



Medium term financial plan 2020/21

Revenue Budget Forecast & Capital Budget Forecast to 2022/23



WOKINGHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN 2020/21

(Inc. Revenue Budget Forecast & Capital Budget Forecast to 2022/23)

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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 is intended to discharge this responsibility and provides a strategic overview of the Council's financial position as a context before making specific considerations on the 2020/21 budget.

The budget setting process starts early in the previous financial year with a focus on areas which require budget growth to meet growing demands and areas which can deliver savings through efficiencies and additional income generation. A budget submission process is undertaken to ensure budget bids can be challenged in the context of the Council's aims and objectives. To enhance transparency and budget setting engagement, this year's process has included consultation with the Community & Corporate Overview & Scrutiny Committee (CCOSC). Information provided at CCOSC is also available to the Public.

In December 2019, CIPFA published their financial resilience tool which highlighted key financial indicators such as reserves sustainability, external debt and social care ratios based on the 2018/2019 financial year. The index shows a Council's position on a range of measures associated with financial risk. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over the past four years, public consultation and technical stakeholder engagement. Wokingham have been rated in the top 20 of upper tier Councils for financial sustainability (source: 9th Jan – The Management Journal). Although Wokingham have been rated highly for financial sustainability, the Council still face significant challenges and risks in the future which are outlined in this report and throughout the Medium Term Financial Plan (MTFP).

2. Strategic Overview

Government's Spending Round September 2019

The Spending Round sets out the government's spending plans for 2020/21. From 2019/20 to 2020/21, day-to-day departmental spending will now grow at 4.1% in real terms. Since 2010 the amount the government borrows each year has reduced and is now just 1.1% of gross domestic product (GDP), enabling the government to spend more on the UK's public services in a sustainable way.

The Spending Round targets additional money on the priorities of healthcare, education and tackling crime and for the first time since Spending Review 2002, no department faces a cut to its day-to-day budget. The Spending Round marks a new focus on the outcomes the government will deliver. This approach will be further developed at the Spending Review in 2020.

Local Government Finance Settlement December 2019

Local authorities up and down the country have continued to push for a fairer funding review and long-term finance settlements to provide sustainable long term funding. This funding review has been delayed to 2021/22, meaning the local government finance settlement 2020/21 is for one year only.

As a result of numerous years of local government funding driven by a formula that is skewed toward deprivation factors (as opposed to recognising the basic cost of providing services) and reductions in centrally funded grants based on percentage reductions to previous years, Wokingham Borough Council has been for many years the lowest funded unitary authority (per head of population) in the country. A consequence of this is that Wokingham Borough Council's local services are almost entirely funded by its council taxpayers. Whilst the average unitary authorities receive revenue support grant and retained business rates to fund around 28% of their service costs, Wokingham receive only 10%.

The Local Government funding methodology that has been in place for the past 5 years is particularly challenging for Wokingham. Firstly Wokingham's council taxpayers are required to pay the largest contribution to local services; then this income from council taxpayers is used as a basis on which to calculate an annual Government grant reduction and lastly, the highest local taxation levy is assumed each year of the settlement (council tax at inflation plus a 2% adult social care precept) in order to maximise the grant reduction. Wokingham's situation is further compounded by the way the new homes bonus (NHB) has been included within the grant cut calculation and assumed to be used as income that is generally available as opposed to recognising its requirement for Housing Development and Regeneration Activity. Furthermore, now that our housing supply projects are underway and delivering on their intention, our NHB should be increasing. Under the current one year settlement, NHB funding has been cut and restricted to a single in-year payment, despite the significant number of new homes being built in the borough.

In recent years the government has capped council tax increases to under 2% (excluding the adult social care precept) and any increase above this would require a local referendum funded by the local taxpayer. The previous 2 years have seen an exception where the referendum cap was increased to under 3%. For 2020/21, this additional flexibility has been removed with increases reducing back to the 2% cap before a local referendum is required.

Wokingham, along with its Berkshire neighbours successfully bid to be part of a 100% business rates retention pilot for 2018/19. The Berkshire Councils were again successful in their pilot bid in 2019/20. However instead of 100%, the retention level is set at 75% to better reflect the proposed new scheme. For 2020/21, it has been announced that the 75% Berkshire business rates pilot will stop with Wokingham reverting to the pre-pilot funding arrangements for business rates.

Negative Revenue Support Grant

In line with last year, the December 2019 draft finance settlement proposed that the government would forgo the additional tariff (colloquially known as negative RSG) in 2020/21 (originally forecast at £7.14m in the four-year settlement and assumed to increase in 20/21 in line with previous settlements) which is a significant one-off benefit for Wokingham. The government is producing a new methodology for the 'fairer-funding' of local government and therefore the Council must remain extremely cautious with regard to its ongoing base-line

funding; the outcome of this review will not be known until late in 2020. It is expected that business rates will be retained by local authorities within the overall funding considerations. However this is likely to mean there will be no overall real-term increase in total resources available to the local government community.

Future Funding Settlements

With 2019/20 being the final year of an agreed four-year settlement, the Council were expecting the announcement of a new four-year settlement. However with continued uncertainties surrounding the UK economy, the finance settlement for 2020/21 has been restricted to one year only. This means that there is still much uncertainty around future settlements in terms of duration and the actual amount of funding Wokingham will receive. Consequently it has been difficult to make definite determinations about budgets in 2021/22 and 2022/23, but with government money being allocated to ring-fenced departments (eg: DoHSC, DfE and MoD) it is likely that local government will once again experience a reduced real-terms settlement going forward, and therefore must budget accordingly. This context means it is extremely important the Council takes a prudent approach in its budget setting proposals for the 2020-2023 medium term financial plan.

Adult Social Care (ASC)

The Government's continued aim is that by 2020 health and social care will be integrated across England, with joined up services between social care providers and hospitals, and that it should feel like a single service for patients. The long-promised Green Paper on Social Care has once again been delayed.

In recognition of the continually increasing statutory care costs faced by Local Authorities an ASC council tax precept of up to 2% has been re-introduced for 2020/21, replacing the previous scheme that permitted a 6% increase over a 3 year period. It is unknown what will be in place beyond 20/21 but this will no doubt be a key consideration in any future sustainable Local Government funding system.

Commercialisation, Regeneration and Housing Development

The Council continues its ambition to deliver on major capital investment for housing and regeneration with the infrastructure needed to create sustainable developments. The rewards are not just about creating better places to live but are also about creating new income streams to the Council, where possible and appropriate, to fund the continually increasing costs of vital services. The regeneration of Wokingham Town centre is a good example of this. With an ambitious Capital Programme there is an inevitable increase in risk and increase in borrowing (pending future capital receipts and associated income streams). This risk has not been helped by recent increases in Public Works Loan Board borrowing rates.

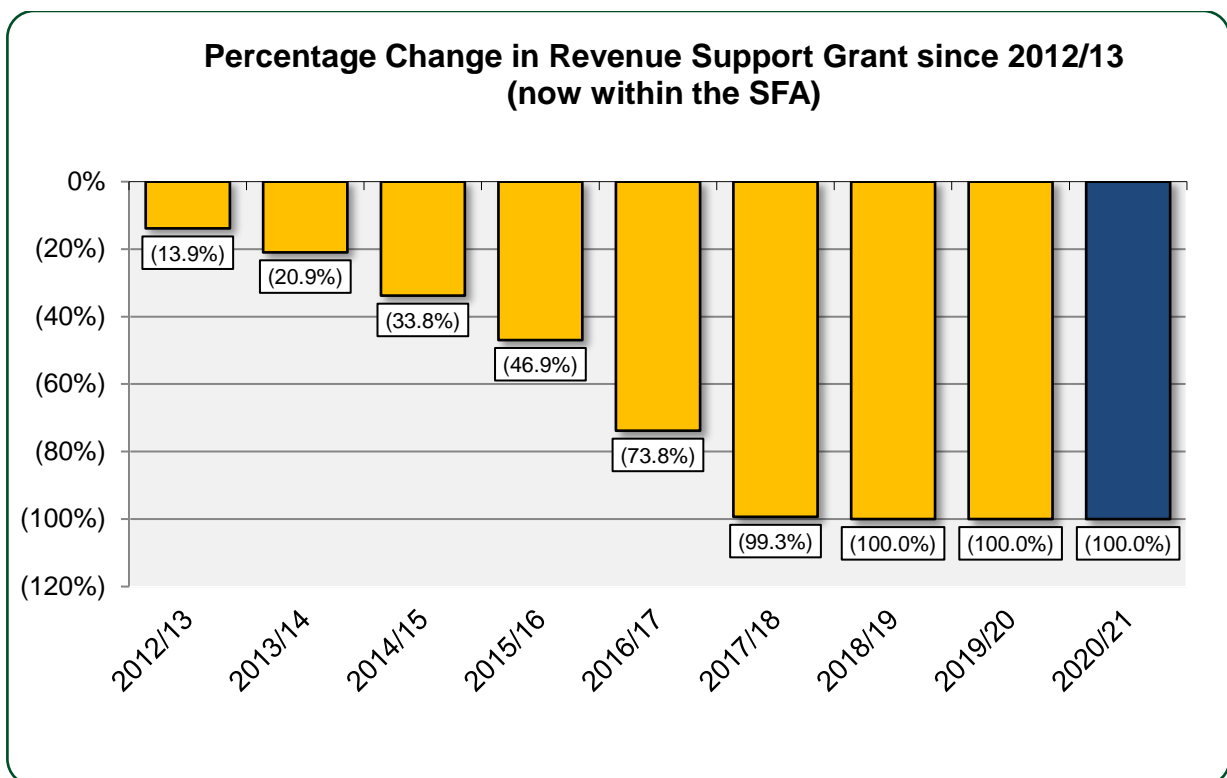
The MTFP will seek to ensure a prudent approach to Capital investment requirements, assumed Revenue Income streams and balances to mitigate risks, in the context of the Council's considerable investment ambition.

3. Analysis of Reductions in Government Funding

The percentage changes in Government Funding since 2012/13 are shown below. Following the December 2010 Local Government Finance Settlement, Wokingham suffered a reduction in RSG for the first time in 2011/12, that is followed by reductions cumulatively as shown in the graph below. In 2018/19 and 2019/20 RSG had reduced to zero. It was expected that by 2019/20 the grant would be cut still further with some authorities required to pay a 'negative RSG'. However, following consistent representations made by this authority, we have been informed again through the finance settlement that negative RSG will not be enacted in 2020/21 (similar to 2019/20). The funding position is unclear from 2021/22 onwards and Wokingham will need to continue to make representations with regard to the new methodology for financing local authorities to ensure we secure a fair and viable ongoing funding settlement from the Government.

RSG was previously the significant unringfenced grant that supported the Council's ongoing revenue expenditure. From 2013/14 it has been incorporated within the settlement funding assessment (SFA). The 100% RSG reduction for Wokingham is higher than the Berkshire average reduction and the average for all unitary authorities.

The graph below shows the cumulative reductions in grant for Wokingham.

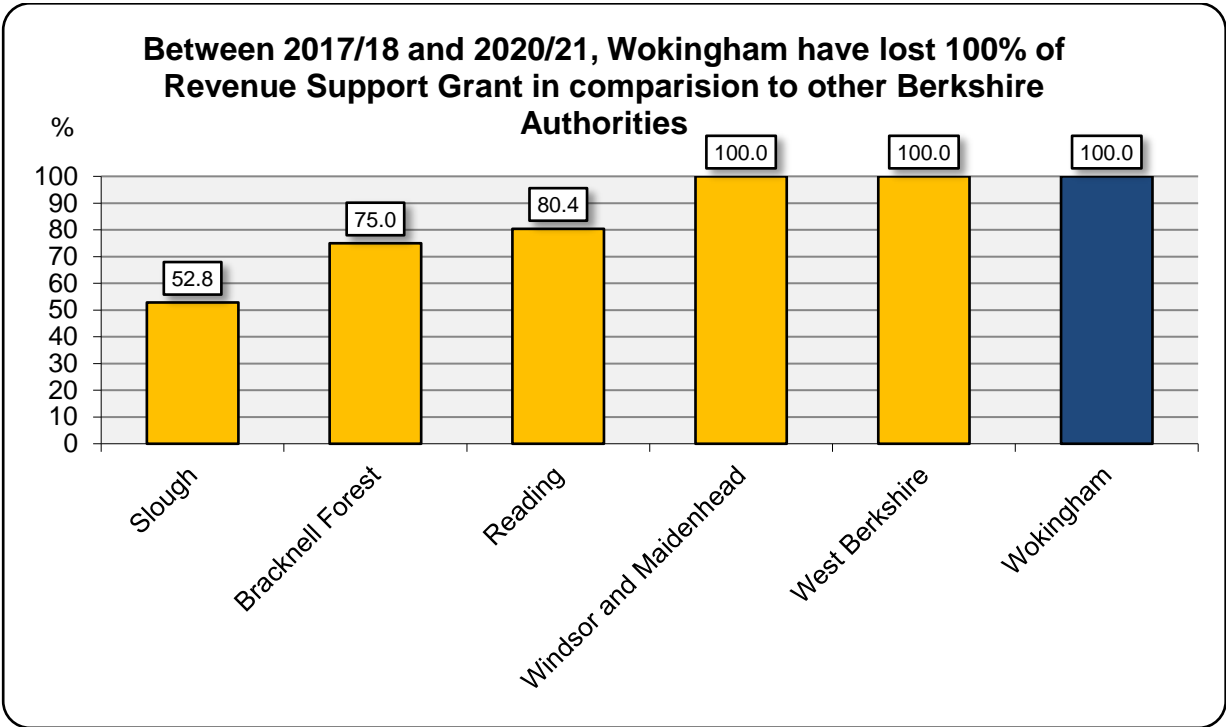


The graph above shows that in 2020/21 the Council faced no further reduction in RSG due to the removal of negative RSG announced in the draft finance settlement. This good news is short lived as the Council will face a new base-line funding assessment in 2021/22.

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 £32.9m (31%) between 2010/11 and 2020/21.

	£m
WBC 2020/21 net expenditure budget	129.7
Less reduction in grants for services now part of formula grant	(12.5)
Less discount re inflation since 2010/11 (based on CPI)	(29.8)
Less discount re growth in council tax base since 2010/11	(15.1)
Net expenditure budget 2020/21 discounted to 2010/11 Prices (a)	72.3
WBC 2010/11 net expenditure budget (b)	105.2
Reduction in expenditure since 2010/11 (b – a)	£32.9m (31%)

The graph below compares the RSG reductions by 2020/21 across Berkshire Councils.



A growing number of councils now no longer receive RSG. Wokingham was one of the first to lose all its RSG funding.

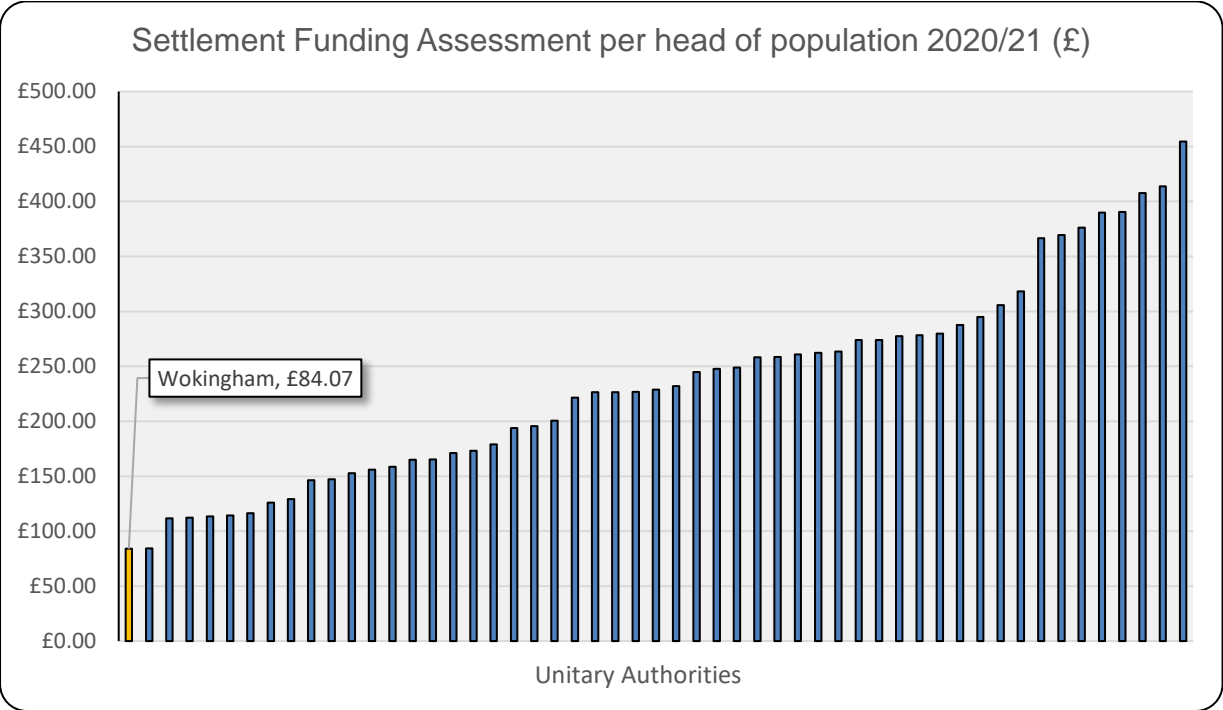
Similar to 2019/20, for 2020/21 Wokingham’s RSG remained at zero. A negative RSG was proposed for 2020/21. However following the finance settlement, it was announced there would be no negative RSG in 2020/21. This is good news for Wokingham. However only for a short period of time as the funding for 2021/22 is unclear and subject to the outcomes of the comprehensive spending review.

Settlement Funding Assessment (SFA)

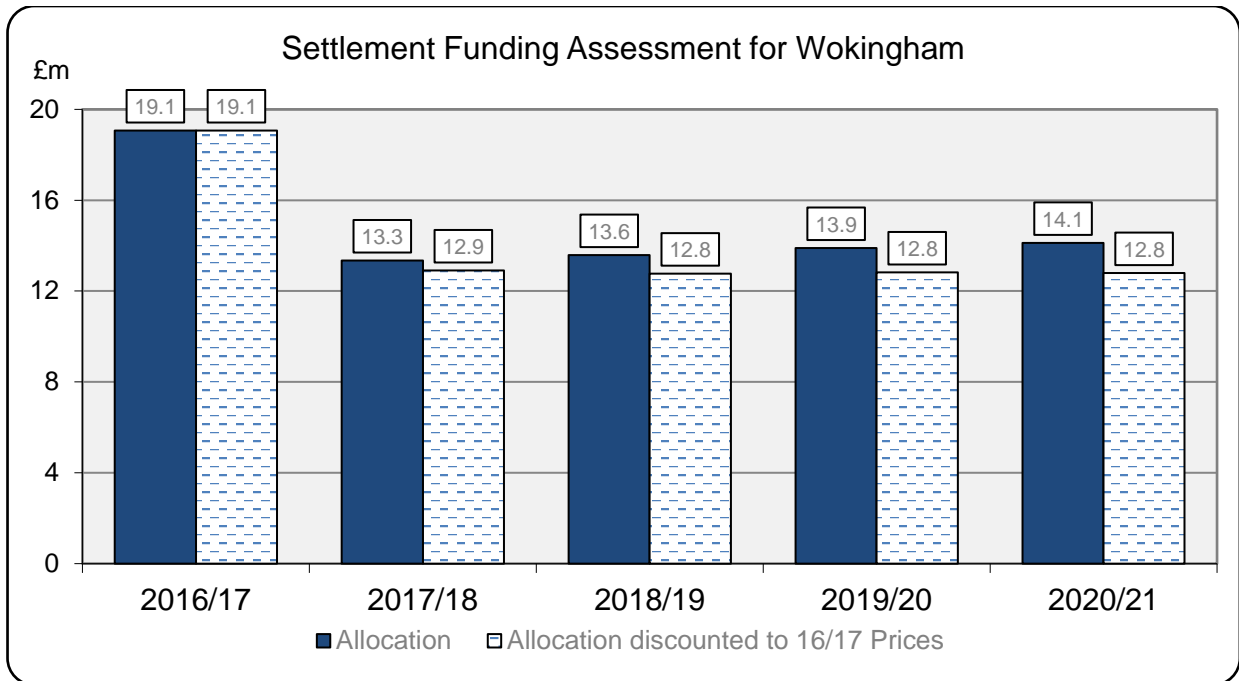
The SFA is a calculation consisting of the sum of baseline funding level (BFL) and the revenue support grant (RSG). The BFL represents Wokingham’s share of business rates retained income (£14.1m) and the RSG represents a grant from government to help fund services within Wokingham (£Nil).

Wokingham’s total SFA will be £14.1m in 2020/21, compared to £19.1m in 2016/17, a reduction of 26.2%, or £5.0m.

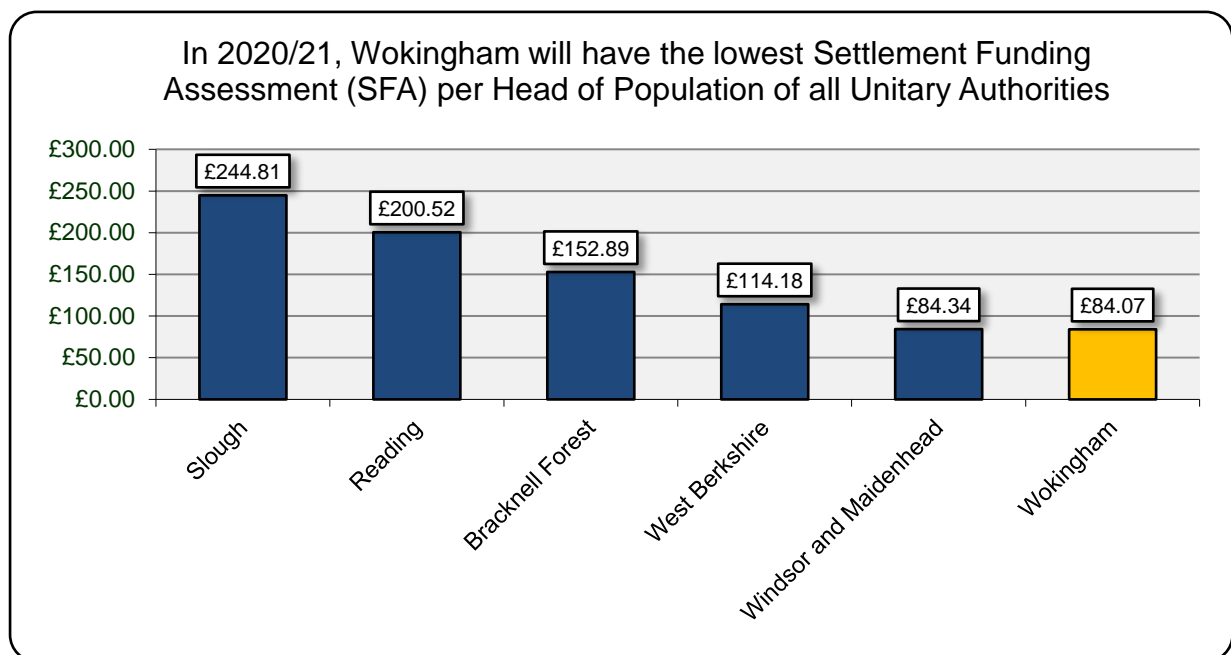
The graph below shows the position for 2020/21 and confirms that Wokingham is the lowest funded unitary authorities, well below the unitary average, and less than 19% of the highest funded unitary authority:



The graph below shows the settlement funding assessment for Wokingham over a five year period covering the last four year finance settlement. The reduction since 2016/17 is mainly due to the Council’s revenue support grant reducing to £Nil. The allocations have increased since 2017/18 in line with inflation. However when discounted back to 2016/17 prices (i.e. pre reductions), the graph shows the allocations have been static at the same time when demand pressures and cost of services have increased.

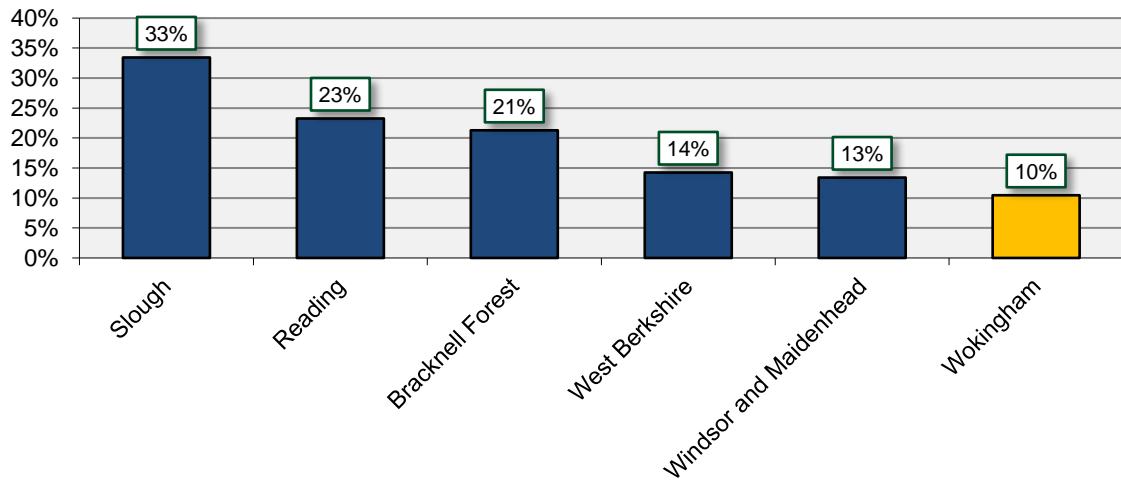


The graph below shows the settlement funding assessment on a per-head of population basis for each Berkshire Council. Wokingham will receive the SFA per head of £84.07, which is significantly lower than the unitary authorities' average. It is also less than half the funding of two of the Berkshire authorities.



Wokingham's settlement funding assessment income is only 10% of its 2020/21 total available income (known as core spending power). This is less than a third of one Berkshire Council (33%), and lower than all other unitary authorities. The practical implication for Wokingham is that it must fund a higher proportion of the Council's expenditure through council tax than any other unitary authority, and therefore increases/decreases in council tax have a greater proportional impact on services.

In 2019/20, Wokingham will have the lowest Settlement Funding Assessment as a percentage of available Income

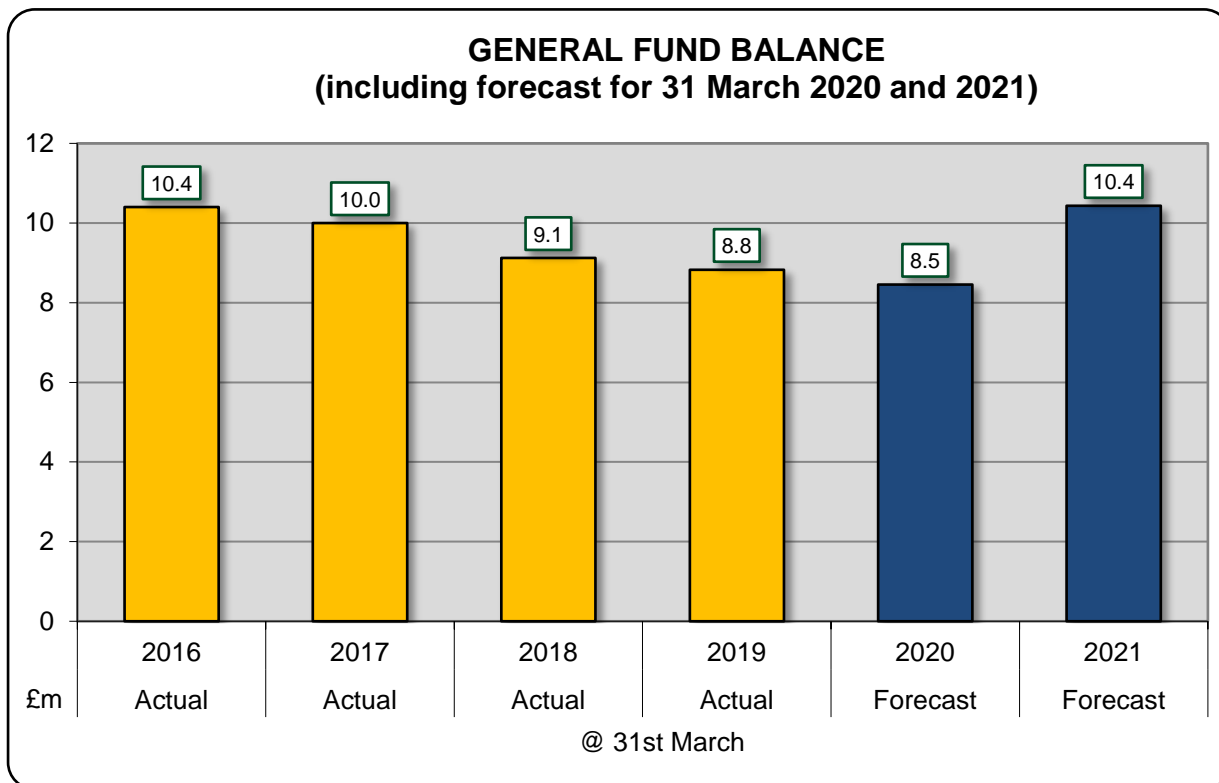


In 2020/21, Wokingham will receive the lowest percentage of SFA grant as a share of its total income, of any unitary authority. Wokingham will receive 10%, compared to some unitary councils for which government grants will fund over 40%, and an average of 28%. As a result, the percentage of expenditure met by Wokingham council tax payers is the highest of any unitary authority.

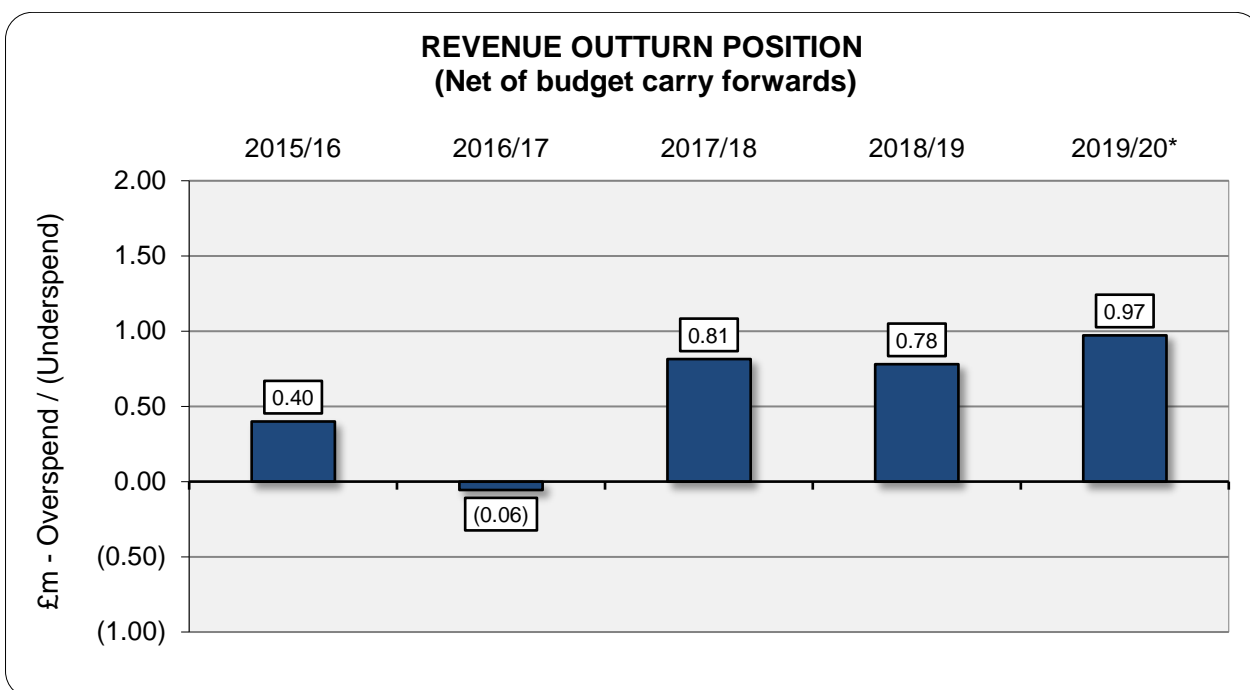
4. General Fund Balances (GFB)

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 reserves and balances. The budget risk analysis is included annually in the medium term financial plan. The graph below shows actual GFBs at 31 March 2019 and a forecast for 31 March 2020 and 31 March 2021. The expected reduction for 31 March 2020 is as a result of in year supplementary estimates, carry forwards and projected overspends across directorates.

The risks facing the Council's finances have increased significantly, they include the implication of future years of austerity; further grant reductions; additional service pressures; substantial regeneration programmes requiring forward funding; dependency on future commercial income and capital contributions; risks around business rate receipts, and the level of retained business rates.



A further consideration in setting a prudent level of GFBs 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).



*19/20 also includes supplementary estimates, which masks an underlying pressure.

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 2019/20 currently shows an overspend of £0.973m compared to the budget approved in February 2019, based on December monitoring, as well as the inclusion of supplementary estimates and carry forward requests. It should be recognised that within the overall position there are significant underlying cost pressures within the 2019/20 budget including, for example, pressures on social care placements and increasing demand on children services; this will need to be considered within the 2020/21 budget submission.

5. Other Balances

The Council holds other earmarked 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.

Many of the earmarked reserves are held for specific purposes such as developer funding for future maintenance of assets, grants received in advance and equalisation funds to smooth annual changes on demand led areas such as waste and recycling. Other reserves include interest equalisation and forward funding which are linked to the capital programme where infrastructure is delivered ahead of receipt of developer funding.

6. Council Tax

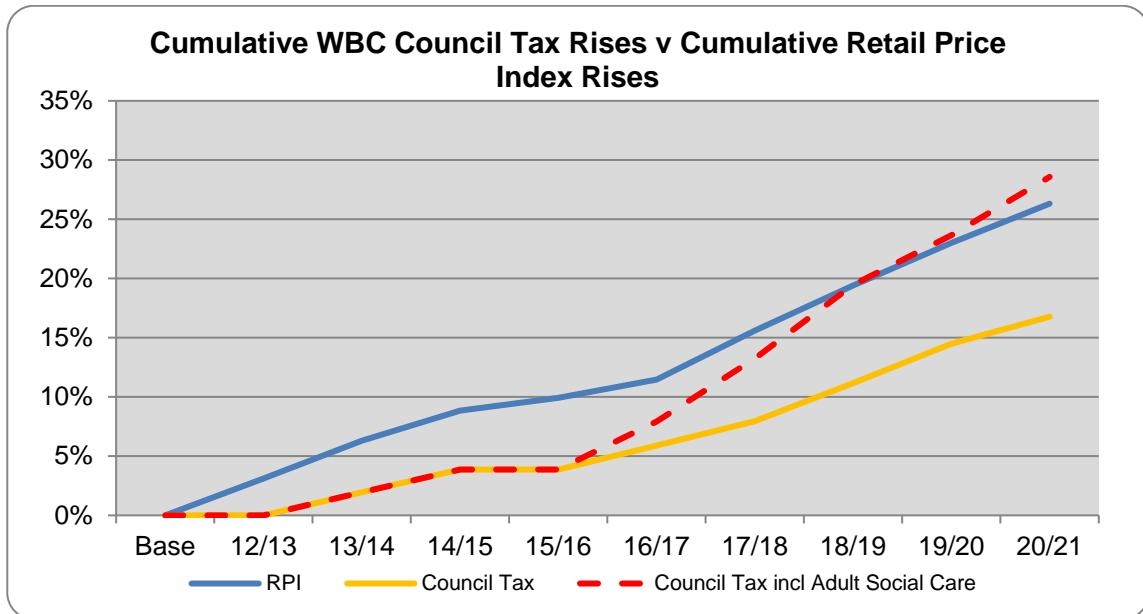
Funding is fixed by the Government and therefore increases in service funding affects the level of council tax that must be levied. This is a major area of tension in every budget setting year; the increase in council tax versus the quality and level of service delivery. This is a particularly difficult 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, etc.) and pressures to improve services from both the public and the Government. Across recent years Wokingham has succeeded in keeping council tax increases in line with or below inflation (achieving a freeze in 2012/13 and 2015/16) as shown in the table below. Since 2016/17 the increases have exceeded the inflation level, but this is due to the government's calculations which assume both inflationary increases and an additional adult social care increase to council tax. Recent changes in council tax can be seen in the table below.

Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*
RPI (May figures)	2.4%	1.0%	1.4%	3.7%	3.3%	3.0%	2.7%
Wokingham BC Council tax (core element)	1.9%	0.0%	1.9%	1.9%	2.99%	2.99%	1.99%
Wokingham BC Council tax (Adult social care)	n/a	n/a	2.0%	3.0%	2.5%	0.5%	2.00%

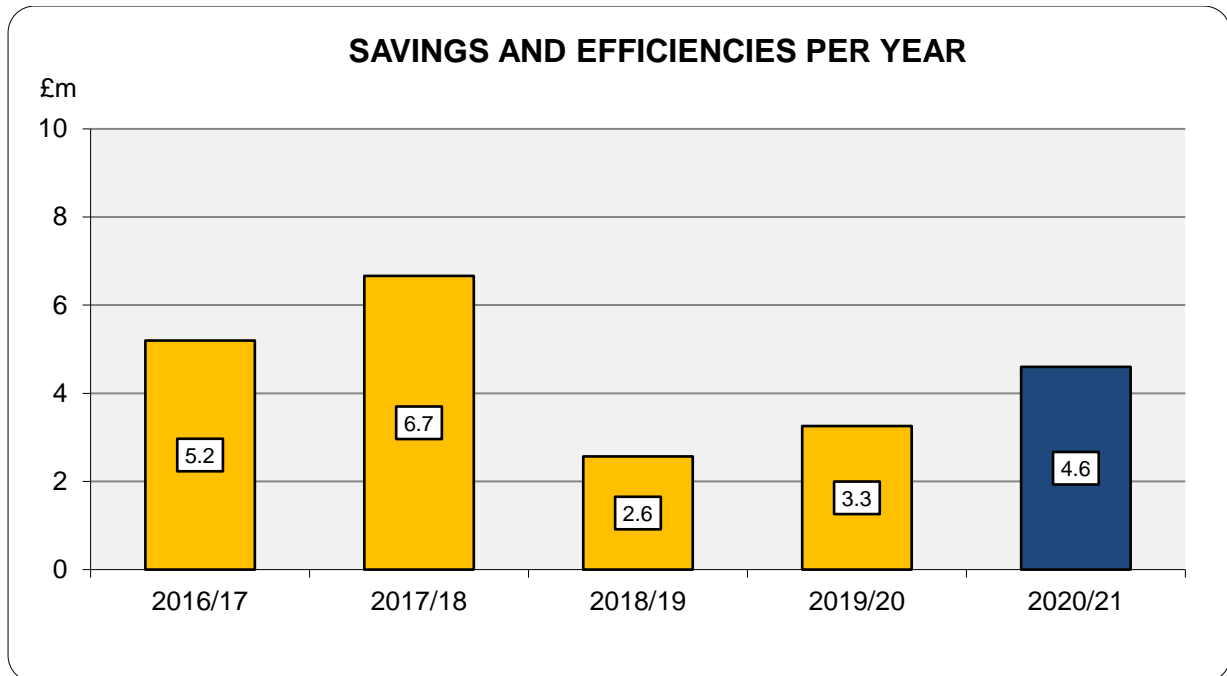
* OBR November 2019 forecast of 2020 Q1 RPI

Taken across a longer time period, as can be seen in the graph below, council tax increases (excluding Adult Social Care precept) have always been kept below inflation. This is a reflection of the Council's continuing pursuit of efficiencies and value for money, particularly relevant in the context of it being the lowest grant funded unitary authority per head of population.



Savings

The total savings, efficiencies and income generation that have been identified in setting the council tax in previous years are shown below. It equates to over £22.3m over the five years. Savings are used to fund growth, inflation and reductions in Government grants.



The savings shown above reflect the budgeted savings made for each financial year (or planned savings in the case of 2020/21).

7. Budget Pressures

An overview of the 2020/21 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).

	Inflation	Growth	Savings
Budget Pressures 2020/21 (£m)	£3.6m	£6.5m	(£4.6m)

This growth is largely driven by demographic pressures in Adults' and Children's Services. The current outturn is showing further pressures in these areas including home-to-school transport.

8. Revenue Resources Outlook and Risks 2020/21 and Beyond

The financial future remains very challenging and the Council will experience pressure on its resources in a way it has not had to endure previously. Under the Council's budget management protocol Members are required to agree budgets based on the best estimate for the agreed level of service.

A budget risk analysis has been undertaken for 2020/21 and is detailed in the MTFP. This identifies budgets where there remains a risk of overspending. The budget risk analysis is used as a guide to determine the level of general fund balance required.

Given the growing unavoidable expenditure pressures to meet the Council's statutory responsibilities, coupled with significant reductions in overall Government Grants, the budget will inevitably contain a degree of risk. 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 major issues that may impact on future revenue resources are:

Statutory Costs of Care

Care needs are based on a national threshold, with demand strong across adult services. In addition, Children's Services also have budget pressures in 2019/20 for agency care staffing, additional placements and increased home to school transport demand. The increase in the living wage to £8.72 per hour for those over 25 years old in 2020/21 from £8.21 in 2019/20 will continue to put additional pressure on care providers as they seek to retain staff and recover costs. The impact of the ruling that employees should be paid at least the minimum wage for "sleep-ins" (support during the night) has also impacted providers. Further increases in the living wage have been promised by Government which will continue to put pressure in this area. The current economic climate alongside increasing service needs, and cost increases as a result of the living wage mean care providers are likely to be operating at even tighter margins leading to the risk that they could enter financial difficulties and possibly even provider failure. These pressures will need to be considered along with other budget pressures in the 2020/21 budget and beyond.

Spend Driven by Demand

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. For example, Children's protection plans alone have increased by 164% over the past 2 years. The statutory services of Adult Social Care and Children Services total approx. £75m and make up 58% of the total Council budget. Another significant demand led budget is waste collection and disposal. When added to the statutory costs of care, these demand led services account for 68% of the overall Council's budget.

Special Educational Needs and Disability (SEND)

The Council is facing extreme cost pressures around its SEND provision, due to increased demand and a requirement for out-of-borough placements which are traditionally more expensive than provision within the Wokingham area. These also attract higher home-to-school transportation expenses as well giving a double charge to the already stretched budgets. The Council is focusing much of its effort in preventing the requirement to place young people outside the borough wherever possible, and in ensuring the resources available are aligned with strategic priorities. This also impacts on Adult Social Care budgets as these young people transition into adulthood.

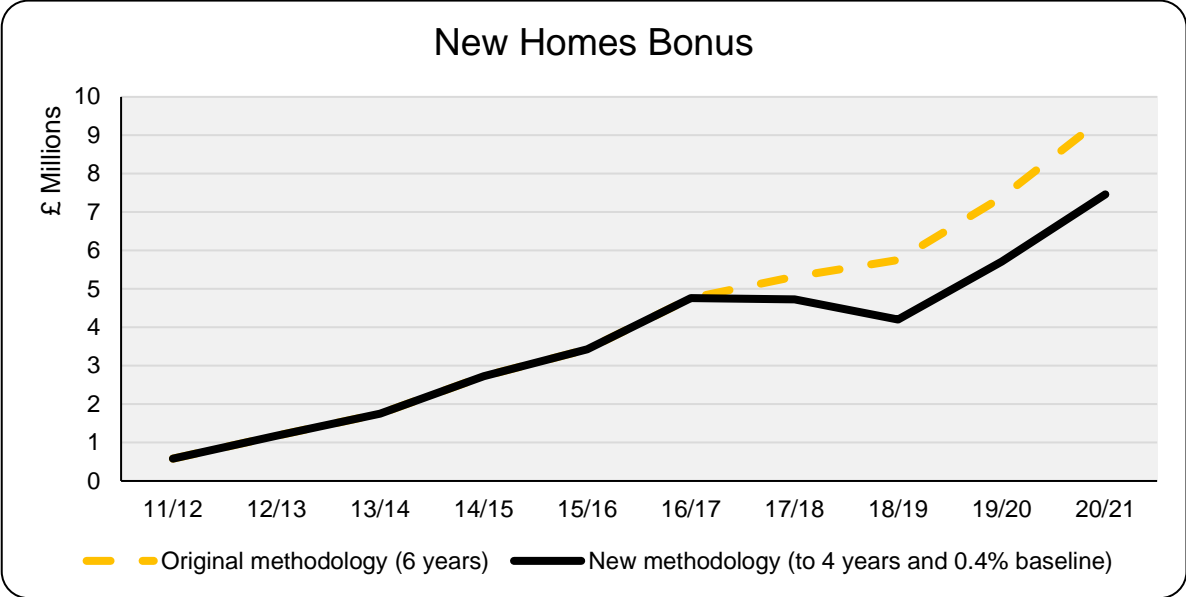
The Council has submitted a plan to the DfE in response to the current overspend on the High Needs Block within the Dedicated Schools Grant. Considerable challenges still exist in this area and the Council will be working with the DfE to find ways to improve financial stability. At the same time the Council have joined forces with other Local Authorities to make the case for a more appropriate way of financing this area of escalating need.

Funding the Council's ambitions for regeneration

The Council is at a stage of significant investment in its strategic development locations (SDLs) and town centre regeneration (TCR) ambitions. This requires substantial up front funding pending the receipt of developer contributions, house sales and income from commercial assets. As such the Council will meet the initial capital costs of investment which generates a sizeable funding pressure on the Council's revenue account. Reserves have been established with the aim of mitigating this risk.

New Homes Bonus (NHB)

The Autumn Statement 2015 proposed changes to the NHB which made the scheme less attractive for Wokingham by reducing the length of payments from six years to four. The Council is now set to receive £7.5m in NHB in 2020/21, up from £5.7m NHB in 2019/20. This grant should have increased more to fund the authority for the significant amount of house building which has taken place in the borough. The government have reduced the national amount of NHB grant, and therefore the amount Wokingham receives has reduced. From 2020/21, Wokingham will be rewarded for 1 year only with legacy payments also being honoured, compared to six years in 2016/17, as well as not rewarding authorities for the first portion of growth they enable. Furthermore the NHB has been included in the Council’s core spending power calculation. These developments appear to fundamentally undermine the initial intention behind the NHB scheme: to incentivise housing growth and reinvest in regeneration. Although the Council’s previous approach has been to use NHB to fund special items, most notably for regeneration, the sustainability of such an approach has been brought into question due to its impact on the funding of essential Council services. The graph below shows the new homes bonus grant over the years including the impact of the changes to the methodology.



Impact of the economic environment

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

Following weak UK economic growth in previous years, independent forecasters are predicting growth of 1% for GDP. With average CPI inflation of 2.2% predicted in 2020, this remains above the Government’s inflation target of 2% for CPI, caused by the devaluation of sterling, increasing the cost of imports. In addition, recent rises in global energy prices contributing to above target inflation. To help contain inflation and stimulate growth, the official bank rate has remained at 0.75% throughout 2019 with little movement expected during 2020.

Economic forecasting remains difficult with so many external influences weighing on the UK.

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. This is an area that will need to be kept under review, particularly in the context of the Brexit implications.

The Council has three designated Air Quality Management Areas (AQMAs) and are focused on improving air quality through the Council's 'My Journey Programme' which aims to promote active and alternative sustainable transport to reduce vehicle emissions which are the biggest causes of air quality problems in Wokingham Borough.

Localisation of business rates, business rates revaluation and council tax

From 2013/14 the localisation of business rates began with a 50% share for local authorities. 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, as well as the impact of the new 2017 valuations, bad debts and other factors. These factors significantly add to the Council's financial risk profile. In addition the Council now directly meets the cost of council tax support and will bear the risk of economic conditions giving rise to an increase in claims.

2017/18 was the first year based on updated business rate valuations. Despite increases in the value of properties in Wokingham, the Council will not be rewarded for these, as increases are distributed across the country. The new valuation list delivers more risk to the authority as all the properties can again challenge their business rates bill which may require the authority to pay large amounts of business rate income.

Previous Government announcements make clear an intention to return all business rates to local authority control in 2020, with the aim now is for authorities to retain 75% of business rates from 2021/22 (previously 20/21). The government invited local authorities to pilot 100% business rates retention from 2018/19 and pilot 75% from 2019/20, and WBC was successful in its application, resulting in additional one off funding to the authority over two years. The finance settlement announced that WBC would no longer continue to be in the pilot for 20/21 and would revert back to the current arrangements where central government receive 50% off additional growth. Due to the continued delays from Central Government, the future arrangements of business rates funding beyond 20/21 create a degree of uncertainty and risk, making longer term financial planning more difficult.

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 and Community Infrastructure Levy (CIL); and attracts new funding sources where available (particularly through the bidding for Government grants).

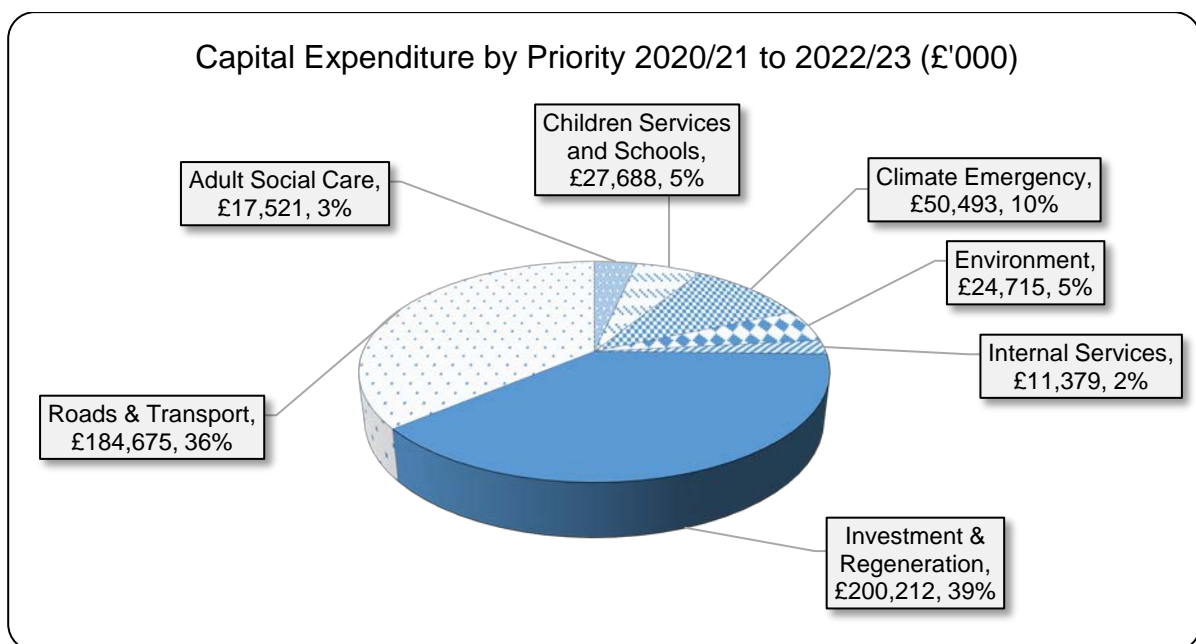
Under the prudential code, all authorities are able to borrow as much as they require to fund their capital programme provided it is affordable, prudent and sustainable. The financing costs of any new borrowing falls directly upon the council tax payer unless funded by income generation or developer contributions. The annual revenue cost of new borrowing is approximately 7% of the sum borrowed (4% principal repayment and 3% interest).

Capital programme

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

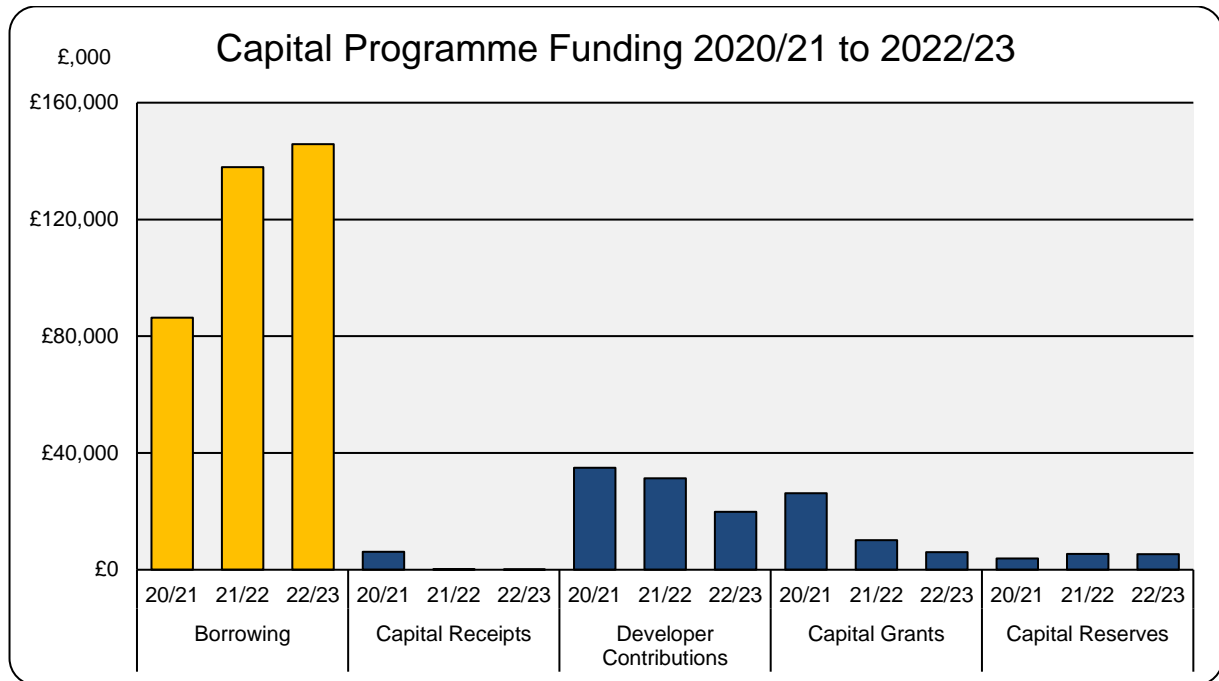
The capital programme over the next three years will include existing asset investment (predominantly school buildings and infrastructure assets) and schemes that seek to deliver the Council's vision.

The graph below shows the capital expenditure planned for the next 3 years by Council priority.

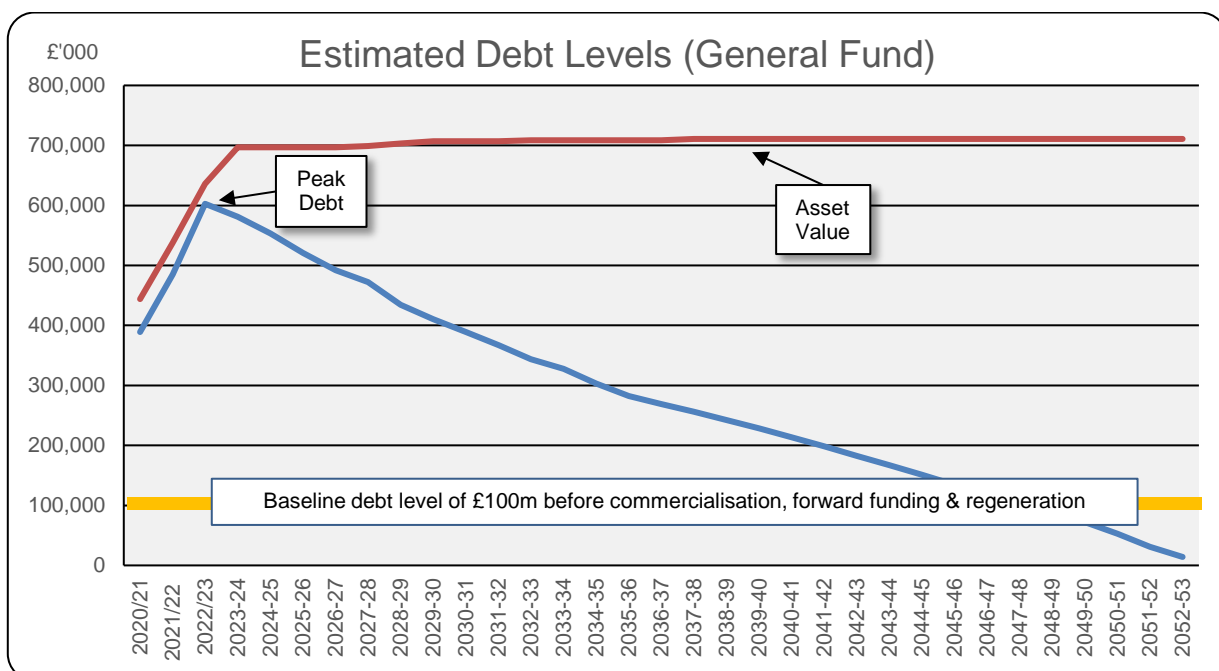


The capital programme is funded from a variety of sources: capital receipts, borrowing, grants and other contributions. The relative reliance on each funding source is set out below and shows a greater dependency on borrowing and developer contributions as the Council embarks on its ambition to develop its four strategic development locations, regenerate the borough and reduce our impact on the climate.

The graph below shows how the capital programme will be funded over the the next 3 years.



The following graph shows the estimated general fund debt levels (excludes Housing Revenue Account) for the Council over the next 33 years. The initial increase in debt is driven by the Council’s capital programme. Debt is then repaid over the next 30 years to bring debt levels back to a funded baseline level of approx. £100m (pre 2011/12 debt levels).



Capital resources and borrowing outlook

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

Town centre regeneration

The Wokingham Town Centre Regeneration programme remains one of the Council's key investment priorities and is progressing well towards completion.

The new Peach Place square opened in spring 2019 with a great range of excellent national and independent businesses. Summer 2019 saw the opening of the new Aldi Foodstore at Elms Field, along with the new landscaped park and destination play area which have proved incredibly popular with the local community.

Winter 2019 saw the opening of the Premier Inn hotel along with the new Everyman Boutique cinema at Elms Field and the completion of the wider works at Peach Place. New tenants have started moving into the Key Worker housing at Peach Place which aims to attract essential workers to the local area such as nurses, police officers and social workers.

Preparations to start work on building a new Leisure Centre and Library at Carnival progress well with a main contractor due to be appointed in spring 2020. Construction work is expected to start on site in summer 2020, following the opening of the new Bulmershe Leisure Centre in Woodley, with the new Carnival facility completed and opening in 2022.

Strategic Development Locations (SDLs)

The four Strategic Development Locations also known as SDLs remain one of the Council's key priorities, helping meet housing needs and providing new infrastructure and facilities across the borough. Across the 4 sites, new housing has been delivered with more housing still to be delivered in the coming years. Strategic infrastructure such as roads, schools and leisure facilities have been completed in some locations and are still planned for other areas. All infrastructure costs and funding are included in the capital programme and the 10 year capital vision within the MTFP.

Commercial investments

Due to past reductions in funding and increasing pressures in areas like Social Care, the Council has had to become more commercial to help meet these demands. Under the governance of the Property Investment Group, the Council have acquired 7 commercial properties within the borough and also outside the borough. These investments provide income to the Council which helps meet the rising costs of delivering services. Future investments in commercial assets are included within the capital programme and 10 year capital vision.

Capital receipts and contributions

Significant costs relating to the development of SDLs are in respect of building major roads and schools. Developer contributions through S106 contributions or Community Infrastructure Levy are key to funding these and minimising 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. The capital ambition of the organisation is high, and future years of the programme show a rising deficit of funding available against investment ambition. This will be bridged through a combination of maximising resources, modifying and prioritising schemes.

10. Housing Revenue Account (HRA)

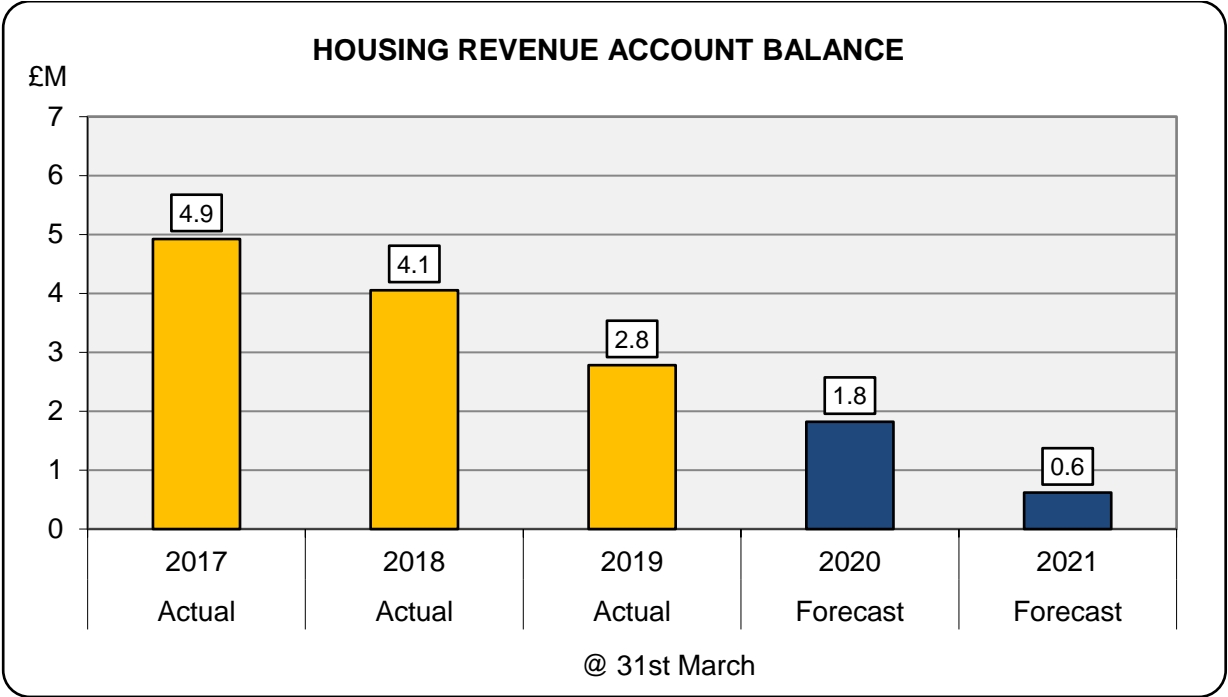
The HRA is a ring-fenced account and as such has no impact on the level of council tax. The money spent maintaining the Council's housing stock (valued at approximately £202m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants. Gross expenditure on the HRA is in the region of £17m per year and is predominately in the areas of repairs and maintenance, capital financing, investment in capital works, and management. Housing rents are required to be adjusted 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.

In line with the Government's 2016 budget, housing rents must be reduced by 1% each year on a cumulative basis for the four years from 2016/17 to 2019/20. From 2020/21, rent increases will be in line with CPI + 1%. The real terms reduction in the HRA forecast rental income over the past 4 years will be greater than 1% annually as HRA rents were based on increasing them as part of the convergence policy whenever new tenancies were commenced; the Government policy no longer permits a convergence policy of increasing rents when tenancies are re-let.

	2016/17	2017/18	2018/19	2019/20	2020/21
Annual rent change (%)	-1%	-1%	-1%	-1%	2.7%

The HRA requires a balance in the same way as the General Fund. A risk analysis is also undertaken on HRA budgets to inform a prudent level of balance.



The chart above shows actual HRA balances from previous years and a forecast for 31 March 2020 and 2021. The estimated balance at 31 March 2020 will be used to part fund capital expenditure in 2020/21 and later years, and to maintain a prudent level of reserves.

The reduction in reserves is caused as a result of the rent reductions over the 4 years between 2016 and 2019. This has reduced the income available to the HRA whilst expenditure and debt repayments have maintained at pre rent reduction levels. This has led to the need to use HRA reserves to fund expenditure. HRA rent income is expected to increase under current Government policy meaning future HRA reserves are expected to increase to approximately £1m by March 2023 (See HRA Policy on Reserves)

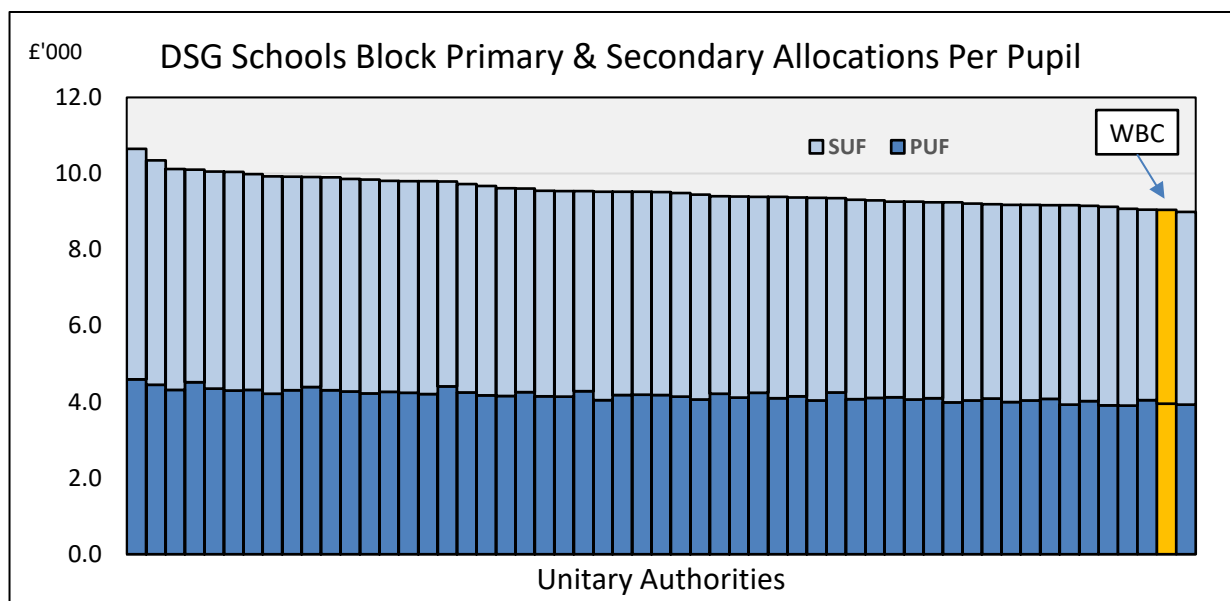
Schools

The Dedicated Schools Grant (DSG)

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 2018. 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 for maintained schools and academies is shown below. The amount for 2020/21 was notified to the authority by the Department for Education (DfE) in December 2019. However, a proportion of this amount is in respect of free schools and must be paid to them. The actual DSG allocation available to the Council for 2020/21 is £142.74m, compared to £134.68m in 2019/20. The increase to 2020/21 is accounted for by increased funding on both two unit costs, one for primary unit cost (PUF) and one for secondary unit cost (SUF). The DfE has now created a centrally retained schools block for the Council to carry out its statutory duties which includes an element of the old education support grant.

The actual 2020/21 PUF is £3,954 and SUF is £5,093 estimated per pupil compared to £3,770 (PUF) and £4,887 (SUF) in 2019/20. Wokingham continues to receive one of the lowest funding amounts of all unitary authorities.



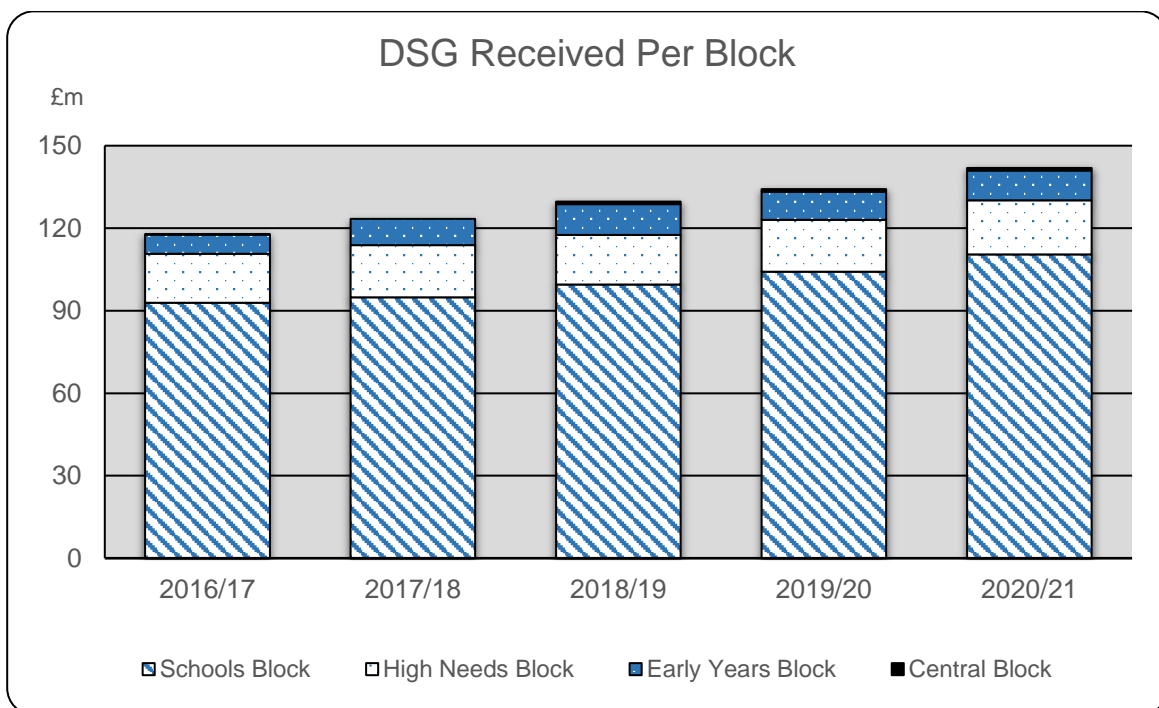
DSG and the national funding formula

The Government's long term intention has been to move school funding to a national funding formula. 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 any school. This will have the effect of compounding the financial challenge already being faced by schools across the borough.

resulting in an increased need for effective school financial management in order to help them manage their finances.

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 SEND pressures on the overall budget which may reduce the money available for allocation. For the 2019/20 and 2020/21 financial years, schools will continue to be funded through the local authority funding formula. From 2021/22, the Government proposes to introduce the National Fair Funding formula.



High Needs Block

The High Needs Block is separate block of funding to support those young people with SEND requirements. This has been underfunded by central government for the past few years and, when combined with the increased demand and out-of-borough placements (see above) this has meant that the account has operated in a deficit position since 2017/18. Whilst this is permitted under regulation in the short term, it is not an ideal scenario nor sustainable in the medium to long term; the Council is now taking significant steps to reduce this deficit going forward, although this will take some capital investment to reduce the future revenue pressures.

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. Optalis expanded significantly during 2017/18 through a merger with the Royal Borough of Windsor and Maidenhead.

Wokingham Housing Companies

The housing companies are now delivering a range of high quality affordable and market housing schemes for the residents of Wokingham Borough. 147 units now completed across 10 developments. Work is well underway for 59 more units across 4 developments with completions expected later this year and more in the development pipeline for future years. The financial implications of the housing companies' business plans will be included in the MTFP. Significant investment has been included in the Capital Programme with two major developments, at Phoenix and Fosters now complete. The cost of borrowing will be funded by the company. The company has a detailed business plan and the financial impact of this is incorporated into the Council's MTFP.



Graham Ebers

Deputy Chief Executive
(and Chief Financial Officer)

12. Glossary

Abbreviation	Description
ASC	Adult social care
CCOSC	Community & Corporate Overview & Scrutiny
CIPFA	Chartered Institute of Public Finance & Accountancy
CFO	Chief Finance Officer
CPI	Consumer Price Index
DSG	Dedicated Schools Grant
DFE	Department for Education
DoHSC	Department of Health and Social Care
ESG	Education services grant
GFB	General fund balances
HND	High Needs Block
HRA	Housing revenue account
MOD	Ministry of Defence
MTFP	Medium term financial plan
NDR	Non-domestic (business) rates
NHB	New homes bonus
PUF	Primary unit cost
RPI	Retail Price Index
RSG	Revenue support grant
SDL	Strategic development locations
SEND	Special Educational Needs and Disability
SFA	Settlement funding assessment
SoBM	Summary of budget movements
SUF	Secondary unit cost
TCR	Town centre regeneration
WHL	Wokingham Housing Limited

Reserves and Balances

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

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
General Fund Reserves:					
General Fund (Statutory)	Resource available to meet future running costs for non-housing services	<ul style="list-style-type: none"> Policy based on a combination of financial risks and Audit Commission guidance as follows: Min 5% of net expend (excluding Dedicated Schools Grant) – this equates to £6.5m Risk assessments of budgets To enable stability in longer term financial planning 	2019 £8.8m 2020 £8.5m 2021 £10.4m 2022 £9.0m 2023 £9.0m	Provides: <ul style="list-style-type: none"> General contingency for unavoidable or unforeseen expenditure Stability for longer term planning Interest on Balances helps to reduce costs to the taxpayer: Interest on Balances @ 1.0% = £10k per £1m. 	<ul style="list-style-type: none"> Could be used to fund one off General Fund expenditure which would result in loss of interest £5k per £1m Could be used instead of borrowing @ 3.0% = £30k per £1m but loss of interest of £10k per £1m
Insurance Fund (Earmarked Reserve)	This is used to fund part of each insurance claim, up to losses of c£1m in a year	<ul style="list-style-type: none"> Needs to be at a level where provision could sustain claims in excess of current claims history May have to meet claims incurred but not yet reported May have to meet any uninsured / uninsurable losses 	2019 £2.4m 2020 £2.4m 2021 £2.2m 2022 £2.0m 2023 £1.8m	<ul style="list-style-type: none"> Used to fund deductibles / excesses in order to minimise premiums Provides the Supply Teacher Scheme Helps maintain current rates charged to schools Interest earned builds up the reserves 	<ul style="list-style-type: none"> Fund could be used to fund one off General Fund expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Renewals Funds (Earmarked Reserves)	<p>These are reserves held in order to finance the renewal or maintenance of specific items of equipment or furnishings.</p>	<ul style="list-style-type: none"> Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life 	2019 £0.4m 2020 £0.4m 2021 £0.4m 2022 £0.4m 2023 £0.4m	<ul style="list-style-type: none"> Reduces pressure on maintenance budgets Interest is accrued on the reserves at 1.0% = £4k which helps to reduce costs 	<ul style="list-style-type: none"> Could be used for alternative maintenance or other revenue expenditure
Waste PFI Equalisation Fund (Earmarked Reserve)	<p>The reserve is held to even out the cost of the waste PFI contract over the life of the contract and smooth revenue impacts from volatility in landfill and recycling usages.</p>	<ul style="list-style-type: none"> 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 	2019 £5.3m 2020 £5.5m 2021 £5.7m 2022 £5.9m 2023 £6.1m	<ul style="list-style-type: none"> Provides stability of budgets in the medium to long-term 	<ul style="list-style-type: none"> A reserve in deficit cannot be used for other purposes, it will be offset by General Fund Reserves
Interest, WTCR and Pension Equalisation Funds (Earmarked Reserve)	<p>These equalisation funds reflect that investments will fluctuate due to market conditions. Also includes funds to cover any potential losses in investments and smooth pension fund contributions.</p>	<ul style="list-style-type: none"> To build up reserves based on favourable investment returns over budget Contributions from the reserves will be used to fund Wokingham Town Centre Regeneration (WTCR) until cash flow becomes positive Smooth annual variations to pension fund contributions Smooth annual variations between leisure contract income and capital investment costs 	2019 £16.3m 2020 £16.8m 2021 £15.8m 2022 £14.8m 2023 £13.8m	<ul style="list-style-type: none"> Equals out market fluctuations in income due to volatile interest rates Interest is accrued on the reserves at 1.0% = £74k which helps to reduce costs Equalises WTCR scheme costs 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Commuted Sums (Earmarked Reserve)	These are amounts received from developers for the maintenance of open spaces and includes Community Infrastructure Levy (CIL) fees from 2015/16 onwards.	<ul style="list-style-type: none"> There is no policy on the level of balances due to the nature of developer works and CIL agreements All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc. 	2019 £8.3m 2020 £9.4m 2021 £10.4m 2022 £11.4m 2023 £12.4m	<ul style="list-style-type: none"> Used to maintain parks and open spaces so avoiding service spend Interest to be used in a specified and agreed manner 	<ul style="list-style-type: none"> Money cannot be used for other purposes
Forward Funding (Earmarked Reserve)	Offset impact where infrastructure required ahead of developer contributions being received.	<ul style="list-style-type: none"> Reserve held to offset annual differences between capital investment costs and receipt of developer contributions 	2019 £12.7m 2020 £13.6m 2021 £15.1m 2022 £14.1m 2023 £13.1m	<ul style="list-style-type: none"> Infrastructure can be delivered ahead of developer receipt 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
Capital Reserves:					
Usable Capital Receipts (Excluding right to buy) (Statutory)	Proceeds of fixed asset sales and repayments of other loans/grants available to meet future capital requirements and to act as a contingency	<ul style="list-style-type: none"> The current policy is to ensure that balances are sufficient to cover the first year of the capital programme (including urgent health & safety issues that may arise during the year) 	2019 £2.7m 2020 £1.6m 2021 £1.4m 2022 £1.6m 2023 £0.3m	<ul style="list-style-type: none"> To finance future capital schemes This provides stability for longer term planning Interest on balances @ 1.0% helps to reduce costs to the taxpayer. 	<ul style="list-style-type: none"> Could be used instead of borrowing @ 3.0%, but loss of interest
Usable Capital Receipts (Right to buy element)	The council's share of HRA sale receipts are ring fenced for One for One Replacement	<ul style="list-style-type: none"> Housing sales receipts must be used for social housing within the Borough 	2019 £2.7m 2020 £0.4m 2021 £0.5m 2022 £0.4m 2023 £0.5m	<ul style="list-style-type: none"> Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy are used to fund its replacement 	<ul style="list-style-type: none"> Will be used to help fund the HRA reinvestment in new homes for affordable rent

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Other Capital Contributions:					
Developer Contributions (S106 and Community Infrastructure Levy (CIL) and Revenue to Capital Contributions)	<p>Money received from developers as part of their development obligations</p> <p>A time lag exists between receipt and design/delivery of schemes</p>	<ul style="list-style-type: none"> There is no policy on the level of balances due to the nature of the contributions Contributions should be used to fund schemes identified within the 3-year capital programme / 10-year capital vision where possible 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. Balances may increase due to restrictions on how contributions may be spent, and matching these to schemes within the capital programme 	<p>2019 £102.2m 2020 £77.4m 2021 £75.7m 2022 £77.9m 2023 £58.1m</p>	<ul style="list-style-type: none"> Interest on contributions helps to reduce costs to the taxpayer: Interest on Balances @ 1.0% = £774k 	<ul style="list-style-type: none"> S106 Monies can only be used for purposes specified in the agreement S106 Contributions might be time restricted therefore if not utilised may need to be repaid to the developer Could be used instead of borrowing @ 3.0%, but loss of interest
Ring Fenced Reserves:					
Housing Revenue Account (HRA) (Statutory)	<p>Resources available to meet future running costs for council houses</p>	<ul style="list-style-type: none"> Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA Balance is determined by level of risk associated with the budget Min 5% of gross expenditure Current recommended minimum level of reserves is £0.8m 	<p>2019 £2.8m 2020 £1.8m 2021 £0.6m 2022 £0.7m 2023 £1.0m</p>	<ul style="list-style-type: none"> Provides general contingency for unavoidable or unforeseen expenditure or fall in income Stability for longer term planning and for meeting the decent homes standard Interest on Balances helps to reduce costs. 1% Interest = £18k 	<ul style="list-style-type: none"> Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £10k per £1m Could be used to fund HRA debt repayment

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Major Repairs Reserve (Statutory)	This records the unspent balance of HRA Capital projects	<ul style="list-style-type: none"> Use of Capital to meet Decent Homes Standard Redevelopment and regeneration of the council's housing stock 	2019 £2.2m 2020 £0m 2021 £0m 2022 £0m 2023 £0m	<ul style="list-style-type: none"> Provides capital to invest in stock to meet the government's Decent Homes Standard policy Provides general contingency for unavoidable or unseen expenditure 	<ul style="list-style-type: none"> Will be used to fund HRA capital expenditure to help meet decent homes standard
Specific School Reserves (ISB) (Earmarked Reserves)	To resource expenditure directly delegated to schools	<ul style="list-style-type: none"> The estimates are based on the existing number of schools and do assume any further transfers to academies, which would impact upon these estimates. 	2019 £3.5m 2020 £3.3m 2021 £3.0m 2022 £2.9m 2023 £2.8m	<ul style="list-style-type: none"> Provides general contingency for unavoidable or unseen expenditure Offset any deficit balance in DSG reserve Interest on Balances helps to reduce costs: Interest on Balances @ 1.0% = £33k 	<ul style="list-style-type: none"> School reserves are ring fenced to schools
Other Earmarked Reserves	These reserves are held for specific accounting reasons	<ul style="list-style-type: none"> The funds in these reserves are ring fenced funds that cannot be used for other purposes 	2019 £18.5m 2020 £18.3m 2021 £15.4m 2022 £14.6m 2023 £13.8m	Reserves include: <ul style="list-style-type: none"> Housing Association reserve Challenge of business rates Energy contract reserve Building Control trading account reserves 	<ul style="list-style-type: none"> Interest on these reserves at 1.0% would be £183k which helps to reduce costs

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2020/21

The service totals below **exclude** the allocation of internal charges (e.g. office accommodation & finance) and depreciation charges. 2019/20 has been restated to take account of changes in the Council structure.

	2019/20 Restated £	2019/20 Local Tax Rate £	2020/21 Estimate £	2020/21 Local Tax Rate £
Adults Social Care	46,869,086	667.88	48,482,120	673.02
Chief Executive	398,310	5.68	560,310	7.78
Childrens Services	22,039,923	314.06	26,394,640	366.41
Corporate Services	24,649,727	351.25	24,237,570	336.46
Customer and Locality Services	27,226,684	387.97	30,022,770	416.77
Total Net Expenditure	121,183,730	1,726.84	129,697,410	1,800.44
Appropriation to / (from) Balances (Note 1)	5,555,104	79.16	8,036,165	111.56
Borough Council Requirement	126,738,834	1,806.00	137,733,575	1,912.00
Income:				
Government Support / Business Rates	(16,637,356)	(237.08)	(18,609,699)	(258.34)
New Homes Bonus	(5,714,316)	(81.43)	(7,461,471)	(103.58)
Council Tax Collection Fund Surplus	(250,000)	(3.56)	(500,000)	(6.94)
Council Tax for Borough Council Purposes	104,137,162	1,483.93	111,162,405	1,543.14

General Fund Balance Estimates (Note 2)

Brought Forward	8,827,518		8,454,415	
In Year Variation	(373,103)		1,978,547	
Carried Forward	8,454,415		10,432,962	
Council Tax Base	70,176.6		72,036.5	

Note 1 - 2020/21 includes corporate transfers to earmarked reserves of £6.2m

Note 2 - 2019/20 estimate based on latest in year monitoring position.

The local tax Band D rate of £1,543.14 is a 1.99% core increase in council tax and a 2.00% increase which forms the Adult Social Care precept.

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2020/21

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

	2019/20 Restated £	2019/20 Local Tax Rate £	2020/21 Estimate £	2020/21 Local Tax Rate £
Adults Social Care	49,709,766	708.35	51,369,560	713.10
Chief Executive	7,193,530	102.51	9,374,090	130.13
Childrens Services	30,814,053	439.09	35,397,940	491.39
Corporate Services	12,090,337	172.28	12,351,830	171.47
Customer and Locality Services	34,473,474	491.24	34,986,800	485.68
Depreciation Charges	(13,097,430)	(186.64)	(13,782,810)	(191.33)
Total Net Expenditure	121,183,730	1,726.84	129,697,410	1,800.44
Appropriation to / (from) Balances	5,555,104	79.16	8,036,165	111.56
Borough Council Requirement	126,738,834	1,806.00	137,733,575	1,912.00
Income:				
Government Support / Business Rates	(16,637,356)	(237.08)	(18,609,699)	(258.34)
New Homes Bonus	(5,714,316)	(81.43)	(7,461,471)	(103.58)
Council Tax Collection Fund Surplus	(250,000)	(3.56)	(500,000)	(6.94)
Council Tax for Borough Council Purposes	104,137,162	1,483.93	111,162,405	1,543.14
General Fund Balance Estimates				
Brought Forward	8,827,518		8,454,415	
In year variation	(373,103)		1,978,547	
Carried Forward	8,454,415		10,432,962	
Council Tax Base	70,176.6		72,036.5	

GRAND SUMMARY - GENERAL FUND FORECAST BUDGETS 2021/22 & 2022/23

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.

	2021/22 Estimate £	2021/22 Local Tax Rate £	2022/23 Estimate £	2022/23 Local Tax Rate £
Adults Social Care	48,957,120	679.62	50,389,120	699.49
Chief Executive	722,310	10.03	884,310	12.28
Childrens Services	26,664,640	370.15	27,543,640	382.36
Corporate Services	20,713,570	287.54	15,989,570	221.96
Customer and Locality Services	31,094,770	431.65	32,279,470	448.10
Total Net Expenditure	128,152,410	1,778.99	127,086,110	1,764.19

The above figures are based on the bids detailed in the MTFP. Figures will be revised during the budget setting process for 2021/22 and 2022/23.

GRAND SUMMARY - GENERAL FUND "PROFIT AND LOSS"

This table presents the budget in a format more congruent with a private sector format.

	2019/20 Estimate £m	2020/21 Estimate £m
Council tax	(104.1)	(111.2)
Government support	(16.6)	(18.6)
Strategic assets rental income	(2.3)	(2.7)
Leisure management income	(2.0)	(2.0)
WHL income	(0.7)	(0.7)
Grants and other income	(65.8)	(69.9)
Total income	(191.5)	(205.1)
Adult Social Care	60.8	64.3
Chief Executive	9.8	9.4
Children's Services	33.9	39.3
Corporate Services	45.7	49.9
Customer and Locality Services	48.8	48.0
Less: depreciation	(13.1)	(13.8)
Total expenditure	185.9	197.1
Appropriation (to) / from balances	(5.6)	(8.0)

GROSS INCOME AND EXPENDITURE

The table below shows the total gross income and expenditure for the General Fund, Dedicated Schools Grant and Housing Revenue Account.

2019/20 Estimate £'000		2020/21 Estimate £'000
	<u>Income</u>	
	General Fund	
18,068	Fees and Charges	22,742
42,878	Specific Grants	39,406
1,579	Other Income	2,205
2,181	Internal Income	3,033
64,706		67,386
	Dedicated Schools Grant	
86,195	Specific Grants	82,263
86,195		82,263
	Housing Revenue Account	
14,446	Fees and Charges	15,358
1	Specific Grants	1
48	Other Income	48
962	Plus movements from reserves	1,202
15,457		16,609
166,358	Total Income	166,258
	<u>Expenditure</u>	
	General Fund	
60,892	Adult Social Care	64,262
9,780	Chief Executive	9,409
33,862	Children's Services	39,276
45,667	Customer & Locality Services	49,876
48,786	Corporate Services	48,044
198,987		210,867
	Dedicated Schools Grant	
11,225	Central Schools Block	11,140
74,970	Individual Schools Block	71,123
86,195		82,263
	Housing Revenue Account	
15,457	Housing Revenue Account	16,609
15,457		16,609
300,639	Total Expenditure	309,739
134,281	Net Expenditure	143,481
13,097	Less: depreciation	13,783
4,755	Less: special items	6,612
17,852		20,395
116,429	Net Expenditure (excluding Special Items & Depreciation)	123,086

Notes

Movements between areas are described in detail in the summary of budget movements, service budgets, housing revenue account and dedicated schools budget.

SERVICE NARRATIVES

ADULT SOCIAL CARE BUDGET 2020/23

Service narratives are based on the Council's current structure. Consultation on the structure is currently on going, once approved all budgets will be adjusted to the new structure.

Service Aims and Objectives

The purpose of Adult Social Care is to work in partnership with key local agencies and the community to promote improved services for the people of Wokingham.

Adult Social Care is important for everyone, regardless of age, health or personal circumstances. Wokingham Borough is committed to the principle of supporting independence for adults with support needs, throughout their life journey. Embracing our duties under The Care Act 2014 it is our ambition that Wokingham Borough continues to be a great place to grow older and an inclusive place for all adults with learning disabilities, physical and sensory disabilities, mental health concerns and their families and carers.

Our vision in Wokingham Borough is to provide residents with safe, appropriate, timely and quality support that prevents, reduces or delays the need for ongoing care and gives people choice and control, makes a positive difference to their lives and maximises their wellbeing and independence in their local community.

Adults Social Care have a statutory responsibility to carry out an assessment of need for care and support in relation to 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.

Adults Social Care has 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.

Our aspiration is to ensure that we can maintain our performance in areas where we are doing well and to improve in all other areas to enable us to achieve our ambition for Wokingham Borough. Our strategy will help us deliver a personalised, high quality and sustainable adult social care service. We will work with our partners and use our resources effectively to deliver better outcomes for an increased number of people with care and support needs.

Our focus is on the following priorities:

- Keep people safe
- Prevent, reduce and delay the need for formal care and support
- Involve people in their care
- Work in partnership and commission services that deliver quality and value for money

Service Outputs – Key Facts and Figures

Adult Social Care - Key Performance Measures 2020/21:

- 21.4% of people with learning disabilities in Wokingham Borough are in paid employment (included supported employment). This compared to 6.4% when compared to the England average. Our rank is number 2 from all local authorities;
- 87.8% of people in Wokingham Borough who use services say that those services have made them feel safe and secure compared to 86.9% England average;
- 78.1% of people in Wokingham Borough who use services find it easy to find information about support compared to 69.7% England average;
- 10.1 younger adults (aged 18-64) per 100,000 whose long-term support needs met by admission to residential and nursing care homes compared to 13.9 England average;
- 362.5 older adults (aged 65 and over) per 100,000 whose long-term support needs met by admission to residential and nursing care homes compared to 579.4 England average;
- 67.1% of people using services in Wokingham Borough were satisfied with their care and support services compared to 64.3% England average;
- 83% of working age (18-64) service users in Wokingham Borough with a learning disability, are living on their own or with their family compared to 77.4% England average;
- 87% of adults waited fewer than 28 days for occupational therapy or social work assessment;
- More of our older people are being supported to stay in their own homes;
- Older people admitted to hospital experience discharge delays of 3001 days in total for 2018/19;
- 4,600 contacts from new customers in year;
- Number of new people assessed in year – 528;
- Number of people reviewed in year – 935; 2018/19;
- Number of people receiving long term services throughout 2018/19 – 1,859;
- Number of carers who have had assessment or review – 535;
- Permanent admissions to residential and nursing homes – 99;
- 81% have as much control over their daily life as they want or who have adequate control over daily life;
- 67% are extremely or very satisfied with the care and support services they receive;
- 78% find it very easy or fairly easy to find information about services;
- 74% feel as safe as they want;
- 88% say that those services have made them feel safe and secure;

Revenue Budget & Service Changes 2020/23

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-

- Protect the most vulnerable people;
- Contain cost pressures of demographic growth;
- Maintain the development of personalised services including personal budgets;
- Achieve the required outcomes of the Care Act and the Better Care Fund;
- Continue integration of health responsibilities;
- Commission further community support and prevention, including services for carers;
- Develop more supported housing for people with learning disabilities and mental health needs;
- Continue partnership with community health services; and,
- Support, retain and develop an excellent workforce for the future.

Capital Budget & Service Changes 2020/23

Capital schemes involving Adult Social Care include the following:

- Older People's Dementia Home: To meet demand in the market for functional, comfortable and homely accommodation that represents value for money.
- Learning Disability Accommodation: This will address the accommodation needs of our clients, and meet any future increased demand, to ensure that suitable services are available
- Learning Disability Outreach and Overnight Respite Centre: To develop existing or alternative provision to ensure availability of services
- Mandatory disabled facility grants and equipment
- Mosaic Modernisation and Reimplementation

REVENUE SERVICE BUDGETS 2020/21	Budget 2019/20 £'000	Budget 2020/21 £'000	Note
Adult Social Care			
Adult Social Care – Excl. Mental Health	43,984	45,715	(1)
Adult Social Care – Mental Health	2,885	2,767	(2)
<i>Internal Recharges & Depreciation Charges</i>	2,841	2,888	
Total Adult Social Care & Health	49,710	51,370	(3)

Explanation of Movement from 2019/20 to 2020/21

Note 1.

Growth of £2,305k to meet rising demand and costs across adult social care, including those young people transitioning from Children's Services; pay related increases of £83k; savings of (£1,650k) reflecting service redesign and improvements; changes to special items of £484k; transfer of responsibilities to Corporate Services (£1,000k); Inflationary increases £1,270k and net restructuring changes of £381k.

Note 2.

Growth of £129k to meet rising demand and costs; pay related increases of £11k; savings of (£50k) reflecting service redesign and improvements; Inflationary increases £31k and net restructuring changes of (£239k).

Note 3.

	£'000
Total Adult Social Care 2019/20	46,727
Remove 2018/19 one off special items	(551)
Add 2019/20 one off special items	1,035
Restructure Adjustment	142
Adjusted baseline Adult Social Care 2020/21	47,353
Growth	2,434
Savings	(1,700)
Non-Pay Inflation	1,301
Transfer of Responsibilities	(1,000)
Pay related increases	94
Total Adult Social Care 2020/21	48,482
Net movement on Adult Social Care	1,755

CHIEF EXECUTIVE BUDGET 2020/23

Service narratives are based on the council's current structure. Consultation on the structure is currently on going, once approved all budgets will be adjusted to the new structure.

Service Aims and Objectives

The Chief Executive is the head of the council who leads and takes responsibility for the work of 1,029 (full time equivalent) paid staff, who run the local authority on a day to day basis, along with ensuring legislation is translated and implemented.

Revenue Budget & Service Changes 2020/23

The directorate's efforts will be concentrated on supporting the organisational development of the council to enhance the organisation's ability to deliver its vision and priorities.

Capital Budget & Service Changes 2020/23

The Chief Executive's service area does not have any capital budgets.

REVENUE SERVICE BUDGETS 2019/20	Budget 2019/20 £'000	Budget 2020/21 £'000	Note
Chief Executive			(2)
Chief Executive Office	399	560	(1)
<i>Internal Recharges & Depreciation Charges</i>	6,795	8,814	
Total Chief Executive	7,194	9,374	

Explanation of Movement from 2019/20 to 2020/21

Note 1.

Growth of £162k for new director post for communities, insight and change

Note 2.

21st Century transformation programme completed and service transformation is currently under the continuous improvement programme in Digital and Change. Budgets were moved to corporate services during 2019/20.

CHILDREN'S SERVICES BUDGET 2020/23

Service narratives are based on the council's current structure. Consultation on the structure is currently on going, once approved all budgets will be adjusted to the new structure.

Service Aims and Objectives

Our primary aims are to safeguard children and promote their welfare and ensure that children have access to good quality teaching so they can have the best start in life and achieve their ambitions;

- Ensuring that Wokingham children are able to live, learn and thrive free from fear and harm, with a network of safe people around them;
- Enabling families to use their own resources so children live, learn and thrive in safety.

To deliver improved outcomes for children and families, through 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 includes the following:

Learning, Achievement & Partnerships

- The service champions positive outcomes for all children and young people within Wokingham schools and settings. The Directorate area supports and challenges maintained schools and partners on raising achievement, secures effective early years and childcare provision, and provision for children with special educational needs in maintained schools and academies through a number of key service areas. The Directorate area also administers the school admission and planning for new places arrangements in maintained schools and academies and, through specialist services, supports those to access education who might otherwise not attend or be excluded. The Directorate area also contains the Virtual School which acts as part of our corporate parenting arrangements for looked after children in relation to their education and educational outcomes. The Directorate area also supports adult and community learning and provides guidance for young people not in education, employment or training. Learning, Achievement & Partnerships works closely with Social Work and Early Intervention Services, health commissioners and providers to deliver integrated education, health and care for children with higher levels of special education needs and disabilities.

Social Work and Early Help

- The service provides support, help and intervention for some of Wokingham's most vulnerable children. The aim of the service is to help children in need achieve the best start in life, remain safe in both the home and their local community and give assistance to parents and carers in need of assistance. This support and intervention is delivered by social work teams, children's centres, respite care, therapeutic and practical support, foster care and adoption services. It works closely with children, families, schools, health, the police and a range of other community services.

Quality Assurance & Safeguarding Standards

- The service comprises of the Intelligence and Impact Team which supports and develops the systems which capture and report on management and performance data across Children's (and Adults) Services, they also co-ordinate cross service policy initiatives as well as the audit function. The Quality Assurance and Safeguarding Team which comprises of the

Independent Reviewing Officers and Child Protection Conference Chairs who provide independent scrutiny and expertise to work with children in care and those subject to child protection plans, the Designated Officer (LADO) who is responsible for the oversight of allegations against professional working with children in the borough, the Children Act Complaint Service and the Children Rights Officer and Advocate who also runs the children in care council. The service holds responsibility for the design and delivery of the Children's and Adults Services Learning and Development offer together with the implementation of the practice framework. The Principle Social Worker for children is a key part of the team, promoting good practice and managing the student and ASYE scheme.

Service Outputs - Key Facts and Figures

Children's Services has delivered the following:

- Children entering care are placed within 20 miles of their family home, within the borough wherever possible;
- Children becoming subject to a Child Protection Plan (CPP) for a second or subsequent time ever in their life increased to 14% in 2019/20 from 8% (2018/19) year to date;
- We had a 18% fewer children offending for the first time this financial year to date when compared to 2018/19;
- At any one time, on average, we support around 130 children who are subject to a Child Protection Plan;
- Wokingham Borough Council is a Corporate Parent for 105 Children in Care;
- Supported 62 care leavers between the ages of 18-21;
- Between September 2018 and September 2019, short break service provision of 547 overnight stays, support & activities including 5,420 hours Day Care, 2,978 hours Saturday Club and 279 hours outreach have been delivered by the service;
- As of November 2019 just over 9,000 children aged under 5 are registered at the six Children's Centres within the Ambleside and Brambles Children's Centre reach area hubs, which is around 95% of the borough's under 5 population;
- Over 77% of children aged between 0-5 years are assessed as having a Good Level of Development within Wokingham borough compared to national average of 72%;
- Linked with primary schools where there is a foundation stage unit, and 66 Early Years settings to deliver services around getting children ready for school and supporting, monitoring and tracking the targeted 2-year funding entitled families;
- At any one time 1,300 children and their families are supported through; open assessment, Early Help, Child Protection, Child In Need and Looked After Children plans;
- In the last 12 months 11,013 contacts were screened by duty, triage and assessment at the 'front door';
- 27,212 pupils educated in 68 Wokingham borough schools (includes maintained schools, Pupil Referral Units and academies, excludes independent and non-maintained schools);
- 1 nursery school, 53 primary schools, 10 secondary, 2 special and 2 Pupil Referral Units;
- Provision of 1,053 Education Health and Care Plans maintained by Wokingham Borough Council (as of November 2019) with 585 of these being in Wokingham schools (Early years, Mainstream, Special and AP/PRU);
- Provide the latest information, support and guidance to parents and early years providers within Wokingham borough. Support includes monitoring and supporting quality, a comprehensive training offer to early year's settings, managing transitions and ensuring school readiness, moderation of Wokingham's Early Years Foundation Stage data reception classes and guidance around free entitlement;
- 580 children, aged between 2 and 4 years, are in our 16 schools with nursery classes and a further 2,038 children aged 4 years are in Reception classes (Source: Schools Census Oct 2019, pupils in dob range 01/09/14 – 31/08/17 i.e. some pupils are 5 as of Oct19 census but are not yet of statutory school age);
- 100% of setting-based early years settings and 58% (61/105 registered for taking up funding) of Childminders are offering free entitlement funding for 3 and 4 year olds. 46% of EY

Settings (PVI and Childminders) offer 2 year old funded places, 83% of EY Settings (PVI and childminders) offer the 30 hour funded places, 94% of schools that have nursery classes are offering extended hours, and 38% of school maintained nursery offering 2 year old places (based on the October 2019 Census);

- 90% of children currently attend a “good” or “outstanding” Wokingham school;
- 99% of early years settings are ‘Good’ or ‘Outstanding’, which includes 66 PVI nurseries and 61 childminders who claimed funding in Autumn term and 88% of school maintained nurseries are ‘Good’ or ‘Outstanding’. i.e. (14 out of 16 Nurseries as on 30 Nov 2019).
- In 2019, Wokingham (along with Surrey) pupils outperformed all other authorities, except Buckinghamshire, in the South East for achievement of a 9-4 grade in Maths and English;
- In 2018, Wokingham pupils outperformed all other authorities, except Buckinghamshire and equalled the achievement in Surrey , in the South East for achievement of a 9-4 grade in Maths and English;
- In 2019 pupils in Wokingham outperformed the national average in achieving both the expected standards and the higher standards in Reading, Writing and Maths combined at the end of KS2;
- In 2019 more pupils in Wokingham were entered for the English Baccalaureate than the national average and they achieved higher scores than their national peers;
- In 2019 more pupils in Wokingham achieved Grade 5 or above in both English and Maths than pupils nationally;
- In 2019, pupils at KS1 did better than their national peers in all three subject areas of reading, writing and maths;
- In 2019, Wokingham pupils in year 1 taking the phonics screening did better than pupils nationally;
- At the end of Foundation Stage more children in Wokingham reached a Good level of development than nationally;
- 2,575 children, aged between 2 and 4 years, attend our 143 early years settings; which include 16 school-maintained nurseries, 66 private voluntary & independent nurseries (PVI) and 61 childminders currently funded as on October 2019;
- We have 52 Out of School providers offering wrap-around care to children in Wokingham, too;
- 99% of 3 and 4 year olds are accessing funded early years education in a good quality early years setting. 36% of these are eligible and taking up their 30 hours free extended entitlement;
- 58/66 settings and 43/61 eligible Childminders offer the 30 hour extended entitlement. 65% of eligible 2 year olds are accessing a funded place in Wokingham;
- Over 30% of 3 and 4 year olds, attending our early years settings, are eligible and taking up their 30 hours free extended entitlement;
- The Early Years Inclusion Advisor received 16 new Requests for Service between 01/09/19 – 31/12/19 and has an open caseload of 40; and,
- The Early Years Inclusion Teaching Service (Portage) received 17 new Requests for Service between 01/09/19 – 31/12/19 and has an open caseload of 53.

Revenue Budget & Service Changes 2020/23

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

This year our key challenges remain to:-

- Contain cost pressures of rising demand;
- Protect the most vulnerable children and young people;
- Maintain school performance in the context of tightening school budgets;
- Continue joint working with key community partners; and,
- Support, retain and develop an excellent workforce for the future.

Capital Budget & Service Changes 2020/23

Children's Services capital schemes include the following:

- 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;
- School 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, with a focus on additional capacity for children with challenging behaviour and Autistic Spectrum Disorder (ASD), younger children (KS1 and 2) with social emotional and mental health issues and high-achieving secondary age children with ASD;
- To improve children's and young people's physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions;
- Investment in website technology to increase the visibility and create an easy pathway to advise parents, guardians and children in care;
- School kitchens – to improve school kitchens throughout the borough;
- Schools access – to improve facilities in schools to allow for full integration of pupils and adults with disabilities;
- Schools urgent maintenance planned improvements and suitability issues;
- New and improved accommodation for children and young people requiring residential support and for care leavers; and,
- Adaptations to properties to enabled disabled children to be cared for in their home/respite care environment.

REVENUE SERVICE BUDGETS 2020/21	Budget 2019/20 £'000	Budget 2020/21 £'000	Note
Children's Services			
Leadership Team	572	431	(1)
Learning, Achievement & Partnerships	4,724	5,730	(2)
Social Work & Early Help	13,964	17,659	(3)
Quality Assurance & Safeguarding Standards	2,780	2,574	(4)
<i>Internal Recharges & Depreciation Charges</i>	<i>8,774</i>	<i>9,004</i>	
Total Children's Services	30,814	35,398	

Explanation of Movement from 2019/20 to 2020/21

Note 1.

Pay related increases of £16k; savings of (£50k) reflecting planned service efficiencies; restructuring changes of (£14k); non-recurrence of previous special item (£80k).

Note 2.

Growth of £835k to meet rising demand and costs in relation to SEN, Home to School Transport and the Virtual School; pay related increases of £59k; savings of (£250k) reflecting planned service efficiencies; contract inflation of £137k; special items of £317k to support service efficiency reviews; restructuring changes of (£14k); non-recurrence of previous special item (£35k).

Note 3.

Growth of £1,673k reflecting significant increase in social work staff required to meet rising demand and increasing demand for placements; pay related increases of £270k; savings of (£130k) through planned service efficiencies; contract inflation of £25k; special items of £3,052k to support service efficiency reviews; transfer of responsibilities to Corporate Services (£1,000k) and new ways of working; restructuring changes of (£40k).

Note 4.

Growth of £215k reflecting required key posts, previously funded on a non-recurrent basis; Pay related increases of £77k; savings of (£330k) reflecting planned service efficiencies; contract inflation of £14k; restructuring changes of (£149k); non-recurrent of previous special items (£150k).

CORPORATE SERVICES 2020/23

Service narratives are based on the council's current structure. Consultation on the structure is currently on going, once approved all budgets will be adjusted to the new structure.

Service Aims and Objectives

The Corporate Services' directorate supports and enables frontline service delivery through effective strategies and commissioning, sound governance and through the provision of responsive support services.

Corporate Services incorporates the following:

Business Services

- 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;
- Finance. Providing a robust and secure finance service to the Council ensuring that budgets are planned, managed, monitored and reported in accordance with statutory and Council guidelines and within the boundaries of the Constitution (Financial Rules of Procedure). Ensuring all expenditure is proper, affordable and sustainable. Provides a finance business partnering service to the frontline service directorates of the Council.
- Treasury. Ensures the Council has funds available to meet its liabilities and investing surplus balances to make the best return to the Council with primary regard to security of taxpayer funds.
- Insurance. Arranging property insurance cover for material assets (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, 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;
- 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;
- To administer an effective and efficient payments service including staff payroll and suppliers;
- 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 organisational development (OD and 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;
- Responsible for the design, procurement and delivery elements of the capital programme expenditure, including educational facilities across two organisations, Wokingham Borough Council and Royal Borough of Windsor and Maidenhead, as part of a shared service;
- 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; and,
- Provision of a high quality, low cost legal services as part of a quasi-commercial shared service with another Berkshire local authority.

Public Health (inc Sports and Leisure)

The central aim of the Public Health department in Wokingham is to improve the health of local residents, reduce differences between life expectancy, and improve healthy life expectancy. The team work with Sports and Leisure to form a strong public health function fulfilling the public health duties placed upon the council.

Our focus is on the following priorities:

- To lead on the coordination and integration with the NHS, building strong links with the CCG and the Foundation Trusts, to develop efficient and seamless public health services;
- Provide expert advice on public health related matters both internally and externally;
- The development and integration of the Council's public health duties, and ensure a Council-wide, integrated focus on public health outcomes;
- Ensuring value for money in all of the Council's commissioned and contracted public health services, through strong commissioning and contract management, including development of related robust evidence bases; and,
- To lead on the strategy and commissioning of the public health related services such as the Council's sports and leisure services.

Strategy and Commissioning

Strategy and Commissioning work across Children's Services, Adults Services and Public Health to ensure services, programmes, projects and employees are working towards a common set of outcomes as specified in the Corporate Plan.

We deliver high quality planning, commissioning, performance management and improvement processes to drive change, innovation and excellence in social care commissioning in line with national and local priorities. Supporting the development of the social care provider market in order to ensure a sufficient and diverse range of services that prevent, delay or reduce the need for statutory care and support.

Our focus is on the following priorities:

- To design and commission against outcomes defined in strategic planning. Identifying resources, partnerships and funding, managing large scale procurements and then ongoing strategic contract and performance management;
- To help the Council to deliver savings through more integrated commissioning and procurement, working in partnership with our contractors to maximise service outcomes and support local business to contribute towards the Council's vision.
- To actively monitor externally commissioned support services to maximise expenditure, commercial opportunities and value for money
- To support transformational change through commissioning high quality, cost effective and outcome based services that ensure the right level of support is provided at the right time, in the right place and at the right cost.
- Adopt new and innovative approaches to ensure that sufficient appropriate placements are available for vulnerable children, young people and adults
- Managing and maintaining an excellent framework for commissioning practice.

Place Commissioning

- Coordinating the Community Vision and Council Delivery Plan to ensure we are all working to a common set of priorities and outcomes;
- Commissioning services & projects relating to Place This includes identifying resources, partnerships and funding, managing large scale procurements and then ongoing strategic contract and performance management to ensure that specific commissioning outcomes are delivered;

- Representing the Council's interest on third party bodies, wholly or partially owned entities and with strategic partnerships;
- Producing a coordinated land use planning strategy (the Local Plan) and coordinating a transport strategy (the Local Transport Plan), to ensure the right development happens in the right places, at the right time and is supported by the right infrastructure;
- Supporting and coordinating bids for infrastructure funding to support the Council's growth agenda;
- Supporting town and parish councils to delivery neighbourhood development plans;
- Co-ordination and management of the Council's engagement with local businesses;
- 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;
- Producing coordinate strategies to ensure sufficient school places are available to meet the educational needs of children;

Governance

Governance 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 Services incorporates the following:

Monitoring Officer

- Maintaining the Constitution;
- Ensuring lawfulness and fairness of decision making;
- Supporting the Standards Committee;
- Receiving reports. The Monitoring Officer will receive and act on reports made by ethical standards officers and decisions of case tribunals;
- Conducting investigations. The Monitoring Officer will make arrangements for investigations to be conducted into matters referred by the Standards Committee or by ethical standards officers and make reports or recommendations in respect of them to the Standards Committee or a sub-committee of the Standards Committee convened for that purpose;
- Proper Officer for access to information. The Monitoring Officer will ensure that Executive decisions, together with the reasons for those decisions and relevant officer reports and background papers are made publicly available as soon as possible;
- Advising whether Executive decisions are within the budget and policy Framework; and,
- Providing advice. The Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues for councillors.

Data Protection

- The Assistant Director Governance is the Council's Data Protection Officer.

Shared Internal Audit and Investigation Service (with the Royal Borough of Windsor & Maidenhead Council)

- Internal Audit – a statutory function to deliver an independent, objective assurance and consultancy service to the Council and help the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes; 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 & Electoral 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 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.

Commercial Property incorporates the following:

Development Team

- To systematically develop viable regeneration plans for all key towns within Wokingham Borough, delivering physical, economic and social improvements.
- To manage spatial planning activities, including master planning, stakeholder and partner engagement and securing appropriate planning consents, for Council assets and development projects.
- To deliver key development sites in line with corporate priorities
- To work towards generating external income and contribute to meeting the Council's ongoing financial challenges through development and regeneration including local/national market assessment, risk/benefit analysis, identification of funding approaches and ongoing strategic planning.

Investment Team

- To develop and implement a Commercial Investment Strategy which identifies investment opportunities
- To manage the Council's current £100m Investment programme by purchasing, managing and disposing of assets in an effective and strategic manner
- To manage the existing regeneration property portfolio and undertake all associated works including site assembly negotiation/Compulsory Purchase Orders, commercial tenant management and lettings.
- To work towards generating external income and contribute to meeting the Council's ongoing financial challenges through investment including local/national market assessment, risk/benefit analysis, identification of funding approaches and ongoing strategic planning.

Estates Team

- To manage the delivery of a professional Estates Management and Technical Valuation and Advice service in relation to all aspects of the Council's current and future property interests within Wokingham Borough.
- To strategically manage the Council's assets including continual review of the council's needs against the portfolio to ensure optimum use, including identification of any required / surplus assets and acquisition and disposal of assets to ensure it meets requirements.
- To work towards generating external income and contribute to meeting the Council's ongoing financial challenges through strategic asset and estates management including local/national market assessment, risk/benefit analysis, identification of funding approaches and ongoing strategic planning.
- To ensure provision of valuations for statutory and other purposes including Right to Buy valuations and sign off of Council's asset valuations annually for inclusion in Council's statement of accounts.
- To maintain contacts with representatives from key partner agencies/bodies on common property needs and opportunities for joint use of assets.

- To develop and manage the preparation of the Energy Plan, including energy and carbon reduction initiatives in relation to Wokingham Borough Council's holdings and the identification and review of Energy related opportunities/developments

Digital & Change incorporates the following:

Business Change

Leads on the development and implementation of Change Programmes that will transform the way the council operates to achieve the following benefits:

- Improved availability of, and access to, council services through digital channels;
- Swifter resolution of customer issues and queries;
- The ability for residents to track the progress of their issue as it is resolved by the council;
- A greater focus on problem-solving and customer responsiveness; and,
- A leaner, more efficient council costing significantly less to run.
- Focus on Adult Social Care and Children's Services improvement programmes.

Business Change run Continuous Improvement programmes (CIP) that run across each Directorate that are:

- Focussed on the priorities of the Director
- Led by subject matter experts within the Directorate
- Governance via a corporate change methodology, that includes Programme Management Business Analysis and Business Change specialisms
- Sponsorship at senior management level, i.e. Director, Chief Exec
- Focussed on financial sustainability, with prevention of growth and MTFP deliverables
- Working in partnership with VS, Health, Schools etc. to deliver sustainable services

In addition to Directorate Continuous Improvement programmes, there are also cross cutting projects such as Accommodation/CTU that impact some or all Directorates are governed using the CIP approach to:

- Ensure solutions deliver the right outcomes
- The relevant parties are involved to ensure buy in
- Corporate oversight is available where required

IMT

- Provide the Council's technical infrastructure, software, applications and hardware
- Maintain the networks and infrastructure that underpins the Council's service delivery
- Safeguard the security structure to ensure it is developed, maintained and protecting the Council's digital assets
- Provide the Council's 1st, 2nd and 3rd line support for all major technical services
- Manage the telephony, application and infrastructure contracts to ensure VFM and quality are central to the delivery
- Manage core application development and enhancement through suppliers
- Ensure the Council is adhering to the ITIL best practice in relation to ITSM
- Responsible for the Council's PSN compliance
- Provide the technical input and guidance for all services across the Council that require specialist technical input and development
- Provide IT services to Optalis/WHL

Service Outputs – Key Facts and Figures

Business Services

- Provide professional advice, guidance and support to ensure the organisation effectively and legally manages the health, wellbeing, productivity and effectiveness of a workforce of approx. 1,200 (headcount);
- Act as 'competent person' in regards to Health and Safety which includes; undertaking over 32 independent audits, investigating an average of 28 significant health and safety incidents, and training around 324 people each year;
- Administer over 1,000 statutory or regulatory meetings relating to safeguarding children and young people;
- Act as Corporate Landlord for the operational estate of over 50 properties and oversee the management, utilisation, compliance and valuation of the Council's property assets valued at £800m;
- Manage the commercial estate which generates rentals of £2.5m per annum;
- Active management of the Council's energy (and other utilities) usage and costs, as well as those of our schools, currently £3m per annum;
- Provide legal advice, guidance and assurance across all matters to support officers and Members in the shared service partners in excess of 1,300 transactions, advice or cases during the year;
- Prosecutes, defends and enforces the Council's rights including the defence of Judicial Reviews at the High Court;
- Support the governance of shared service organisations as well as acting as Deputy Monitoring Officer and Borough Solicitor for corporate legal issues;
- Process 1,008 applications through Dynamics per annum; (this does not include job applications through Jobs Go Public);
- Process 314 applications for 155 vacancies through Matrix per annum;
- Process 1,500 DBS applications, including schools staff;
- Co-ordinates budget setting and provides financial advice on a revenue account of £279m per annum gross, capital of £180 m per annum and Housing Revenue Account (HRA) of £16m per annum gross;
- Invests an average of £61.2m per annum and manages borrowing of £152m;
- Make over 57,000 salary payments to staff each year to a value exceeding £64m (including schools);
- Make over 50,000 payments to suppliers and contractors each year which represents 75,000 invoices with a value exceeding £253m;
- Facilitates internal business continuity planning;
- Manages the Council's out of hours duty officer service; and,
- Liaises with local emergency service partners and neighbouring authorities.

People Commissioning

- Actively manage and monitor externally commissioned services (block contracts) to the value of approx. £20m;
- Progression of the Children's Emotional Health and Wellbeing Strategy (Tiers 1 and 2);
- Development of our offer of short breaks to families with children with disabilities;
- Working with partner to deliver an Independent Fostering and Adoption (IFA) and residential commissioning framework, delivering more compliant and cost effective placements for children and young people;
- Commissioning of Young People's Supported Living Housing (£870k over 5 years);
- Voluntary Sector Review, total annual value of approximately £2m. Assisting the development and sustainability of voluntary sector services, while ensure services were commissioned against a set of jointly developed priorities and outcomes;
- Working with other Berkshire authorities to deliver joint commissioned services, including our statutory advocacy services at a total value of £1m;

- Re-focused health and wellbeing strategy, with a focus on social isolation, physical activity and reducing the life expectancy gap;
- Health Protection function working well – proactive e.g. flu immunisations and winter health campaigns;
- Better integration of children’s centres and health visiting. We have seen an increase in proportion of new birth visits and 2.5 years checks completed within timescales;
- Awarding a new leisure contract, focused on key health outcomes, at £1.5 m p.a.; and,
- Working with our partners at the joint Public Health Services for Berkshire, to co-commission sexual health, weight management and smoking cessation.

Place Commissioning

- Progression of the Local Plan Update, including Draft and Pre-Submission Plans, and the Local Development Scheme;
- Working with other Berkshire authorities to progress a Joint Central and East Berkshire Minerals and Waste Local Plan;
- Working with other Berkshire authorities to understand and respond to constraints and opportunities and to inform strategic planning across the wider area, including the distribution of housing through individual Local Plans;
- Supporting the Council’s decisions on planning applications when these are taken to appeal;
- Responding to government consultations on changes to the planning system, to ensure the interests of residents and businesses in Wokingham are taken considered;
- Implementation of the Economic Development Strategy for the council and ensuring Wokingham’s priorities are represented in the development of the Berkshire Local Industrial Strategy (BLIS);
- Supporting development and delivery of the Housing and Homelessness Strategy, including negotiating appropriate affordable housing contributions through the s106 process and commissioning schemes from our housing companies;
- Working with partners to deliver circa 400 new affordable homes per annum;
- Commissioning the Gorse Ride estate regeneration project;
- Working with other Berkshire authorities as part of Superfast Berkshire to commission superfast broadband to properties not serviced by commercial providers with the aim of achieving at least 99% coverage;
- Promoting the use of innovative technology as part of the Berkshire Smart Cities programme to improve the way we deliver council services;
- progression of a Secondary School Place Strategy and the commissioning of additional sixth form capacity;
- The commissioning of 2 new primary schools to ensure sufficiency of primary school places to meet the educational needs of children;
- Management and monitoring, alongside partners, of the capital programmes for the extension of existing schools and development of new schools;
- 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 development plan is progressed in accordance with strategic planning policies and legal requirements;
- Proactive and reactive procurement and contracts support across the council;
- Undertake the running of the Council’s housing delivery companies.

Governance Services

Democratic & Electoral Services:

- During 2019 Democratic Services attended and serviced a range of daytime and evening meetings including Individual Executive Member decisions, school admission appeals, exclusion reviews; home to school transport appeals, and licensing; and taxi licensing appeals;

- Electoral Services has responsibility for running the authority's annual elections, along with all other elections and referenda. In 2019, the Electoral Services' team ran the Borough/Parish elections in May, the European Parliament election in June, and the General Election in December. Planning is currently underway for the May 2020 Borough/Parish elections, and the Police & Crime Commissioner election;
- Electoral Services employs and trains hundreds of casual staff at election time and runs an annual canvas of all 68,000 properties in the boroughs;
- The service employs and manages approximately 14 personal canvassers; and,
- Individual Elector Registration necessitates close working relationships with the Cabinet Office, the Electoral Commission, Department for Works and Pensions, external printers, external software providers and Royal Mail as well as several directorates within the Council.

Audit & Investigation

- Internal Audit is a statutory function that delivers an independent, objective assurance and consultancy service to the Council that brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes;
- Investigations - a professional and independent investigation service into incidents of fraud, code of conduct breaches, whistleblowing allegations and other suspected irregularities;
- Risk Management supports the Council in embedding and integrating proactive risk management;
- Corporate Governance – facilitates the production of the Annual Governance Statement thereby enabling the Council to meet its statutory requirements; and,
- Shared Service with the Royal Borough of Windsor and Maidenhead. Undertakes chargeable internal audit and investigation services for Bracknell Forest Council and internal audit chargeable services for Rushmoor Borough Council.

Commercial Property

- Development of strategic regeneration and development briefs in consultation with local stakeholders;
- Development of high level and detailed regeneration and development schemes in response to strategic briefs;
- Co-ordinate and manage the physical delivery of phased regeneration and development plans for key town centres;
- Monitor national and local property market and identify investment opportunities in relation to Commercial Investment programme agenda;
- Assess and advise on potential benefits/risks of investment opportunities and approaches recognising the balance of both financial and social gain;
- Initial Commercial property investment purchases already completed with further opportunities under review
- Effective management of the existing non-residential property assets in a targeted manner to support longer term council aspirations;
- Undertake, through negotiation or Compulsory Purchase Orders, all necessary site assembly to deliver phased development programmes for regeneration and development, council operation and core strategy infrastructure delivery;
- Co-ordinate and manage delivery of regeneration schemes and development schemes, including funding, communications and project management;
- Opening of Peach Place development with new shops, cafes, restaurants, public toilets and housing (including key worker apartments) surrounding a new public square.
- Work has commenced at Elms Field to create new shops, restaurants, Aldi food store, Everyman cinema, Premier Inn hotel, homes all focussed around an improved landscaped park and inclusive play areas (PiPA – plan inclusive play areas)
- Commenced detailed design process at Carnival Phase 2 (proposals include a new larger leisure centre, library, commercial spaces and apartments) with an intent to start on site in mid to late 2020 (following reopening of new Bulmershe leisure centre)

Digital and Change

Business Change

- Successfully worked with ASC via the Continuous Improvement Programme model to deliver:
 - Project to deliver the creation of a new Adult Social Care Safeguarding Hub
 - Optalis Transfer Programme
 - Transitions service move from Children's to Adults Project
 - Project to underpin the People Together (3Cs) pilot
 - Modernisation of IT for ASC (laptops/tablets/Android Phones)
 - Accommodation Improvement Project
 - Finance Improvement Project
 - LD Strategy development Project
- Created and delivering a programme of improvement with Business Services to focus on key areas of improvement, specifically targeted at supporting our workforce to self-serve and enhancing the customer experience
 - New Application Tracker for recruitment project
 - Developing a corporate approach to improve the Council's approach to seeking grant funding, utilising the Grant Finder solution
 - Review and development of the Council's ERP system
 - Project to improve the Council's establishment data
- Created and delivering a programme of improvement with Customer, Localities & Place to support the new Directorate embed the changes delivered via 21C:
 - Successfully delivered the new Highways Contractor programme
 - Undertaking a review of the Place services within C&L
 - Supporting the Fly tipping project
 - Project management of the new Street Cleansing contract
 - Programme to deliver a new customer portal and CRM system for Customer Delivery
- Created and delivering a programme of improvement with Children's Services to deliver against the key priorities of the Directorates:
 - SEND
 - Home to School Transport
 - Recruitment and Retention
 - Edge of Care
 - MASH
 - YOS
 - Directorate Design

IMT

- Safely delivered the highways IT move to WDM
- Managed the transition from Community Maps to ESRI
- Managed and successfully delivered a major move of all servers to 2016 in line with end of support notification from Microsoft for 2008
- Upgraded every PC, Laptop and tablet to a Windows 10 device, in line with end of support notice from Microsoft for Windows 7
- Actively replacing all smartphones to new, modern and easy to use Android devices
- Introduced Microsoft Teams to the estate as a user pilot in readiness for a full deployment early 2020
- Significantly improved Dinton Pastures site connectivity and led on supplier engagement with Virgin to deliver
- Managed the transition, rationalisation and rollout from a legacy corporate DMS to a modern document management system

- Answered over 12,000 IT calls
- Strengthened the council's infrastructure resilience
- Improved the WAN and LAN network through new supplier arrangements
- Managed a number of transitions into either Cloud or Hosted environments
- Undertook a number of major application upgrades in conjunction with the business and suppliers

Revenue Budget & Service Changes 2019/20

The directorate's efforts will be concentrated on:

- Supporting the delivery of the council's major programmes and projects;
- Supporting the organisational development of the council to enhance the organisation's ability to deliver its vision and priorities;
- Further investment in information technology and data protection compliance

Capital Budget & Service Changes 2019/20

Corporate Services capital schemes include the following:

- Affordable housing schemes, including the Gorse Ride regeneration project and self-build housing.

Commercial Property Capital Schemes

The aim of Commercial Property is to deliver a range of schemes and programmes that are focused on bringing a range of benefits for residents.

These can include providing improved facilities, regenerating town centres, or strategic investment to generate additional funding for the council to reinvest in services and projects across the borough.

- 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 Key Worker Housing element of the scheme is being delivered in partnership with Wokingham Housing Limited.
- 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 residential element of the scheme is being delivered in partnership with David Wilson Homes.
- Carnival Pool – Redevelopment of existing site to deliver a mixed-use development with an emphasis on creating a leisure quarter (including a larger leisure centre and library) and additional parking to the southern edge of the town centre.
- Commercial Investment – To establish a commercial investment portfolio with the intent on generating a stream of external income for the council.

REVENUE SERVICE BUDGETS 2020/21	Budget 2019/20 £'000	Budget 2020/21 £'000	Note
Corporate Services			
Business Services	21,685	21,897	(1)
Corporate Services	512	351	(2)
Governance & Improvement	1,461	1,384	(3)
Housing Needs & Benefits	(275)	(275)	
Public Health	(889)	(1,234)	(4)
S&C People - Commissioning	979	1,138	(5)
S&C Place - Commissioning	1,176	977	(6)
<i>Internal Recharges & Depreciation Charges</i>	<i>(12,559)</i>	<i>(11,886)</i>	
Total Corporate Services	12,090	12,352	

Explanation of Movement from 2019/20 to 2020/21

Note 1.

(£65k) efficiency savings from reduction in retained legal service consultancy budget and reduction in grants to parishes, £50k special item for early payment invest to save programme, special item budgets of £569k for resources across continuous improvement projects. Cross service budget adjustments (£34k).

Note 2.

Budgets for continuous improvement programme which includes special items £930k, budget restructure from realignments £1.3m and budgets for continuous improvement support in adult social care £1m and children services £1m, Increase in investment income target (£1.7m), Contract procurement fees increase (£48k), other budget adjustments £30k

Note 3.

£30k growth owing to expected cessation of grant, expected increase in additional income (£10k) and other budget realignments across directorate.

Note 4.

Additional income from 3G pitches (£35k), (£118k) budget realignment from Customer & Localities, other budget adjustments within directorate.

Note 5.

£90k special item to support resource placement commissioning in Adults & Children's and community safety partnership, wellbeing board project support of £60k.

Note 6.

Additional income from housing investment (£200k), £55k growth for climate emergency works resource.

CUSTOMER AND LOCALITIES SERVICE BUDGET 2020/23

Service narratives are based on the council's current structure. Consultation on the structure is currently on going, once approved all budgets will be adjusted to the new structure.

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:

Customer Delivery and Localities

Localities

Community driven working with the resident at the heart of everything we do. Creating a resilient and flexible workforce to meet the ever-changing needs of our customers and the physical environment.

- Community Hubs - operational management of the borough's nine libraries offering an enhanced range of service delivery capabilities; delivering a programme of events for residents including book festivals, children's holiday activities and literacy schemes; and the delivery of new community facilities within our new communities.
- Community Environmental – inspection, monitoring and enforcement of local environmental issues, including trees, street cleansing, play areas, public rights of way, fly tipping, council tax and business rates inspections of new and empty properties, grounds maintenance work on Council property including reactive and programmed works, management of Council owned play areas, events fields, sports pitches and associated recreational facilities.
- Community Engagement – supporting both geographical communities and communities of interest in establishing sustainable practices that promote the achievement of increased community capacity and self-sufficiency. Maintaining a constructive dialogue with people and groups within our towns and parishes so that they are able to shape their local areas according to their own identity and aspirations. Neighbourhood Housing Officers offering a first point of contact service to our tenants and Sheltered Housing Service offering a frontline service to the Borough's sheltered housing tenants.

Customer Delivery

Acts as the Council's first point of contact service for residents, businesses, customers and users of Council's services. There are a variety of ways people can interact with us, such as face-to-face, phone, web chat, email and by using online forms. We also offer an assisted delivery service for those who need more help. The aim is to fix queries at first point wherever possible, and ensure the customer experience is the best it can be, whilst continually acting on feedback to improve service delivery.

As well as providing frontline services and aiming for a first time fix, many of the casework services we offer include a more involved relationship with customers.

The service is divided into three clusters, with each cluster focusing on specific areas, delivered by multi-skilled teams. Each deal with first point of contact interactions, and take ownership for case resolution.

- Place delivers services related to: planning, waste, highways, land charges, and disabled parking badges;

- Income and payments delivers services related to: council tax and business rates, recovery, accounts payable and accounts receivable; and,
- Resident and assessment delivers services related to: housing benefit, housing needs, financial assessments, registrars, freedom of information requests, complaints, and school admissions.

Place Services

- Providing a high quality customer responsive service to determine planning applications, present the Council's case effectively at appeal
- Delivering a planning compliance and enforcement service in conjunction with other environmental enforcement services and locality teams to investigate and resolve breaches of control, resulting from developments
- Providing environmental health, licensing and trading standards through a shared public protection partnership with West Berkshire Council and Bracknell Forest Council. This focuses on a wide range of regulatory services to achieve improvements in the quality of life for those who live, work and visit the borough;
- Providing building control services through a joint service agreement with The Royal Borough of Windsor and Maidenhead Council (RBWM) and West Berkshire Council. 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;
- Grounds maintenance – responsible for the management of the contract with Tivoli including liaising with localities for monitoring purposes, for the delivery of grounds maintenance work on Council property including reactive and programmed works management of Council owned play areas, events fields, sports pitches and associated recreational facilities. Grounds maintenance services are also provided for other Council services – notably highways, tenant services, schools and Children's Services;
- Waste Management – responsible for the delivery of all aspects of refuse and recycling collection; waste enforcement and abandoned vehicles and 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, litter, graffiti, fly-posting, fly-tipping, dumped rubbish and other abandoned waste; treating weeds on adopted highways and the cleansing of the A329M and A33; and,
- Countryside Services – responsible for managing the Council's country parks (including Dinton Pastures, California, Charvil), SANGs, Local Nature Reserves and other countryside sites. 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.

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;
- Responsible for a major development program ensuring the delivery of the adopted Core Strategy housing requirement of at least 13,230 homes between 2006-2026 and collecting infrastructure funding to support new and improved infrastructure;
- Responsible for contribution to the delivery aspects including master planning (Grazeley etc.) and infrastructure delivery work associated with the formulation, adoption and delivery of the Local Plan 2026-2036 Update

- Coordination of the negotiation, securing via agreement, collection, allocation and spending of funds raised via S106, CIL, grant, loan, borrowing or other means of £500m to ensure the timely and efficient delivery of quality infrastructure by others. Ensuring there is adequate risk management and governance created and maintained to enable the cross cutting agendas to be implemented in the wider interests of the Council;
- Liaison with and enabling of the town and parish councils to secure their co-operation in spending of capital sums on corporate priorities. Managing and processing bids for resources by town and parish councils and other third parties;
- Coordination of special project activity including producing detailed business cases, complex bids for funding, commissioning of operational master planning, infrastructure delivery plans, guidance, monitoring of housing starts and completions, commissioning of ad-hoc and miscellaneous infrastructure and housing monitoring reports as and when required;
- Providing specialist legal support to secure delivery;
- Development, application and implementation of the Council's green infrastructure strategies (including the Public Open Space and Sports Facilities Strategy and Biodiversity Strategy) and ensures that major developments within the borough deliver appropriate new facilities including SANGs, (Suitable Alternative Natural Greenspaces) public open space, playing pitches, children's play areas and allotments. The Service also leads on the in house delivery of new green infrastructure facilities and commissions the maintenance of the Council's existing biodiversity and public rights of way assets;
- Providing specialist advice in the interests of protecting the existing landscape, trees, biodiversity, public rights of way and built heritage of the borough from inappropriate development and seeks enhancements wherever possible;
- 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;
- Providing specialist transport and drainage input to the delivery of strategic and all other development proposals, through master planning, infrastructure delivery plans, guidance and policies and concept documents, providing pre-application advice, briefing forums, stakeholders, Lead Members and Officers, determining applications, presenting the Council's recommendation to committee and working closely with developers and promoters;
- Delivery of the Council's agreed £124m major highways delivery projects including new roads, lighting, footpath/cycleway/greenway/Park & Rides/major structures/highway improvement schemes and related structures and assets to adoptable standards where appropriate via the most cost effective and quality mechanism on time and within budget forecasts;
- Providing safe and efficient strategic flooding advice and guidance, design of drainage assets, their future management and maintenance in a coordinated and cost effective manner;
- Providing for the efficient control of highway opening licenses, which results in the minimisation of impact on the free flow of the highway network and facilitates efficient and timely delivery; and,
- Providing for the efficient and appropriate design, funded and planned maintenance arrangements for new highway and drainage assets and that their construction is efficiently checked for implementation in compliance with planning and highway legislation and regulations. Ensuring breaches of control are escalated for the relevant enforcement activity.

Highways and Transport

Highways and Transport is the only service in the Council that every resident within the Borough uses on a regular basis; this includes the pavement/footpaths when they step out of their property, to the roads they travel along for both work and pleasure. The Mission statement of H&T is to provide a well maintained integrated transport system including public transport and roads to allow all users to make the journeys they need in a way they choose, safely and with the minimum of inconvenience.

Three teams come under the overarching umbrella of Highways, namely Traffic Management, Parking and Road Safety, Transport Strategy & Planning, and Highway Assets.

Traffic Management, Parking & Road Safety – this team deals with the day-to-day traffic management and control, principally those activities required to keep traffic moving safely and efficiently including speed surveys and speed limits, traffic and parking regulation orders, traffic engineering schemes, traffic signing & lining improvements, local safety schemes, traffic signals management, accident data processing, pedestrian crossing assessment, parking and HGV management measures.

Transport Strategy & Planning – this team deals with strategic transportation and transport planning matters, the Local Transport Plan, public transport services and infrastructure, transport funding bids, sustainable travel planning and management, MyJourney services, Bikeability training and school, workplace and development travel plans, cycle and walking network development, low emission/air quality action plans, carbon reduction and electric vehicle planning.

Highways Asset Team – this team is responsible for the long term maintenance of the Borough's highway assets including roads, footpaths, structures (bridges, subways, retaining walls, culverts, embankments etc.) street lighting (16,113 columns), and street furniture (signs, fencing, bins, bollards, benches, street name plates, cycle stands etc.). Maintaining inventories of the Borough's highway-related assets, and commissioning of regular condition surveys of the asset stock.

Housing, Income and Assessments

Housing

The Housing Service is made up of a number of distinct teams who provide a wide range of services to Council housing tenants. These teams are asset management, housing management, involvement and improvement and rental income.

- **Asset Management**
The HRA is made up of approximately 2,600 dwellings. Our principle objective is to provide decent, safe and warm homes to meet our regulatory requirements whilst making best use of the funding available by use of good quality stock condition data.
- **Housing Management**
The teams' principle objective is to ensure that all Wokingham Borough Council residents, leaseholders and licensees have safe and peaceful enjoyment of their homes and communities. All anti-social behaviour reports will be responded to quickly and effectively. We work with many internal departments and partner agencies to deliver the above for our residents.
- **Involvement and Improvement**
The aims of the involvement and improvement team can be split into the business functions the team works on, delivering a varied menu of engagement opportunities, which is inclusive of all and being the lead experts for community engagement and involvement for the housing service.

On the customer care side we aim to effectively manage and monitor complaints, compliments, freedom of information requests, subject access request and member enquiries in relation to the housing service.

- **Rental Income Team**
The main service aims are collecting rents and reducing rent arrears across the housing portfolio.

Income

- The service aims of the income and payments team are to maximise income collection to enable Wokingham Borough Council to provide services to the residents of Wokingham and ensure that all bills and invoices are raised promptly, payments to suppliers made within the agreed terms and all payments received are allocated promptly;
- The highest priority is to maintain collection rates, with an ever increasing amount of domestic properties and the increase in council tax and business rates; and,
- The service provides all the financial transactional services within Wokingham Borough Council and includes purchase to pay, debtors, council tax/NNDR billing and cashiers.

Financial Assessments

- The service aims of the financial assessments team are to meet the needs of the community: it encompasses the administration of housing benefit, council tax reduction, discretionary housing payments, local welfare provision and personal budgeting support for residents within the Borough.

Service Outputs – Key Facts and Figures

- Supporting and coordinating bids for infrastructure funding to support the Council's growth agenda;
- Supporting the development of the Council's Local Transport Plan (LTP4);
- Continuing joint working to progress Reading University's Science Park;
- Supporting development and delivery of the Housing Strategy including negotiating appropriate affordable housing contributions through the s106 process;
- Determination of over 3,500 planning and related consent applications;
- Investigation of over 700 potential breaches of planning control;
- Promotion and defence of the Council's policies at approximately 100 planning appeals per year;
- Investigating and prosecuting in respect of doorstep crime, rogue traders and money laundering
- Issuing licenses and inspection of residential rental properties and commercial premises. Development and co-ordination of infrastructure delivery plans and negotiations to secure acceptable development proposals for each of the four SDLs;
- 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;
- Supporting 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;
- Delivering the green infrastructure associated with the strategic development locations, including 120ha of new SANGs, a new Sports Hub at Ryeish Green, purchased the Bohunt Leisure Centre and a new Greenway at California Country Park;
- 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;
- A largely self-financing joint building control service dealing with 3,600 building regulation submissions per year;
- Disposing of approximately 79,000 tonnes of municipal waste, of which around 30,000 tonnes is reused or recycled achieving a recycling rate of 57 %
- 3.38 million individual refuse and recycling collections per annum;
- Over 10,000 individual clinical waste collections to the elderly and vulnerable;
- Managing the two re3 Household Waste Recycling Centres with re3 partners;
- Advising on waste strategy and waste legislation;
- Cleansing over 700 km of highway, including footways and cycle paths;

- Management and maintenance of sports facilities;
- 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 bikeability cycle training for approximately 1,600 year 5 & 6 pupils;
- Promoted sustainable travel options and provided road safety related education and training through MyJourney Wokingham for new residents within our new development locations and existing residents across the borough;
- Delivering the objectives of the borough's local transport plan 2011–26;
- Managing and maintaining the Council's 15 pay & display and 10 other free off-street car parks;
- Maintaining over 19,000 street lights, illuminated signs, feeder pillars and other similar equipment;
- Processing 55,000 notices for works on the highway to ensure co-ordinated works;
- Delivering the transport infrastructure associated with the strategic development locations;
- Plans and supports the delivery of public transport in conjunction with bus companies; and,
- Monitoring, procurement and reimbursement of the National Bus Pass Scheme and renewed over 25,000 bus pass users this year.

Countryside Services

- Maintain around 420 hectares of countryside sites that include, 217 hectares of country parks, over 100 hectares of nature reserves, 100 hectares of Suitable Alternative Natural Greenspaces and 143miles of public rights of way;
- Worked with over 1,400 children on environmental education activities;
- Offered a comprehensive outdoor education programme including climbing, water sports, open water swimming, and team building exercises;
- Developed mass participation events such as triathlon, open water swims and cyclo-cross;
- Worked with volunteers who committed over 2,000 days' worth of support in our country parks;
- Management of 6 sites for fishing across the borough; and,
- Brings in around £800,000 in income from car parking, catering, events, fisheries and leases each year.

Customer and Localities and Delivery

- The School Admissions Service process almost 3,000 secondary school applications (95% made online), 600 infant to junior applications and over 2,000 reception class applications per annum;
- Activity within the registrars service includes registering over 1,000 marriage notices, 400 births and over 500 death registrations per annum, in addition 70 citizenship ceremonies and over 300 weddings are conducted;
- The customer delivery service respond to over 160,000 phone calls, 30,000 emails and over 10,000 web-chats per annum;
- Over 4,000 customers per annum visit the housing needs team to talk about their housing rights and options. Over 300 households per annum are in critical housing need with whom Personal Housing Plans are agreed. In addition 150 households apply as homeless each year;
- Council tax is collected from over 68,000 domestic properties;
- Business rates are collected from over 4,286 businesses;
- The customer delivery service collate and respond to over 1,200 freedom of information requests per annum and an additional 20 subject access requests;
- Over 1,300 adults and children are supported with transport needs via corporate transport unit;
- There are 18,500 garden waste customers provided with a service;

- 2,500 blue badge applications are processed for residents with mobility issues;
- The place cluster within customer delivery administer (including validation) 3,500 planning applications per annum
- The community engagement service within localities, run at least five key programmes of community development in existing communities to promote self- reliance and develop capacity;
- Within the community environmental service in localities, we organise the removal of 800 incidents of fly tipping per annum and investigate over 70 abandoned vehicles per annum and clear over 60 incidents of graffiti;
- Within customer delivery we manage two cemeteries – Shinfield and St Sebastian's;
- Within localities we manage 100 children's play areas and three youth shelters; and,
- Hosting over 470,000 visits to our nine libraries with over 25,000 active library users with access to 185,000 items in the library service stock.

Housing, Income and Assessments

- Collects council tax of £130 million from 72,000 homes;
- Collect business rates of £74 million;
- Collect Council rents, temporary accommodation, service charges, pitch fees and garage rents of £15 million per annum from circa 2,700 accounts;
- Collect over £12 million per annum on sundry debtor accounts;
- Through cashiers, process over 200,000 transactions per annum;
- Over 2,600 gas safety checks;
- Manage and deliver all aspects of the Council's landlord function for all Council-owned social housing and temporary accommodation which includes:
 - 2,601 Council-owned housing;
 - 189 leasehold premises;
 - 83 shared ownership properties;
 - 656 garages.
- Provide a specialist response to anti-social behaviour within social housing stock;
- To manage the Councils housing stock so that it continues to meet the Governments decent homes standard currently at 100%;
- Undertake disabled adaptations to all tenures of homes in the borough to help households remain in their homes for as long as possible;
- Respond to, manage and take enforcement action to unauthorised encampments on Council land;
- Manage the housing register (waiting list) – currently around 1,400 live registered applicants, assess individual housing need, administer and input applications, update and renew applications and communicate and stakeholders;
- House applicants into Council or housing association vacancies (including new-build developments and sheltered accommodation) prioritise and nominate households to shared ownership vacancies, between April 2019 and September 2019, there were 212 allocations;
- Investigate, decide and provide for statutory homeless applications (Housing Act 96 Part VII), there were 42 homelessness acceptance for April to October 19, compared with 20 for the same period in 2018;
- Respond to the needs of rough sleepers and work in conjunction with local support agencies in line with our new Homelessness and Rough Sleeping Strategy; and,
- Rough sleeper numbers have reduced to 7 as per the November 2019 estimate.

Revenue Budget & Service Changes 2020/23

Major changes to the Customer and Localities revenue budget include the following:

Growth Items

- Revenue cost increase relating to inflationary contract price increases;
- Revenue increases due to additional road references;
- Revenue increases for waste and recycling collection due to increase in property numbers; and,
- Revenue increases to procure and deliver a new street cleansing service focussing on quality outcomes
- Revenue increase for inflationary staff increases in Public Protection Partnership

Savings:

- Savings from changing the way we work with our major suppliers in highways and transport; and,

Capital Budget & Service Changes 2020/23

Capital schemes include the following:

- Continuation of the Street lighting renewal project – upgrading street lights to modern LED units with lower energy consumption and longer life,
- 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 major projects and remedial works to highways drainage network where flooding problems have been highlighted;
- Traffic signal upgrade programme – continued upgrade of old and obsolete equipment, therefore giving the opportunity of installing low energy equipment and up to date controller systems;
- 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;
- Improvements to leisure facilities in the borough including country parks;
- Improvement to the Public Right of Way network including the delivery of a Greenway network (traffic free routes across the borough);
- Continued investment in the waste collection arrangements including the introduction of the food waste service;
- Strategic land purchases – investments to enable the capital programme;
- Town Centre Environmental Improvement scheme around the Market Place;
- Commencement of the Park and Ride Scheme at Thames Valley Park;
- Air quality monitoring; and
- Investing in libraries to make more flexible use of space and increase the range of activities that the public can access within them.

REVENUE SERVICE BUDGETS 2020/21	Budget 2019/20 £'000	Budget 2020/21 £'000	Note
Customer and Localities			
Customer & Localities	4,469	4,535	(1)
Community Services	16	16	
Delivery and Infrastructure	592	382	(1)(2)
Highways & Transportation	6,411	7,088	(1)(3)
Housing Needs and Benefits	(13)	(175)	(1)(4)
Income, Assessments & Housing Place	(373) 16,124	789 17,388	(1)(5) (1)(6)
<i>Internal Recharges & Depreciation Charges</i>	<i>7,247</i>	<i>4,964</i>	
Customer and Localities Service	34,473	34,987	

Explanation of Movement from 2019/20 to 2020/21

Note 1.

Service restructuring, moved within various areas of Customer and Localities reporting group. One off costs for additional resourcing £20k. Additional income relating to land charges £20k

Note 2.

Service restructuring, moved from various other areas within service. Additional income relating to fees and charges £22k

Note 3.

Service restructuring, moved from other areas within service. Budget growth for revenue funding of Highways capital investment £500k; increased resource funding £95k; increased maintenance of carriageways and footways £39k; increased revenue implications on integrated transport capital scheme £21k; increased maintenance due to extended network length £15k; refurbishment of structures £10k; increased winter maintenance costs due to extended network length £10k. Savings relating to service efficiencies £50k; increased residents permit charges £10k. Additional income relating to fees and charges £5k

Note 4.

Service restructuring within service. Additional income relating to fees and charges £35k

Note 5.

Cross service budget realignments. Budget growth relating to loss of grant income (Elevate) £30k

Note 6.

Service restructuring, moved from various other areas within service. Budget movements also include growth items for additional resources for Home to School Transport £200k; additional cost on revised street cleaning contract £111k; increased cost and mitigation of savings on Public Protection Partnership £90k; increased cost on Waste and Recycling driven by increased number of households £50k. Additional income relating to land charges £20k. One off costs relating to additional workload for planning appeals £320k; One off additional resources to support planning enforcement demand £100k; one off costs for council tax e billing system £50k; one off costs for the proposal to subsidise the increase in taxi license charge £18k

Summary of Budget Movements 2020/2021

The following table shows how the 2020/2021 budget has been calculated starting from the 2019/2020 budget. The table includes additional budget to maintain / improve services, special items (one off expenditure budget), service efficiencies and any adjustments / additions.

	Adult Social Care £'000	Chief Executive £'000	Children's Services £'000	Corporate Services £'000	Customer & Localities £'000	Total £'000
2019/2020 Service Budget (excluding Capital & Internal recharges)	46,727	(128)	21,947	25,400	27,238	121,184
Adjustments/Additions						
Exclusive one off revenue items in 2019/2020 (Special Items)	(551)	(1,500)	(365)	(2,339)	0	(4,755)
Inflation for non-pay activities	1,303	0	175	435	289	2,202
Pay award (Note 1)	0	0	0	1,250	0	1,250
Superannuation - increase in employers' contribution across Council (Note 1)	0	0	0	180	0	180
Adjustments between services (e.g. budget reallocations inc.) (Note 2)	(766)	2,026	(794)	(414)	897	949
Total	(14)	526	(984)	(888)	1,186	(174)

Note 1 - budget will be redistributed across directorates following the confirmation of any cost of living increase from April 2020

Note 2 - business rates section 31 grant funding budget adjustment made to show within total funding rather than directorate expenditure

Funding to Maintain / Improve Services						
Care & Support - demand	1,799					1,799
Mitigate impact from loss of service grants	265					265
Deprivation of Liberty Safeguarding (DOLS)	200					200
Adult Safeguarding hub - additional staff	170					170
Director - Communities, Insight and Change		162				162
Social work staffing			1,073			1,073
Placement growth			600			600
Home to school transport			500			500
Quality Assurance and Safeguarding Standards (QA&SS) and other posts previously funded non-recurrently			315			315
Increased capacity to deliver Special Education Needs & Disabilities (SEND) demand			245			245
Virtual school improvements			90			90
Economic Prosperity & Place - additional post				55		55
Democratic Services - cessation of government grant to conduct annual canvass (IER)				30		30
Revenue funding for highways capital investment					500	500
Home to school transport - additional resources					200	200
Street cleansing contract					111	111

	Adult Social Care £'000	Chief Executive £'000	Children's Services £'000	Corporate Services £'000	Customer & Localities £'000	Total £'000
Funding to Maintain / Improve Services Cont.						
Assistant director - highways					95	95
Public Protection Partnership - growth to cover annual increases in staffing costs and mitigation of under achieved savings					90	90
Waste and recycling - increase in property numbers					50	50
Highways maintenance - carriageways and footways					39	39
Loss of grant income (Elevate)					30	30
Revenue implications of integrated transport capital scheme					21	21
Highway drainage increased maintenance costs due to additional network length					15	15
Highway structures -major refurbishments/strengthening					10	10
Winter service - increased maintenance costs due to additional network length					10	10
Total	2,434	162	2,823	85	1,171	6,675

Special Items 2020/2021						
Continuous Improvement Programme (CIP) - Adult Services	1,000					1,000
Transitions project support	35					35
Continuous Improvement Programme (CIP) - Children Services			1,000			1,000
Social care staffing - new recruitment & retention strategy			552			552
Review of legal costs			400			400
Create edge of care / placement support service			300			300
Demand costs across placements			300			300
Practice assistants			200			200
Home to school transport review			165			165
SEND written statement of action implementation			112			112
Parenting assessments			100			100
Children in care CAMHS			100			100
Developing social work apprenticeships			100			100
Learning, achievement & partnerships complaints officer			40			40
Continuous Improvement Programme (CIP) - estimated resource requirement to deliver sustainable organisational change				1,500		1,500
Resource to lead on placement commissioning				90		90
Community Safety Partnership + wellbeing board project support				60		60
Early payment programme				50		50
Additional work load for planning appeals					320	320
Resources to support planning enforcement demand					100	100
One of implementation costs of council tax e billing					50	50
Assistant director Customer & Localities					20	20
Public Protection Partnership – proposal to subsidise the increase in the taxi license charge					18	18
Total	1,035	0	3,369	1,700	508	6,612

	Adult Social Care £'000	Chief Executive £'000	Children's Services £'000	Corporate Services £'000	Customer & Localities £'000	Total £'000
Funded by the following Service Efficiencies						
Optalis review	(400)					(400)
Social care grant(s)	(400)					(400)
Adult social care pathway redesign	(300)					(300)
Review of existing packages of care	(250)					(250)
Review the application of Continued Health Care (CHC) claims	(250)					(250)
Learning disability review	(100)					(100)
Capitalisation of system licences and system developer roles			(330)			(330)
Review of therapy services			(150)			(150)
Placements strategy review			(130)			(130)
Home to school transport - efficiency review			(100)			(100)
Administration efficiencies			(50)			(50)
New income generation in excess of financing costs - commercial properties				(1,040)		(1,040)
Income generation in excess of financing costs - commercial properties				(700)		(700)
Wokingham owned houses				(200)		(200)
Early payment programme				(45)		(45)
Leisure - enhancement of Cantley Park				(35)		(35)
Grants to town/parishes phased out over 5 years				(20)		(20)
Audit shared service - additional clients				(20)		(20)
Highways and transport – service efficiencies					(50)	(50)
Land charges revenue generation					(20)	(20)
Parking review - residents permit charges increased					(10)	(10)
Total	(1,700)	0	(760)	(2,060)	(80)	(4,600)
Service Budget 2020/2021 (excluding Capital & Internal recharges)	48,482	560	26,395	24,237	30,023	129,697
<i>Internal Recharges & Depreciation Charges</i>	2,887	8,814	9,004	(11,886)	4,964	13,783
Service Budget 2020/2021 (including Capital & Internal recharges)	51,369	9,374	35,399	12,351	34,987	143,480
The following corporate transfers are included within the "appropriation to / (from) balances" line in the grand summary page						
Corporate Transfers						
Contribution towards future impact of reduction in new homes bonus funding						2,100
Contribution towards future impact of increased pension contributions						1,800
Forward funding (infrastructure bridging loan)						1,500
Revenue contribution to capital						800
Total	0	0	0	0	0	6,200

THREE YEAR BUDGET FORECAST

The following table shows the cumulative changes in revenue budget over the next 3 years

	2020/2021 £'000	2021/2022 £'000	2022/2023 £'000
Growth			
Adult Social Care			
Care & support - demand	1,799	3,425	5,047
Mitigate impact from loss of service grants	265	265	265
Deprivation of Liberty Safeguarding (DOLS)	200	200	200
Adult safeguarding hub - additional staff	170	170	170
Chief Executive			
Director - Communities, Insight and Change	162	162	162
Children's Services			
Social work staffing	1,073	1,073	1,073
Placement growth	600	750	900
Home to school transport	500	600	800
Quality Assurance and Safeguarding Standards (QA&SS) and other posts previously funded non-recurrently	315	315	375
Increased capacity to deliver SEND demand	245	245	245
Virtual school improvements	90	180	180
SEND quality assurance practice & training	0	41	41
Corporate Services			
Economic Prosperity & Place - additional post	55	55	55
Democratic Services - cessation of government grant to conduct annual canvass (IER)	30	30	30
Customer and Localities Services			
Revenue funding for highways capital investment	500	500	500
Home to school transport - additional resources	200	200	200
Street cleansing contract	111	111	111
Assistant director - highways	95	95	95
Public Protection Partnership - growth to cover annual increases in staffing costs and mitigation of under achieved savings	90	140	140
Waste and recycling - increase in property numbers	50	100	150
Highways maintenance - carriageways and footways	39	78	117
Loss of grant income (Elevate)	30	30	30
Revenue implications of integrated transport capital scheme	21	42	63
Highway drainage increased maintenance costs due to additional network length	15	30	45
Highway structures - major refurbishments/strengthening	10	20	30
Winter service - increased maintenance costs due to additional network length	10	20	30
Systems – benefits assessments software	0	24	24
Total Growth	6,675	8,901	11,078

THREE YEAR BUDGET FORECAST

The following table shows the cumulative changes in revenue budget over the next 3 years

	2020/2021 £'000	2021/2022 £'000	2022/2023 £'000
Savings			
Adult Social Care			
Optalis review	(400)	(900)	(900)
Social care grant(s)	(400)	(400)	(400)
Adult social care pathway redesign	(300)	(700)	(950)
Review of existing packages of care	(250)	(500)	(650)
Review the application of Continued Health Care (CHC) claims	(250)	(350)	(350)
Learning disability review	(100)	(200)	(400)
Older people dementia home	0	0	(100)
Children's Services			
Capitalisation of system licences and system developer roles	(330)	(330)	(330)
Review of therapy services	(150)	(150)	(150)
Placements strategy review	(130)	(410)	(510)
Home to school transport - efficiency review	(100)	(250)	(350)
Admin efficiencies	(50)	(50)	(50)
Reconfiguration of Children's Services	0	(200)	(400)
Corporate Services			
New income generation in excess of financing costs - commercial properties	(1,040)	(1,500)	(2,000)
Income generation in excess of financing costs - commercial properties	(700)	(1,200)	(1,400)
Wokingham owned houses	(200)	(400)	(600)
Early payment programme	(45)	(100)	(200)
Leisure - enhancement of cantley park	(35)	(100)	(100)
Grants to town/parishes phased out over 5 years	(20)	(20)	(20)
Audit shared service - additional clients	(20)	(20)	(20)
Commercialisation - crematorium	0	(219)	(219)
Income generation from solar farms	0	0	(100)
Customer and Localities Services			
Highways and transport – service efficiencies	(50)	(50)	(50)
Land charges revenue generation	(20)	(20)	(20)
Parking review - residents permit charges increased	(10)	(10)	(10)
Total Savings	(4,600)	(8,079)	(10,279)

THREE YEAR BUDGET FORECAST

The following table shows the changes in revenue budget over the next 3 years. These are non-cumulative and one off (i.e. non recurring)

	2020/2021 £'000	2021/2022 £'000	2022/2023 £'000
Special Items			
Adult Social Care			
Continuous Improvement Programme (CIP) - Adult Services	1,000	500	0
Transitions project support	35	0	0
Children's Services			
Continuous Improvement Programme (CIP) - Children Services	1,000	500	0
Social care staffing - new recruitment & retention strategy	552	370	180
Review of legal costs	400	0	0
Create edge of care / placement support service	300	300	300
Demand costs across placements	300	150	0
Practice assistants	200	200	200
Home to school transport review	165	65	0
SEND written statement of action implementation	112	0	0
Parenting assessments	100	100	100
Children in care CAMHS	100	100	100
Developing social work apprenticeships	100	0	0
Learning, achievement & partnerships complaints officer	40	40	0
Corporate Services			
Continuous Improvement Programme (CIP) - estimated resource requirement to deliver sustainable organisational change	1,500	1,500	1,500
Resource to lead on placement commissioning	90	90	0
Community safety partnership + wellbeing board project support	60	60	0
Early payment programme	50	0	0
Customer and Localities Services			
Additional work load for planning appeals	320	170	0
Resources to support planning enforcement demand	100	100	0
One off implementation costs of council tax e billing	50	0	0
Assistant director Customer & Localities	20	0	0
Public Protection Partnership – proposal to subsidise the increase in the taxi license charge	18	0	0
Total Special Items	6,612	4,245	2,380
Corporate Transfers			
Contribution towards future impact of reduction in new homes bonus funding	2,100	0	0
Contribution towards future impact of increased pension contributions	1,800	0	0
Forward funding (infrastructure bridging loan)	1,500	0	0
Revenue contribution to capital	800	0	0
Total Corporate Transfers	6,200	0	0

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2020/21 - 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.

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Adult Social Care						
Learning disability - unknown high cost pressures	21,046	21,046	22,266	600	350	270
Mental health - unknown high cost pressures	1,006	1,006	1,356	75	160	115
Physical disability - unknown high cost pressures	2,358	2,358	2,858	150	200	150
Older people - increases above expected levels (including self funders with depleted funds)	14,451	14,451	15,036	129	328	129
Risk of litigation / compensation against assessment outcomes (including Deprivation of Liberty Safeguarding)	0	0	500	150	250	100
Risk of market failure	0	0	1,000	250	500	250
TOTAL Adult Social Care	38,861	38,861	43,016	1,354	1,788	1,014
Children's Services						
Additional placements for children, including dispersal of unaccompanied asylum seeking children (demand led)	5,300	5,500	6,500	250	250	500
Direct payments increased activity and costs (demand led)	285	285	415	20	30	80
Failure to recruit to essential frontline posts with permanent staff resulting in higher cost agency	415	550	735	45	60	80
Home to school transport (demand led)	3,300	3,400	3,800	200	100	100
Joint legal team litigation, appeals (demand led)	700	785	950	50	65	50
Emergency duty team (children's & adults) (demand led)	150	150	250	0	50	50
TOTAL Children's Services	10,150	10,670	12,650	565	555	860

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2020/21 - 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.

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Corporate Services						
Income target from property portfolio not realised	(3,000)	(560)	(500)	50	5	5
Failure to achieve targeted procurement savings across the council	(211)	(211)	(181)	15	5	10
Net service charges liability due to empty properties, traded services, service income, income schools,	(266)	(266)	(215)	35	16	0
Loss of income due to lower contribution from other authorities - Digital printing	(192)	(192)	(83)	59	25	25
Loss of income due to lower contribution from other authorities - Legal services	(674)	(674)	(620)	35	19	0
Loss of income due to lower contribution from other authorities - Properties	(496)	(496)	(200)	0	0	296
Loss of income due to lower contribution from other authorities - Audit	(433)	(433)	(408)	15	10	0
Major emergency within the community e.g. weather event / pandemic flu or major incident	0	0	10	8	2	0
Higher than planned cost of business rates	864	864	988	27	27	70
Major emergency within the community e.g. weather event / pandemic flu or major incident	0	0	3,000	0	2,500	500
TOTAL Corporate Services	(4,408)	(1,968)	1,791	244	2,609	906
Customer & Locality Services						
S106 monitoring fees - under achievement of predicted income	(101)	(101)	(50)	0	11	40
Planning applications - under achievement of predicted fee income	(975)	(1,135)	(500)	175	210	250
Pre applications fees - under achievement of predicted fee income	(120)	(120)	(50)	20	20	30
Loss of income from fishing season tickets (fish disease in fisheries)	(95)	(85)	(75)	10	0	0
Loss of income due to excessive weed algal growth prohibiting use of the Multi Activity Centre	(350)	(270)	(60)	50	160	0
Loss of countryside income due to poor weather or customer resistance	(450)	(350)	(150)	70	130	0
Highways (roads and footways) urgent repairs following flooding and freezing and disposal of Tar bound material	1,308	1,308	1,508	150	50	0
Winter maintenance (bad weather)	200	206	273	30	37	0
Street lighting - energy cost increase	650	679	781	20	82	0
Failure of an embankment/structure on the highway	0	0	600	600	0	0
Impact as a result of the structure of the new highways contract (find & fix)	600	600	800	50	100	50
Additional grounds maintenance works due to heavy and prolonged rainfall	544	544	574	10	10	10
New Roads and Street Works Act - decrease in recovered income due to less road works	(158)	(158)	(125)	0	33	0
Failure to achieve target in council tax collection	0	0	1,000	900	100	0
Failure to achieve target in council business rates collection	0	0	1,000	800	200	0
TOTAL Customer & Locality Services	1,053	1,118	5,526	2,885	1,143	380
Total Budget Variable - General fund	45,656	48,681	62,983	5,048	6,095	3,160

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.

The balance as at the end of the most recent financial year and estimates of future balances are shown in the section on reserves and balances.

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 would fund council services for 17 days.

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 2020/21 indicates that balances of at least £9.3m 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): -

- £6.5m – absolute minimum (5% net budget)
- £9.3m to £14.3m – reasonable level (High/Medium risks)
- £14.3m – upper limit (High/Medium/Low risks)

HOUSING REVENUE ACCOUNT REVENUE BUDGET

The following table sets out the revenue expenditure planned for the HRA and the estimated income.

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
INCOME				
Rents				
Dwelling Rents	(13,617)	(14,523)	(14,611)	(15,049)
Garage Rents	(238)	(244)	(249)	(254)
Commercial Rents	(2)	(2)	(2)	(2)
Total Rents	(13,857)	(14,769)	(14,862)	(15,305)
Fees & Charges				
Service Charges	(408)	(408)	(408)	(408)
Leasehold Charges	(123)	(123)	(123)	(123)
Other Charges for Services & Facilities	(48)	(48)	(48)	(48)
Interest on balances	(59)	(59)	(56)	(56)
Total Income	(14,495)	(15,407)	(15,497)	(15,940)
EXPENDITURE				
Housing Repairs	3,048	3,104	3,166	3,229
General Management	3,012	2,810	2,866	2,924
Sheltered Accommodation	257	257	257	257
Depreciation	Note 1	3,664	3,402	3,402
Revenue Contribution to Capital	Note 2	476	476	476
Capital Finance Interest Charge		3,002	3,078	3,157
HRA Principal Repayments	Note 3	1,998	3,482	2,080
Total Expenditure	15,457	16,609	15,404	15,611
Net Expenditure / (Income)	962	1,202	(93)	(329)
REVENUE ACCOUNT				
Balance at Beginning of Year	(2,783)	(1,821)	(619)	(712)
Transfer (to) / from earmarked reserve	962	1,202	(93)	(329)
Forecast over / (under) spend	0	0	0	0
Balances at Year End	Note 4	(1,821)	(619)	(1,041)

Note 1. The contribution from HRA revenue to Major Repairs Reserve

Note 2. Additional revenue contribution to fund capital expenditure

Note 3. Repayment of HRA loans taken during self financing introduction

Note 4. Reserve balances guided by assessments of financial risks

HOUSING REVENUE ACCOUNT CAPITAL BUDGET

The following table sets out the capital expenditure planned for the HRA and the funding set aside to pay for the expenditure.

		2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
EXPENDITURE					
Estate Improvements		10	10	10	10
Capitalised Staffing Costs		605	605	605	605
Adaptations for the Disabled		400	450	500	550
Voids		450	750	800	850
Housing Purchase & New Builds		8,000	2,054	2,054	2,054
Planned & Cyclical Works		1,495	1,795	1,795	1,795
Improvements & Projects including Decent Homes		1,140	1,140	1,140	1,240
Total Capital Expenditure		12,100	6,804	6,904	7,104
FUNDED BY					
Major Repairs Reserve		(5,900)	(3,402)	(3,402)	(3,402)
Right to Buy Receipts	Note 1	(2,400)	(616)	(616)	(616)
Other Receipts / Grants	Note 2	(1,516)	0	0	0
Revenue Contributions	Note 3	(476)	(476)	(476)	(476)
New loan for 70% of RTB purchase & capital works	Note 4	(1,808)	(2,310)	(2,410)	(2,610)
Total Capital Funding		(12,100)	(6,804)	(6,904)	(7,104)
Balances at Year End		0	0	0	0

Note 1. Estimated receipts from right to buy sales

Note 2. Developer contributions to support capital investment in affordable housing

Note 3. Available revenue contribution to support capital investment

Note 4. Additional borrowing to support maximising right to buy receipts and capital works

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2020/21 - TO INFORM THE LEVEL OF 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.

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Housing Revenue Account (Customer & Locality Services)						
Risk of contractor failure	1,810	1,810	1,960	50	50	50
Increased void costs of council properties to return to decent standard before re-let to tenants	4,100	4,100	4,550	150	150	150
Failure to deliver safe services to tenants, leaseholders, shared owners, site dwellers and licensees	0	0	300	150	100	50
Climate / natural disasters - impacts on properties	0	0	225	175	50	0
Increase in rent arrears as a result of the introduction of Universal Credit and other changes to the welfare system	0	0	120	40	40	40
Failure to meet requirements of Regulatory framework and standards for Social Housing	0	0	150	80	40	30
TOTAL Housing Revenue Account	5,910	5,910	7,305	645	430	320

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 revenue costs;
- (ii) The balance provides stability for longer term planning and for meeting the decent homes standard.

	£m
Balance as at 31st March 2019	2.8
Estimated Balance 31st March 2020	1.8
Estimated Balance 31st March 2021	0.6
Estimated Balance 31st March 2022	0.7
Estimated Balance 31st March 2023	1.0

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.

Previous guidance from the Audit Commission is that 5% of gross expenditure is recommended as a minimum to hold in reserve which currently indicates a reserve level of £0.8m

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.

Attention is drawn to the reducing level of reserves from £2.8m in 2019/20 to £0.6m in 2020/21. Reserves are estimated to reduce to a level slightly under the recommended level of £0.8m due to the impact of 4 years of rent reductions from 2016/17 to 2019/20. Within the period of the MTFP, reserves are expected to return to levels above the suggested levels. In addition, officers are actively working to efficiently manage voids levels and effectively target expenditure.

The current surplus of reserves is required to cover the match funding needed to invest in the housing stock whilst utilising retained right to buy receipts.

3 Budget Risk Analysis

£0.8m - recommended level (High/Medium risks)

£1.4m - Covers high / medium / low risks based on risk assessments

SCHOOLS BLOCK BUDGET - presented to Schools Forum 15th January 2020

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.

The Council has submitted a plan to the DfE in response to the current overspend on the High Needs Block. Considerable challenges still exist in this area and the Council will be working with the DfE to find ways to improve financial stability. At the same time the Council have joined forces with other Local Authorities to make the case for a more appropriate way of financing this area of escalating need.

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
INCOME				
Dedicated schools grant	(84,028)	(80,514)	(76,232)	(77,757)
Pupil premium	(2,167)	(1,749)	(1,641)	(1,674)
Total Income (Note 1)	(86,195)	(82,263)	(77,873)	(79,431)
EXPENDITURE				
Individual Schools Budget (ISB)	61,355	57,153	52,420	53,484
Special needs budget excluding ISB	13,615	13,970	14,249	14,534
Expenditure for education of children under 5s in private, voluntary / independent settings	7,109	7,452	7,601	7,753
Pupil premium allocated to schools	2,167	1,749	1,641	1,674
Centrally retained services	946	936	955	974
Contingency for growth	800	800	800	800
Early years contingency	203	203	207	212
Total Expenditure	86,195	82,263	77,873	79,431
Net Expenditure / (Income)	0	0	0	0
Balance brought forward (Note 2)	1,572	3,333	3,333	3,333
Budgeted net expenditure / (income)	0	0	0	0
Forecast in-year over / (under) spend (Note 3)	1,761	0	0	0
Balance Carried Forward - (Surplus) / Deficit	3,333	3,333	3,333	3,333

Note 1. Income has decreased due to schools converting to academies. 2020/21 is based on a potential four more schools converting to academy status. 2021/22 is based on a potential 3 more schools converting to academy status. Inflation increase applied to 22/23

Note 2 - Any surplus or deficit balance at the end of each financial year can be carried forward into the following year

Note 3 - Expected overspend in the DSG for 2019/20 and reported to the Schools Forum on 15th January 2020, mostly relating to the High Needs Block

CAPITAL PROGRAMME 2020/23 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:

- Roads & Transport
Continuous investment in highways infrastructure to meet the needs of current and future users of the network
- Investment and Regeneration
Delivering sustainability, a strong, robust and successful economy that stimulate opportunities for all who work and live in
- Climate Emergency
Commitment to reduce carbon emissions and working towards becoming a carbon neutral Council
- Environment
Investment and enhancement of facilities across the borough benefiting communities and residents wellbeing
- Children Services and Schools
Dedicated in providing services and schools which ensure all children have the opportunity to achieve their potential
- Adult Social Care
An effective, high-quality care and support service to providing a quality of life which residents need

2 Capital Programme

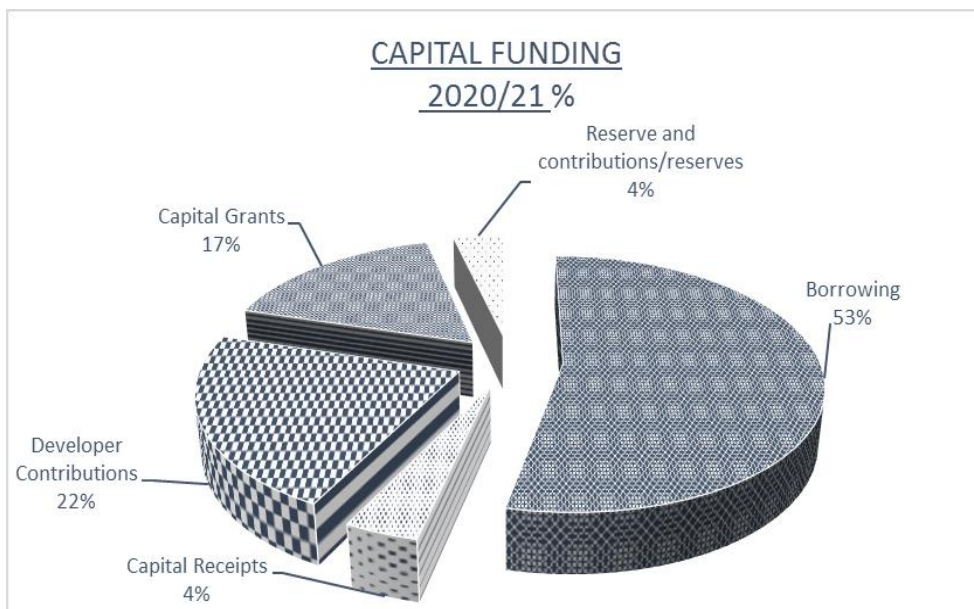
An overview of the proposed programme over the next three years is shown below. It includes the detail of the Capital Programme allocation across categories and sub categories is contained in the schedules further on in this section of the Medium Term Financial Plan and can be found in the capital programme and strategy 2020/23.

	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Investment and Regeneration	65.9	67.8	66.5	200.2
Roads and Transport	46.2	68.9	69.6	184.7
Climate Emergency	16.1	15.6	18.8	50.5
Children Services and Schools	8.9	7.7	11.1	27.7
Environment	7.4	12.1	5.2	24.7
Adult Social Care	7.4	7.2	2.9	17.5
Internal Services	5.4	3.0	3.0	11.4
Total Capital Programme 2020/21 to 2022/23	157.3	182.3	177.1	516.7

3 Capital Funding

The anticipated funding for the Capital Programme over the next three years is detailed in the capital resource statement.

The proposed capital budget for 2020/21 is £157.3m. It is proposed that this be funded by a combination of the funding sources shown below:



	2020/21 £m	2021/22 £m	2022/23 £m
Borrowing	84.2	135.8	143.3
Developer Contributions	34.7	30.7	19.8
Capital Grants	26.2	8.1	6.0
Capital Receipts	6.2	0.2	0.1
Contribution from reserves	6.0	7.5	7.9
Total available resources	157.3	182.3	177.1

Notes

The borrowing requirement is increasing over the next 3 years to fund the capital programme

This peak debt from the MTFP period will be reduced to pre 2011-12 levels within 28 years

4 Capital Strategy

A 10 year capital strategy has been developed with the aims of delivering the strategic ambitions of the council, improving the services provided for residents and supporting the most vulnerable people in our community. 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 developer contributions and the use 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 are to provide a framework for decision making. It highlights through the prudential indicators the level of capital expenditure, the impact on borrowing / investment levels and the overall controls in place to ensure the activity remains affordable, prudent and sustainable.

The Prudential Indicators and limits for 2020/21 to 2022/23 are set as:

General Fund & HRA	2019/20 Estimated Outturn £m	2020/21 Budget £m	2021/22 Budget £m	2022/23 Budget £m
Authorised limit	421.6	533.0	646.5	763.7
Operational boundary for external debt	421.6	494.4	599.1	713.1
External borrowing*	276.1	325.7	399.7	476.2
Internal borrowing*	150.9	142.6	171.8	200.6
% of internal borrowing to CFR**	34%	29%	29%	29%
Ratio of financing costs to net revenue stream – General Fund	2.5%	2.4%	2.3%	2.3%
Ratio of financing costs to net revenue stream – HRA	18.23%	19.11%	19.12%	18.47%

Note * the sum of external and internal borrowing cannot exceed the authorised limit it can however exceed for a short time the operational boundary

** Recommended level from the council's treasury advisors (Link asset services)

The ratios above are explained in the treasury management strategy 2020/21 and are used in the creation of the Council's short term and long term cash flows. These ratios are monitored and reviewed throughout the year to inform and amend the Council's management of its debt and investments

Wokingham Borough Council Capital Financing Requirement (CFR)

The Capital Financing Requirement reflects the Council's underlying need to borrow for a capital purpose. It shows the total estimated capital expenditure that has not been resourced from capital or revenue sources. This requirement will eventually be met by revenue resources through the Minimum Revenue Provision mechanism. The Council's CFR from 2019/20 to 2022/23 is demonstrated in the table below.

General Fund & HRA	2019/20 Estimated Outturn £'m	2020/21 Budget £m	2021/22 Budget £m	2022/23 Budget £m
Estimated opening balance	335.2	421.6	462.8	564.1
Net capital expenditure funded by borrowing	98.3	84.8	135.1	142.6
MRP charge / loan repayments	(11.9)	(43.6)	(33.8)	(36.2)
Closing Balance	421.6	462.8	564.1	670.5

Capital Financing Requirement (CFR) by Category

For monitoring purposes, the CFR is split by categories in the following table. Depending on the category, the CFR will be reduced (i.e. spend is financed) at differing amounts and time periods.

	2019/20 Estimated Outturn £m	2020/21 Budget £m	2021/22 Budget £m	2022/23 Budget £m
Invest to save**	18.5	39.4	58.8	72.3
Commercial activities (excludes Town centre)**	61.6	92.5	122.4	152.0
Town Centre Regeneration**	84.9	69.5	85.4	86.8
Wokingham Housing Ltd**	15.6	19.2	25.6	34.0
Infrastructure	102.4	109.9	113.7	115.7
Developer contributions forward funded*	53.2	49.0	79.1	134.1
Housing Revenue Account	85.4	83.3	79.1	75.6
	421.6	462.8	564.1	670.5

Notes

*Developer contributions forward funded will be repaid once the developer contribution have been received

** These types of borrowing will be repaid using capital receipts, additional income and savings

A full breakdown of the prudential indicators, Investment strategy and borrowing strategy can be found the Treasury Management Strategy 2020/21.

CAPITAL PROGRAMME 2020/21 to 2022/23

The following table sets out by key area, the Councils Capital Programme for the next 3 years.

	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Investment and Regeneration Delivering sustainability, a strong, robust and successful economy that stimulates opportunities for all who work and live in	65,908	67,847	66,457	200,212
Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network	46,226	68,857	69,592	184,675
Climate Emergency Commitment to reduce carbon emissions and working towards becoming a carbon neutral Council	16,060	15,595	18,838	50,493
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential	8,865	7,725	11,098	27,688
Environment Investment and enhancement of facilities across the borough benefiting communities and residents wellbeing	7,425	12,135	5,155	24,715
Adult Social Care An effective high-quality care and support service to providing a quality of life which residents need	7,378	7,206	2,937	17,521
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities	5,445	2,976	2,958	11,379
Total Capital Programme 2020/21 to 2022/23	157,307	182,341	177,035	516,683

CAPITAL PROGRAMME 2020/21 to 2022/23 BY SUB CATEGORY

The following table sets out in further detail by key area, the Councils Capital Programme for the next 3 years.

	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Investment and Regeneration				
Income generation	27,500	28,300	26,600	82,400
Housing delivery	23,572	26,197	30,443	80,212
Regeneration of towns	14,611	10,050	6,714	31,375
New facilities	225	3,300	2,700	6,225
Investment and Regeneration Total	65,908	67,847	66,457	200,212
Roads and Transport				
New roads	29,076	61,064	63,467	153,607
Service improvements	10,050	4,968	3,300	18,318
Improvement to existing facilities	6,350	2,825	2,825	12,000
Road improvements	750	0	0	750
Roads and Transport Total	46,226	68,857	69,592	184,675
Climate Emergency				
Co2 reduction	4,884	6,884	6,859	18,627
Clean energy generation	3,500	6,500	8,000	18,000
Alternative transport	7,676	2,211	3,979	13,866
Climate Emergency Total	16,060	15,595	18,838	50,493
Children Services and Schools				
New facilities	6,390	6,446	9,819	22,655
Improvement to existing facilities	2,001	1,141	1,141	4,283
Service improvement	474	138	138	750
Children Services and Schools Total	8,865	7,725	11,098	27,688

CAPITAL PROGRAMME 2020/21 to 2022/23 BY SUB CATEGORY CONT..

	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Environment				
New facilities	5,390	11,750	5,080	22,220
Improvement to existing facilities	2,035	385	75	2,495
Environment Total	7,425	12,135	5,155	24,715
Adult Social Care				
Service improvements	2,828	3,656	2,887	9,371
New facilities	4,500	3,500	0	8,000
Improvement to existing facilities	50	50	50	150
Adult Social Care Total	7,378	7,206	2,937	17,521
Internal Services				
Service improvements	4,445	2,326	2,308	9,079
Improvement to existing facilities	1,000	650	650	2,300
Internal Services Total	5,445	2,976	2,958	11,379
Total Capital Programme 2020/21 to 2022/23	157,307	182,341	177,035	516,683

CAPITAL PROGRAMME 2020/21 to 2022/23 - DETAIL

The following table sets out by key area, the Councils detailed capital programme by scheme for the next 3 years.

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Investment and Regeneration						
Income generation	Strategic property, commercial and residential assets	To build on the commercial property portfolio as part of the councils sustainability agenda	27,500	28,300	26,500	82,300
	Commercial Portfolio - Improvement to WBC commercial properties	To ensure commercial properties are suitable for letting	0	0	100	100
		Income generation total	27,500	28,300	26,600	82,400
Regeneration of towns	Carnival Pool Area Redevelopment	Town Centre Regeneration	13,483	9,850	6,174	29,507
	Town Centre Regeneration (Elms Field)	Town Centre Regeneration	1,028	0	0	1,028
	Wokingham Town Centre Regeneration Environmental Improvements	Improving the borough towns and parishes	100	200	200	500
	Denmark Street Environmental Improvements	Improving the borough towns and parishes	0	0	340	340
		Regeneration of towns total	14,611	10,050	6,714	31,375
New facilities	Feasibility Case for Developing New Crematorium	To undertake a feasibility work and prepare a planning application, Construction and to develop and run a crematorium in Wokingham borough	225	3,300	2,700	6,225
		New facilities total	225	3,300	2,700	6,225

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Investment and Regeneration Continued..						
Housing delivery	WBC (Housing) funding sources	Wokingham Borough Council owned houses funding. (1-4-5 housing objective)	5,190	8,000	10,000	23,190
	Strategic residential port folio	To build on the residential property portfolio	5,834	5,033	6,833	17,700
	Gorse Ride Regeneration (Phase 2)	The redevelopment and regeneration of the Gorse Ride site	2,000	5,000	6,000	13,000
	Housing (Tenants Services)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)	4,100	4,100	4,100	12,300
	Purchase of council houses HRA (1 for 1)	To replace HRA housing stock using the 1 for 1 Right to Buy receipts	2,054	2,054	2,500	6,608
	Gorse Ride Regeneration (Phase 1)	The redevelopment and regeneration of the Gorse Ride site	2,884	0	0	2,884
	Mandatory disabled facility grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home	950	950	950	2,850
	Gypsy, Roma, Traveller (GRT) Additional Pitches	Calculation of the pitches required in the borough, feasibility and build	500	1,000	0	1,500
	Gorse Ride Regeneration Project Management	The redevelopment and regeneration of the Gorse Ride site	60	60	60	180
Housing delivery total			23,572	26,197	30,443	80,212
Investment and Regeneration Total			65,908	67,847	66,457	200,212

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Roads & Transport						
New roads	SCAPE - Road infrastructure (dist. roads etc.)	Investment in future road building/enhancement across WBC road network (including new relief roads)	12,564	46,494	58,494	117,552
	Nine Mile Ride Extension	Investment in future road building/enhancement across WBC road network (including new relief roads)	6,419	6,419	2,160	14,998
	Shinfield Eastern Relief Road	Residual payments to Reading University for the completed scheme	3,986	3,491	2,751	10,228
	California Crossroads	Investment in future road building/enhancement across WBC road network (including new relief roads)	1,230	4,447	0	5,677
	Land Acquisition for Major Road Schemes	Investment in future road building/enhancement across WBC road network (including new relief roads)	4,677	0	0	4,677
	Completed Road Schemes Retention	Completed Road Schemes Retention	200	213	62	475
		New roads total	29,076	61,064	63,467	153,607
Service improvements	Wokingham Highways Investment Strategy (WHIS)	A "Needs Based" approach to maintaining Wokingham's highways network, aligned to the Council's and stakeholder's priorities in the most efficient manner	3,850	2,968	2,300	9,118
	Toutley Highways Depot Modernisation	Highways infrastructure enhancements	5,600	1,000	0	6,600
	Highway Infrastructure Flood Alleviation Schemes	To deliver flood risk management schemes and Sustainable Drainage Systems to reduce the risk of flooding to major highways across the borough	100	500	500	1,100
	Integrated Transport Schemes	The enhancement the Integrated transport schemes	250	250	250	750
	Traffic Signal Upgrade Programme	Investment in highways signals	250	250	250	750
		Service improvements total	10,050	4,968	3,300	18,318

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Roads & Transport Continued..						
Improvement to existing facilities	Highways Carriageways Structural Maintenance	Resurfacing of carriageways (roads) to repair damage and extends the life of the asset. This is a rolling programme	2,280	2,280	2,280	6,840
	Bridge Strengthening	The continued enhancement to highway structures	3,000	225	225	3,450
	Strengthening Approach Embankments to Bridges	The continued enhancement to highway structures	770	0	20	790
	Highways Footway Structural Maintenance Programme	Enhancement to footways within the borough	100	100	100	300
	Street Lighting Column Structural Testing	Monitoring the council lighting assets	0	20	0	20
	Highway Drainage Schemes	To reduce 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	600
		Improvement to existing facilities total	6,350	2,825	2,825	12,000
Road improvements	Safety / Crash Barriers	Improving safety / crash barriers on the highways in the borough	750	0	0	750
		Road improvements total	750	0	0	750
Roads & Transport Total			46,226	68,857	69,592	184,675

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Climate Emergency						
Co2 reduction	Managing Congestion and pollution	This project aims to create improvement to traffic flow throughout the borough with a number of approaches based around the principles of: Prevent - reducing the likelihood of incidents on the network causing problems for congestion including use of CCTV	3,000	5,000	5,000	13,000
	Energy Reduction Projects □	Expenditure on a wide range of energy efficiency projects at existing properties to improve energy efficiency. These include, installing LED lighting, Cavity Wall, loft insulation boiler controls etc, all to make the property 'consume' less energy	1,500	1,500	1,500	4,500
	Support Services Energy Reduction Schemes	Investment in energy reduction schemes through various mechanisms e.g. lighting, insulation and improvements; which is envisaged to deliver demonstrable energy bill savings	250	250	250	750
	Waste Schemes (Recycling)	The purchase of waste receptacles to enable the Borough to continue their waste/recycling scheme	89	89	89	267
	Food Waste Collection	To provide food waste containers	20	20	20	60
	Wokingham Biodiversity Capital Projects	A rolling programme of capital projects aimed at enhancing the biodiversity value of various sites and other assets	25	25	0	50
		Co2 reduction total	4,884	6,884	6,859	18,627
Clean energy generation	Renewable Energy Infrastructure projects	Renewable energy generation infrastructure. i.e. solar farms (fields of solar panels) feeding into a battery or grid arrangement and either us selling off the energy or using against our own consumption	3,500	6,500	8,000	18,000
		Clean energy generation total	3,500	6,500	8,000	18,000

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Climate Emergency Continued..						
Alternative transport	Winnersh Triangle Parkway	Transport infrastructure enhancement in the borough	3,100	0	0	3,100
	Coppid Beech Park and Ride	Transport infrastructure enhancement in the borough	2,700	0	0	2,700
	Greenways	A network of quiet commuting and leisure routes for pedestrians and cyclists	610	874	742	2,226
	Public Rights of Way Network	Investment in all public rights of way and other non-motorised routes to support the needs of all types of users	612	737	737	2,086
	Wokingham Borough Cycle Network	Investment in current/future cycle networks in the borough	500	500	1,000	2,000
	South Wokingham Railway Crossings (Foot and cycle)	New Foot and cycle structures in the borough	0	0	1,500	1,500
	Byways	Foot/bridal/cycle ways enhancements or new build in the borough	100	100	0	200
	Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy	Transport infrastructure enhancement in the borough	54	0	0	54
Alternative transport total			7,676	2,211	3,979	13,866
Climate Emergency Total			16,060	15,595	18,838	50,493

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Children Services and Schools						
New facilities	Sixth Form Expansion	Extension/ new build projects to provide additional places throughout the borough to meet need for additional sixth form places	500	3,500	1,900	5,900
	Primary strategy - Spencer's Wood Primary School	New build project to provide additional places throughout the Borough to meet need	0	0	4,112	4,112
	Basic Needs Primary Programme	Extension/new build projects to provide additional places throughout the Borough to meet need	600	1,500	1,500	3,600
	Primary strategy Arborfield / Barkham Primary school	New build project to provide additional places throughout the Borough to meet need	2,225	75	50	2,350
	Primary strategy - Matthews Green	New build project to provide additional places throughout the Borough to meet need	2,113	37	25	2,175
	New Children's Home 2020	To provide a setting to meet the needs of vulnerable children	150	1,250	0	1,400
	New Build: Care Leaver accommodation	To provide a setting to meet the needs of vulnerable children	100	0	1,200	1,300
	Basic Needs Secondary - Additional Places	Extension/new build projects to provide additional places throughout the Borough to meet need	0	0	968	968
	Furniture, Fittings & Equipment for Additional Places	Furniture, fittings & Equipment to meet need of additional places throughout the Borough	395	84	64	543
	SEND Investment Programme 2017 to 2020	The investment programme will enable children to receive the support they need in the borough. This will enable: better outcomes for children with Education Health and Care Plans and better value for money placements locally	307	0	0	307
New facilities total			6,390	6,446	9,819	22,655

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Children Services and Schools Continued..						
Improvement to existing facilities	Schools Urgent Maintenance	Urgent capital planned improvements and suitability issues	630	630	630	1,890
	Schools Devolved Formula	Specific government grant to carry out capital works, controlled by schools	389	389	389	1,167
	Care Leaver Supported Accommodation: Funding for renovation costs of Seaford Court	The enhancement of care leavers accommodation	840	0	0	840
	School Kitchens	To improve various school meals kitchens throughout the Borough including delivery of the universal free school meal programme	100	100	100	300
	ICT Equipment for children in care	To purchase/replace equipment that is provided to children in care in line with our children in care pledge	22	22	22	66
	Refurbishment of Bathroom at Bridges Short Break Centre	Enhancements to the councils Short Break Centre	20	0	0	20
Improvement to existing facilities total			2,001	1,141	1,141	4,283
Service improvement	Capitalisation of Business Analysts	Investment in Business Analysts part of continued change programme	138	138	138	414
	Capitalisation of Capita One system - From 2020	Investment in an It system part of continued change programme	336	0	0	336
Service improvement total			474	138	138	750
Children Services and Schools Total			8,865	7,725	11,098	27,688

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Environment						
New facilities	Carnival Pool Leisure Facilities Redevelopment	The redevelopment of the leisure centre	0	10,000	0	10,000
	Sports Provision Across the Borough	Investment in a new sport provision	750	1,750	4,080	6,580
	Dinton Activity Centre Project	To provide a new building to enhancement the services available at this site	1,750	0	0	1,750
	New Bulmershe swimming pool / leisure centre	The redevelopment of Bulmershe Leisure centre	1,000	0	0	1,000
	New pool in the Arborfield area - a multi year scheme to start in 2020/21	A development of a new swimming pool	0	0	1,000	1,000
	Shinfield SDL Community Centre	A new community facility in the Shinfield area which facilities will provide flexible and adaptable pace for a range of community activities, This is a joint project with Shinfield Parish	1,000	0	0	1,000
	Polehampton Community Library	To provide a new facility serving the Twyford area	640	0	0	640
	Montague Park Community Facility	To provide a new facility serving the SDL site	250	0	0	250
New facilities total			5,390	11,750	5,080	22,220
Improvement to existing facilities	Cantley Park enhancements	Improving existing facilities at this site	1,600	0	0	1,600
	Borough Wide Non SDL Play Area Enhancement Project	To renovate, refurbish and replace existing play areas at various locations across the Borough	360	310	0	670
	Leisure Centre refurbishments / upgrades across the borough (x5 facilities)	The enhancement of existing leisure facilities	75	75	75	225
Improvement to existing facilities total			2,035	385	75	2,495
Environment Total			7,425	12,135	5,155	24,715

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Adult Social Care						
	Learning Disability Accommodation Transformation	Creation of a learning disability residential and Supported Living to develop a service transformation plan. This will ensure learning disability residential and Supported Living to develop a service transformation plan	1,200	1,200	0	2,400
	Learning Disability Demand Management	This project intends to manage the future demand by investing in additional supported living accommodation. This will regenerate savings in the region of £200k per annum	600	600	1,200	2,400
	Learning Disability Outreach and Overnight Respite Centre	The project is to complete the business case for a respite and supported living facility with a block contract for beds available to WBC adult social care clients and other beds available to surrounding local authorities for spot purchase	200	1,000	800	2,000
Service improvements	Adult Social Care - Community Equipment	To support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of equipment. This provision of equipment will help to improve customer outcomes, facilitate independence	476	504	535	1,515
	Investment in Assistive Technology to Reduce Domiciliary Care Costs	Provision of AT equipment to facilitate the prevention and reduction of more costly packages of domiciliary care	153	153	153	459
	Connected care	Integration of health and social care ICT systems	100	100	100	300
	Investment in Manual Handling Equipment to Reduce Domiciliary Care Costs	Provision of newer equipment to facilitate a reduction in the cost of domiciliary care costs by reducing the number of carers from two to one per care call, reduce sickness and injury of carers, and improve the quality of care	89	89	89	267
	Project Management Costs for New Enhanced Assistive Technology Service	Provision of project management to set up, launch, embed and monitor the development of an Enhanced AT service to facilitate the prevention and reduction of more costly packages of domiciliary care	10	10	10	30
Service improvements total			2,828	3,656	2,887	9,371

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Adult Social Care Continued..						
New facilities	Older People's Dementia Home	The project is to build a home with a block contract for beds available to WBC adult social care clients	4,500	3,500	0	8,000
New facilities total			4,500	3,500	0	8,000
Improvement to existing facilities	H&W Urgent Maintenance & Refurbishment	The urgent maintenance/refurbishment of the Health and Wellbeing estate to retain the function and value of the assets and to meet health and safety issues	50	50	50	150
Improvement to existing facilities total			50	50	50	150
Adult Social Care Total			7,378	7,206	2,937	17,521

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Internal Services						
Service improvements	Central Contingency	For allocation to Wokingham Borough Council schemes if required	2,190	1,976	1,958	6,124
	Communications and Engagement	Communications and Engagement activity to support the Council's extensive capital and regeneration programme	250	250	250	750
	IMT Security & Infrastructure / Networking / Licences	Enhancement in It estate inline with the councils continued improvement programme	620	0	0	620
	Mosaic Modernisation and Reimplementation	The implementation of a major upgrade to the business application which underpins the Adult and Children's social care	600	0	0	600
	Laptop Refresh	This project refreshes the Council's Laptop estate on a 4 year life cycle	350	0	0	350
	Network Hardware Replacement	Continued enhancement in It network	100	100	100	300
	Replacement of the fundamental operating system for CRM / Workflow	To replace a critical system used to underpin Council Services	150	0	0	150
	New Server room at Waterford House to provide improved resilience	Enhancement to strategic assets	150	0	0	150
	IT Network capability and resilience improvement	Ensure that the council has an up to date and supportable network infrastructure	35	0	0	35
Service improvements total			4,445	2,326	2,308	9,079

Key Area	Project Name	Project Description	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Internal Services Continued..						
Improvement to existing facilities	Property Maintenance and Compliance	The continued development and upkeep of the Councils customer IT infrastructure	350	350	350	1,050
	Maintaining an enhanced level of IT infrastructure	The continued development and upkeep of the Councils customer digital assets enhanced and created by Council continued improvement programme	300	300	300	900
	Re-Roofing Waterford House Roof and Repairs to Chimney	Improving existing facilities	225	0	0	225
	Replace life expired control panel in Shute End Offices boiler house	Improving existing facilities	70	0	0	70
	Improved Air-conditioning Provision at Shute End Offices SEDS room (Critical IT Servers)	Improving existing facilities	55	0	0	55
Improvement to existing facilities total			1,000	650	650	2,300
Internal Services Total			5,445	2,976	2,958	11,379
Total Capital Programme			157,307	182,341	177,035	516,683

CAPITAL RESOURCES STATEMENT

The following table shows the breakdown of available funding for the capital programme and the estimated capital resources

	1st April 2020 £'000	1st April 2021 £'000	1st April 2022 £'000
Opening Capital Available Resources	2	1,437	1,568
Borrowing	84,296	135,862	143,288
Developer Contributions	34,733	30,743	19,842
Capital Grants	26,211	8,110	6,023
Contributions from revenue / earmarked reserves	7,352	7,607	6,520
Capital Receipts	6,150	150	50
Add: Total Available Funding	158,742	182,472	175,723
Less: Total Capital Programme Expenditure	157,307	182,341	177,035
Closing Capital Resources	1,437	1,568	256

The Council's borrowing requirement

The table below shows the breakdown of the borrowing requirement between the scheme types

	2020/21 £'000	2021/22 £'000	2022/23 £'000
MRP and HRA borrowing	11,097	7,270	5,595
Wokingham Housing Ltd borrowing	5,000	8,000	10,000
Town Centre Regeneration borrowing	7,351	19,522	5,911
Invest to Save borrowing	58,173	57,601	52,083
S106 forward funded borrowing	467	14,769	22,852
CIL forward funded borrowing	1,458	27,950	46,098
Salix funded borrowing (climate emergency)	750	750	750
	84,296	135,862	143,289

For further details on the borrowing requirement, please see the Treasury Management Strategy

CAPITAL FUNDING

1 Definition / Purpose

The capital programme can only be set if balanced with the council's available resources. Years two and three budgets are only provisionally set.

Any surplus resources will be held in the following:

- Capital receipts reserve
- Capital grants and contributions unapplied reserve

Both reserves will contribute to the financing of future capital schemes. Estimated balances on the capital receipts reserve are shown in the section on reserves and balances.

2 Policy (Criteria for Calculating Fund Requirement)

When setting the capital budget the council looks at all funding resources. These are then allocated to the appropriate scheme where funding can only be spent on a particular scheme. The remaining funding is then allocated to form a balanced budget in year. This process is then carried out for the following years of the capital programme.

The capital strategy is taken to council to approve the capital programme and estimated resources.

Funding streams available to the council consists of:

- Capital grants
- Revenue and other third party contributions
- Developers contributions
- Capital receipts
- Borrowing

10 YEAR CAPITAL VISION

The following table sets out by key area, the Councils capital programme by key area for the next 10 years.

	Year 1 2020/21 £'000	Year 2 2021/22 £'000	Year 3 2022/23 £'000	Year 4 2023/24 £'000	Year 5 2024/25 £'000	Year 6 2025/26 £'000	Years 7 - 10 2026/30 £'000
New facilities	4,500	3,500	0	0	0	0	0
Service improvements	2,828	3,656	2,887	2,887	919	790	4,332
Improvement to existing facilities	50	50	50	50	50	50	250
Adult Social Care	7,378	7,206	2,937	2,937	969	840	4,582
New facilities	6,390	6,446	9,819	9,819	6,091	3,568	9,125
Improvement to existing facilities	2,001	1,141	1,141	1,141	1,127	1,127	5,634
Service improvements	474	138	138	138	138	138	690
Children Services and Schools	8,865	7,725	11,098	11,098	7,356	4,833	15,449
Alternative transport	7,676	2,211	3,979	3,979	4,267	4,267	16,743
Co2 reduction	4,884	6,884	6,859	6,859	8,859	1,859	9,295
Clean energy generation	3,500	6,500	8,000	8,000	0	0	0
Climate Emergency	16,060	15,595	18,838	18,838	13,126	6,126	26,038
New facilities	5,390	11,750	5,080	5,080	6,000	0	0
Improvement to existing facilities	2,035	385	75	75	75	75	375
Environment	7,425	12,135	5,155	5,155	6,075	75	375
Service improvements	4,445	2,326	2,308	2,308	2,350	2,350	11,950
Improvement to existing facilities	1,000	650	650	650	650	650	3,250
Internal Services	5,445	2,976	2,958	2,958	3,000	3,000	15,200
Income generation	27,500	28,300	26,600	26,600	100	100	500
Housing delivery	23,572	26,197	30,443	30,443	15,172	13,610	69,876
Regeneration of towns	14,611	10,050	6,714	6,714	670	0	0
New facilities	225	3,300	2,700	2,700	0	0	0
Investment and regeneration	65,908	67,847	66,457	66,457	15,942	13,710	70,376
New roads	29,076	61,064	63,467	63,467	30,282	2,719	3,002
Service improvements	10,050	4,968	3,300	3,300	10,908	10,353	46,048
Improvement to existing facilities	6,350	2,825	2,825	2,825	4,605	2,825	14,165
Road improvements	750	0	0	0	750	750	3,750
Roads & Transport	46,226	68,857	69,592	69,592	46,545	16,647	66,965
Total Capital Expenditure	157,307	182,341	177,035	177,035	93,012	45,231	198,985

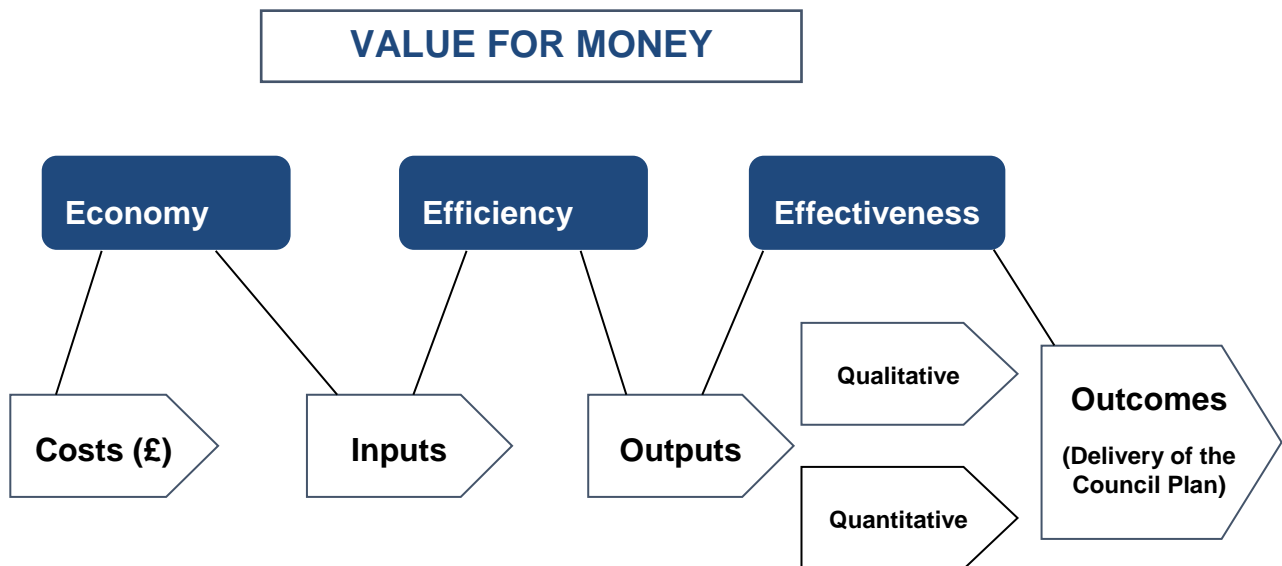
COMMERCIALISATION AND VALUE FOR MONEY

Commercialisation

The Council is seeking to adopt an increasingly commercial approach and is in the process of producing a Commercial Strategy. Being commercial means making every pound stretch as far as it can do in delivering the outputs and outcomes needed by the community, as well as seeking new and increasing income streams to support growing demand led statutory service costs. Therefore commercialisation is as much about demand management as it is about efficient processes, new delivery models and innovative ways of creating 'profit' for the council taxpayer. Value for money remains a cornerstone for our spending decisions.

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 have been significant ongoing cuts in public sector funding from central government. It is imperative that the council ensures 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 sectors.

KEY ACTIVITY DATA

The following table shows the key activity data across the Council which is monitored throughout the year as part of the financial monitoring

Unit Description		2020/21			2021/22			2022/23			Risk Indicator
		Units	Ave Price £	Total £'000	Units	Ave Price £	Total £'000	Units	Ave Price £	Total £'000	
Adult Social Services											
Learning Disability, Residential Care	weeks	4,910	1,479	7,263	4,750	1,508	7,163	4,527	1,538	6,963	High
Learning Disability, Supported Living	weeks	10,087	903	9,109	10,258	921	9,449	10,567	940	9,928	High
Mental Health, Supported Living	weeks	2,452	410	1,006	2,500	418	1,046	2,591	427	1,106	Medium
Older People, Homecare	hours	343,317	18	6,180	331,792	18	6,092	324,592	19	6,079	High
Older People, Nursing Care	weeks	4,496	831	3,736	4,704	848	3,987	4,931	865	4,263	High
Older People, Residential Care	weeks	5,667	800	4,535	5,618	816	4,586	5,508	833	4,586	High
Physical Disability, Homecare	hours	127,944	18	2,303	125,436	18	2,303	122,976	19	2,303	Medium
Physical Disability, Supported Living	weeks	632	516	326	627	527	330	659	537	354	Medium
Children's Services											
Foster Placement Allowances	per night	20,100	77	1,553	20,500	77	1,584	21,000	77	1,623	High
Independent Foster Placements	per night	5,700	119	678	5,900	119	702	6,100	119	726	High
Residential Home Placements	per night	4,000	534	2,135	4,150	534	2,215	4,300	534	2,295	High
Semi-Independent Living	per night	6,300	141	885	6,400	141	899	6,500	141	913	High
SEND Home to School Transport packages	per pupil	300	7,910	2,373	315	7,910	2,492	338	7,910	2,674	Medium
Corporate Services											
Free Bus Pass	per pass	27,200	35	952	27,700	35	969	28,254	35	989	High
Customer & Locality Services											
Waste Disposal (based on 79,000 tonnes pa combined landfill and recycling and 2% growth per annum. Average price based on current year actuals plus increase in landfill tax at 3% year on year)	charge per tonne	74,000	144	10,656	75,480	148	11,171	76,990	152	11,702	Medium
Land Searches	per search	2,546	161	410	2,484	165	410	2,426	169	410	High
Building Control - Plan check fee (Total Number of Submissions in year)	per application	2,962	439	1,300	2,968	439	1,303	2,968	439	1,303	Low
Development Control - Planning Application Fees - Major	per application	52	9,231	480	52	9,231	480	52	9,231	480	High
Development Control - Planning Application Fees - Minor	per application	1,570	300	471	1,573	300	472	1,573	300	472	Medium
Schools Block - Dedicated Schools Grant											
Independent Special School Placements	per pupil	120	60,000	7,200	120	60,000	7,200	120	60,000	7,200	High

COUNCIL TAX BACKGROUND INFORMATION

1 Council Tax – Valuation Bands

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

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

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

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

2 Council Tax – Exempt Dwellings

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

- Are 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%).

Empty homes - From 1 April 2017 no discounts are available and 100% charge applies for:

- Unoccupied and unfurnished properties
- Properties undergoing major repairs or structural alterations
- Second homes

This decision was made in line with Local Government Finance Act 1992 to maximise resources to provide key services within our borough.

Exceptions include certain dwellings, including caravans and boats, provided by an employer (tied accommodation) may be eligible for the second home reduction of 50 percent for a limited period of time. Contact ctax@wokingham.gov.uk to see if you qualify.

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 or 19 year olds who are still at school, and those who leave school after March for the months up to November
- Care Workers working for low pay, usually for charities
- 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)
- Diplomats

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

The national council tax benefit scheme was replaced with a local council tax support scheme from 1st April 2013. 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

Properties that have been empty and unfurnished for more than two years will be charged a premium of 100% of the council tax for the property. In addition, Local Authorities have the ability to increase the Empty Homes Premium on long term empty properties (empty for five years or more) from 100% to 200%. This will encourage owners of those long term empty homes to bring them 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 reductions in income receivable as a result of the council tax support 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 and Rescue Authority. The precepts for 2019/20 and 2020/21 are set out below.

Precept	2019/20 £	Band D £	2020/21 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	14,476,050	206.28	15,580,054	216.28	4.85
Royal Berkshire Fire Authority	4,651,305	66.28	4,869,667	67.60	1.99

Collection Fund Surplus

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2020. The calculation was made on the 15th January as required by the legislation. The surplus / deficit is required to be apportioned between the precepting authorities pro rata to the previous year's precept. As at the 31st March 2020 the collection fund expects to achieve a surplus of £591,830 therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £500,000

Police and Crime Commissioner for Thames Valley – £69,500

Royal Berkshire Fire Authority - £22,330

PARISH PRECEPTS 2020/21

Some parish precepts are still provisional, subject to formal agreement.

If different figures are approved by the town and parish councils a revised version of this table will be circulated.

PARISH	TAX BASE	<u>2019/20</u>	COUNCIL TAX BAND D	TAX BASE	<u>2020/21</u>	COUNCIL TAX BAND D
		PARISH PRECEPT £			PARISH PRECEPT £	
Arborfield & Newland	1,292.30	105,020	81.27	1,304.60	95,123	72.91
Barkham	1,687.10	54,858	32.52	1,830.10	59,722	32.63
Charvil	1,411.90	48,684	34.48	1,417.40	51,443	36.29
Earley	11,894.10	881,817	74.14	11,957.00	978,271	81.82
Finchampstead	5,933.30	153,698	25.90	6,031.20	162,600	26.96
Remenham	326.30	24,919	76.37	329.50	25,913	78.64
Ruscombe	498.80	33,725	67.61	528.20	32,000	60.58
St. Nicholas Hurst	1,064.40	41,600	39.08	1,082.70	43,400	40.08
Shinfield	5,656.80	412,500	72.92	6,295.90	459,100	72.92
Sonning	817.60	37,187	45.48	829.00	38,046	45.89
Swallowfield	1,069.90	20,530	19.19	1,074.60	20,620	19.19
Twyford	3,011.80	85,360	28.34	3,029.90	107,620	35.52
Wargrave	2,119.60	184,373	86.98	2,130.20	191,047	89.69
Winnersh	4,117.70	137,314	33.35	4,214.20	156,862	37.22
Wokingham Town	15,513.80	853,332	55.00	16,032.60	921,552	57.48
Wokingham Without	3,232.40	180,409	55.81	3,290.40	199,990	60.78
Woodley	10,528.80	1,123,528	106.71	10,659.00	1,203,188	112.88
TOTAL	70,176.60	4,378,855	62.40	72,036.50	4,746,496	65.89

$$\text{Council Tax Band D} = \frac{\text{Parish Precept}}{\text{Tax Base}}$$

COUNCIL TAX BY BAND AND PARISH 2020/21

The table below shows the total average council tax by band including a breakdown of how this is calculated.

Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Average Council Tax	1,261.95	1,472.27	1,682.59	1,892.91	2,313.55	2,734.19	3,154.86	3,785.82
WBC plus average Parish	1,072.69	1,251.47	1,430.25	1,609.03	1,966.59	2,324.15	2,681.72	3,218.06
Average Parish	43.93	51.25	58.57	65.89	80.53	95.17	109.82	131.78
Police Authority	144.19	168.22	192.25	216.28	264.34	312.40	360.47	432.56
Fire Authority	45.07	52.58	60.09	67.60	82.62	97.64	112.67	135.20
Adult social care precept*	89.74	104.70	119.65	134.61	164.52	194.44	224.35	269.22
Wokingham Borough Council excluding ASC precept	939.02	1,095.52	1,252.03	1,408.53	1,721.54	2,034.54	2,347.55	2,817.06
Wokingham Borough Council total	1,028.76	1,200.22	1,371.68	1,543.14	1,886.06	2,228.98	2,571.90	3,086.28

* Percentage increases based on total 2019/20 council tax level, as per legislation

The table below shows the parish precept for each band and individual Town / Parish Council.

Band	A	B	C	D	E	F	G	H
Parish Precepts	£	£	£	£	£	£	£	£
Arborfield & Newland	48.61	56.71	64.81	72.91	89.11	105.31	121.52	145.82
Barkham	21.75	25.38	29.00	32.63	39.88	47.13	54.38	65.26
Charvil	24.19	28.23	32.26	36.29	44.35	52.42	60.48	72.58
Earley	54.55	63.64	72.73	81.82	100.00	118.18	136.37	163.64
Finchampstead	17.97	20.97	23.96	26.96	32.95	38.94	44.93	53.92
Remenham	52.43	61.16	69.90	78.64	96.12	113.59	131.07	157.28
Ruscombe	40.39	47.12	53.85	60.58	74.04	87.50	100.97	121.16
St. Nicholas Hurst	26.72	31.17	35.63	40.08	48.99	57.89	66.80	80.16
Shinfield	48.61	56.72	64.82	72.92	89.12	105.33	121.53	145.84
Sonning	30.59	35.69	40.79	45.89	56.09	66.29	76.48	91.78
Swallowfield	12.79	14.93	17.06	19.19	23.45	27.72	31.98	38.38
Twyford	23.68	27.63	31.57	35.52	43.41	51.31	59.20	71.04
Wargrave	59.79	69.76	79.72	89.69	109.62	129.55	149.48	179.38
Winnersh	24.81	28.95	33.08	37.22	45.49	53.76	62.03	74.44
Wokingham Town	38.32	44.71	51.09	57.48	70.25	83.03	95.80	114.96
Wokingham Without	40.52	47.27	54.03	60.78	74.29	87.79	101.30	121.56
Woodley	75.25	87.80	100.34	112.88	137.96	163.05	188.13	225.76

The table below shows the total council tax for each band and individual Town / Parish Council.

Band	A	B	C	D	E	F	G	H
Total Council Tax	£	£	£	£	£	£	£	£
Arborfield & Newland	1,266.63	1,477.73	1,688.83	1,899.93	2,322.13	2,744.33	3,166.56	3,799.86
Barkham	1,239.77	1,446.40	1,653.02	1,859.65	2,272.90	2,686.15	3,099.42	3,719.30
Charvil	1,242.21	1,449.25	1,656.28	1,863.31	2,277.37	2,691.44	3,105.52	3,726.62
Earley	1,272.57	1,484.66	1,696.75	1,908.84	2,333.02	2,757.20	3,181.41	3,817.68
Finchampstead	1,235.99	1,441.99	1,647.98	1,853.98	2,265.97	2,677.96	3,089.97	3,707.96
Remenham	1,270.45	1,482.18	1,693.92	1,905.66	2,329.14	2,752.61	3,176.11	3,811.32
Ruscombe	1,258.41	1,468.14	1,677.87	1,887.60	2,307.06	2,726.52	3,146.01	3,775.20
St. Nicholas Hurst	1,244.74	1,452.19	1,659.65	1,867.10	2,282.01	2,696.91	3,111.84	3,734.20
Shinfield	1,266.63	1,477.74	1,688.84	1,899.94	2,322.14	2,744.35	3,166.57	3,799.88
Sonning	1,248.61	1,456.71	1,664.81	1,872.91	2,289.11	2,705.31	3,121.52	3,745.82
Swallowfield	1,230.81	1,435.95	1,641.08	1,846.21	2,256.47	2,666.74	3,077.02	3,692.42
Twyford	1,241.70	1,448.65	1,655.59	1,862.54	2,276.43	2,690.33	3,104.24	3,725.08
Wargrave	1,277.81	1,490.78	1,703.74	1,916.71	2,342.64	2,768.57	3,194.52	3,833.42
Winnersh	1,242.83	1,449.97	1,657.10	1,864.24	2,278.51	2,692.78	3,107.07	3,728.48
Wokingham Town	1,256.34	1,465.73	1,675.11	1,884.50	2,303.27	2,722.05	3,140.84	3,769.00
Wokingham Without	1,258.54	1,468.29	1,678.05	1,887.80	2,307.31	2,726.81	3,146.34	3,775.60
Woodley	1,293.27	1,508.82	1,724.36	1,939.90	2,370.98	2,802.07	3,233.17	3,879.80

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:

- Agreeing 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; and,
- Keeping their manager and the relevant Finance Specialists informed of potential variations from budget and management action to rectify the situation.

Directors

Each 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; and,
- 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); and,
- 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; and,
- 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 and 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 finance specialist will play an essential role in this process and must be informed of all variations to budget.

Glossary of Terms

Adult Social Care (ASC) Precept

The Spending Review announced that local authorities responsible for adult social care (“ASC authorities”) “will be given an additional 2% flexibility on their current council tax referendum threshold to be used entirely for adult social care”. This flexibility is being offered in recognition of demographic changes which are leading to growing demand for adult social care, and increased pressure on council budgets. Flexibility has been added in previous year’s as well, allowing the increases to be up to 3% per year providing they do not exceed 6% over the three year period 2017/18 to 2019/20.

Apprenticeship Levy

This levy was included in the Autumn Statement 2015 and came into effect in April 2017 at a rate of 0.5% of employers pay to fund an expansion of apprenticeship schemes. It applies to all large employers (those with salary costs of over £3m pa, and 250+ employees) and is designed to fund 3 million apprenticeships in the life of the current parliament.

Autumn Statement

Each year the Government sets out in its Autumn Statement the overall strategy of the Government, including major changes to expenditure and taxation. It is a major determinant of the Local Government Financial Settlement (see below).

Business Rates Retention Scheme (BRRS)

As part of the Localism Act, the Government has devolved the responsibility and risks of the business rates system to local government with the intention to incentivize local areas to encourage development and thereby increase Non Domestic Rates (NDR) income. Local authorities are allowed to keep a share of any extra income above their estimated income. Councils are either ‘tariff’ or ‘top-up’ depending on the level of business rates in their area and ‘tariff’ councils pay some of their business rates to MHCLG (Wokingham is a tariff council) or receive some back.

Care Act 2014

The Care Act 2014 has introduced a minimum eligibility threshold across the country – a set of criteria that makes it clear when local authorities will have to provide support to people.

Community Infrastructure Levy (CIL)

A levy on commercial development and residential developments above a specific size. It must be paid before physical development starts and can be paid in stages. The Wokingham scheme started in April 2015 and income from major developments will form a significant contribution to funding the Council’s capital programme. CIL also partially replaces Section 106 (See below).

Core Spending Power

This is a figure which the Government calculates and publishes for all local authorities in the Local Government financial Settlement. It is intended to represent the overall funding available for local authority services. The Spending Power calculations comprise an assumed council tax (Basically 2019/20 level plus 2% in 2020/21, and a further 2% for ASC) plus the Settlement Funding Assessment (which is the approved level of Revenue Support Grant and Business Rates Retained Income).

Council Tax Freeze Grant

A grant started under the last Government payable to local authorities which did not increase their council tax, and which was initially payable for several years. The latest freeze grant was for 2015/16. In the 2016/17 Settlement, the freeze grant for 2015/16 was rolled in to RSG.

Dedicated Schools Grant (DSG)

DSG is a specific ring fenced grant which must be used in support of the Schools Budget as defined in The Schools and Early Years Finance (England) Regulations 2018. The purpose of the Schools Budget is the provision of primary and secondary education.

Education Services Grant (ESG)

This was a method of providing for the transfer of part of the local authority central education budget to academies and free schools for their administrative costs. It is paid on a per pupil weighted basis. It is no longer paid from 2018/19.

Formula Grant

The previous name for Revenue Support Grant (RSG).

Local Government Funding Settlement

The Government publishes the Local Government Funding Settlement each year, usually in December, which sets out the Government's detailed planning figures for local government, including the key grants to local government. It is usually subject to consultation with final settlement figures published around the end of January. The 2020/21 settlement covers a one year period to 31 March 2021.

Medium Term Financial Plan (MTFP)

The Council produces a Medium Term Financial Plan (MTFP) each year during the budget process, which sets out the budget in detail for the forthcoming financial year and in outline for the following two years.

Ministry of Housing, Communities & Local Government (MHCLG)

The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government) is a ministerial department, supported by 13 agencies and public bodies. Its job is to create great places to live and work, and to give more power to local people to shape what happens in their area.

National Funding Formula

A formula to be set up which would change the way in which funding to individual schools is allocated into a simpler, more transparent and equitable manner, but which also recognises deprivation factors.

New Homes Bonus

This is a grant which was set up by the last Government to encourage house building. It is paid for a certain number of years based on the number of properties completed in each local authority area.

Northern Powerhouse

A term used to describe the Government's intention to regenerate the North of England with schemes such as High Speed 2, plus other rail and road improvements, and general support for industry.

Precept

An amount levied by legislation on or by another public body including Parish Council's, Royal Berkshire Fire Authority and the Police and Crime Commissioner for Thames Valley. All of them levy precepts on the Council to collect council tax on their behalf. It also includes the Adult Social Care precept from 2016/17 onwards.

Prudential Code

A code produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) on behalf of the Government which sets out detailed guidelines for local authorities to manage capital programmes, ensuring capital schemes are fully affordable including running costs as well as making a minimum provision for debt repayment.

Revenue Support Grant (RSG)

This grant replaces 'Formula Grant' and is the main, non-ring-fenced grant to support local authority budgets after taking account of council tax. It is part of the Settlement Funding Assessment.

'Rolled-in' Grant

Certain specific grants such as the Care Act grant have been included with Revenue Support Grant and discontinued, and these are called 'rolled-in grants'. While the Government's aim was to reduce the number of individual grants, it makes the comparison of year on year changes in RSG much more complicated.

Section 106 Contributions

Section 106 of the Town and Country Planning Act 1990 permits local authorities to request contributions from developers to community and social infrastructure. It is sometimes earmarked for schemes related to the specific development; however other contributions are more general in nature, and can be used for capital or revenue purposes. It is being partially replaced by CIL (see above).

Settlement Funding Assessment (SFA)

This was introduced in 2014/15 when the new business rates retention scheme was set up. It comprises the Revenue Support Grant and the Business Rates Retained Income.

Strategic Development Locations (SDLs)

Four areas within Wokingham which have been designated as special areas where commercial and/or residential development will be focused over the development.

Summary of Budget Movements

This is a detailed statement by service area included in the MTFP which shows the movements from the current year's budget to the forthcoming budget being submitted for approval. It starts with the base budget for the forthcoming financial year, and itemizes special items, other growth including inflation, less efficiencies and savings, and it ends with the budget submitted to Executive for approval.

Unitary Authority

There are 55 unitary authorities and they are all former district or borough councils within county council areas which have by legislation been granted responsibility for all the services in their area including adult social care and services for children.



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