which meets the government's decent homes standard	6,649	6,779	6,898	0	0	0	6,649	6,779	6,898
<b>Mandatory disabled facility grants</b>									
Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home	476	330	330	0	0	0	476	330	330
<b>New assessment / resource allocation system</b>									
A Project to look at replacing the existing process with a new system to deliver a more robust assessment module linked with the framework. The system is required to mitigate risks that could possibly arise from the introduction of the Care Act in 2015/16	100	0	0	0	0	0	100	0	0
<b>Supported living accommodation</b>									
Investment in suitable and sustainable accommodation for vulnerable people with mental health needs	1,415	0	0	0	0	0	1,415	0	0
<b>Wokingham Housing Limited future developments</b>									
To increase good quality affordable housing developments	0	0	0	2,602	1,350	8,200	2,602	1,350	8,200
<b>Wokingham Housing Limited - Inc. Eustace Crescent and fosters site</b>									
Redevelopment of Eustace crescent and the creation of a specialist dementia/enhanced sheltered older people's housing scheme on the Fosters site by Wokingham Housing Limited	0	0	0	10,227	10,023	0	10,227	10,023	0
<b>Total</b>	<b>8,640</b>	<b>12,837</b>	<b>12,228</b>	<b>12,829</b>	<b>11,373</b>	<b>19,200</b>	<b>21,469</b>	<b>24,210</b>	<b>31,428</b>
<b>Health &amp; Wellbeing incl. Housing Estimated b/fwd. 2014/15</b>									
Strategic commissioning - Health & Wellbeing	2,390	0	0	0	0	0	2,390	0	0
Public health leisure	0	0	0	10	0	0	10	0	0
Wokingham Housing Ltd	5,600	0	0	0	0	0	5,600	0	0
<b>Total</b>	<b>7,990</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>8,000</b>	<b>0</b>	<b>0</b>
<b>Total Health &amp; Wellbeing incl. Housing</b>	<b>16,630</b>	<b>12,837</b>	<b>12,228</b>	<b>12,839</b>	<b>11,373</b>	<b>19,200</b>	<b>29,469</b>	<b>24,210</b>	<b>31,428</b>
<b>Total council services budget</b>	<b>52,743</b>	<b>40,691</b>	<b>39,494</b>	<b>43,103</b>	<b>37,634</b>	<b>121,324</b>	<b>95,846</b>	<b>78,325</b>	<b>160,818</b>

Note: The deficit in years 2 & 3 will be addressed through a combination of maximising resources, prioritising and modifying schemes

## ESTIMATED CAPITAL RESOURCES STATEMENT

	Ring Fenced Funding			Non - Ring fenced Funding			Total		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Proposed Capital Programme - excluding b/fwds.</b>	<b>33,924</b>	<b>40,463</b>	<b>39,494</b>	<b>20,656</b>	<b>37,862</b>	<b>121,324</b>	<b>54,580</b>	<b>78,325</b>	<b>160,818</b>
<b>Funding Sources</b>	<b>Notes</b>								
Adult personal social services grant	0	0	0	224	224	224	224	224	224
Basic needs grant	0	0	0	1,126	1,182	1,182	1,126	1,182	1,182
Borrowing (forward funding)	4,573	7,369	6,063	0	0	0	4,573	7,369	6,063
Borrowing (savings generated)	780	0	0	0	0	0	780	0	0
Borrowing (standard allocation)	0	0	0	3,000	3,000	3,000	3,000	3,000	3,000
Borrowing (street lighting)	4,000	4,000	4,000	0	0	0	4,000	4,000	4,000
Borrowing (Wokingham Housing Limited)	3,278	13,923	3,537	0	0	0	3,278	13,923	3,537
Borrowing (Wokingham town centre regeneration)	1,250	7,966	20,132	0	0	0	1,250	7,966	20,132
Capital maintenance grant	0	0	0	2,295	2,295	2,295	2,295	2,295	2,295
Capital receipts (non Wokingham town centre regeneration)	1	0	0	150	150	0	150	150	0
Capital receipts (Wokingham Housing Limited)	0	0	4,663	0	0	0	0	0	4,663
Capital receipts (Wokingham town centre regeneration)	2	0	11,553	0	0	0	0	0	11,553
Community Infrastructure Levy	0	7,041	11,651	0	0	0	0	7,041	11,651
Devolved formula capital	3	412	412	0	0	0	412	412	412
Disabled facilities grant	0	0	0	341	341	341	341	341	341
Housing revenue account (HRA)	8,064	6,779	6,898				8,064	6,779	6,898
Local transport plan direct grant	0	0	0	1,235	1,235	1,235	1,235	1,235	1,235
Local transport plan direct grant - capital maintenance grant	0	0	0	2,655	2,434	2,360	2,655	2,434	2,360
Revenue contributions	0	0	0	850	750	750	850	750	750
Right to buy receipts	653	956	452	0	0	0	653	956	452
Homes and Communities Agency (HCA) grant	4	1,452	0	0	0	0	1,452	0	0
HCA grant	150	0	0	0	0	0	150	0	0
Developers contributions (Section 106)	17,388	13,872	20,928	0	0	0	17,388	13,872	20,928
<b>Total New funding</b>	<b>42,000</b>	<b>62,318</b>	<b>90,289</b>	<b>11,876</b>	<b>11,611</b>	<b>11,387</b>	<b>53,876</b>	<b>73,929</b>	<b>101,676</b>
Capital reserves	5	0	0	724	0	0	724	0	0
Capital grant reserves	5	0	0	0	0	0	0	0	0
<b>Total Capital Reserves</b>	<b>42,000</b>	<b>62,318</b>	<b>90,289</b>	<b>12,600</b>	<b>11,611</b>	<b>11,387</b>	<b>54,600</b>	<b>73,929</b>	<b>101,676</b>
				<b>In Year Surplus (-) / Deficit(+)</b>			<b>(20)</b>	<b>4,396</b>	<b>59,142</b>
				<b>Cumulative Surplus (-) / Deficit(+)</b>			<b>(20)</b>	<b>4,376</b>	<b>63,518</b>

	Ring Fenced Funding			Non - Ring fenced Funding			Total		
	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Estimated Capital Budgets b/fwd. from 14/15</b>	<b>18,819</b>	<b>0</b>	<b>0</b>	<b>22,447</b>	<b>0</b>	<b>0</b>	<b>41,266</b>	<b>0</b>	<b>0</b>
Borrowing	5,249	n/a	n/a	16,682	n/a	n/a	21,931	n/a	n/a
Capital grants	8,040	n/a	n/a	877	n/a	n/a	8,917	n/a	n/a
Revenue contributions	0	n/a	n/a	730	n/a	n/a	730	n/a	n/a
Section 106 - developers contributions	0	n/a	n/a	4,158	n/a	n/a	4,158	n/a	n/a
Capital reserves	5,530	n/a	n/a	0	n/a	n/a	5,530	n/a	n/a
<b>Total Funding</b>	<b>18,819</b>	<b>0</b>	<b>0</b>	<b>22,447</b>	<b>0</b>	<b>0</b>	<b>41,266</b>		

### ESTIMATED CAPITAL RESOURCES STATEMENT

	2015/16	2016/17	2017/18
	£'000	£'000	£'000
<b>Note</b>			
Proposed capital programme (excluding b/fwds.)	54,580	78,325	160,818
Estimated capital budgets b/fwd. from 14/15	41,266	0	0
<b>Total Capital Programme</b>	<b>95,846</b>	<b>78,325</b>	<b>160,818</b>
Ring fenced funding	60,819	62,318	90,289
Non - ring fenced funding	35,047	11,611	11,387
<b>Total Funding</b>	<b>95,866</b>	<b>73,929</b>	<b>101,676</b>
<b>In Year Surplus ( ) / Deficit(+)</b>	<b>(20)</b>	<b>4,396</b>	<b>59,142</b>
<b>Cumulative Surplus ( ) / Deficit(+)</b>	<b>(20)</b>	<b>4,376</b>	<b>63,518</b>
<b>Movement on Capital Reserves</b>			
Opening balance (including capital grants)	5	724	20
Estimate of capital receipts from sale of assets	2	618	1,106
Capital reserves/receipts used to fund capital programme		(1,322)	(1,126)
<b>Closing Balance</b>	<b>20</b>	<b>0</b>	<b>0</b>

### Notes

**\*\*All grants for 15-16 onwards are estimates and could change\*\***

**Note 1. Capital receipts include some receipts which may not materialise**

**Note 2. Capital receipts in 2017/18 relate to Wokingham town centre first phase of housing sales**

**Note 3. Schools have discretion on how they can spend devolved capital**

**Note 4. This funding relates to an application to the Homes and Communities Agency as part of the Affordable Homes Guarantee Programme.**

**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.

<b>Estimated Uncommitted Balance</b>	<b>£'000</b>
Estimated Uncommitted Balance 31 March 2015	724
Estimated Uncommitted Balance 31 March 2016	20
Estimated Uncommitted Balance 31 March 2017	0
Estimated Uncommitted Balance 31 March 2018	0

<b>Strategic Capital Reserve</b>	<b>£'000</b>
Estimated Balance 31st March 2016	1,133
Estimated Balance 31st March 2017	6,133
Estimated Balance 31st March 2018	11,133

Due to the capital programme carry forwards the actual reserves are estimated to be higher. The reserves position in 2017 and 2018 will need to be reviewed as part of the capital reserve policy 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.

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

## 10-YEAR CAPITAL VISION

### SCHEME

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 to 2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Anticipated Capital Schemes</b>							
<b>Chief Executive</b>							
Strategic Acquisition sites	0	0	3,000	0	0	0	3,000
Town centre development including Peach Place and Carnival pool area	18,112	7,966	31,686	33,585	30,867	0	122,216
<b>Total Chief Executive</b>	<b>18,112</b>	<b>7,966</b>	<b>34,686</b>	<b>33,585</b>	<b>30,867</b>	<b>0</b>	<b>125,216</b>
<b>Children's Services</b>							
Basic needs primary - additional places	7,600	4,068	2,000	2,000	0	0	15,668
Basic needs secondary - additional places	1,000	0	0	0	0	4,840	5,840
Bulmershe school improvement scheme	363	0	0	0	0	0	363
Enhancing provision for children and young people with disabilities	184	75	75	75	75	375	859
ICT equipment for children in care	25	25	25	25	25	125	250
Investment in secondary schools	2,380	1,000	0	0	0	0	3,380
New primary schools provided by Strategic Development Locations developers	0	0	3,000	2,000	1,500	0	6,500
New secondary school in the south west	10,000	10,000	9,430	0	0	0	29,430
Schools access	90	50	50	50	50	250	540
Schools kitchens	158	150	150	150	150	750	1,508
Schools led enhancement	2,036	412	412	412	412	2,060	5,744
Schools urgent maintenance	770	1,000	1,000	1,000	1,000	5,000	9,770
Special education needs - reconfiguration to primary and secondary provision to best meet needs	2,718	0	0	0	0	0	2,718
Young person supported new build	150	950	0	0	0	0	1,100
<b>Total Children's Services</b>	<b>27,474</b>	<b>17,730</b>	<b>16,142</b>	<b>5,712</b>	<b>3,212</b>	<b>13,400</b>	<b>83,670</b>

## 10-YEAR CAPITAL VISION

### SCHEME

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 to 2024/25	Total
2015/16 bids include bought forwards from 2014/15	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Environment</b>							
Arborfield Cross relief road	250	1,000	17,000	5,000	0	0	23,250
Bridge strengthening	250	500	500	500	500	2,500	4,750
Cemetery provision	50	0	0	0	0	0	50
Civil parking enforcement	0	135	0	0	0	0	135
Country park capital investment programme	300	1,200	500	1,400	0	0	3,400
Economic sustainability	67	0	0	0	0	0	67
Environment - various small schemes carry forward from 2014/15	195	0	0	0	0	0	195
Four footbridges over the Waterloo Line	0	0	8,800	0	0	0	8,800
Full northern relief road (Wokingham)	250	500	500	13,000	5,000	0	19,250
Future road building/Enhancements across the Borough	0	0	0	0	0	16,200	16,200
Greenways	0	1,000	1,000	1,000	1,000	5,000	9,000
Highway drainage schemes	200	200	200	200	200	1,000	2,000
Highway infrastructure flood alleviation schemes	100	2,000	2,000	0	0	0	4,100
Highways / transport - various small schemes carry forward from 2014/15	1,623	0	0	0	0	0	1,623
Highways carriageways structural maintenance	2,650	2,400	2,400	2,400	2,400	12,000	24,250
Highways footway structural maintenance programme	50	100	100	100	100	500	950
Highways structures	269	0	0	0	0	0	269
Integrated transport schemes	474	400	400	400	400	2,000	4,074
Land purchases for strategic development purposes	2,460	3,000	3,000	3,000	3,000	0	14,460
LED streetlight replacement programme	4,000	4,000	4,000	0	0	0	12,000
London road landfill reparation	60	60	60	60	60	300	600
New allotments to serve non SDL development	0	138	0	0	0	138	276
Nine Mile Ride Extension	0	0	3,000	0	0	0	3,000
Park and ride schemes	0	0	0	0	0	4,200	4,200
Provision and installation of air quality monitoring equipment	10	10	10	0	0	0	30
Public rights of way network	250	25	125	200	200	200	1,000
Public transport network	0	2,500	2,500	2,500	2,500	12,500	22,500
Replacement railway bridge (Guildford Line) on the A321 Finchampstead Road	0	0	5,630	0	0	0	5,630
Replacement railway bridge (Waterloo Line) on the A321 Finchampstead Road	0	0	2,500	0	0	0	2,500
Safety / crash barriers	1,400	750	750	750	750	3,750	8,150
Shinfield eastern relief road	0	0	15,308	0	0	0	15,308
South Wokingham distributor road	150	50	50	1,000	15,000	14,000	30,250
Sports provision across the Borough (excludes Bulmershe Leisure centre)	40	700	500	4,000	0	2,000	7,240
Station link Road	250	0	0	0	0	0	250
Street lighting column structural testing	20	40	40	40	40	200	380
Strengthening approach embankments to bridges	50	950	950	950	20	100	3,020
Super fast broad band	122	122	0	0	0	0	244
Traffic signal upgrade programme - street furniture, poles, fencing, lighting at junctions and crossings	250	250	250	250	250	1,250	2,500

## 10-YEAR CAPITAL VISION

### SCHEME

SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 to 2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Environment continued</b>							
Transport infrastructure energy use reduction	100	0	0	0	0	0	100
Waste schemes	106	89	89	89	89	445	907
Wokingham Borough cycle network	1,000	1,000	1,000	1,000	1,000	5,000	10,000
<b>Total Environment</b>	<b>16,996</b>	<b>23,119</b>	<b>73,162</b>	<b>37,839</b>	<b>32,509</b>	<b>83,283</b>	<b>266,908</b>
<b>Finance &amp; Resources</b>							
Asbestos management	0	50	50	50	50	250	450
Care Act - pre paid card software	50	0	0	0	0	0	50
Commercial portfolio - improvement to industrial units	220	0	100	0	100	200	620
Gas management and structural repairs	0	50	50	50	50	250	450
Information and communications technology (ICT) services	250	0	0	0	0	0	250
Information management technology resources - various small schemes carry forward from 2014/15	34	0	0	0	0	0	34
Information technology (IT) hardware replacement	100	100	100	0	0	0	300
Legionella management	0	50	50	50	50	250	450
Non school building surveys and works at various premises	0	50	50	50	50	250	450
Property maintenance / management - various small schemes carry forward from 2014/15	567	0	0	0	0	0	567
Risk based verification software	90	0	0	0	0	0	90
Strategic assets management - various small schemes carry forward from 2014/15	241	0	0	0	0	0	241
Strategic capital reserve	1,133	5,000	5,000	0	0	0	11,133
Support services energy reduction schemes	500	0	0	0	0	0	500
Technology futures programme	610	0	0	0	0	0	610
<b>Total Finance &amp; Resources</b>	<b>3,795</b>	<b>5,300</b>	<b>5,400</b>	<b>200</b>	<b>300</b>	<b>1,200</b>	<b>16,195</b>

## 10-YEAR CAPITAL VISION

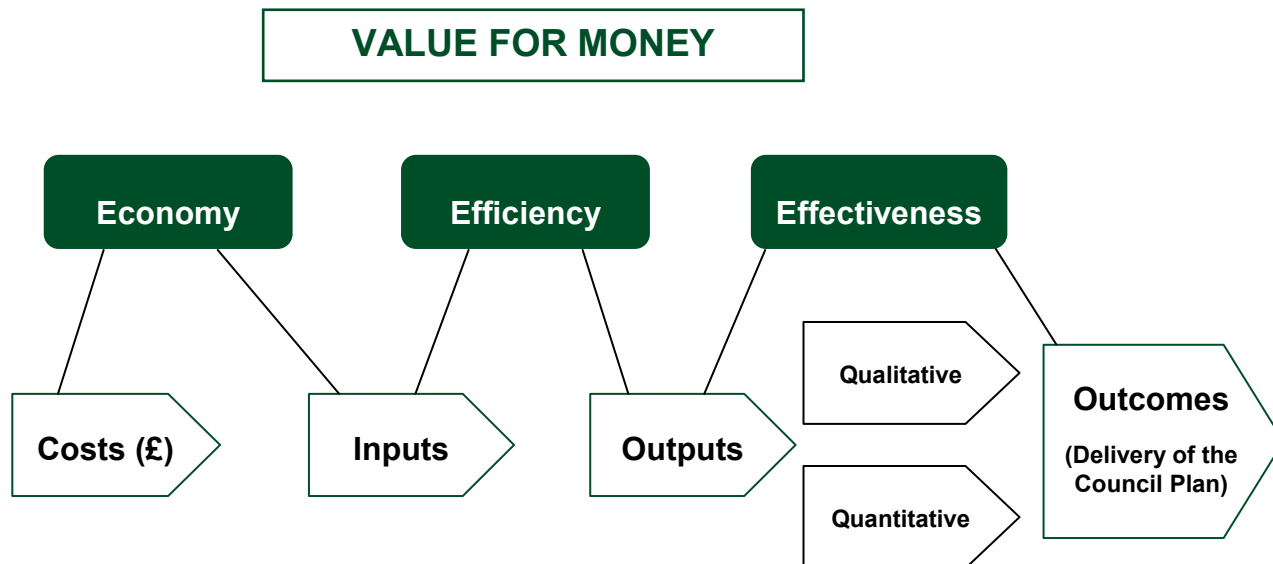
### SCHEME

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 to 2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>2015/16 bids include bought forwards from 2014/15</b>							
<b>Health &amp; Wellbeing including Housing</b>							
Bulmershe swimming pool/leisure centre	0	0	7,000	5,700	0	0	12,700
Day services for adults with physical disability	0	228	0	0	0	0	228
Extra care / enhanced sheltered housing	0	5,500	5,000	1,200	1,200	4,800	17,700
Investment in the council's housing stock (Inc. adaptations/ estate improvements)	6,649	6,779	6,898	4,853	5,022	26,336	56,537
Leisure investment in the Borough	11	0	4,000	3,000	0	0	7,011
Mandatory disabled facility grants	476	330	330	330	330	1,650	3,446
New assessment / resource allocation module linked to Frameworki	100	0	0	0	0	0	100
Strategic commissioning - Health & Wellbeing	2,389	0	0	0	0	0	2,389
Supported living accommodation	1,415	0	0	0	0	0	1,415
Wokingham Housing Limited future developments	2,602	1,350	8,200	5,400	0	0	17,552
Wokingham Housing Limited - including Eustace Crescent and Fosters site	15,827	10,023	0	0	0	0	25,850
<b>Total Health &amp; Wellbeing including Housing</b>	<b>29,469</b>	<b>24,210</b>	<b>31,428</b>	<b>20,483</b>	<b>6,552</b>	<b>32,786</b>	<b>144,928</b>
<b>Total council services budget</b>	<b>95,846</b>	<b>78,325</b>	<b>160,818</b>	<b>97,819</b>	<b>73,440</b>	<b>130,669</b>	<b>636,917</b>

Note: The deficit in years 2 & 3 will be addressed through a combination of maximising resources, prioritising and modifying schemes

## VALUE FOR MONEY

Good value for money for the council 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:



There has been significant cuts in public sector funding from central government. It is 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.

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.

## Major Revenue Contracts over £100,000 per annum

Contract	2015/16 £'000	2016/17 £'000	2017/18 £'000	Contract Expiry
<b>Chief Executive</b>				
Insurance – net total contract	1,160	1,210	1,210	Jun-16
<b>Children's Services</b>				
Independent Foster Agencies – net total contract	868	785	762	Various
Mainstream Home to School Transport – net total contract	1,122	1,122	1,122	Various
Residential Care – net total contract	1,822	1,493	1,211	Various
Schools Broadband – net total contract	312	312	312	Mar-16
Special Education Needs Home to School Transport – net total contract	1,572	1,622	1,672	Various
Adult Learning	220	220	220	Various
Early Intervention Contract	330	330	330	Mar-16
<b>Environment</b>				
Bridge Maintenance Construction	150	160	170	Mar-18
Grounds Maintenance Contract	933	942	951	Mar-16
Gully Emptying	140	144	149	Mar-17
Highways & Transportation Consultancy Contract	1,363	1,404	1,446	Mar-18
Highways Network Works Contract	2,773	2,856	2,942	Mar-18
Refuse & Recycling Collection	2,968	3,027	3,087	Mar-19
Street Cleaning	864	881	899	Mar-16
Street Lighting Energy	667	667	667	May-15
Street Lighting Maintenance	522	537	553	Mar-17
Waste PFI	9,451	9,735	10,027	Dec-31
Trading Standards Joint Service Delivery	328	333	338	Jan-17
Environmental Health and Licensing Joint Service Delivery	781	792	803	Jan-17
Supported Bus Service	560	560	560	Jun-19
<b>Finance and Resources</b>				
Building Cleaning	559	559	559	Mar-17
Education Catering Services (School Meals Contract)	2,000	2,000	2,000	Jul-17
Energy	2,490	3,040	3,200	Oct-15
Virgin Media – wide area network	135	135	135	Various
Civica – software maintenance	128	128	128	Various

Northgate – software maintenance	130	110	110	Various
Microsoft Enterprise Agreement	125	125	125	Mar-16
Telefonica (O2) – fixed and mobile telephony	130	130	130	Various
Core Logic – software maintenance	117	117	117	Various
IT Managed Services Contract	1,711	1,711	1,711	Dec-15
Waste Collection (schools and other local authority buildings)	150	150	150	Jul-15
Mixing Valves & Legionella Testing service & maintenance	100	100	100	Aug-15
Term Maintenance – buildings unit	250	250	250	Aug-15
<b>Health and Wellbeing</b>				
Accommodation Based Services – net total contract	28,221	28,221	28,221	Various
Adult Social Care Provision	10,000	10,000	10,000	Jun-16
Asbestos Management/Surveying & Removal licensed/unlicensed	211	211	211	Jan-17
Day Care – commissioned services	378	378	378	Various
Day Centre Transport Services	200	200	200	Mar-16
Domiciliary Care	789	789	789	Various
Drug and alcohol support	485	485	485	Mar-16
Electrical Works	300	300	300	Mar-18
Heating Servicing, repairs and installations	500	500	500	Jul-16
Help and Care – Healthwatch	108	108	108	Mar-16
Joint Equipment service	211	211	211	Mar-16
Leisure Contract	675	675	675	Mar-18
National Schizophrenia Fellowship	196	196	196	Mar-16
Partnership Contract (Reading BC) for responsive maintenance	1,300	1,300	1,300	Mar-16
Public Health – joint arrangement	1,603	1,603	1,603	Mar-16
Supporting People	880	880	880	Various
Community Support Services using Individual Services Funds	597	597	597	Various
<b>Schools Block</b>				
Early Education Funding – net total contract	6,438	6,438	6,438	Various
Independent School Fees – net total contract	5,794	5,794	5,794	Various



## KEY ACTIVITY DATA

	Unit Description	2015/16 Units	Ave Price £	Total £'000	Units	2016/17 Ave Price £	Total £'000	Units	2017/18 Ave Price	Total £'000	Risk Indicator
<b>Children's Services</b>											
Foster Placement Allowances Independent Foster Placements	weeks	967	898	868	901	871	785	824	925	762	High
Residential Care	weeks	777	2,345	1,822	681	2,192	1,493	598	2,025	1,211	High
<b>Finance and Resources</b>											
Free Bus Pass	per pass	24,900	34	847	25,250	34	859	25,750	33	850	Medium
Investment Returns	% of return	33m	0.6%	(198)	28m	0.125%	(350)	23m	0.175%	(403)	High
Land Searches	per search	2,406	107	257	2,406	107	257	2,406	107	257	High
<b>Environment</b>											
Waste Disposal (based on 78,000 tonnes pa combined landfill and recycling. Average price based on current year actuals plus increase in landfill tax year on year)	charge per tonne	79,265	134	10,621	81,627	138	11,264	84,075	142	11,940	Medium
Building Control - Inspection fee	per application	8,800	42	370	8,800	44	387	8,800	46	405	Low
Building Control - Plan check fee	per application	896	323	289	896	338	303	896	353	316	Low
Building Control - Regularisation	per application	65	551	36	65	576	37	65	601	39	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
<b>Health &amp; Wellbeing</b>											
Learning Disability, Residential Care	weeks	5,487	1,359	7,457	5,487	1,359	7,457	5,487	1,359	7,457	High
Learning Disability, Supported Living	weeks	8,231	740	6,091	8,530	740	6,312	8,819	740	6,526	High
Mental Health, Residential Care	weeks	199	1,222	243	199	1,222	243	199	1,222	243	Medium
Older People, Homecare	hours	293,526	19	5,577	317,842	19	6,039	354,316	19	6,732	High
Older People, Nursing Care	weeks	5,334	763	4,070	5,798	763	4,424	6,267	763	4,782	Medium
Older People, Residential Care	weeks	3,934	668	2,628	3,934	668	2,628	3,934	668	2,628	Medium
Physical Disability, Homecare	hours	45,026	39	1,756	45,026	39	1,756	45,026	39	1,756	High
Physical Disability, Residential Care	weeks	268	803	215	268	803	215	268	803	215	Medium
<b>Schools Block - Dedicated Schools Grant</b>											
Independent Special School Placements	per pupil	110	57,636	6,340	107	57,636	6,160	104	57,636	5,980	High

Note - Building Control units based on WBC activity only

# 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 owned by a charity (exempt for up to six months)
- 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)

Local discounts are in place for properties that are unfurnished, and for properties that require or are undergoing structural alterations or major repairs.

There is also a discount for annexes occupied by family members, but not dependent family members, who would qualify for an exemption (see exemptions).

### **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 - Reduction**

From 1<sup>st</sup> 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 – Premium**

From 1<sup>st</sup> April 2013 onwards, properties that have been empty for more than two years will be charged a premium of 50% of the council tax for the property. This initiative is to help bring empty homes back into use.

### **7 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.

## 8 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

## 9 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 2014/15, and 2015/16 are as follows:

Precept	2014/15 £	Band D £	2015/16 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	10,352,718	160.51	10,666,234	163.70	1.99
Royal Berkshire Fire Authority	3,912,503	60.66	3,952,436	60.66	0.0

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2016. 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 31<sup>st</sup> March 2016 the collection fund aims to achieve a surplus of £375,000, therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £318,480

Police and Crime Commissioner for Thames Valley – £41,020

Royal Berkshire Fire Authority - £15,500

## PARISH PRECEPTS 2015/16

PARISH	TAX BASE	2014/15	COUNCIL TAX BAND D	TAX BASE	2015/16	COUNCIL TAX BAND D
		PARISH PRECEPT £			PARISH PRECEPT £	
Arborfield & Newland	1,259.5	86,289	68.51	1,259.5	86,280	68.50
Barkham	1,427.8	38,342	26.85	1,440.1	38,342	26.62
Charvil	1,382.2	38,572	27.91	1,392.4	39,451	28.33
Earley	11,664.5	735,213	63.03	11,671.1	747,387	64.04
Finchampstead	5,653.7	122,408	21.65	5,653.7	122,410	21.65
Remenham	309.3	21,420	69.25	317.5	21,420	67.46
Ruscombe	487.9	9,766	20.02	495.6	9,766	19.71
St. Nicholas Hurst	1,022.8	22,500	22.00	1,039.6	22,500	21.64
Shinfield	4,591.3	264,470	57.60	4,621.2	277,919	60.14
Sonning	787.5	31,459	39.95	805.9	34,400	42.69
Swallowfield	956.3	18,303	19.14	957.0	18,540	19.37
Twyford	2,944.0	58,599	19.90	2,944.0	58,598	19.90
Wargrave	2,077.7	152,841	73.56	2,078.7	154,937	74.54
Winnersh	3,800.7	107,801	28.36	3,800.7	107,801	28.36
Wokingham Town	13,600.5	625,492	45.99	14,042.0	665,195	47.37
Wokingham Without	3,073.3	143,925	46.83	3,073.3	143,925	46.83
Woodley	9,459.9	1,030,349	108.92	9,564.9	1,010,532	105.65
<b>TOTAL</b>	<b>64,498.9</b>	<b>3,507,749</b>	<b>54.38</b>	<b>65,157.2</b>	<b>3,559,403</b>	<b>54.63</b>

## COUNCIL TAX BY BAND AND PARISH 2015/16

Band	A £	B £	C £	D £	E £	F £	G £	H £
<b>Average Council Tax</b>	<b>1,016.80</b>	<b>1,186.26</b>	<b>1,355.73</b>	<b>1,525.20</b>	<b>1,864.14</b>	<b>2,203.07</b>	<b>2,542.00</b>	<b>3,050.40</b>
WBC plus average Parish	867.23	1,011.76	1,156.30	1,300.84	1,589.91	1,878.99	2,168.06	2,601.68
Average Parish	36.419	42.49	48.56	54.63	66.77	78.91	91.05	109.26
Police Authority	109.13	127.32	145.51	163.70	200.08	236.46	272.83	327.40
Fire Authority	40.44	47.18	53.92	60.66	74.14	87.62	101.10	121.32
Wokingham Borough Council	830.81	969.27	1,107.74	1,246.21	1,523.15	1,800.08	2,077.02	2,492.42

Band Parish Precepts	A £	B £	C £	D £	E £	F £	G £	H £
Arborfield & Newland	45.67	53.28	60.89	68.50	83.72	98.94	114.17	137.00
Barkham	17.75	20.70	23.66	26.62	32.54	38.45	44.37	53.24
Charvil	18.89	22.03	25.18	28.33	34.63	40.92	47.22	56.66
Earley	42.69	49.81	56.92	64.04	78.27	92.50	106.73	128.08
Finchampstead	14.43	16.84	19.24	21.65	26.46	31.27	36.08	43.30
Remenham	44.97	52.47	59.96	67.46	82.45	97.44	112.43	134.92
Ruscombe	13.14	15.33	17.52	19.71	24.09	28.47	32.85	39.42
St. Nicholas Hurst	14.43	16.83	19.24	21.64	26.45	31.26	36.07	43.28
Shinfield	40.09	46.78	53.46	60.14	73.50	86.87	100.23	120.28
Sonning	28.46	33.20	37.95	42.69	52.18	61.66	71.15	85.38
Swallowfield	12.91	15.07	17.22	19.37	23.67	27.98	32.28	38.74
Twyford	13.27	15.48	17.69	19.90	24.32	28.74	33.17	39.80
Wargrave	49.69	57.98	66.26	74.54	91.10	107.67	124.23	149.08
Winnersh	18.91	22.06	25.21	28.36	34.66	40.96	47.27	56.72
Wokingham Town	31.58	36.84	42.11	47.37	57.90	68.42	78.95	94.74
Wokingham Without	31.22	36.42	41.63	46.83	57.24	67.64	78.05	93.66
Woodley	70.43	82.17	93.91	105.65	129.13	152.61	176.08	211.30

Band All Precepts	A £	B £	C £	D £	E £	F £	G £	H £
Arborfield & Newland	1,026.05	1,197.05	1,368.06	1,539.07	1,881.09	2,223.10	2,565.12	3,078.14
Barkham	998.13	1,164.47	1,330.83	1,497.19	1,829.91	2,162.61	2,495.32	2,994.38
Charvil	999.27	1,165.80	1,332.35	1,498.90	1,832.00	2,165.08	2,498.17	2,997.80
Earley	1,023.07	1,193.58	1,364.09	1,534.61	1,875.64	2,216.66	2,557.68	3,069.22
Finchampstead	994.81	1,160.61	1,326.41	1,492.22	1,823.83	2,155.43	2,487.03	2,984.44
Remenham	1,025.35	1,196.24	1,367.13	1,538.03	1,879.82	2,221.60	2,563.38	3,076.06
Ruscombe	993.52	1,159.10	1,324.69	1,490.28	1,821.46	2,152.63	2,483.80	2,980.56
St. Nicholas Hurst	994.81	1,160.60	1,326.41	1,492.21	1,823.82	2,155.42	2,487.02	2,984.42
Shinfield	1,020.47	1,190.55	1,360.63	1,530.71	1,870.87	2,211.03	2,551.18	3,061.42
Sonning	1,008.84	1,176.97	1,345.12	1,513.26	1,849.55	2,185.82	2,522.10	3,026.52
Swallowfield	993.29	1,158.84	1,324.39	1,489.94	1,821.04	2,152.14	2,483.23	2,979.88
Twyford	993.65	1,159.25	1,324.86	1,490.47	1,821.69	2,152.90	2,484.12	2,980.94
Wargrave	1,030.07	1,201.75	1,373.43	1,545.11	1,888.47	2,231.83	2,575.18	3,090.22
Winnersh	999.29	1,165.83	1,332.38	1,498.93	1,832.03	2,165.12	2,498.22	2,997.86
Wokingham Town	1,011.96	1,180.61	1,349.28	1,517.94	1,855.27	2,192.58	2,529.90	3,035.88
Wokingham Without	1,011.60	1,180.19	1,348.80	1,517.40	1,854.61	2,191.80	2,529.00	3,034.80
Woodley	1,050.81	1,225.94	1,401.08	1,576.22	1,926.50	2,276.77	2,627.03	3,152.44

## **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.

#### **Directors**

The 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 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 (Chief Finance Officer)**

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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