



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **EXECUTIVE** will be held in David Hicks 1 - Civic Offices, Shute End, Wokingham RG40 1BN on **THURSDAY 16 FEBRUARY 2023 AT 5.30 PM**



Susan Parsonage
Chief Executive
Published on 8 February 2023

Note: Members of the public are welcome to attend the meeting or participate in the meeting virtually, in accordance with the Council's Constitution. If you wish to participate either in person or virtually via Microsoft Teams please contact Democratic Services. The meeting can also be watched live using the following link: https://youtube.com/live/XI_pJmTdhjo?feature=share

This meeting will be filmed for inclusion on the Council's website. Please note that other people may film, record, tweet or blog from this meeting. The use of these images or recordings is not under the Council's control.

Our Vision
<i>A great place to live, learn, work and grow and a great place to do business</i>
Enriching Lives
<ul style="list-style-type: none"> • Champion excellent education and enable our children and young people to achieve their full potential, regardless of their background. • Support our residents to lead happy, healthy lives and provide access to good leisure facilities to enable healthy choices for everyone. • Engage and empower our communities through arts and culture and create a sense of identity for the Borough which people feel part of. • Support growth in our local economy and help to build business.
Providing Safe and Strong Communities
<ul style="list-style-type: none"> • Protect and safeguard our children, young and vulnerable people. • Offer quality care and support, at the right time, to reduce the need for long term care. • Nurture our communities: enabling them to thrive and families to flourish. • Ensure our Borough and communities remain safe for all.
Enjoying a Clean and Green Borough
<ul style="list-style-type: none"> • Play as full a role as possible to achieve a carbon neutral Borough, sustainable for the future. • Protect our Borough, keep it clean and enhance our green areas for people to enjoy. • Reduce our waste, promote re-use, increase recycling and improve biodiversity. • Connect our parks and open spaces with green cycleways.
Delivering the Right Homes in the Right Places
<ul style="list-style-type: none"> • Offer quality, affordable, sustainable homes fit for the future. • Ensure the right infrastructure is in place, early, to support and enable our Borough to grow. • Protect our unique places and preserve our natural environment. • Help with your housing needs and support people, where it is needed most, to live independently in their own homes.
Keeping the Borough Moving
<ul style="list-style-type: none"> • Maintain and improve our roads, footpaths and cycleways. • Tackle traffic congestion and minimise delays and disruptions. • Enable safe and sustainable travel around the Borough with good transport infrastructure. • Promote healthy alternative travel options and support our partners in offering affordable, accessible public transport with good transport links.
Changing the Way We Work for You
<ul style="list-style-type: none"> • Be relentlessly customer focussed. • Work with our partners to provide efficient, effective, joined up services which are focussed around our customers. • Communicate better with customers, owning issues, updating on progress and responding appropriately as well as promoting what is happening in our Borough. • Drive innovative, digital ways of working that will connect our communities, businesses and customers to our services in a way that suits their needs.
Be the Best We Can Be
<ul style="list-style-type: none"> • Be an organisation that values and invests in all our colleagues and is seen as an employer of choice. • Embed a culture that supports ambition, promotes empowerment and develops new ways of working. • Use our governance and scrutiny structures to support a learning and continuous improvement approach to the way we do business. • Be a commercial council that is innovative, whilst being inclusive, in its approach with a clear focus on being financially resilient. • Maximise opportunities to secure funding and investment for the Borough. • Establish a renewed vision for the Borough with clear aspirations.

MEMBERSHIP OF THE EXECUTIVE

Clive Jones	Leader of Council and Business and Economic Development
Stephen Conway	Deputy Leader of the Council and Executive Member for Housing
Rachel Bishop-Firth	Equalities, Inclusion and Fighting Poverty
Prue Bray	Children's Services
Lindsay Ferris	Planning and Local Plan
Paul Fishwick	Active Travel, Transport and Highways
David Hare	Health and Wellbeing and Adult Services
Sarah Kerr	Climate Emergency and Resident Services
Ian Shenton	Environment, Sport and Leisure
Imogen Shepherd-DuBey	Finance

ITEM NO.	WARD	SUBJECT	PAGE NO.
76.		APOLOGIES To receive any apologies for absence.	
77.		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Executive meeting held on 26 January 2023.	7 - 18
78.		DECLARATION OF INTERESTS To receive any declarations of disclosable pecuniary interests, other registrable interests and any non-registrable interests relevant to any matters to be considered at the meeting.	
79.		STATEMENT FROM THE LEADER To receive a statement from the Leader of the Council.	
80.		PUBLIC QUESTION TIME To answer any public questions A period of 30 minutes will be allowed for members of the public to ask questions submitted under notice. The Council welcomes questions from members of the public about the work of the Executive Subject to meeting certain timescales, questions can relate to general issues concerned with the work of the Council or an item which is on the Agenda for this meeting. For full details of the procedure for submitting questions please contact the Democratic Services Section on the numbers given below or go to www.wokingham.gov.uk/publicquestions	
80.1	Arborfield;	Colin Watts has asked the Executive Member for	

Shinfield North;
Shinfield South

Active Travel, Transport & Highways the following question:

Question:

The impact of the major housebuilding in the Arborfield and Shinfield areas in recent years is now directly affecting traffic in the mornings from Arborfield, through Sindlesham and on to Winnersh. For example, most mornings traffic is backed up from the Hatch Farm Way/King Street junction underneath the M4, back to the Reading FC training ground on Mole Road. On bad days the traffic queue can reach even closer to Arborfield Village and we have examples where it has been quicker to walk the 40 minutes from our home to Winnersh Railway station, rather than travel by car. What traffic management actions can the council undertake in such circumstances to reduce the environmental impact of the queuing traffic and the significant inconvenience to drivers caused by the delays encountered?

81.

MEMBER QUESTION TIME

To answer any member questions

A period of 20 minutes will be allowed for Members to ask questions submitted under Notice

Any questions not dealt with within the allotted time will be dealt with in a written reply

81.1 None Specific

Gary Cowan has asked the Executive Member for Planning and the Local Plan:

Question:

The Executive Member last February in answer to my question on Hall Farm stated that "As you are aware, no new homes or jobs would be located within areas at risk of flooding, nor would development have an impact on the communities further downstream.

The consideration of flooding has been a key consideration from the outset of the master planning analysis, with a Strategic Flood Risk Assessment also undertaken".

As 12 months have gone past my question is can you now show this Council the SFRA's associated with Hall Farm, Ashridge, South of Wokingham and any other large potential developments being evaluated as part of the ongoing process.

81.2 Arborfield

Charles Margetts has asked the Executive Member for

Children's Services the following question:

Question:

Please can you update me on progress with the new sixth form, extra year 7 places and extra send provision planned for Bohunt school. How is it progressing and when will it open?

81.3 Finchampstead North;
Finchampstead South

Peter Harper has asked the Executive Member for Active Travel, Transport & Highways the following question:

Question:

Considering the significance of the project to change the layout of the California Crossroads and the impact on my residents, will the Executive member for highways commit to holding a meeting in the near future with the members for Finchampstead North and Finchampstead South to provide a full briefing on the proposed works, the likely schedule, the estimated costs and the current status of the tendering process?

81.4 None Specific

Alison Swaddle has asked the Executive Member for Finance the following question:

Question:

You have previously criticised the former Conservative administration for using reserves in the aftermath of a global pandemic. If that action was wrong, why are you using reserves to balance this Budget?

82.

MATTERS REFERRED TO THE EXECUTIVE

Matters for Consideration

83.	None Specific	HOUSING REVENUE ACCOUNT BUDGET 2023/24	19 - 28
84.	None Specific	CAPITAL PROGRAMME AND STRATEGY 2023-2026	29 - 60
85.	None Specific	TREASURY MANAGEMENT STRATEGY 2023-2026	61 - 112
86.	None Specific	MEDIUM TERM FINANCIAL PLAN 2023-2026 INCLUDING REVENUE BUDGET SUBMISSION 2023/24	113 - 306
87.	None Specific	SELECTION OF THE COUNCIL'S PREFERRED REGISTERED PROVIDERS	307 - 346
88.	None Specific	CONTRACT FOR LEGAL ADVICE FOR ADULTS & CHILDREN'S SERVICES	347 - 364

89. None Specific **CONTRACTED BUS SERVICES** **365 - 376**

90. **TO CONSIDER ANY REPORTS FROM THE
OVERVIEW AND SCRUTINY COMMITTEES**

91. **EXCLUSION OF THE PRESS AND PUBLIC**
The Executive may exclude the press and public in order to discuss the Part 2 sheets of Agenda Item 89. above and to do so it must pass a resolution in the following terms:

That under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act (as amended) as appropriate.

A decision sheet will be available for inspection at the Council's offices (in Democratic Services and the General Office) and on the web site no later than two working days after the meeting.

CONTACT OFFICER

Priya Patel	Head of Democratic and Electoral Services
Tel	0118 974 6051
Email	priya.patel@wokingham.gov.uk
Postal Address	Civic Offices, Shute End, Wokingham, RG40 1BN

MINUTES OF A MEETING OF THE EXECUTIVE HELD ON 26 JANUARY 2023 FROM 7.00 PM TO 8.25 PM

Members Present:

Councillors: Clive Jones (Chair), Stephen Conway (Vice-Chair), Rachel Bishop-Firth, Prue Bray, Lindsay Ferris, Paul Fishwick, David Hare, Sarah Kerr, Ian Shenton and Imogen Shepherd-DuBey

69. MINUTES OF PREVIOUS MEETING

The minutes of the meeting of the Committee held on 24 November 2022 were confirmed as a correct record and signed by the Chair, subject to 'less' being added to the fourth paragraph of the Statement from the Leader after '£7,500'.

70. DECLARATION OF INTERESTS

Councillor Prue Bray declared an interest in agenda item 74.8: Temporary Closure Remenham Footpath No 4 Henley Festival, as a member of the Open Spaces Society, who had submitted an objection to this item. Councillor Prue Bray left the meeting room during the consideration of this item.

71. STATEMENT FROM THE LEADER

"We are beginning a piece of work to plan for what we want the future to look like in the borough. Wokingham Borough Council is embarking on a new approach to thinking about the future, one that is centred on the communities own aspirations. In the past, the Council has drawn up its own strategy and then consulted on it. Now we want to involve our external partners in shaping a vision for the future that the Council will then seek to implement, through its strategies and policies.

For the first time, the Council is embracing a bottom up rather than a top down approach. I've asked the Council's Deputy Leader, Councillor Stephen Conway to lead on this very important project and we are very happy that he is able to do this along with all of his other responsibilities.

We are looking for the involvement of the Council's external partners throughout the process. This will truly be a Borough vision, jointly authored by a range of interested parties not just the Council.

To begin the process next week there is a meeting in Wokingham Town Hall with representatives from town and parish councils, voluntary bodies, equality groups, businesses, faith groups, schools, young people and the Reading University to discuss this new approach.

The meeting will be facilitated not by the Council but by an organisation called NewLocal which specialises in community engagement. The Council will be represented by the leaders of the different political groups and the Chief Executive and senior officers. The Council will be there as an equal partner with the other parties, not as managers of the event.

The opening session next week will be followed by a series of workshops in February and March to enable us to share views and begin the task of preparing a Borough vision that will shape the Council's strategy over the coming years.

We have to lift our eyes from the immediate challenges and look ahead to map out the future that we can all feel part of. I am very pleased that so many local bodies have committed to attending the event next week and the follow up workshop. It is very important work for the future of the Borough and I urge Council partners to fully engage with this work.”

Director of Place and Growth, Steve Moore:

“Steve, is our Director of Place and Growth and is leaving us tomorrow after 18 months with us, to take up another appointment.

As Leader of the Council, I would like to thank him for the excellent work that he has done for us since he started here. Steve has been difficult to work with and challenging, but that’s what has made him such a good officer. Steve doesn’t say ‘yes’ to everything, he gives alternatives, points out pitfalls and is prepared to challenge the leadership. He challenges in a very nice way, without losing any temper, without being upset and for me, that is particularly important.

Those in senior roles in the Council have to be able to engage with councillors. Councillors have to be able to engage with officers in a respectful way and I can speak for the whole Executive when I say that we have a huge amount of respect for Steve and that he will be a very hard act to follow.

I know where Steve is going, I know he will still be available for a call at 7.15am. I shall miss the early morning calls that we have had. I will be talking to the people on the Council where you are headed, to let them know that they will be getting a good officer and that Steve can be difficult and challenging, but as I say, for me, that is something to be enormously respected and I think you’ve done an excellent job for us.”

72. PUBLIC QUESTION TIME

In accordance with the agreed procedure the Chairman invited members of the public to submit questions to the appropriate Members.

73. MEL HORTON HAS ASKED THE EXECUTIVE MEMBER FOR HEALTH, WELLBEING AND ADULT SERVICES THE FOLLOWING QUESTION:

Question

How many adults with learning disabilities combined with mobility needs are on the waiting list/ have requested accommodation that the council has been unable to fulfil, for Supported Living Accommodation in Wokingham as of 1st Jan 2023?

Answer

Supported Living in Wokingham Borough Council (WBC) can range from a number of options including accessing general housing stock with outreach support, extra care support with access to background support overnight, and shared supported living accommodation which has access to 24-hour care and support. Adult Social Care, in partnership with colleagues in Housing and Operational Commissioning Services, hold a shared housing list specifically for those individuals on the housing register who have specialist needs. There are currently about 100 individuals on this list.

Out of the 100 people on this list, around 14 individuals have a learning disability combined with mobility needs. None of these individuals have been assessed as having an urgent need for accommodation; all are currently accommodated with either families or are in settled accommodation with a requirement to move. For those people living with families who have assessed Care Act needs, robust packages of support are in place to assist carers and individuals.

I am very proud that in the last two to three years we have developed the housing stock in Wokingham. The success of this work has resulted in 29 individuals moving into adapted accommodation within the heart of Wokingham Borough. This accommodation was purpose built to support individuals with mobility needs. This has resulted in some wonderful outcomes for individuals who are becoming more independent and are being an active part of the community. We are now entering the second phase of planning to forecast and respond to a growing need for accommodation for those with specialist needs.

Supplementary Question

In light of the Learning Disability strategy and policy which is now in its fourth year, and the work to plan and design accommodation to meet the mobility needs of adults with learning disabilities in the community. How much additional supported living accommodation for adults with learning disabilities will become available in the next few months? My brother is waiting to move to Wokingham currently. As well as being assured his case is being reviewed weekly, it has been politely suggested we look elsewhere.

Answer

I can not say how much will be available over the next few months, as there are numerous factors involved. As with all other cases, your brothers case will be looked at, and we will continue to work to ensure a way forward is found.

74. KEITH MALVERN HAS ASKED THE EXECUTIVE MEMBER FOR HEALTH, WELLBEING AND ADULT SERVICES THE FOLLOWING QUESTION:

Question

An outline planning application (211777 valid on the 8th of June 2021) for up to 130 residential units and a 70 bed care home was approved, subject to conditions, at the end of last year. How much money has the Borough Council spent on this proposal before the application was submitted and since then?

Answer

The planning consent referenced in this question is for a new 70-bed care home and up to 130 residential units on the Council's land at Toutley East, in north Wokingham. The provision of a new care home is an important priority for the Council as a replacement for Suffolk Lodge and for a specialist Dementia care home and will ensure we can offer high quality local affordable care for our residents.

Approximately £340,000 was spent on site surveys, feasibility and design work and planning application preparation to secure outline planning consent. Following the granting of planning consent approximately £500,000 has been spent on detailed design and preparation for a start on site for the construction of the site-wide infrastructure and the care home. This spend is within the capital budget for the project, as allocated within the Council's Medium Term Financial Plan.

Supplementary Question

How much was spent to arrive at a solution which provides the necessary accessibility, and how much was spent explaining to residents and councillors what that is.

Answer

I can get this information from officers, I would say there has been large concerns around access, in a bid to make it as safe as possible. Ensuring safe access for residents, the care home and its staff.

75. JULIET SHERRATT HAS ASKED THE EXECUTIVE MEMBER FOR CHILDREN'S SERVICES THE FOLLOWING QUESTION:

Question

Please can you tell me what provision will be made for children on Free School Meals (FSM) during the school holidays in 2023, after Easter? I am aware that the government is continuing to fund the HAF programme, but will the FSM lunch vouchers be government funded? If not, will the council continue to fund them?

Ms Juliet Sherratt was not present at the meeting and so it was agreed that a written response would be provided and is included below:

Answer

The council has committed to providing funding for Free School Meals support during the holidays up until at least May half-term.

Whilst the government announced continuation of the Holiday Activities and Food Programme (HAF) for three years and Household Support Fund (HSF) for another year in November during the Chancellor's speech, no details have yet been provided by the government on allocation of these funding streams or any requirements for their use.

Within Wokingham, most holiday support for children receiving Free School Meals is provided through the HSF administered by the Hardship Alliance.

The Hardship Alliance have reviewed provision of this support over the past year and an overview of was presented to the Inclusion Cross Party Working Group earlier in the month. Members of the Group will be meeting with the Hardship Alliance in February to further develop proposals for supporting pupils who are currently receiving Free School Meals and other households who are in need of support, but may not be signed up to FSM, or be marginally above the threshold.

Once the grant determination letter and government guidance on use of the HSF is published, proposals developed will be checked against eligibility to ensure that they meet government requirements. It is fully expected that eligibility will continue to include, but not be restricted to, support for children in receipt of Free School Meals.

We will continue to lobby the government to ensure that provision of funding for Free School Meals is continued, through the HSF or other means, and that the value is increased in recognition of the rising food costs experienced as part of the cost of living crisis having a greater effect on prices of basic food items.

76. MEMBER QUESTION TIME

In accordance with the agreed procedure the Chairman invited Members to submit questions to the appropriate Members

77. GARY COWAN HAS ASKED THE LEADER OF THE COUNCIL THE FOLLOWING QUESTION:

Question

Does Wokingham Borough Staff have access to Welfare Support Services or to an Employee Assistance Provider (EAP) or any other such service that are not available to elected Councillors?

Answer

The welfare of staff and Councillors is of the upmost importance to the Council on this basis I can confirm that the Council does commission the services of a company called Vita Health Group to provide an employee assistance programme which is available for both staff and Councillors to access.

Other support the Council offers is Mental Health First Aiders these are staff members who can be approached if someone is experiencing poor mental health or emotional distress. They offer a non-judgmental space for someone to speak in confidence and if required, they can guide the person to appropriate professional support. This is currently a group that is available to staff but could be something we explore further for Councillors if it was felt it could be helpful.

Supplementary Question

Councillors should be treated in the same way as officers, I would welcome this. What action will you be taking?

Answer

I will bring this to the Constitution Review Working Group. Your point is valid, Councillors should be supported and treated the same as officers and have access to this support.

78. CHARLES MARGETTS HAS ASKED THE EXECUTIVE MEMBER FOR PLANNING AND LOCAL PLAN THE FOLLOWING QUESTION:

Question

The only way to control development in the Borough is to create a Local Plan. The Liberal Democrat led coalition put the Local Plan on hold when it took control of the Council last year. In Council late last year you stated a timetable for a new Plan would appear in 2023. Please can you advise when this will appear and when you expect it to be completed?

Answer

You are mistaken. The Local Plan is not on hold, and it never has been.

A substantial body of work is continuing on the evidence base that will support future discussions and sound decision making. This includes work on transport and flood risk modelling, and housing, economic and retail assessments all of which you will agree are essential.

As you will be aware, the government is consulting on changes to national planning policy. I cautiously welcome some of the government's proposals, however it is important that we reflect on this before agreeing a revised programme for the local plan and publish the next stage.

Whilst preparing the evidence base is taking a little longer than previously expected, we continue to work on this and the plan, so that we are ready to push forward as soon as the national picture becomes clearer.

Supplementary Question

I note your comments and follow your logic, as a Ward member for Finchampstead there have been a number of applications recently which historically the council has been able to defend. If the next phase of the Local Plan is not expedited, it makes it easier for sites to be developed unopposed, which previously the Council has fought against. What other protection can you give in the short run to help defend these marginal sites which people feel very strongly should not be developed.

Answer

We have been doing what residents have requested and looking at the objections made by local people, including Finchampstead as well as many other places across the borough in a way that the previous Administration hadn't done. We have listened to objections and asked officers to see if there were any better options. Work is underway to look at four large areas in the borough, this is being done properly and it takes time. We inherited the issue around the five year land supply from the previous Administration.

If the government proposals as they currently stand come into force in April, are confirmed, two important areas are raised. The first is to take account of overprovision, if overprovision from the existing Local Plan is taken into account, this will work to Wokingham's favour. In addition, the draft National Planning Policy Framework discusses removing the housing buffer, which is calculated as 5% for Wokingham, 42 dwellings per year. This cumulative impact of this is significant and would equate to approx. 2,200 to 2,300 dwellings that the council would not need to plan. I think it is worth fighting for a Local Plan which requires approx. 2,200 less dwellings to be provided in the borough. I would urge you to lobby your MPs that those two matters in the draft NPPF remain in the finalised guidance.

78.1 Norman Jorgensen has asked the Executive Member for Active Travel, Transport and Highways the following question:

Question

The footbridge over the railway and A329M beside Earley station is an important link between Earley and Woodley. What are the plans to ensure this remains available?

Answer

The footbridge is on a quarterly monitoring programme. The last monitoring inspection was undertaken during December 2022 and there was no safety concern raised that would require consideration for closing the footbridge.

The Council is currently investigating improvements to this bridge and are engaged with our consultant and specialist contractor to carry out investigations for either a refurbishment, or replacement of the structure should that be required.

Supplementary Question

We were previously told it was not possible to repair the bridge, what has changed and what are the timescales.

Answer

We are currently engaging with our consultant and specialist contractor, we will need to await the findings of their work, that will determine next steps. Once I have received the report, I will update Ward Members and town councils.

79. ALISON SWADDLE HAS ASKED THE EXECUTIVE MEMBER FOR ACTIVE TRAVEL, TRANSPORT AND HIGHWAYS THE FOLLOWING QUESTION:

Question

How does the Council propose to continue the current level of road maintenance residents expect if there is not to be increased provision in the budget?

Answer

Wokingham Borough Council (WBC) has a duty to maintain all adopted highway assets within Wokingham. To ensure the duty is fulfilled, WBC carries out periodic safety inspections of various highway assets to ensure they are safe for public use. Any found to be safety critical will be addressed by carrying out repair work.

The condition and service inspections are carried out in accordance with the annual inspection programmes and the latest data is fed into various asset management systems to maintain an up-to-date central record of the asset condition and carry out required capital works within available budgets to extend assets longevity.

Supplementary Question

The Conservatives doubled Highways maintenance budget for this budget year, not just to improve maintenance but to improve minor works and roads too. For this budget year the Conservatives had set aside £11m for road maintenance. With inflation at 10%, surely this is going to mean cuts. With cold weather, roads will need more maintenance not less. What hope can we offer residents of proper maintenance.

Answer

Each year the Annual Local Authority Road Maintenance (ALARM) surveys are undertaken with the latest being in March 2022. The surveys cover all local roads in England and Wales. In that last survey, ALARM raised the point that over £12.6 billion worth of a backlog of highway maintenance funding existed across England and Wales. Government have underinvested in local highway roads for a long time. Without the necessary funding from the government, our assets will continue to deteriorate.

In the meantime, we are left with a revenue budget to undertake pothole repairs. We have approx. 5,300 road works annually in Wokingham alone, 75% of these are undertaken by utility companies. This work immediately creates a weak area of road. We have just gone through the coldest December since 2010. Second wettest start in 102 years. Both combined, coldest and wettest lead to a detrimental impact on the condition of our roads.

80. MATTERS REFERRED TO THE EXECUTIVE

80.1 Playing Pitch Strategy Approach

The Executive Member for Environment, Sport & Leisure reported that the proposals in the report sought approval to cease further work at Maiden Erlegh at this stage and to reassess the needs of the Earley and Lower Earley area within the strategic review of playing pitches.

RESOLVED that the Executive agreed to cease any further work at Maiden Erlegh at this stage and reassess the needs of the Earley and Lower Earley area within the strategic review of playing pitches. This review would inform optimal pitch locations incorporating a 3G pitch development plan going forward across the Borough.

Reasons for Decision

In July 2022, the Executive approved a proposal for a 3G pitch at Maiden Erlegh School, supporting the need for additional 3G sites across the Borough. Consultation identified several difficulties with the site, while at the same time confirming the demand for such facilities.

Simultaneously, costs escalated, and the Council's financial situation worsened, so that 3G provision in the Earley and Lower Earley area needed to be reassessed. It was agreed that reassessment would be effectively carried out as part of a new Borough-wide Playing Pitch Strategy.

80.2 Energy Procurement Contract

The Executive Member for Climate Emergency and Resident Services reported that the proposals in the report would facilitate cost avoidance and a move towards cleaner energy. Together with the Executive Member for Finance, she thanked officers for their work on this.

RESOLVED that the Executive;

- i) approved in principal the procurement strategy set out in the Procurement Business case for the migration of the Councils energy buying strategy from the current framework provider (CCS – Crown Commercial Service) to the Laser framework;
- ii) recommended the Procurement Business Case to Council for approval;
- iii) noted that an updated Procurement Business Case would be reported back to Executive and Council, with proposed contract terms and timescales for implementation.
- iv) delegated authority to the Director of Resources and Assets, in consultation with the Executive Members for Finance and Contracts, to engage with framework suppliers and negotiate on future contract provision, in line with the approved procurement strategy.

Reason for Decision

The rationale to move framework suppliers is to ensure best value (energy price) for the Council. Energy prices have been rising significantly for the last eighteen months and whilst WBC have appropriate financial provision for this financial year, there is a risk to energy budget from rising costs, for the next financial year and beyond. The Energy Team have been carrying out market analysis assessments on energy pricing and the Council could reasonably be faced with an additional 50 – 60% on today's energy prices.

80.3 Revenue Monitoring 2022/23 Q3

The Executive Member for Finance reported that whilst most areas had made savings, this had not been possible in Children's Services where pressures remained to grow. The Executive Member for Children's Services reported that Children's services were a demand led service, children who required social care intervention and/or other services, must be accommodated. Particular pressures in Wokingham were as a result of being a small authority. Significant pressures this year had arisen from unaccompanied asylum seeking children. The Government had made it mandatory for local authorities to accept children and pressures to the budget could be attributed to the increased numbers of

children moving into the borough. These children would often progress through social care and leaving care, which created a significant pressure on budgets.

The Deputy Leader reported that the Council had faced unprecedented pressures to budgets this year. Significantly increased Inflationary pressures and increases to the demand for services had culminated to significant budgetary pressures.

The Leader, Deputy Leader and Executive Member for Finance, thanked officers for all their hard work on the budget and in particular, the Deputy Chief Executive and Director of Resources & Assets who had worked extremely hard to ensure the Council remained financially resilient.

RESOLVED that the Executive noted the overall forecast of the current position of the General Fund revenue budget, Housing Revenue Account and Dedicated Schools Grant illustrated in the Executive Summary and appendices attached to the report.

Reason for Decision

To allow the Executive to note the current forecast outturn positions for 2022/23 for the Council's net revenue expenditure, its General Fund Balance, the Housing Revenue Account and the Dedicated Schools Grant.

80.4 Capital Monitoring 2022/23 - Q3

The Executive Member for Finance reported that many projects had been moved into future years to respond to the challenging budget position that the Council faced. £388,000 had also been allocated to schools to support them with their energy efficiency arrangements.

RESOLVED that the Executive:

- i) noted the position of the capital programme at the end of Quarter 3 (to 31 December 2022) as summarised in the report below and set out in detail in Appendix A to the report.
- ii) approved and noted the proposed carry forwards in the capital programme as set out in Appendix B.
- iii) approved the increase of the schools devolved capital budget by £388,333 to ensure the revised budget allocation matches the confirmed ringfenced grant funding.

80.5 Corporate Peer Challenge - Follow Up Visit

The Chair reported that the members of the Corporate Peer Challenge were wholly independent and impartial, with the assessing team including a Chair from the ruling group of another local authority alongside two senior officers from other local authorities. It had been unfortunate that there had been some misleading social media posts relating to this.

It was clear that there had been palpable and positive improvement seen at Wokingham Borough Council. The Council had clearly embraced issues identified in the original Peer Challenge. The Council's approach to this work had led to the senior management team working in a more joined up way, there had been many positives realised as a result of this work for the Council.

RESOLVED that the Executive noted the progress report of the Corporate Peer Challenge at Appendix 1 of the report.

Reason for Decision

The report presents the findings and conclusions of the Corporate Peer Challenge follow-up visit that took place in October 2022 providing residents with an independent assurance of the Council's progress and improvements since November 2021. The Executive is asked to note the progress report.

80.6 Revised Local Bus Services Improvement Plan

The Executive Member for Active Travel, Transport & Highways reported that local bus services were vital and played an important role for people to access jobs, community, leisure activity, hospital and medical appointments and many other services and activities. Local buses provided a lifeline for the community.

The Bus Service Improvement Plan included ambitious policies which would help the Council to reach carbon neutrality by 2030, for example by implementing electric buses and reducing the need for a private car.

It was noted that all proposals would be subject to securing funding from the Department of Transport.

The Executive Member, Leader and Deputy Leader thanked officers for their work on this.

RESOLVED that the Executive approved the Revised Local Bus Service Improvement Plan (BSIP) for publication, with the delivery of proposals subject to Department for Transport funding being available.

Reasons for Decision

Wokingham Borough Council was unsuccessful in achieving any BSIP grant funding in May 2022 for the October 2021 submission. Therefore, the BSIP has been revised to take account of feedback from the DfT and changes in the local bus market since October 2021. The key changes to the draft BSIP are:

- Updated background information
- Strengthening the role of partnership working
- Revised targets and policies

80.7 NEC Systems - Contract Renewal

The Executive Member for Climate Emergency and Resident Services reported that she welcomed this report as it amalgamated contracts and created cost avoidance. She thanked officers for all their work on this.

RESOLVED that the Executive approved the compliant direct award via the **Crown Commercial Services: Data and Applications RM3821** framework on a five year basis to NEC for the provision of the following systems:

- NEC iWORLD
- NEC Housing
- NEC Information at work

Reason for Decision

Executive approval is required as the total value of the contract exceeds 500k for the five year duration.

The report sets out the proposal for Executive consideration to procure all systems currently provided by NEC to the Council for five year period under a single contract.

The Systems include:

- NEC iWorld – used by Council Tax and Revenue and Benefits.
- NEC Housing – used by the Housing service
- NEX Information at Work - Electronic Document Management System used corporately across the Council.

Entering into a five year contract protects the Council from year on year inflation increase and enables the Council to know the total cost of ownership for the next five years.

80.8 Temporary Closure Remenham Footpath No 4 Henley Festival

Councillor Prue Bray declared an interest as a member of the Open Spaces Society, who had submitted an objection to this item. Councillor Prue Bray left the meeting room during the consideration of this item.

The Executive Member for Environment, Sport and Leisure thanked officers for their work on this.

RESOLVED that the Executive;

- i) approved the making of an order for the closure of Footpath Remenham No 4, for a closure of an 80m section of the footpath for the set up and de rig of the Festival stage from Monday 3 to Wednesday 5 July 2023 inclusive and from Monday 10 July to Tuesday 11 July 2023 inclusive;
- ii) included within the closure a 620m section for evening performances from Wednesday 5 July to Sunday 9 July 2023 inclusive and day time performances on Saturday 8 July and Sunday 9 July 2023, under Section 16A of the Road Traffic Regulation Act 1984, subject to the receipt of the requisite consent of the Secretary of State for Transport.
- i) approved a change to the process for any future applications for the closure of the Thames Path and the Blackwater Valley footpath to delegate the decision as to whether a closure will be made to the Director of Place and Growth in consultation with the Executive Member for Environment.

Reason for decision

A request has been received from the organisers of the Henley Festival of Music and the Arts for the closure of part of the Thames Path National Trail at Remenham (Remenham Footpath 4). The Festival Trust applies annually for this closure to enable the safe management and execution of a locally and regionally enjoyed festival.

The Trust has stated that it is necessary to restrict traffic for the holding of the event and that it is not reasonable for the organisers to hold the event other than on the road in question.

The Authority is required to consider whether it is necessary for traffic to be restricted for the purpose of facilitating the holding of a relevant event and whether it is reasonably practical to hold the event otherwise than on the highway (in this case a footpath).

The applicant has stated that it is necessary to restrict traffic for the holding of the event and that it is not reasonable for the organisers to hold the event other than on the road in question.

Therefore, a decision is needed on whether to approve the making of the closure order if the event is to proceed. The duration of the closure is also required to be approved by the Secretary of State for Transport.

80.9 Chief Finance Officer Report 2023-24

The Executive Member for Finance reported that the Borough was facing some of the most acute challenges in many years and this was borne out in this report. The report provided an independent view from the Chief Finance Officer. It highlighted the shortfall in government settlement. Wokingham had suffered a year on year reduction in budget over the last 14 years.

The Council's reserves had been called upon in previous years and this was no longer an option if financial stability and resilience was to be maintained. There had been numerous significant impacts on the budget during the year which has been unplanned, such as the war in Ukraine, creating an increase in supporting children who had fled the conflict as well as considerable inflationary pressures.

Overall, the report showed Wokingham to be one of the most robust councils in the Country. The Executive Member, together with the Leader and Deputy Leader thanked the Chief Finance Officer for all his hard work on this.

RESOLVED that the Executive;

- i) noted the Chief Finance Officer (CFO) report (Appendix A attached to the agenda papers) and the issues contained within, including the local government finance settlement and the sections on key risks, and that they consider these when setting the council tax for 2023/24 and agreeing the Council's medium term financial plan (MTFP);
- ii) supported the Council's response to the local government finance settlement as set out in Appendix 6 of the Chief Finance Officer report attached to the agenda papers.

Reason for Decision

The Local Government Act 2003 requires the Chief Finance Officer (Deputy Chief Executive and CFO) to report to Members, when setting the level of Council Tax, on the robustness of the budget presented and adequacy of reserves. The CFO report highlights the strong financial management the Council. It also outlines the major financial issues facing the Council in the medium-term period, which without the Council taking a commercial approach could increase the reliance on council tax income as well as impact on the future delivery of Council services.

TITLE	Housing Revenue Account Budget 2023/24
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Finance - Imogen Shepherd-DuBey

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The revenue and capital budgets for 2023/24 are set and tenants rent levels are set for 2023/24 to ensure sound finances and value for money in providing housing services for council tenants.

RECOMMENDATION

That the Executive approve and recommend to Council:

- 1) The Housing Revenue Account budget for 2023/24 (Appendix A);
- 2) Council house dwelling rents be increased by up to 5.99% effective from 3rd April 2023 in line with the council's Rent Setting Policy that was approved by Executive on 27th October 2022.
- 3) Garage rents to be increased by 5.99% effective from April 2023;
- 4) Shared Equity Rents to be increased by 5.99% effective from April 2023;
- 5) Tenant Service Charges to be increased by 3.99% effective from April 2023;
- 6) The Housing Major Repairs (capital) programme for 2023/24 as set out in Appendix B;
- 7) Sheltered room guest charges for 2023/24 remain unchanged at £9.50 per night per room.

EXECUTIVE SUMMARY

The proposed Housing Revenue Account (HRA) for 2023/24 is set out for consideration and recommendation to Council. The budget proposed includes the revenue budget (Appendix A) and the capital budget (Appendix B). An indication of the budget for 2024/25 and 2025/26 is provided for information. Proposed 2023/24 rent levels for council housing and council owned garages are also set out for recommendation to Council.

Details of the HRA reserves are also set out in Appendix C.

BACKGROUND

HOUSING REVENUE ACCOUNT 2023/24

Housing Ring Fence

1. The Housing Revenue Account (HRA) is a ring-fenced fund. This means that the HRA must be self-financing and expenditure must be paid for by Council tenants through rent and service charges. HRA expenditure cannot be funded by council tax and similarly HRA income should not be used to pay for general fund services.

Rent Restructuring, Convergence, Housing Self Financing and the End of the Rental Reduction

2. For four years, commencing in 2016/17 the Government introduced a compulsory 1% reduction in Social and Affordable rents. There was no discretion in making this change and it applied to all council tenants. The 1% reduction was implemented in April 2016 and was followed by a further 1% cumulative reduction from April each year for the three years to 2019/20. From 2020/21, the rent reduction stopped and has been replaced with rental increases of CPI + 1%. This would have been 11.1% for 2023/24, the government has however restricted the rent increase for 2023/24 to a maximum of 7%, while the council has decided to apply 5.99% for 2023/24. The Council will continue increasing rents to formula rent when properties are re-let whilst still maintaining the compulsory rental changes. Formula rent is a calculation by Government to ensure all properties of a similar nature (e.g. location, no. of bedrooms) have similar rent levels for tenants.
3. Every year, the Council produce an updated 30-year business plan for the HRA. The allocated debt is based on a notional valuation of the Council's housing stock and a 30 year notional business plan of income and expenditure. The HRA will incur an annual interest charge and principal debt repayment over the majority of the plan. Over the next three years a further £3.3m of debt is to be repaid. The estimated debt as at the 31st March 2026 is £101m. This includes the additional borrowing related to the Gorse Ride Redevelopment project agreed by Executive in February 2022. Revenue budget provision for debt repayment is included under the HRA voluntary revenue provision line in Appendix A.
4. The Council will need to consider its appetite for debt over the 30 year period in light of legislative changes, economic uncertainty and level of future borrowing. Key features of the HRA budget submission are;
 - a) The HRA Capital Programme for 2023/24 will be £11.6m plus any carry forwards from 2022/23, followed by indicative budgets of £25.1m in 2024/25 and £21.7m in 2025/26. This additional increase in the capital programme compared to previous years is due to the Gorse Ride Redevelopment project. The capital programme excluding Gorse Ride has remained at similar levels to previous years. The programme assumes all retained right to buy receipts are utilised.
 - b) Rental income will be based on an increase of 5.99%, lower than the government requirements for a maximum increase of 7% for 2023/24. The policy on future years rental increases are uncertain at present due to the rent increase cap of 7% only relating to one year. Increases of 3% for 2024/25 and 2025/26 have been assumed

for budget purposes in Appendix A. Future rent increases will be subject to the budget setting process when required.

Garage Rents

5. It is proposed to increase garage rents by 5.99% for 2023/24 (3.80% for 2022/23) in line with the council wide increase to fees and charges. Charges will be rounded to the nearest £0.10p.

Shared Equity Rents

6. It is proposed to increase shared equity rents by 5.99% for 2023/24 (4.86% for 2022/23) effective from April 2023.

2023/24 Budget Assumptions & Risks

7. The Housing Revenue Account budget for 2023/24 is shown at Appendix A. The budget has been drawn up on a self-financing basis and reflects interest charges of £2.6m, depreciation of £5.0m as determined by the Council's 30-year business plan under the self-financing system. The 2023/24 budget also includes expenditure of £4.3m for repairs and maintenance. Interest costs in relation to the additional borrowing for Gorse Ride will be capitalised during the construction period.

Housing Major Repairs (Capital Programme)

8. The Council is required to fund major repairs from the rental income. The intention over the 30 year business plan is to generate additional resource to help the Council meet the decent homes standard and also to invest further in the redevelopment and regeneration of the council's housing stock.

The proposed Housing Capital Programme is shown at Appendix B. The capital programme will be funded from the Major Repairs Reserve.

Reserves

9. Reserves are held to provide a contingency for unavoidable and unseen expenditure or fall in income and stability for longer term planning for the HRA. The level of reserves over the next three years are estimated to remain in line with our reserves policy, ranging from c£1.0m in 2023/24 to £1.3m in 2025/26.

Further details are included in Appendix C.

Consultation

The draft budget submission was considered by the Tenants & Landlord Improvement Panel (TLIP) on 26th January 2023.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic

climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	See attached reports	Yes	Revenue and Capital
Next Financial Year (Year 2)	See attached reports	Yes	Revenue and Capital
Following Financial Year (Year 3)	See attached reports	Yes	Revenue and Capital

Other Financial Information
None

Stakeholder Considerations and Consultation
Budget proposals were reported to the Tenants and Landlord Improvement Panel on 26 th January 2023.

Public Sector Equality Duty
The specific projects and programmes of work will be assessed individually prior to implementation. Rent increases follow Government legislation.

Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>
Climate change within the HRA is being looked at on a number of levels. Housing Officers attend the Council's climate change meetings and are also members of the retro fitting working group. As we know domestic homes contribute to the emissions of the country and we will need to reduce these emissions over time. Projects will be coming forward but social housing providers are still awaiting guidance and associated funding from central government. Any future investments to meet climate change agenda will be factored into future budget papers.

Reasons for considering the report in Part 2
None

List of Background Papers
Appendix A – HRA Revenue Budget Appendix B – HRA Capital Budget Appendix C – HRA Reserves

Contact Zulfiqar Mulak	Service Housing Services
Telephone 07902402006	Email Zulfiqar.Mulak@wokingham.gov.uk

HOUSING REVENUE ACCOUNT - REVENUE BUDGET

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 £274m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants. The following table sets out the revenue expenditure planned for the HRA and the estimated income.

		2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
INCOME				
Rents				
Dwelling Rents		(16,860)	(17,366)	(17,887)
Garage Rents		(192)	(196)	(200)
Commercial Rents		(2)	(2)	(2)
Total Rents		(17,054)	(17,564)	(18,089)
Fees & Charges				
Service Charges		(468)	(477)	(487)
Leasehold Charges		(88)	(90)	(92)
Other Charges for Services & Facilities		(92)	(92)	(92)
Interest on balances		(20)	(20)	(20)
Total Income		(17,722)	(18,243)	(18,779)
EXPENDITURE				
Housing Repairs		4,317	4,532	4,759
General Management		3,797	3,987	4,186
Sheltered Accommodation		272	286	300
Depreciation	Note 1	5,060	5,060	5,060
Capital Finance Interest Charge	Note 2	2,600	2,630	2,660
Voluntary Revenue Provision	Note 3	955	995	1,361
Revenue Contribution to Capital	Note 4	560	590	290
Total Expenditure		17,561	18,080	18,616
Net Expenditure / (Income)		(161)	(163)	(163)
HRA Revenue Reserve				
Balance at Beginning of Year		(827)	(988)	(1,151)
Net Expenditure / (Income) - from above		(161)	(163)	(163)
Balances at Year End	Note 5	(988)	(1,151)	(1,314)

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

Note 2. Based on current and forecast loan portfolio

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

Note 4. Additional revenue contribution to fund capital programme

Note 5. Reserve balances guided by assessments of financial risks

This page is intentionally left blank

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.

		2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
EXPENDITURE				
Estate Improvements		10	10	10
Capitalised Staffing Costs		700	725	750
Adaptations for the Disabled		600	600	600
Voids		800	800	800
Housing Purchase & New Builds		0	1,000	1,000
Planned & Improvements Works		3,290	3,365	3,090
Gorse Ride Redevelopment	Note 4	6,204	18,648	15,484
Total Capital Expenditure		11,604	25,148	21,734
FUNDED BY				
Major Repairs Reserve		(5,060)	(5,110)	(5,060)
Right to Buy Receipts	Note 1	0	(650)	(650)
Revenue Contributions	Note 2	(560)	(590)	(290)
Loan for 60% right to buy contribution	Note 3	0	(600)	(600)
Capital Receipts - Gorse Ride	Note 4	(5,698)	0	(8,683)
HRA Borrowing - Gorse Ride	Note 4	(406)	(18,198)	(6,452)
Total Capital Funding		(11,724)	(25,148)	(21,734)
Balances at Year End		(120)	0	0

Note 1. Estimated receipts from right to buy sales

Note 2. Revenue contribution to fund capital programme

Note 3. Additional borrowing to support maximising right to buy receipts and capital works

Note 4. Part of £107m redevelopment scheme agreed by Executive in February 2022.

This page is intentionally left blank

HOUSING REVENUE ACCOUNT RESERVES

APPENDIX C

Reserve	Policy	Estimated Level at 31 March	Benefits	Opportunity Costs
27 Housing Revenue Account	<p>Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA</p> <p>Balance is determined by level of risk associated with the budget</p> <p>Current recommended minimum level of reserves is approx.. £1m - minimum level</p>	<p>2024 £1.0m 2025 £1.2m 2026 £1.3m</p>	<p>Provides general contingency for unavoidable and unseen expenditure or fall in income (including capital)</p> <p>Stability for longer term planning and for meeting the decent homes standards</p> <p>Interest on Balances helps to reduce costs: Interest on Balances @ 3.0% = £30k</p>	<p>Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £30k per £1m for example at 3% interest rate</p> <p>Could be used to fund HRA debt repayment</p>
Major Repairs Reserve	<p>Use of Capital to meet Decent Homes Standard</p> <p>Redevelopment and regeneration of the Council's housing stock</p>	<p>2024 £0.1m 2025 £0.1m 2026 £0.1m</p>	<p>Provides capital to invest in stock to meet the government's Decent Homes Standard policy</p> <p>Provides general contingency for unavoidable or unseen expenditure</p>	<p>Will be used to fund HRA capital expenditure to help meet decent homes standard</p>

This page is intentionally left blank

TITLE	Capital Programme and Strategy 2023-2026
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Finance - Imogen Shepherd-DuBey

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The capital programme and strategy 2023 – 2026 sets out the capital investment for the benefit of the community and how this is funded.

RECOMMENDATION

The Executive is asked to note and recommend to Council the following:

- 1) the Capital Strategy for 2023 - 2026 - Appendix A;
- 2) the three-year capital programme for 2023 - 2026 – Appendix B;
- 3) the draft vision for capital investment over the next five years - Appendix C;
- 4) the use of developer contribution funding (s106 and CIL) for capital projects as set out in Appendix D. Approval is sought up to the project budget.

EXECUTIVE SUMMARY

The Chartered Institute of Public Finance & Accountancy (CIPFA) 2021 Prudential Code sets out the requirements in relation to the setting of a Capital Strategy within Local Authorities. The key objectives of the Code are to ensure, within a clear framework, that local authorities' capital investment plans are affordable, prudent, and sustainable.

Under the prudential system, individual local authorities are responsible for deciding the level of their affordable borrowing, having regard to CIPFA's Prudential Code, which has been given legislative backing. Prudential limits apply to all borrowing, qualifying credit arrangements and other long-term liabilities – whether supported by government or entirely self-financed. The system is designed to encourage authorities that need and can afford to undertake capital investment to do so within a robust framework.

Using the guidance from the Prudential Code, every year the Council produce a **Treasury Management Strategy** and a **Capital Strategy**. Both strategies are closely linked and also support the Medium Term Financial Plan. The Treasury Management Strategy is considered in a separate report.

The Capital Strategy for the three financial years from 2023 – 2026 is intended to provide a high-level overview of how capital expenditure, capital financing and treasury management contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

The Capital Strategy is set out in **Appendix A**.

This shows investment of c£256m over the next three years across (excluding carry forwards):

- Housing, Local Economy and Regeneration - c£123m
- Roads and Transport - c£28m
- Children Services and Schools - c£65m
- Climate Emergency - c£13m
- Internal Services - c£13m
- Environment - c£2m
- Adult Social Care - c£12m

BACKGROUND

Key aims of the Capital Strategy (Appendix A)

The key aims of the capital strategy are to:

- Provide a clear context within which proposals for capital expenditure are evaluated to ensure all capital investment is targeted to deliver the Council's priorities.
- Give clarity about how the Council identifies and prioritises capital requirements and proposals arising from various strategies, and how they will be managed within the limited capital resources available.
- Identify and consider options available to fund capital expenditure that minimises the ongoing revenue implications of historic capital expenditure and of any new investments.
- Establish effective arrangements for managing capital schemes including assessment of outcomes and achievement of value for money.

Capital Expenditure

Wokingham Borough Council has an ambitious capital programme which builds upon recent years of historic capital investment in the borough including regeneration of Wokingham town, new strategic roads, schools, and leisure facilities. The Council will continue to provide services and assets for residents to enjoy and to meet their needs.

The Capital Strategy is fundamental to the effective delivery of these key activities. The table below shows the planned capital expenditure for the next three years across the key activities. The list of schemes includes a mix of approval levels; some of which are permissions to spend, some are known schemes, and some require further understanding and detailed business cases prior to commencement.

These figures exclude any carry forwards from the current financial year. The overall 2023/24 programme will be made up of new schemes identified in this report and schemes carried forward from 2022/23 which will be approved by Executive as part of the Capital monitoring outturn reports.

	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Housing, Local Economy and Regeneration Delivering sustainability, a strong, robust and successful economy that stimulates opportunities for all who work and live in	54,454	38,398	29,964	122,817
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential	17,278	26,992	21,034	65,304
Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network	10,539	9,319	7,940	27,797

Climate Emergency Commitment to reduce carbon emissions and working towards becoming a carbon neutral Council	5,289	3,089	4,939	13,317
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities	6,443	3,690	3,040	13,173
Adult Social Care An effective, high-quality care and support service to providing a better quality of life for residents	6,820	3,081	1,787	11,688
Environment Investment and enhancement of facilities across the borough benefiting communities and resident's wellbeing	883	100	1,100	2,083
Total Capital Programme 2023/24 to 2025/26	101,706	84,669	69,804	256,179

A full breakdown of the areas above by individual scheme can be found in **Appendix B**

The draft vision for capital investment over the next five years can be found in **Appendix C**.

Capital Resources (Funding of Capital Expenditure)

Like most Local Authorities, the Council has limited capital resources available, and these are allocated to each scheme to ensure best value for money by maximising the use of grants, developer funding and capital receipts in order to minimise the need for revenue contributions and borrowing. Although borrowing does make a large portion of the capital resources, this has been calculated on a prudent, sustainable, and affordable basis. Each individual scheme is evaluated before being added to the capital programme.

The table below shows the estimated capital resources required to fund the three-year capital programme from April 2023 to March 2026.

	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Supported borrowing	(39.4)	(36.3)	(16.4)	(92.1)
Developer contributions (S106 / CIL)	(8.6)	(3.0)	(0.9)	(12.5)
Capital grants	(23.0)	(29.1)	(21.8)	(73.9)
Other contributions	(6.1)	(6.1)	(5.5)	(17.7)
Capital receipts	(11.3)	(1.6)	(10.2)	(23.1)
General fund borrowing	(13.3)	(4.1)	(5.2)	(22.6)
Total	(101.7)	(80.2)	(60.0)	(241.9)

The capital programme currently has a budget shortfall of c£28m over three years which includes a fully funded year 1 programme. This shortfall is made up of c£14m budget shortfall against the capital programme highlighted above (£256m less £242m). The remaining c£14m shortfall is the current estimated gap between CIL income and associated capital spend requirements. This shortfall over three years will be balanced through a combination of reducing or reprofiling capital expenditure, additional CIL income from potential new developments and by maximising capital funding opportunities such as bidding for capital grants.

Developer Contributions

With regards to developer contributions funding. The Councils Finance Regulations require allocation of this funding to be approved. As set out in **Appendix D**, approval is sought up to the project budget for the capital scheme to allow flexibility if more funding becomes available during the year and can reduce borrowing costs. The Executive are asked to approve and recommend that Council approve the use of developer contribution funding (s106 and CIL) for capital projects as set out in Appendix D.

The capital programme drives the Treasury Management Strategy (see separate Executive and Council paper for the 16 February 2023), in terms of identifying and undertaking necessary borrowing. The graph below shows the estimated debt and debt repayment profile for the borrowing used to support the capital programme.

Supported Borrowing

A significant part of the Council's capital programme is either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services. These are referred to as "supported borrowing" in the table above.

Supported borrowing activities can be broken down as follows:

Investment in Wokingham Borough

- Regeneration. There is an ambitious programme of regeneration with the town centres of the borough. With the Council's low cost of capital and return on investment requirement compared to the private sector this allows the Council to take on and complete projects for the benefit of the local community that would otherwise not be delivered by the private sector.
- Economic Development. Likewise, the Council is able to use its resources to secure properties within town centres to ensure continued delivery of services to the community, whilst encouraging local businesses with security of tenure.
- Enabling infrastructure. The Council has always been positively proactive in delivering infrastructure in advance of developments.
- Local Employment Protection. The Council will invest to ensure local employers remain in premises and not lose economic business sites to alternative development.
- Housing. The Council has an ambitious affordable and social housing plan for the borough, delivered through its wholly owned subsidiary companies.

Invest to Save

The Council is also investing in activities which not only cover the financing costs and debt repayment for the scheme but make income each year to contribute to the costs of running the Council, reducing the burden on the local taxpayer whilst maintaining services. These are referred to as 'invest to save' funded projects, and examples are listed below:

- Leisure and sport facilities.
- Energy reduction / efficiency.
- Social care placements provision

Repayment of Borrowing

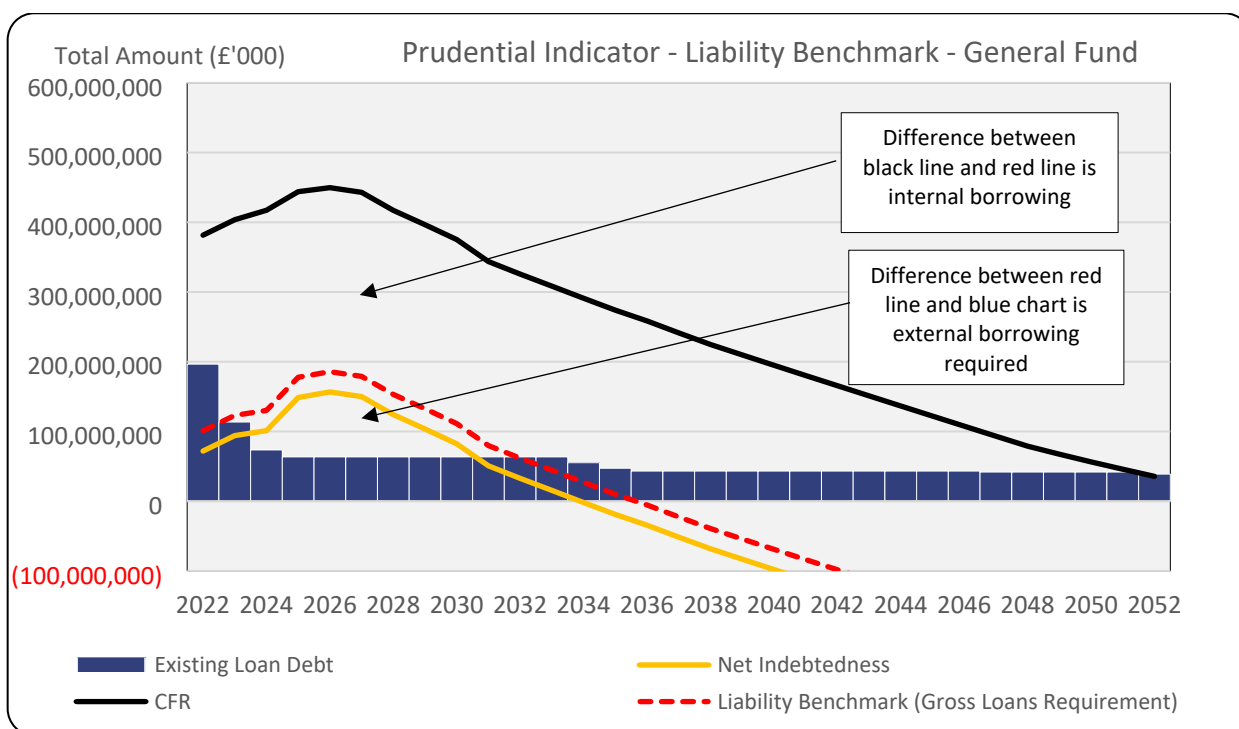
As highlighted previously, the Council continue to invest significant amounts into the capital programme generating assets such as roads, schools, housing, regeneration properties and many more. The graph below sets out the expected repayment of this debt. Further information is set out in the treasury management strategy.

The Capital financing requirement (CFR) is a technical calculation of historic capital expenditure less that already paid for, plus estimated prudential borrowing over the medium term financial plan.

The Council are expecting debt to rise over the next three years in line with the capital programme and then it is expected to reduce over time as income is generated from these projects and cost savings are realised, pending the level of further investment identified beyond the three year capital programme.

The CFR will reduce as borrowings are repaid through income and will reach a point in time when debt is fully repaid, and the ongoing income will be transferred to benefit the general fund.

The liability benchmark graph from the treasury management strategy highlights below with regards to the "CFR" line. The original CFR levels before commercialisation, forward funding and regeneration projects were approximately £100m. Further information regarding the graph can be found in the treasury management strategy.



The graph represents our best estimate of spend and borrowing over the period of the three year Capital Programme.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£102m	Yes	Capital
Next Financial Year (Year 2)	£85m	No	Capital
Following Financial Year (Year 3)	£70m	No	Capital

Other Financial Information

The capital programme currently has a budget shortfall in years 2 and 3 totalling c£28m. This will be balanced through a combination of reducing or reprofiling capital expenditure and maximising capital funding opportunities such as bidding for capital grants.

The year 1 budget of £102m does not include any carry forwards from the 2022/23 capital programme. These are approved by Executive as part of the Capital monitoring outturn reports.

Please see the attached appendices for full details of the capital strategy.

--

Stakeholder Considerations and Consultation
N/A

Public Sector Equality Duty
The specific projects and programmes of work will be assessed individually prior to implementation.

Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>
As highlighted in the Capital Strategy and appendices, the Council continues to invest in Climate Emergency across a range of capital schemes.

Reasons for considering the report in Part 2
None

List of Background Papers
Appendix A - WBC capital strategy Appendix B - WBC capital programme detail Appendix C - WBC five-year capital vision Appendix D - WBC capital Programme to be part/fully funded by developer contributions.

Contact Mark Thompson	Service Business Services
Telephone Tel: 0118 974 6555	Email mark.thompson@wokingham.gov.uk

Capital Strategy 2023-26





Contents

1.	Introduction.....	2
2.	The Aims Of The Capital Strategy.....	2
3.	Governance Framework & Core Principle.....	3
4.	Capital Vision Planning.....	4
5.	Asset Management.....	5
6.	Acquisition Of Land And Buildings For Economic Development And Regeneration.....	5
7.	Loans.....	6
8.	Capital Expenditure 2021-2024.....	6
9.	Capital Funding and Capital Reserves.....	7
10.	Financing Need (Borrowing).....	8
11.	Long Term Revenue Implications Of Capital Investment Decisions.....	9
12.	Risk Appetite.....	10
13.	Knowledge and Skills.....	10
14.	Training.....	10

Appendices

Appendix B - Three year capital programme by key areas

Appendix C - Five year capital vision by asset type

Appendix D - Developer contribution funded schemes

1. Introduction

The Chartered Institute of Public Finance & Accountancy (CIPFA) 2021 Prudential Code sets out the requirements in relation to the setting of a Capital Strategy within Local Authorities. The key objectives of the Code are to ensure, within a clear framework, that local authorities' capital investment plans are affordable, prudent and sustainable.

Under the prudential system, individual local authorities are responsible for deciding the level of their affordable borrowing, having regard to CIPFA's Prudential Code, which has been given legislative backing. Prudential limits apply to all borrowing, qualifying credit arrangements and other long-term liabilities. The system is designed to encourage authorities that need and can afford to undertake capital investment to do so within a robust framework.

The Capital Strategy for the three financial years from 2023 – 2026 is intended to provide a high level overview of how capital expenditure, capital financing and treasury management contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2. The Aims Of The Capital Strategy

The capital strategy aligns with the Council's priorities and key council strategies. The strategy is integrated with the Medium Term Financial Strategy and Treasury Management Strategy.

The Capital Strategy is the document that sets out the following principles:

- To drive the authority's ambitious capital programme and identifying the optimum level of investment.
- Giving an outline of future commitments so that the affordability of both the long term plan and any new proposals can be properly understood.

3. Governance Framework & Core Principles

As part of the annual budget process, the capital vision including any new capital scheme bids is reviewed. The Council develops a three year capital programme, of which year 1 is fully funded, and years 2 and 3 have indicative funding. This forms part of the Council's Medium Term Financial Plan (MTFP) and is approved at Council in February having previously been reviewed by Community and Corporate Overview and Scrutiny Committee (CCOSC).

Throughout the budget setting process, assistant directors and the corporate leadership team review and scrutinise new and existing capital bids to ensure they still meet the Council's priorities. This is supported by the finance team.

Based on these evaluations the attached Capital Programme has been prepared. Members are presented with the proposed capital budget submission 2023/24 for recommendation to Council (Appendix B).

The Capital Programme includes a mix of different approvals and bud proposals; some of which are permissions to spend, some are know schemes and others require further understanding and detailed business cases prior to commencement.

Democratic decision-making and scrutiny processes provide overall political direction and ensure accountability for investment in the Capital Programme. These processes include:

- The Council approves the vision and priorities.
- The Council is ultimately responsible for approving the Treasury Management Strategy, Capital Strategy and Capital Programme.
- The Executive receives regular capital monitoring reports (on a quarterly basis), approves variations to the programme and considers new bids for inclusion in the capital programme.
- Portfolio holders are assigned projects in line with their responsibilities.
- Scrutiny committees can call in Cabinet reports, receive and scrutinise reports.
- All projects progressing to the capital programme follow the constitution, and financial regulations.
- The capital programme is subject to internal and external audit.

4. Capital Vision Planning

Wokingham Borough Council's Capital Vision is created alongside its vision for providing the majority of the needed housing in the borough, through its four strategic development locations.

The major development projects ongoing in the Capital Programme are:-

Arborfield Garrison major development - This development includes 3500 new homes, 2 new primary schools, a secondary school, community and local shopping facilities, sports hub and gym, open spaces and roads including the Arborfield Relief Road project, an extension of Nine Mile Ride and improvements to the California Crossroads junction and Barkham Bridge.

Shinfield Parish major development – Based around the villages of Shinfield, Spencers Wood and Three Mile Cross, this development initially included 2500 new homes, 2 new primary schools, school expansion, community and local shopping facilities, sports hub, open spaces and roads including the Shinfield Eastern Relief Road project.

North Wokingham major development – This development initially includes 1500 new homes, a new primary school, local community and shopping facilities in a new neighbourhood centre, enhancements to the sports hub at Cantley Park, open spaces and roads including the North Wokingham Distributor Road project.

South Wokingham major development – This development includes 2500 new homes, 2 new primary schools, local shopping and community facilities, allotments, new open spaces and roads including the South Wokingham Distributor Road project.

These major developments will accommodate a total of about 10,000 homes in carefully planned new or extended communities.

Other ongoing major regeneration and development projects in the borough include:-

Gorse Ride Estate redevelopment - Working to regenerate the Gorse Ride Estate in order to provide high-quality homes in a great community.

Wokingham Town Centre Regeneration – This redevelopment provides residential housing alongside Elms Field to complement the retail, food store, cinema, hotel and play area which have been successfully completed. In addition the provision of a new Leisure facility to replace the Carnival Pool facility, which includes a new pool and leisure facility, provision of 4 court sports hall, a new library and food/beverage offering and 55 residential apartments.

Climate Emergency – Develop solar farms to create a renewable energy infrastructure. Energy reduction projects at existing properties to make them energy efficient (e.g., LED lighting, cavity walls). Active travel, improving traffic flow and reducing incidents which cause delays (including using CCTV cameras).

Work is currently underway on an updated local plan which will shape the future of Wokingham Borough. See the Council's Local Plan Update page on the Council's Web site.

<https://www.wokingham.gov.uk/planning-policy/planning-policy-information/local-plan-update/>

5. Asset Management

The overriding objective of asset management within the council is to achieve a corporate portfolio of property assets that is appropriate, fit for purpose and affordable. The council's property portfolio consists of operational property, properties held for economic development, and property held for specific community or regeneration purposes. The council has specific reasons for owning and retaining property:

- Operational purposes e.g. assets that support core business and service delivery e.g. Schools, office buildings.
- Parks, playgrounds and open spaces.
- Economic development and Regeneration, enabling strategic place shaping and economic growth.

Asset management is an important part of the council's business management arrangements and is crucial to the delivery of efficient and effective services, the ongoing management and maintenance of capital assets will be considered as part of the strategy. The asset management planning includes an objective to optimise the council's land and property portfolio through proactive estate management and effective corporate arrangements for the acquisition and disposal of land and property assets. The council will continue to realise the value of any properties that have been declared surplus to requirements in a timely manner, having regard to the prevailing market conditions.

6. Acquisition Of Land And Buildings For Economic Development And Regeneration

The council will acquire land and buildings within the borough boundaries for the primary reason of economic development, regeneration or to protect local employment for residents.

The reasons for acquisition of property are primarily;

- Market and economic opportunity
- Economic development and regeneration activity in the borough
- To maintain and safeguard local employment within the borough

Any acquisition is supported by strong, robust and prudent financial business case, and signed off by the councils S151 officer in accordance with delegations approved by Council.

7. Loans

The Council has discretion to make loans for a number of reasons, primarily for economic development. These loans are treated as capital expenditure. In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council, in making these loans, must therefore ensure they are prudent and has fully considered the risk implications, with regard to both the individual loan and that the cumulative exposure of the council is proportionate and prudent. The council will ensure that a full due diligence exercise is undertaken and adequate security is in place. The business case will balance the benefits and risks. All loans are agreed by Executive. All loans will be subject to close, regular monitoring.

8. Capital Expenditure 2023-2026

The following table shows a breakdown of expenditure over the next three years broken down into expenditure categories:

Table 1 Capital Programme 2023-2026

	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Housing, Local Economy and Regeneration Delivering sustainability, a strong, robust and successful economy that stimulates opportunities for all who work and live in	54,454	38,398	29,964	122,817
Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network	10,539	9,319	7,940	27,797
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential	17,278	26,992	21,034	65,304
Climate Emergency Commitment to reduce carbon emissions and working towards becoming a carbon neutral Council	5,289	3,089	4,939	13,317
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities	6,443	3,690	3,040	13,173
Environment Investment and enhancement of facilities across the borough benefiting communities and resident's wellbeing	883	100	1,100	2,083
Adult Social Care An effective, high-quality care and support service to providing a better quality of life for residents	6,820	3,081	1,787	11,688
Total Capital Programme 2023/24 to 2025/26	101,706	84,669	69,804	256,179

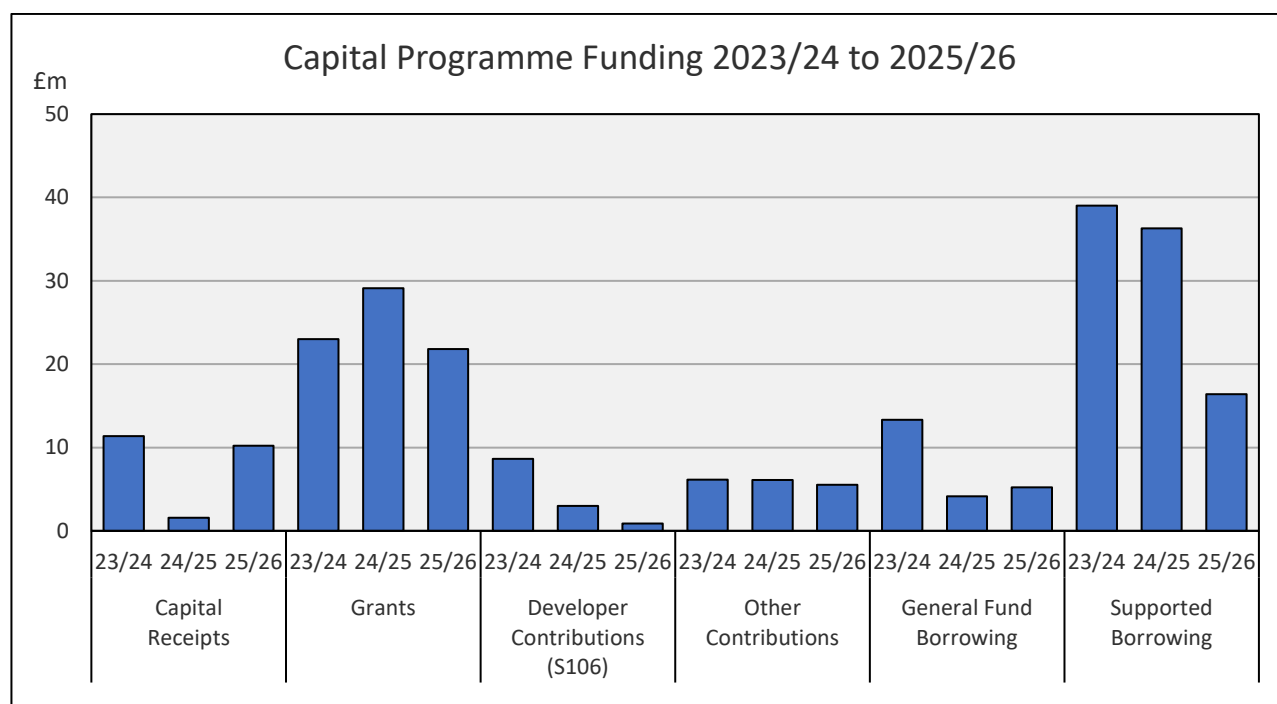
9. Capital Funding and Capital Reserves

Like most Local Authorities, the Council has limited capital resources available and these are allocated to each scheme to ensure best value for money by maximising the use of grants, developer funding and capital receipts in order to minimise the need for revenue contributions and borrowing. Although borrowing does make a large portion of the capital resources, this has been calculated on a prudent, sustainable and affordable basis. Each individual scheme is evaluated before being added to the capital programme.

The table and graph below set out the capital funding for the next three years.

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(39.4)	(36.3)	(16.4)	(92.1)
Developer contributions (S106 / CIL)	(8.6)	(3.0)	(0.9)	(12.5)
Capital grants	(23.0)	(29.1)	(21.8)	(73.9)
Other contributions	(6.1)	(6.1)	(5.5)	(17.7)
Capital receipts	(11.3)	(1.6)	(10.2)	(23.1)
General fund borrowing	(13.3)	(4.1)	(5.2)	(22.6)
Total	(101.7)	(80.2)	(60.0)	(241.9)

The capital programme currently has a budget shortfall of c£28m over three years which includes a fully funded year 1 programme. This shortfall is made up of c£14m budget shortfall against the capital programme highlighted above (£256m less £242m). The remaining c£14m shortfall is the current estimated gap between CIL income and associated capital spend requirements. This shortfall over three years will be balanced through a combination of reducing or reprofiling capital expenditure, additional CIL income from potential new developments and by maximising capital funding opportunities such as bidding for capital grants.



10. Financing Need (Borrowing)

A major source of funding for the Council's capital programme is borrowing. This is described in two forms, supported borrowing and general fund borrowing. A significant part of the Council's capital programme is either self financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services. These are referred to as "supported borrowing". General fund borrowing is funded through existing base budget and supports general investment to maintain Council assets and continue to provide services to customers and residents

The table below sets out the total borrowing need for the Council. This is known as the capital financing requirement (CFR) and is an accounting concept which monitors how much capital expenditure has been incurred but not yet paid for.

It is important to note that the CFR balance does not reflect the level of debt the Council holds. Where the Council hold surplus balances such as reserves, unspent grants and working capital, this avoids the need to borrow externally, saving on interest costs. This is known as internal borrowing. Furthermore, it is important to take into account any treasury investment balances when looking at external debt to understand a more accurate debt figure.

The following tables show the CFR balance for supported borrowing and general fund borrowing.

Table 3 Capital Finance Requirement (CFR)

	Supported Borrowing				General Fund Borrowing			
	22/23	23/24	24/25	25/26	22/23	23/24	24/25	25/26
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	280.9	300.4	309.6	329.2	100.6	103.2	107.7	114.7
Expenditure in year	46.1	42.8	44.8	31.0	6.3	7.9	11.0	7.7
Repayments in year	(26.6)	(33.6)	(25.2)	(28.6)	(3.7)	(3.5)	(4.0)	(4.2)
Closing balance	300.4	309.6	329.2	331.5	103.2	107.7	114.7	118.1

It is important to note, the "expenditure in year" row is an estimate of actual capital expenditure to be incurred in the financial year based on a detailed analysis of project spend, timing and delivery and includes the impact of carry forwards from the previous year and carry forwards into future years based on historic trends. This ensures a more accurate CFR position which is important when considering investment and borrowing decisions. It will therefore be different to the amount identified as funding earlier in the report in the capital funding tables as these are setting out the permission to allocate capital budget to a project.

The following table shows the CFR balance for the housing revenue account.

	Housing Revenue Account			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	80.3	78.2	77.6	95.4
Expenditure in year	0	0.4	18.8	7.0
Repayments in year	(2.1)	(1.0)	(1.0)	(1.4)
Closing balance	78.2	77.6	95.4	101.0

The repayments of the Housing Revenue Account CFR are known as Voluntary Revenue Provision (VRP). These are set out as part of the HRA budget setting and form part of the budget setting process. The additional prudential borrowing from year 2 onwards relate primarily to Gorse Ride Redevelopment. Capital receipts and additional rental income will be received once the project is completed and will be used as additional VRP to reduce the HRA CFR balance. This is shown in the HRA liability benchmark prudential indicator set out below.

In approving the inclusion of projects within the capital programme the Council ensures all the capital and investment plans are affordable, prudent and sustainable. In doing so the Council will take into account the arrangements for the repayment of debt, through a prudent Minimum Revenue Provision (MRP) policy in line with MRP guidance produced by the Department for Levelling Up, Housing and Communities. The capital financing charges and any additional running costs arising from capital investment decisions are incorporated within the annual budget and medium term financial plans. This enables members to consider the consequences of capital investment alongside other competing priorities for revenue funding.

Existing Council debt is therefore the consequence of historical capital expenditure. The council can temporarily utilise other resources in lieu of external borrowing to fund capital expenditure. This is referred to as internal borrowing.

A summary of our external and internal debt over the medium term financial plan time period, can be found in the Treasury Management Strategy approved by executive on 16 February 2023.

11. Long Term Revenue Implications of Capital Investment Decisions

Capital investment decision making is not only about ensuring the initial allocation of capital funds meets the corporate and service priorities but ensuring the asset is fully utilised, sustainable, and affordable throughout its whole life. This overarching commitment to long term affordability is a key principle in any capital investment appraisal decision. In making its capital investment decisions the council must have explicit regard to consider all reasonable options available. These are captured in the Medium Term Financial Plan (MTFP) process.

12. Risk Appetite

This section considers the council's risk appetite with regard to its capital investments, i.e., the amount of risk that the council is prepared to accept, tolerate, or be exposed to at any point in time. It is important to note that risk will always exist in some measure and cannot be removed in its entirety. A risk review is an important aspect of the consideration of any proposed capital or investment proposal. The risks will be considered in line with the risk management strategies we have in place and commensurate with the council's low risk appetite. Subject to careful due diligence, the council may consider a moderately higher level of risk for strategic initiatives, where there is a direct gain to the council's revenues or the ability to deliver its statutory duties more effectively and efficiently.

13. Knowledge and Skills

The Council has professionally qualified staff across a range of disciplines including Finance, Legal and Property and follow Continuous Professional Development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.

External professional advice is taken where required.

14. Training

Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge the capital and treasury decisions taken.

This page is intentionally left blank

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24 £,000	Year 2 2024/25 £,000	Year 3 2025/26 £,000	Total £,000
Housing, Local Economy and Regeneration						
Income Generation	Community Investment	To build on the commercial property portfolio in line with the Council's socio-economic and sustainability agendas	26,500	0	0	26,500
		Income Generation Total	26,500	0	0	26,500
Housing Delivery	Gorse Ride Regeneration Project	Redevelopment of Gorse Ride housing estate to provide new affordable housing	6,204	18,648	15,484	40,337
	WBC Holdings Ltd Loan	Wokingham Borough Council owned houses funding	6,000	6,000	6,000	18,000
	Housing Tenants Services (HRA)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)	5,400	5,500	5,250	16,150
	Bulldog Garage - Temporary Accommodation	Build temporary accomodation to meet increase demand in the borough	4,900	1,500	0	6,400
	Wellington Road	To deliver homes for our most vulnerable residents and key workers	4,000	1,930	0	5,930
	Mandatory Disabled Facility Grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home	1,100	1,100	1,100	3,300
	Self-Build Project	Delivery of an affordable self-build schemes	250	250	0	500
	Seaford Court Development	Options being considered for the scheme which includes accommodation for vulnerable young people or for temporary accommodation for homelessness	0	2,470	530	3,000
	Purchase of Council Houses (HRA)	To replace HRA housing stock using the 1 for 1 right to buy receipts	0	1,000	1,000	2,000
		Housing Delivery Total	27,854	38,398	29,364	95,617
Service Improvements	Commercial Portfolio - Improvement to WBC commercial properties	To ensure commercial properties are suitable for letting	100	0	100	200
		Service Improvements Total	100	0	100	200
Regeneration of Towns	Denmark Street Environmental Improvements	Improving the borough towns and parishes	0	0	500	500
		Regeneration of Towns Total	0	0	500	500
Housing, Local Economy and Regeneration Total			54,454	38,398	29,964	122,817

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Children Services and Schools						
50	SEND Sufficiency		5,862	16,400	13,300	35,562
	Basic Needs Secondary Places	Extension / new build projects to provide additional places throughout the borough to meet demand	4,500	6,500	4,500	15,500
	Sixth Form Expansion		3,500	1,900	0	5,400
	Care Leaver Accommodation		1,200	0	0	1,200
	UASC Accommodation	To provide a setting to meet the needs of vulnerable children. To provide a setting to meet the needs of vulnerable children	500	0	0	500
	Matthews Green Primary School		38	25	15	78
	Arborfield / Barkham Primary School		30	30	30	90
	Shinfield West Primary School	Furniture, fittings & equipment to meet need of additional places throughout the borough	30	30	30	90
	Montegue Park Primary School		11	0	0	11
	Basic Needs Primary Programme	Extension / new build projects to provide additional places throughout the borough to meet need	0	500	1,500	2,000
	Primary Strategy - FFE	Furniture, fittings & Equipment to meet need of additional places throughout the borough	0	0	52	52
		New Facilities Total	15,671	25,385	19,427	60,483
Improvement to Existing Facilities	Schools Maintenance	Capital improvements and suitability issues	630	630	630	1,890
	Schools Devolved Formula	Specific government grant to carry out capital works, controlled by schools	375	375	375	1,125
	Children in Care Equipment	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	200	200	200	600
	School Kitchens	Improve various school meals kitchens including delivery of the universal free school meal programme	50	50	50	150
	ICT Equipment for Children in Care	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	22	22	22	66
		Improvement to Existing Facilities Total	1,277	1,277	1,277	3,831
Service Improvements	Capita IT System	Children's Services IT system	192	192	192	576
	Capitalisation of Analysts and Report Developers	Investment in business analysts part of continued change programme	138	138	138	414
		Service Improvements Total	330	330	330	990
Children Services and Schools Total			17,278	26,992	21,034	65,304

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Roads and Transport						
Service Improvements	Toutley Highways Depot Modernisation	Environmental services facility enhancement	3,500	0	0	3,500
	Wokingham Highways Investment Strategy (WHIS)	A "Needs Based" approach to maintaining Wokingham's highways network, aligned to the Council's and stakeholder priorities	2,126	2,126	0	4,252
	Integrated Transport Schemes	Enhancement the integrated transport schemes	400	400	400	1,200
	Safer Routes to Schools	Infrastructure changes to make school journey's by most sustainable mode	150	150	150	450
	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	0	500	0	500
	Traffic Signal Upgrade Programme	Investment in highways signals	0	250	250	500
		Service Improvements Total	6,176	3,426	800	10,402
51 Improvement to Existing Facilities	Highways Carriageways Structural Maintenance	Rolling programme to resurfacing carriageways (roads) to repair damage and extend the life of the asset	2,280	2,280	2,280	6,840
	Safety / Crash Barriers	Improving safety / crash barriers on the highways in the borough	500	750	500	1,750
	Bridge Strengthening	Continued enhancement to highway structures	225	225	225	675
	Highway Drainage Schemes	To reduce the overall degradation of the highway drainage network	200	200	200	600
	Highways Footway Structural Maintenance Programme	Enhancement to footways within the borough	100	100	100	300
	Strengthening Approach Embankments to Bridges	Continued enhancement to highway structures	20	20	20	60
	Street Lighting Column Structural Testing	Structural testing of lighting assets	20	0	20	40
	Commonfield lane passing bays	Improvements to roads	0	252	0	252
		Improvement to Existing Facilities Total	3,345	3,827	3,345	10,517
Alternative Transport	Active Travel & Bus Priority	Improvement to traffic flow and the encouragement of alternative sustainable modes of transport	954	2,000	0	2,954
		Alternative Transport Total	954	2,000	0	2,954
New Roads	Completed Road Schemes Retention	Meet any retention costs from completed road schemes	64	66	68	197
	SCAPE - Road infrastructure (dist roads etc) intial costs	Investment in future road building / enhancement across WBC road network (including new relief roads)	0	0	3,727	3,727
		New Roads Total	64	66	3,795	3,924
Roads and Transport Total			10,539	9,319	7,940	27,797

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Adult Social Care						
New Facility	Older People's Dementia Home	Manage the future demand by investing in dementia care accommodation	5,541	0	0	5,541
	Accommodation Transformation	Additional supported living accommodation	0	1,500	1,000	2,500
	Replacement of Day Services for Adults	Investment in provision of day services	0	800	0	800
		New Facility Total	5,541	2,300	1,000	8,841
Service Improvements	Adult Social Care - Community Equipment	Support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of equipment.	729	731	737	2,197
	Mosaic Modernisation and Reimplementation	Improvements to Adult Social Care IT System	500	0	0	500
		Service Improvements Total	1,229	731	737	2,697
Improvement to Existing Facilities	Adult Social Care Urgent Maintenance & Refurbishment	Urgent maintenance / refurbishment of the Adult Social Care 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			6,820	3,081	1,787	11,688

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Internal Services						
Service Improvements	Central Contingency	Held to meet unforeseen cost pressures across the capital programme	1,500	1,500	1,500	4,500
	IT - Microsoft E5	Continued enhancement in IT network	808	890	890	2,588
	IT - Hardware	Continued enhancement in IT network (Ensuring that Tier A apps used Council Wide remain in support, with ongoing security of applications and for the data held in them.)	400	200	0	600
	IT - Appications		345	50	0	395
	IT - Infrastructure		330	350	0	680
	New CRM (Microsoft D365) system		300	50	0	350
	IT - Maintenance & Enhancement		150	300	300	750
	IT - Security		130	0	0	130
	Digital Tools- Replace CMS		100	0	0	100
	Application Tracking System (ATS) Implementtion		30	0	0	30
		Service Improvements Total	4,093	3,340	2,690	10,123
New Facilities	Capital Construction Inflation Costs	To meet increasing labour and material costs of construction across the programme where required	2,000	0	0	2,000
		New Facilities Total	2,000	0	0	2,000
Improvement to Existing Facilities	Property Maintenance and Compliance	The continued development and upkeep of the Councils customer digital assets and infrastructure	350	350	350	1,050
		Improvement to Existing Facilities Total	350	350	350	1,050
Internal Services Total			6,443	3,690	3,040	13,173

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Climate Emergency						
Co2 Reduction	Energy Reduction Projects	Energy efficiency projects at existing properties including, installing LED lighting, cavity wall & loft insulation, boiler controls, etc	1,750	1,750	1,750	5,250
	Electric Vehicle Charge Points	Installation of electric vehicle charge points	1,200	1,200	1,200	3,600
	Waste Schemes - Recycling	Purchase of waste receptacles to enable the borough to enhance their waste / recycling	89	89	89	267
	Food Waste Collection	To provide food waste containers	20	20	20	60
		Co2 Reduction Total	3,059	3,059	3,059	9,177
Alternative Transport	Local Cycling and Walking Infrastructure Plans	Improvements for walking and cycling in borough	1,200	0	0	1,200
	Greenways	A network of quiet commuting and leisure routes for pedestrians and cyclists	1,000	0	0	1,000
	Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy	Transport infrastructure enhancement	30	30	30	90
	Feasibility and first stage of new non highway crossing (new foot and cycle structures in borough)	New non highway crossing (new foot and cycle structures in borough)	0	0	1,500	1,500
	A327 Cycleway	Investment in cycle networks in the borough	0	0	350	350
		Alternative Transport Total	2,230	30	1,880	4,140
Climate Emergency Total			5,289	3,089	4,939	13,317

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Environment						
Improvement to Existing Facilities	California Lakeside Refurbishment	Refurbishment and upgrading of the lakeside area and associated paths at California Country Park.	600	0	0	600
	Leisure Centre Refurbishments / upgrades across the borough	The enhancement of existing leisure facilities	100	100	100	300
		Improvement to Existing Facilities Total	700	100	100	900
Service Improvements	New Bid - Planning Civica APP replacement	New software system with mobile functionality required to support PPP service Planning service	100	0	0	100
	New Bid - PPP Civica APP replacement		83	0	0	83
		Service Improvements Total	183	0	0	183
New Facilities	New Pool at Arborfield	A development of a new swimming pool and leisure facilities	0	0	1,000	1,000
		New Facilities Total	0	0	1,000	1,000
Environment Total			883	100	1,100	2,083
Total			101,706	84,669	69,804	256,179

This page is intentionally left blank

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

	2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	Total £,000
Housing, Local Economy and Regeneration						
Income Generation	26,500	0	0	0	0	26,500
Housing delivery	27,854	38,398	29,364	25,304	18,984	139,905
Service Improvements	100	0	100	0	100	300
Regeneration of towns	0	0	500	0	0	500
Housing, Local Economy and Regeneration Total	54,454	38,398	29,964	25,304	19,084	167,205
Children Services and Schools						
New facilities	15,671	25,385	19,427	8,895	5,310	74,688
Improvement to existing facilities	1,277	1,277	1,277	1,277	1,277	6,385
Service improvements	330	330	330	330	330	1,650
Children Services and Schools Total	17,278	26,992	21,034	10,502	6,917	82,723
Roads and Transport						
Service improvements	6,176	3,426	800	800	800	12,002
Improvement to existing facilities	3,345	3,827	3,345	3,575	3,325	17,417
Alternative transport	954	2,000	0	0	0	2,954
New roads	64	66	3,795	70	0	3,994
Roads and Transport Total	10,539	9,319	7,940	4,445	4,125	36,367
Adult Social Care						
New facilities	5,541	2,300	1,000	0	0	8,841
Service improvements	1,229	731	737	745	745	4,187
Improvement to existing facilities	50	50	50	50	50	250
Adult Social Care Total	6,820	3,081	1,787	795	795	13,278

Internal Services						
Service improvements	4,093	3,340	2,690	2,690	2,690	15,503
New facilities	2,000	0	0	0	0	2,000
Improvement to existing facilities	350	350	350	350	350	1,750
Internal Services Total	6,443	3,690	3,040	3,040	3,040	19,253
Climate Emergency						
C02 Reduction	3,059	3,059	3,059	3,459	1,859	14,495
Alternative transport	2,230	30	1,880	3,500	3,500	11,140
Climate Emergency Total	5,289	3,089	4,939	6,959	5,359	25,635
Environment						
Improvement to existing facilities	700	100	100	100	100	1,100
Service improvements	183	0	0	0	0	183
New facilities	0	0	1,000	6,000	0	7,000
Environment Total	883	100	1,100	6,100	100	8,283
Total Capital Programme 2023/24 to 2027/28	101,706	84,669	69,804	57,145	39,420	352,744

Approval of S106 and CIL Funding 2023/26**Appendix D**

The table shows the capital programme schemes which have been identified to be part/fully funded by developers contributions.

As per the finance regulations, the Executive are asked to approve the allocation of Section 106 and CIL funding up to the value of the total budget of each scheme.

	Total Budget 2023-24 to 2025-26	2023/24 Budget	2024/25 Budget	2025/26 Budget	Total Estimated Developer Contributions Funding	Total Estimated Other Funding
	£,000	£,000	£,000	£,000	£,000	£,000
Project Description						
Sixth Form Expansion	5,400	3,500	1,900	0	(201)	(5,199)
Integrated Transport Schemes	1,200	400	400	400	(470)	(730)
Openways	1,000	1,000	0	0	(1,000)	0
Gorse Ride Regeneration Project Management	180	60	60	60	(180)	0
Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy	60	30	30	0	(60)	0
Local Cycling and Walking Infrastructure Plans	1,200	1,200	0	0	(242)	(958)
SEND Sufficiency	35,562	5,862	16,400	13,300	(201)	(35,361)
Bulldog Garage - Temporary Accommodation	6,400	4,900	1,500	0	(4,900)	(1,500)
California Lakeside Refurbishment	600	600	0	0	(200)	(400)
Wellington Road	5,930	4,000	1,930	0	(3,000)	(2,930)
Basic Needs Secondary - Additional Places	15,500	4,500	6,500	4,500	(5,273)	(10,227)
Commonfield lane passing bays	252	0	252	0	(252)	0
Primary strategy - Primary School FFE	53	0	0	53	(53)	0
Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy - General	30	0	0	30	(30)	0
A327 Cycleway	350	0	0	350	(159)	(191)
Care Leaver Supported Accommodation: Funding for renovation costs of Seaford Court	3,000	0	2,470	530	(3,000)	0
Total	76,717	26,052	31,442	19,223	(19,221)	(57,495)

This page is intentionally left blank

TITLE	Treasury Management Strategy 2023-2026
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Finance - Imogen Shepherd-DuBey

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

Agree the treasury management procedures, limits, and objectives for 2023/24.

Effective and safe use of our resources to deliver service improvements and service continuity through the management of the council's cash flow and investments while funding the capital programme.

RECOMMENDATION

The Executive is asked to;

- 1) note the Treasury Management Strategy as set out in Appendix A including the following additional appendices;
 - Prudential Indicators (Appendix B)
 - Annual Investment Strategy 2023/24 (Appendix C)
 - Minimum Revenue Provision (MRP) policy (Appendix D)
- 2) note the Audit Committee agreed the Treasury Management Strategy, including the change of minimum credit rating for investments, on 1 February 2023 and have recommended the report to Council.

EXECUTIVE SUMMARY

The Chartered Institute of Public Finance & Accountancy (CIPFA) 2021 Prudential Code sets out the requirements for all local authorities to set an annual Treasury Management Strategy. The key objectives are to ensure, within a clear framework, that local authorities' capital investment plans are affordable, prudent and sustainable; that treasury management decisions are taken in accordance with good professional practice. Local authorities are required to have regard to the prudential code as set out in part one of the Local Government Act 2003 in England and Wales.

Under the prudential system, individual local authorities are responsible for deciding the level of their affordable borrowing, having regard to the code. Prudential limits apply to all borrowing, qualifying credit arrangements and other long-term liabilities. The system is designed to encourage authorities that need and can afford to undertake capital investment to do so within a robust framework.

Using the guidance from the Prudential Code, every year the Council produce a **Treasury Management Strategy** and a **Capital Strategy**. Both strategies are closely linked and also support the Medium Term Financial Plan. The Capital Strategy is considered in a separate report.

This report outlines the expected treasury activity for the forthcoming year and includes prudential indicators relating specifically to Treasury Management for the next three years. A key requirement of this report is to explain both the risks and the management of the risks associated with the treasury management.

Further monitoring reports are produced during the year: a mid-year monitoring and a year-end outturn.

Treasury Management Strategy

The Executive are asked to note the Treasury Management Strategy as set out in Appendix A including the following appendices;

- Prudential Indicators (Appendix B)

These are primary indicators designed to ensure the key objectives of the Prudential Code are met and that local authorities' capital investment plans are affordable, prudent and sustainable; that treasury management decisions are taken in accordance with good professional practice.

These are summarised below and consist of limits and performance indicators for categories of Affordability and Prudence.

Prudential Indicators	2023/24 £m	2024/25 £m	2025/26 £m
<u>Limits</u>			
Authorised Limit (Note: CFR*120%)	£594.0m	£647.2m	£661.0m
Operational Boundary (Note: CFR*110%)	£544.5m	£593.2m	£605.9m
Maturity structure of borrowing	See Appendix B		
<u>Performance Indicators</u>			
Capital financing requirement – General Fund (GF)	£417.3m	£443.8m	£449.6m
Capital financing requirement – HRA	£77.7m	£95.5m	£101.2m
Gross external borrowing – General Fund (GF)	£130.1m	£177.7m	£185.7m
Gross external borrowing - HRA	£65.0m	£82.8m	£88.5m
Ratio of financing costs to net revenue stream - GF	(0.57%)	(0.36%)	(0.39%)
Ratio of financing costs to net revenue stream - HRA	20.26%	20.06%	21.61%
Net income from commercial & service investments to net revenue stream - GF	9.44%	9.77%	9.75%
Liability benchmark	See Section 5		

- Annual Investment Strategy 2023/24 (Appendix C)

This sets out the investment parameters that the Council treasury service will work within when making decisions. The CIPFA Code and DLUHC Guidance require the Council to

invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's investment priorities will be security first, liquidity second, then return.

- Minimum Revenue Provision (MRP) policy (Appendix D)

The policy in which the Council set aside a prudent revenue provision each year to repay historic capital spend also known as the capital financing requirement. The current approach which is in line with the Statutory Guidance on Minimum Revenue Provision requires a local authority to calculate in each financial year an amount of MRP that it considers to be prudent. The Secretary of State considers that the methods of making prudent provision (set out in Appendix D). However, this does not rule out or otherwise preclude a local authority from using an alternative method should it decide that is more appropriate.

BACKGROUND

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations is to ensure that the Council has sufficient available cash to manage its day-to-day operations. By planning this daily cashflow the treasury service is able to invest short term surplus balances in suitable low-risk counterparties, which provide security of the investment and the appropriate liquidity before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing requirement of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans or using core balances. On occasion, debt previously drawn may be restructured to achieve a better financial position.

Details of the Council's capital spend plans are set out in the **Capital Strategy** document. As capital spend impacts on treasury management, key highlights from the capital strategy are included in the treasury management strategy (Appendix A) and summarised below;

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Housing, Local Economy & Regeneration – Non HRA	42.9	13.3	8.3	64.5
Children Services and Schools	17.3	27.0	21.0	65.3
Roads and Transport	10.5	9.3	7.9	27.7
Adult Social Care	6.8	3.1	1.8	11.7
Internal Services	6.4	3.7	3.0	13.1
Climate Emergency	5.3	3.1	4.9	13.3
Environment	0.9	0.1	1.1	2.1
Total General Fund Capital Programme	90.1	59.6	48.0	197.7
Housing, Local Economy & Regeneration – Housing Revenue Account (HRA)	11.6	25.1	21.7	58.4
Total Capital Programme 2023/24 to 2025/26	101.7	84.7	69.7	256.1

Note – the figures above do not include any carry forward budgets from the current approved 2022/23 capital programme.

The capital programme proposed for the next year is prudent and affordable as per the principles of the treasury management code of practice. The proposed funding of the three year programme is summarised below;

General Fund

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(39.0)	(17.5)	(9.3)	(65.8)

Developer contributions (S106 / CIL)	(8.6)	(3.0)	(0.9)	(12.5)
Capital grants	(23.0)	(29.1)	(21.8)	(73.9)
Other contributions	(0.6)	(0.4)	(0.1)	(1.1)
Capital receipts	(5.6)	(1.0)	(1.0)	(7.6)
General fund borrowing	(13.3)	(4.1)	(5.2)	(22.6)
Total	(90.1)	(55.1)	(38.3)	(183.5)

Housing Revenue Account

	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m
Supported borrowing	(0.4)	(18.8)	(7.1)	(26.3)
Other contributions	(5.5)	(5.7)	(5.4)	(16.6)
Capital receipts	(5.7)	(0.6)	(9.2)	(15.5)
Total	(11.6)	(25.1)	(21.7)	(58.4)

The capital programme currently has a budget shortfall of c£28m over three years which includes a fully funded year 1 programme. This shortfall is made up of c£14m budget shortfall against the capital programme highlighted above (General Fund £198m less £184m). The remaining c£14m shortfall is the current estimated gap between CIL income and associated capital spend requirements. This shortfall over three years will be balanced through a combination of reducing or reprofiling capital expenditure, additional CIL income from potential new developments and by maximising capital funding opportunities such as bidding for capital grants.

Borrowing Position

An important part of the treasury management strategy is to highlight the level of borrowing need. This is known as the capital financing requirement (CFR) and is an accounting concept which monitors how much capital expenditure has been incurred but not yet paid for.

A major source of funding for the Council's general fund capital programme is borrowing. This is described in two forms, supported borrowing and general fund borrowing. A significant part of the Council's capital programme is either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services. These are referred to as "supported borrowing". General fund borrowing is funded through existing base budget and supports general investment to maintain Council assets and continue to provide services to customers and residents.

A summary of the general fund CFR for the next three financial years is estimated below.

	Supported Borrowing				General Fund Borrowing			
	22/23	23/24	24/25	25/26	22/23	23/24	24/25	25/26
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	280.9	300.4	309.6	329.2	100.6	103.2	107.7	114.7
Expenditure in year	46.1	42.8	44.8	31.0	6.3	7.9	11.0	7.7

Repayments in year	(26.6)	(33.6)	(25.2)	(28.6)	(3.7)	(3.5)	(4.0)	(4.2)
Closing balance	300.4	309.6	329.2	331.5	103.2	107.7	114.7	118.1

It is important to note, the “expenditure in year” row is an estimate of actual capital expenditure to be incurred in the financial year based on a detailed analysis of project spend, timing and delivery and includes the impact of carry forwards from the previous year and carry forwards into future years based on historic trends. This ensures a more accurate CFR position which is important when considering investment and borrowing decisions. It will therefore be different to the amount identified as funding earlier in the report in the capital funding tables as these are setting out the permission to allocate capital budget to a project.

Also, worth noting, is the CFR balance does not reflect the level of debt the Council holds. Where the Council hold surplus balances such as reserves, unspent grants and working capital, this avoids the need to borrow externally saving on interest costs. This is known as internal borrowing. Furthermore, it is important to take into account any treasury investment balances when looking at external debt to understand a more accurate debt figure.

The tables on the previous page are referred to as the “general fund” position and exclude the Housing Revenue Account (HRA) CFR because this is ringfenced and funded entirely from tenant’s rental income.

The HRA CFR for the next three years is estimated below.

	Housing Revenue Account			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	80.3	78.2	77.6	95.4
Expenditure in year	0	0.4	18.8	7.0
Repayments in year	(2.1)	(1.0)	(1.0)	(1.4)
Closing balance	78.2	77.6	95.4	101.0

The repayments of the Housing Revenue Account CFR are known as Voluntary Revenue Provision (VRP). These are set out as part of the HRA budget setting and form part of the budget setting process. The additional prudential borrowing from year 2 onwards relate primarily to Gorse Ride Redevelopment. Capital receipts and additional rental income will be received once the project is completed and will be used as additional VRP to reduce the HRA CFR balance.

Repayment Of Borrowing

As highlighted previously, the Council continue to invest significant amounts into the capital programme generating assets such as roads, schools, housing, regeneration properties and many more. The graph below sets out the expected repayment of this debt.

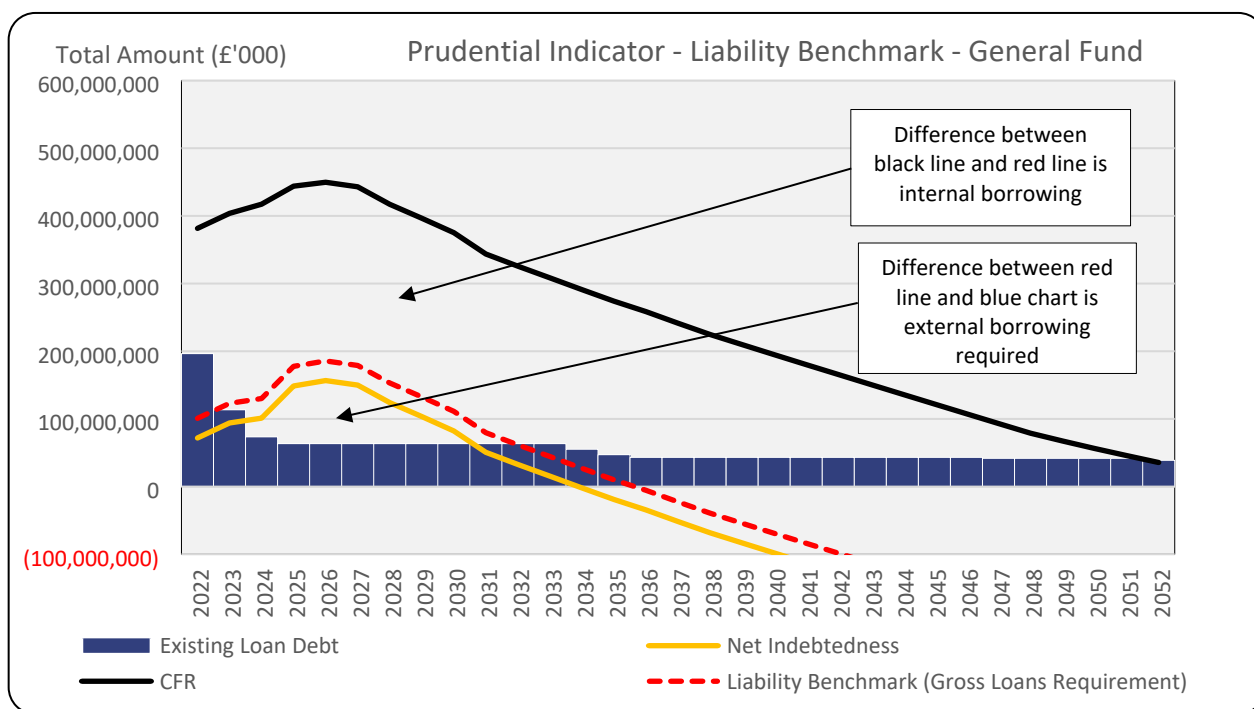
The graph includes four key parts in reference to debt;

- CFR (Capital financing requirement) - A technical calculation of historic capital expenditure less that already paid for, required to arrive at the annual level of debt repayment.
- Existing Loan Debt – this is the actual amount currently borrowed with third parties.
- Net Indebtedness (Net Loans Requirement) – this is external debt less treasury (i.e. liquid) investment balances. It is important that these are considered together as treasury investments could be used to repay external debt.
- Liability Benchmark – Net loans requirement plus a liquidity buffer held for daily treasury management.

The Council are expecting debt to rise over the next three years in line with the capital programme and then it is expected to reduce over time as income is generated from these projects and cost savings are realised.

CFR and external debt will reduce as borrowings are repaid through income and will reach a point in time when debt is fully repaid, and the ongoing income will be transferred to benefit the general fund.

The graph is based on general fund only and excludes HRA as this is ringfenced and shown separately.



	2023/24	2024/25	2025/26
	£m	£m	£m
Loans CFR (a)	417	444	450
Less internally Funded (b)	287	266	264
External debt - general fund only (c = a+b)	130	178	186
Less treasury investments (d)	29	29	29
Net indebtedness (e = c -d)	101	149	157

Key Changes to the Strategy

The following changes are proposed to the strategy for 2023/24.

- Prudential Indicators
 - Inclusion of the new prudential indicator called ‘the liability benchmark’. This sets out a long-term projection of external debt and the capital financing requirement (CFR). This projection should enable review of how the level of underlying borrowing for capital purposes (the CFR) is offset by other cash flows and balances, which reduce the level of actual debt required.

This is shown in graphical format. Due to similarities with the debt graph previously used, this has been replaced.
 - Inclusion of the new prudential indicator called ‘Net income from commercial & service investments to net revenue stream – GF’. This indicator comprises interest and investment income (other than from investments held for treasury management purposes), together with net income from other assets held primarily for financial return, such as commercial property. The intention of this indicator is to show the net financial impact on the authority of its entire non treasury investment income.
- Minimum credit rating criteria for Investments - It is proposed that the Council change their minimum credit rating for investments from high grade rated investments to upper medium grade rated investments. This will give the Council more flexibility with counterparties when investing surplus cash balances. This will allow the treasury team greater resilience around options for investing cash balances whilst maintaining security of investments. Further information is set out in section 9 of appendix A

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	N/A	N/A	N/A
Next Financial Year (Year 2)	N/A	N/A	N/A
Following Financial Year (Year 3)	N/A	N/A	N/A

Other Financial Information	
Capital spend plans are outlined in further detail in the Capital Strategy which is available within the agenda pack for the 16 February 2023 Executive meeting and will be available on the Council's website once approved.	
Stakeholder Considerations and Consultation	
None	
Public Sector Equality Duty	
An Equality Impact Assessment is not required for this report	
Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>	
None	
Reasons for considering the report in Part 2	
None	
List of Background Papers	
Appendix A - Treasury Management Strategy Appendix B - Prudential & Treasury Management Indicators 2023/24 to 2025/26 Appendix C - Annual Investment Strategy Appendix D - MRP policy	
Contact Mark Thompson	Service Business Services
Telephone Tel: 0118 974 6555	Email mark.thompson@wokingham.gov.uk

This page is intentionally left blank

Treasury Management Strategy 2023-24



WOKINGHAM
BOROUGH COUNCIL

Contents

1. Introduction	2
2. Treasury Management Policy Statement.....	3
3. Governance and Monitoring	4
4. Updates to Treasury Management Strategy	4
5. The Council's Capital Expenditure and Financing 2022/23.....	5
6. Minimum Revenue Provision (MRP) Policy Statement	11
7. Balance Sheet Projections	14
8. External Borrowing and Compliance with Treasury Limits and Prudential Indicators for Debt.....	15
9. Investment Strategy	17
10. Borrowing Strategy	21
11. Appendices.....	23

1. Introduction

The Chartered Institute of Public Finance & Accountancy (CIPFA) 2021 Prudential Code sets out the requirements for all local authorities to set an annual Treasury Management Strategy. The key objectives are to ensure, within a clear framework, that local authorities' capital investment plans are affordable, prudent and sustainable; that treasury management decisions are taken in accordance with good professional practice. Local authorities are required to have regard to the prudential code as set out in part one of the Local Government Act 2003 in England and Wales.

Under the prudential system, individual local authorities are responsible for deciding the level of their affordable borrowing, having regard to the code. Prudential limits apply to all borrowing, qualifying credit arrangements and other long-term liabilities. The system is designed to encourage authorities that need and can afford to undertake capital investment to do so within a robust framework.

Alongside the 2021 Prudential Code, local authorities are required to comply with the 2021 Treasury Management Code. Both codes are closely linked; with the prudential code covering a framework for capital investment plans, the treasury management code ensures treasury management practices (TMPs) are adapted and can support the capital investment plans.

The 2017 Prudential Code introduced the requirement for local authorities to produce a capital strategy. The purpose of the capital strategy is to firmly place decisions around borrowing in the context of the overall longer-term financial position of the authority and to provide improved links between the revenue and capital budgets. Both strategies are closely linked and also support the Medium Term Financial Plan.

This strategy outlines the expected treasury activity for the forthcoming year and includes prudential indicators relating specifically to Treasury Management for the next three years. A key requirement of this report is to explain both the risks and the management of the risks associated with the treasury management.

The Strategy for 2023/24 covers two main areas: treasury management activities and capital activities.

Treasury Management activities

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates and use of external professional advisors
- the investment strategy and the borrowing strategy;
- reporting arrangements and management evaluation

Capital activities

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

2. Treasury Management Policy Statement

Wokingham Borough Council Treasury Management Policy Statement for 2023/24 is:

- The Council defines our treasury management activities as:
The management of the Council's investments and cash flows, banking, money market and capital market transactions, the effective control of the risks associated with above mentioned activities and the pursuit of optimum performance consistent with those risks.
- The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.
- The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Factors that shape the Treasury Strategy



Policy on use of external service providers

The Council use financial advisers Link Group, to advise and support our treasury management practices, policies, investment and borrowing strategy. The Council recognises that responsibility for treasury management decisions always remains with the Council and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

When making investment or borrowing decisions, the Council have access to treasury brokers to ensure we achieve best value for money in our treasury deals.

3. Governance and Monitoring

The Deputy Chief Executive confirms that the treasury service will comply with the strategy set out within this document and any breaches to limits and prudential indicators will be reported to the Audit Committee as part of the two further statutory reports that are produced during the year: a mid-year monitoring report and a year-end outturn report.

During the year, the finance team engages in the following governance activities:-

- Capital monitoring (forecast expenditure) is reported to the Executive on a quarterly basis and on a monthly basis to the Corporate Leadership Team.
- Regular analysis of income projections for all funding assumptions.
- Regular cashflow reviews and forecasting.
- Treasury management training including continuing professional development (CPD).
- Financial modelling to support investment / borrowing strategy.
- Monthly meetings with Link Group (treasury advisors).

4. Updates to Treasury Management Strategy

The following changes are proposed to the Treasury Management Strategy for 2023/24.

- Prudential Indicators
 - Inclusion of the new prudential indicator called 'the liability benchmark'. This sets out a long-term projection of external debt and the capital financing requirement (CFR). This projection should enable review of how the level of underlying borrowing for capital purposes (the CFR) is offset by other cash flows and balances, which reduce the level of actual debt required.

This is shown in graphical format. Due to similarities with the debt graph previously used, this has been replaced.

- Inclusion of the new prudential indicator called 'Net income from commercial & service investments to net revenue stream – GF'. This indicator comprises interest and investment income (other than from investments held for treasury management purposes), together with net income from other assets held primarily for financial return, such as commercial property. The intention of this indicator is to show the net financial impact on the authority of its entire non treasury investment income.
- Minimum credit rating criteria for Investments - It is proposed that the Council change their minimum credit rating for investments from high grade rated investments to upper medium grade rated investments. This will give the Council more flexibility with counterparties when investing surplus cash balances. This will allow the treasury team greater resilience around options for investing cash balances whilst maintaining security of investments. Further information is set out in section 9 of this report.

5. The Council's Capital Expenditure and Financing 2023/24

The Council undertakes capital expenditure on long term assets. These activities may either be:

- financed in year, immediately through the application of capital or revenue resources (capital receipts, capital grants, capital contributions and revenue contributions etc.), which has no resulting impact on the Council's borrowing need or;
- funded by borrowing (internal or external);
 - internal borrowing - is the use of the internal cash reserves of the Council to fund the cashflow requirement for its capital expenditure.
 - external borrowing - is the use of loans from outside organisations to fund the cashflow requirements for its capital expenditure. For example, borrowing from other local authorities or the Public Works Loans Board.

The capital expenditure plan is a key driver of the treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirmation of the Capital Programme.

The table below sets out the capital programme for the next three years by key area. Full details of the Capital Programme can be found in the Capital Strategy and the Medium Term Financial Plan.

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Housing, Local Economy & Regeneration – Non HRA	42.9	13.3	8.3	64.5
Children Services and Schools	17.3	27.0	21.0	65.3
Roads and Transport	10.5	9.3	7.9	27.7
Adult Social Care	6.8	3.1	1.8	11.7
Internal Services	6.4	3.7	3.0	13.1
Climate Emergency	5.3	3.1	4.9	13.3
Environment	0.9	0.1	1.1	2.1
Total General Fund Capital Programme	90.1	59.6	48.0	197.7
Housing, Local Economy & Regeneration – Housing Revenue Account (HRA)	11.6	25.1	21.7	58.4
Total Capital Programme 2023/24 to 2025/26	101.7	84.7	69.7	256.1

The capital programme proposed for 2023/24 is prudent, sustainable, and affordable as per the principles of the prudential code. The proposed funding of the programme is summarised below for the general fund and the housing revenue account (HRA).

General Fund

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(39.0)	(17.5)	(9.3)	(65.8)
Developer contributions (S106 / CIL)	(8.6)	(3.0)	(0.9)	(12.5)
Capital grants	(23.0)	(29.1)	(21.8)	(73.9)
Other contributions	(0.6)	(0.4)	(0.1)	(1.1)
Capital receipts	(5.6)	(1.0)	(1.0)	(7.6)
General fund borrowing	(13.3)	(4.1)	(5.2)	(22.6)
Total	(90.1)	(55.1)	(38.3)	(183.5)

Housing Revenue Account

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(0.4)	(18.8)	(7.1)	(26.3)
Other contributions	(5.5)	(5.7)	(5.4)	(16.6)
Capital receipts	(5.7)	(0.6)	(9.2)	(15.5)
Total	(11.6)	(25.1)	(21.7)	(58.4)

The capital programme currently has a budget shortfall of c£28m over three years which includes a fully funded year 1 programme. This shortfall is made up of c£14m budget shortfall against the capital programme highlighted above (General Fund £198m less £184m). The remaining c£14m shortfall is the current estimated gap between CIL income and associated capital spend requirements. This shortfall over three years will be balanced through a combination of reducing or reprofiling capital expenditure, additional CIL income from potential new developments and by maximising capital funding opportunities such as bidding for capital grants.

Supported borrowing is where a direct repayment source has been identified to cover the cost of borrowing, for example invest to save schemes (covered from the future income generation or cost reductions), and many projects under Housing, Local Economy and Regeneration classification. Another example is forward funding developer contributions, where capital expenditure will be repaid from future developer contributions to be received.

The Capital Financing Requirement (CFR)

The Capital Financing Requirement (CFR) is the total historic outstanding capital expenditure which has not yet been paid for from resources (e.g. Capital receipts or grants). Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

A major source of funding for the Council's capital programme is borrowing. This is described in two forms, supported borrowing and general fund borrowing. A significant part of the Council's capital programme is either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services. These are referred to as "supported borrowing". General fund borrowing is funded through existing base budget and supports general investment to maintain Council assets and continue to provide services to customers and residents.

The table below shows the estimated CFR for supported borrowing and general fund borrowing over the next three years.

	Supported Borrowing				General Fund Borrowing			
	22/23	23/24	24/25	25/26	22/23	23/24	24/25	25/26
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	280.9	300.4	309.6	329.2	100.6	103.2	107.7	114.7
Expenditure in year	46.1	42.8	44.8	31.0	6.3	7.9	11.0	7.7
Repayments in year	(26.6)	(33.6)	(25.2)	(28.6)	(3.7)	(3.5)	(4.0)	(4.2)
Closing balance	300.4	309.6	329.2	331.5	103.2	107.7	114.7	118.1

It is important to note, the "expenditure in year" row is an estimate of actual capital expenditure to be incurred in the financial year based on a detailed analysis of project spend, timing and delivery and includes the impact of carry forwards from the previous year and carry forwards into future years based on historic trends. This ensures a more accurate CFR position which is important

when considering investment and borrowing decisions. It will therefore be different to the amount identified as funding earlier in the report in the capital funding tables as these are setting out the permission to allocate capital budget to a project.

As mentioned above, supported borrowing are related to capital projects which are self-financing and / or income generating. For the types of supported borrowing, a breakdown of the CFR is shown below.

	Supported Borrowing		
	23/24	24/25	25/26
	£m	£m	£m
Invest to save	72.9	94.1	102.1
Town centre regeneration	92.1	84.8	81.9
Wokingham housing companies	24.2	22.7	20.8
Developer contributions forward funded	40.3	48.3	47.8
Housing, economy & regeneration	80.0	79.5	78.9
Closing balance	309.6	329.2	331.5

The in-year increase in the borrowing requirement is due to the Council's ambitious Capital Programme which includes invest to schemes (these schemes will be able to create a saving and pay for the financing costs), many are Housing, Local Economy and Regeneration schemes, which will reduce over time when capital receipts are recovered, or loans repaid. To be able to provide the infrastructure such as roads and facilities that the borough needs the council is continuing to forward fund schemes. These will decrease again as developer contributions are received. The CFR is also reduced each year by the minimum revenue provision (MRP) (see section 6). Part of the Council's financial strategy is based on diversifying income streams, by growing revenue generating assets through its housing companies and other strategic investments.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the Capital Programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the Capital Programme and cash flow requirements. The Council does not borrow all of this money externally but uses some of its internal cash reserves to fund this expenditure (this approach saves the council on interest costs). This is referred to as "internal borrowing". This means that the Council's capital financing requirement is higher than its external borrowing figures. External borrowing may be sourced from bodies such as the Public Works Loan Board [PWLB], the money markets and other types of funding (local authorities, bonds etc.).

The CFR is estimated to reduce over the next 25 to 30 years to the pre 2011/12 level of £100m. 2011/12 is used as a benchmark because this was the level of balance before the housing, regeneration and forward funded projects.

As highlighted previously, the Council continue to invest significant amounts into the capital programme generating assets such as roads, schools, housing, regeneration properties and many more. The graph below sets out the expected repayment of this debt.

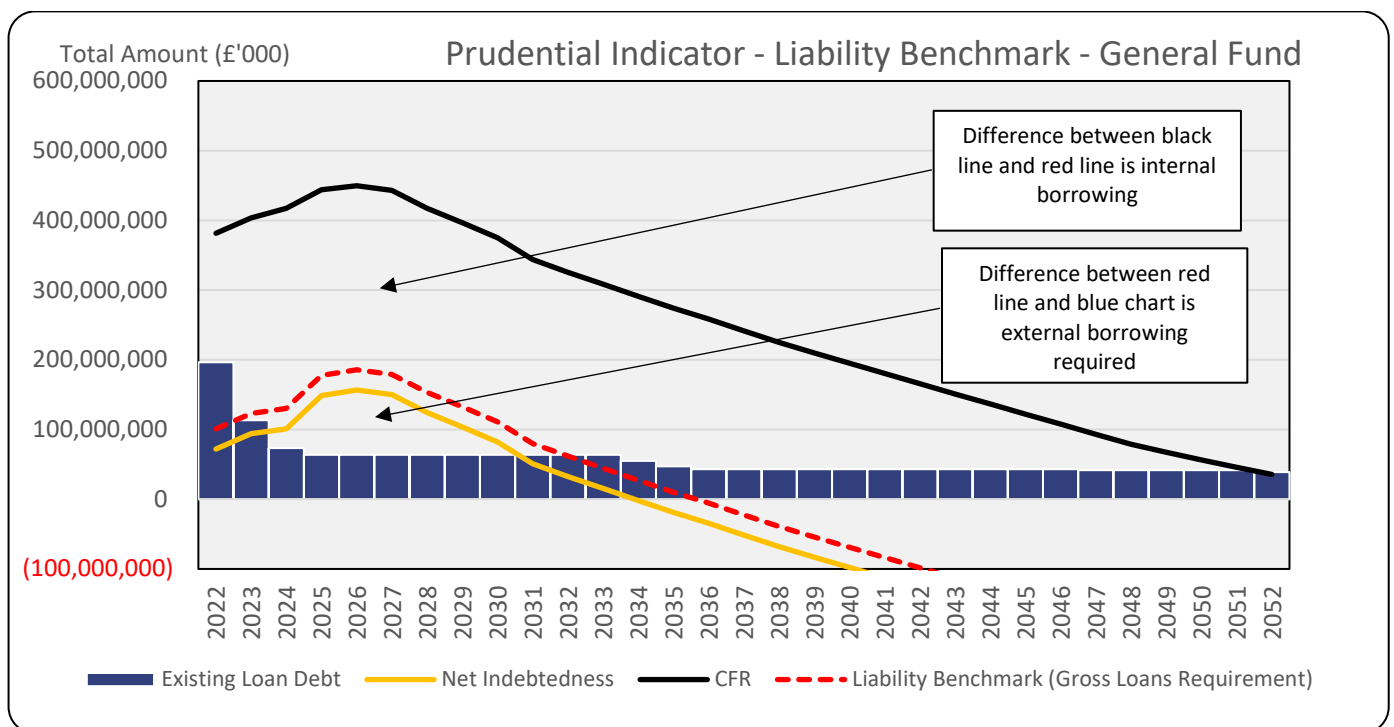
The graph includes four key parts in reference to debt;

- CFR (Capital financing requirement) - A technical calculation of historic capital expenditure less that already paid for, required to arrive at the annual level of debt repayment.
- Existing Loan Debt – this is the actual amount currently borrowed with third parties.
- Net Indebtedness (Net Loans Requirement) – this is external debt less treasury (i.e. liquid) investment balances. It is important that these are considered together as treasury investments could be used to repay external debt.
- Liability Benchmark – Net loans requirement plus a liquidity buffer held for daily treasury management.

The Council are expecting debt to rise over the next three years in line with the capital programme and then it is expected to reduce over time as income is generated from these projects and cost savings are realised.

CFR and external debt will reduce as borrowings are repaid through income and will reach a point in time when debt is fully repaid, and the ongoing income will be transferred to benefit the general fund.

The graph is based on general fund only and excludes HRA as this is ringfenced and shown separately.



The original CFR levels before commercialisation, forward funding and regeneration projects were approximately £100m.

As referenced in section 4, there is a new prudential indicator called 'the liability benchmark'. This sets out a long-term projection of external debt and the capital financing requirement (CFR). This projection should enable review of how the level of underlying borrowing for capital purposes (the

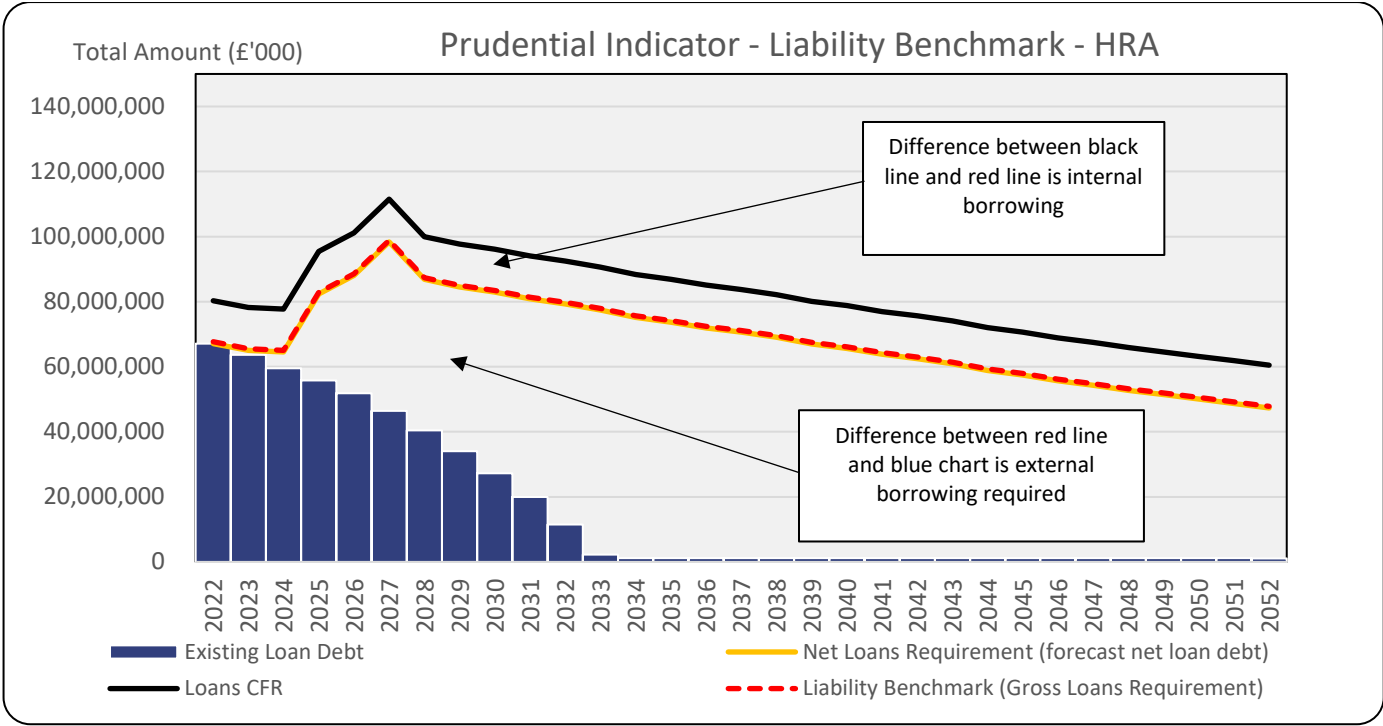
CFR) is offset by other cash flows and balances, which reduce the level of actual debt required. This is shown in graphical format above and due to similarities with the debt graph previously used, this has been replaced.

The tables on the previous page are referred to as the “general fund” position and exclude the Housing Revenue Account (HRA) CFR because this is ringfenced and funded entirely from tenant’s rental income.

The HRA CFR for the next three years is estimated below.

	Housing Revenue Account			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	80.3	78.2	77.6	95.4
Expenditure in year	0	0.4	18.8	7.0
Repayments in year	(2.1)	(1.0)	(1.0)	(1.4)
Closing balance	78.2	77.6	95.4	101.0

The repayments of the Housing Revenue Account CFR are known as Voluntary Revenue Provision (VRP). These are set out as part of the HRA budget setting and form part of the budget setting process. The additional prudential borrowing from year 2 onwards relate primarily to Gorse Ride Redevelopment. Capital receipts and additional rental income will be received once the project is completed and will be used as additional VRP to reduce the HRA CFR balance. This is shown in the HRA liability benchmark prudential indicator set out below.



6. Minimum Revenue Provision (MRP) Policy Statement

The Council is required to pay off an element of the accumulated general fund underlying borrowing each year (the 'CFR') through a revenue charge known as the Minimum Revenue Provision (MRP). The Council is also permitted to undertake additional voluntary payments known as Voluntary Revenue Provision (VRP).

The Department for Levelling Up, Housing and Communities, DLUHC regulations have been issued which require the full Council to approve a MRP Statement in advance of each financial year. The decision on the amount of MRP lies with the Council although a prudent provision must be made. **The Council is recommended to approve the MRP Statement which can be found in Appendix D.**

Principles of the guidance have been reflected in the Council's strategy. However where we identify an alternative prudent and more pertinent MRP policy, we are permitted to follow that instead.

For 2023/24 Wokingham Borough Council's MRP policy will follow the main DLUHC principles, except in some instances. The table below summarises areas where WBC are planning to treat MRP different from the guidance however the approach remains prudent and affordable which are consistent with the principles of the code.

Expenditure type	WBC MRP charging policy
Freehold land	maximum 50 years using asset life as a guide
Bridges	maximum 50 years using asset life as a guide
Housing, Local Economy and Regeneration a) assets that can be disposed of for appreciation	10% of maximum 15 years asset life
Housing, Local Economy and Regeneration b) all other assets	range of 5 to 50 years (depending on life of asset type)
Loan Capital in WBC holdings	no charge – loan secured by company asset
Forward Funding Schemes (Developer funded)	a) no charge – developer contributions are used to repay principle

Housing, Local Economy and Regeneration - a) assets that can be disposed of for appreciation – 10% for a maximum of 15 years asset life. This is a prudent contingency for assets which can be disposed of for appreciation, if they reduce in value when sold, to cover any loss on disposal.

MRP Consultation

On 30th November 2021 a consultation was launched (open until 8th February 2022) in respect of potential changes to the current MRP arrangements. The consultation seeks views on a number of potential changes and should those or other changes be taken forward the Council will review its approach going forward as required.

The Council are awaiting the outcome of the consultation and are expecting further guidance and clarity on MRP, including applicable start date and confirmation changes are not retrospective. If received during the 2023-24 financial year, changes will be assessed and any significant changes reported through the appropriate governance process.

7. Balance Sheet Projections

The balance sheet projection is a financial model used to help understand the current and future levels of external and internal borrowing in relation to the CFR estimates and the underlying cash balances. It is not required in the Prudential Code however is considered best practice to do and helps to ensure our borrowing is prudent, affordable and sustainable.

With support from our financial advisors Link Group, we produce a balance sheet review on a quarterly basis. One of the key performance indicators identified in the strategy is the ratio of internal borrowing to CFR. This ratio is important as it indicates if the Council can take on capital expenditure without the need to secure borrowing at the point of expenditure. This helps ensure borrowing costs are minimised. The balance sheet review will guide the ratio for the current year and future years.

The balance sheet projections can be used to identify timing and quantum of borrowing need based on the capital programme, current borrowing portfolio and internal borrowing capacity of the Council.

The balance sheet review looks at;

- CFR position
- Level of investment balance
- External debt requirement
- Working capital position
- Level of reserves

8. External Borrowing and Compliance with Treasury Limits and Prudential Indicators for Debt

We have looked at the overall Capital Programme (above) but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

Further detail on each of these indicators is included in Appendix B.

Authorised limit – Limit beyond which borrowing is prohibited and needs to be set and revised by Council and should reflect a level of borrowing which, while not desired, could be afforded but may not be sustainable.

Operational boundaries limit – Limit of borrowing which is deemed prudent and affordable whilst allowing the Council to fund its capital programme plan.

Maturity structure of borrowing – time period when loans borrowed will be required to be repaid.

Capital financing requirement - The Capital Financing Requirement (CFR) is the total historic outstanding capital expenditure which has not yet been paid for from resources (e.g. Capital receipts, income or grants).

Gross external borrowing – borrowing with external parties which attract an interest charge (e.g. PWLB).

Ratio of financing costs to net revenue stream - The ratio of the financing costs against the net revenue expenditure.

Net income from commercial & service investments to net revenue stream – The ratio of the net income from commercial & service investments to net revenue expenditure.

Liability Benchmark - estimate and measure the liability benchmark for the forthcoming financial year onwards. Comprises of existing debt maturity profile and also how minimum revenue provision (MRP) and other cash flows affect their future debt requirement. The liability benchmark is not a single measure but should be presented as a chart of four balances;

- 1) existing loan debt outstanding - the authority's existing loans that are still outstanding in future years.
- 2) CFR – based on historic and future approved prudential borrowing and planned repayments via MRP, capital receipts, etc.
- 3) net indebtedness – the authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned repayments and any other major cash flows forecast.
- 4) liability benchmark - net loans requirement plus short-term liquidity allowance.

Further information on the liability benchmark is included in section 5.

The Council is asked to approve the following prudential indicators in the table below:

Prudential Indicators	2023/24 £m	2024/25 £m	2025/26 £m
<u>Limits</u>			
Authorised Limit (Note: CFR*120%)	£594.0m	£647.2m	£661.0m
Operational Boundary (Note: CFR*110%)	£544.5m	£593.2m	£605.9m
Maturity structure of borrowing	See Appendix B		
<u>Performance Indicators</u>			
Capital financing requirement – General Fund (GF)	£417.3m	£443.8m	£449.6m
Capital financing requirement – HRA	£77.7m	£95.5m	£101.2m
Gross external borrowing – General Fund (GF)	£130.1m	£177.7m	£185.7m
Gross external borrowing - HRA	£65.0m	£82.8m	£88.5m
Ratio of financing costs to net revenue stream - GF	(0.57%)	(0.36%)	(0.39%)
Ratio of financing costs to net revenue stream - HRA	20.26%	20.06%	21.61%
Net income from commercial & service investments to net revenue stream - GF	9.44%	9.77%	9.75%
Liability benchmark	See Section 5		

9. Investment Strategy

The treasury management team ensure the cash flow is adequately planned, with surplus monies being invested in suitable low risk counterparties, providing adequate liquidity initially before considering maximising investment return. The return on investments contributes to the Council's budget for both the general fund and housing revenue account.

Annual investment strategy

The CIPFA Prudential Code and the DLUHC guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking a rate of return, or yield. The Council's investment priorities are security first, liquidity second, then return (yield).

The Council will only invest its surplus funds in accordance with its time and monetary limits for institutions on the Council's counterparty list.

Time and monetary limits for institutions on the Council's counterparty list

	* Minimum credit criteria / colour band*	Money Limit	Max. maturity period
Debt Management Account Deposit Facility (DMADF) – UK Government	UK sovereign rating	£20M	6 months
UK Government Gilts	UK sovereign rating	£5m	1 year
UK Government Treasury Bills	UK sovereign rating	£5m	1 year
Money Market Funds	AAA	£10m	N/A – held for instant liquidity
Local Authorities	N/A	£10m	5 year
Term Deposits with Banks**	F1 / A	£5m	1 year
Term Deposits with Building Societies	F1 / A	£5m	1 year
Certificate of deposit (CD) or corporate bonds with banks and building societies	AA	£5m	Liquid

Note*: The credit criteria shown here is Fitch credit ratings agencies long term ratings. When using the credit rating the Council will use the lower of the three credit rating agencies.(See appendix C)

Note **for each banking group the following limits will apply, dependent on the rating of the Parent Bank (i.e. Lloyds group)

- AAA : £7m with a maximum average duration of 1 year
- AA- : £5m with a maximum average duration of 6 months

The annual investment strategy can be found in Appendix C.

Changes to investment strategy for 2023/24

It is proposed that the Council change their minimum credit rating for investments from high grade rated investments to upper medium grade rated investments highlighted in the table below. This will give the Council more flexibility with counterparties when investing surplus cash balances. This will allow the treasury team greater resilience around options for investing cash balances whilst maintaining security of investments.

Whilst it is difficult to quantify the impact of the credit rating changes due to the nature of interest rates and ratings changing on a regular basis, working with Link Group, analysis based on 9th January ratings show an additional c0.15% on the interest rate for a 6-month investment.

The minimum investment criteria will be;

Moodys –

Short Term P-1

Long Term A2

S&P

Short Term A-1

Long Term A

Fitch

Short Term F1

Long Term A

Moody's		S&P		Fitch		Description	
LT	ST	LT	ST	LT	ST		
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime	Investment Grade
Aa1		AA+		AA+		High Grade	
Aa2		AA		AA			
Aa3		AA-		AA-			
A1		A+	A-1	A+	F1	Upper Medium Grade	
A2	A	A					
A3	P-2	A-	A-2	A-	F2	Lower medium grade	
Baa1		BBB+		BBB+			
Baa2	P-3	BBB	A-3	BBB	F3		
Baa3		BBB-		BBB-			

Treasury investment projections

The Council assesses future investment projections, to maintain an operational cash balance so that it is able to manage its planned future day-to-day cashflow, without the requirement of short-term borrowing. Once planned short term expenditures are covered, the treasury team will look to invest in the longer term (plus 1 year).

The table below shows the Council's treasury investment projections for the next three years.

	2023/24 £m	2024/25 £m	2025/26 £m
Loans to Council owned companies	24	23	21
Loans to local authorities / fund managers	30	30	30
Total	54	53	51

Estimated investment return rates for treasury investments

Investment returns are expected to increase in 2023/24 compared to last year due to the increases in interest rates during 2022. There remains a lot of uncertainty in terms of the global and national economy and the longer terms impact from Covid-19.

Link Group - Latest Interest Forecasts								
	Mar 2023	Jun 2023	Sep 2023	Dec 2023	Mar 2024	Jun 2024	Sep 2024	Dec 2024
Bank rate	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%	3.25%

Cash flow management

The Council's officers maintain a detailed cash flow forecast for each coming year revising it as more information is available. This informs the short-term investments. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Long term investment strategy is based on the Council's Medium Term Financial Strategy.

Non-treasury investments

The Council may also make loans and investments for service purposes or where the local authority is setting up local authority owned companies. Such loans and investments will be subject to the Council's normal approval processes for revenue and capital expenditure and need not comply with this Treasury Management Strategy.

The council will acquire land and buildings within the borough boundaries for the primary reason of economic development, regeneration or to protect local employment for residents and has to take on external debt to pay for these, the minimum revenue provision and the cost of debt financing is expected to be covered from any income streams generated by the acquisition.

THE COUNCIL WILL NOT BORROW TO ACQUIRE ASSETS PRIMARILY FOR FINANCIAL RETURN.

The previous commercial properties investment made before changes to the PWLB borrowing regulations will be retained until the optimum point for disposal in accordance with the strategy agreed by Council on 23 November 2017. Where these investments have treasury or MRP implications this strategy will be followed.

Investment Performance Benchmarking

Whilst it is difficult to benchmark investment returns on a like for like basis, due to factors such as daily rate changes, credit ratings and the fact returns (yield) are not the primary purpose for investments, the Council will review average returns against Sterling Overnight Index Average (SONIA). SONIA is based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.

Counterparty List

The Council maintain an updated counterparty list on a regular basis using credit updates received on counterparties from Link Group.

10. Borrowing Strategy

In order to fund the capital programme highlighted earlier in the strategy, the Council will be required to borrow. Depending on the cashflow position of the Council at the time, borrowing will vary from short term (due to a requirement for liquidity), or over a longer period so as to fund a major project.

The following factors are to be considered when making borrowing decisions;

- Need for short term or long term borrowing.
- Forecast ratio of Internal / External borrowing.
 - i) Internal borrowing - is the use of the internal cash reserves of the Council to fund its capital expenditure
 - ii) External borrowing - is the use of loans from outside the organisations to fund its capital expenditure
- Maturity Structure - link maturity payments dates to when other income receipts due to be received to match against the repayment of debt (part of the long- term cash-flow).
- View of the interest rate market.

Once a decision is made on the type of borrowing required, the Council will look to borrow from the following places (in no particular order);

- PWLB (Public Works Loans Board)
- Local Authorities.
- Financial Institutions (e.g. banks, pensions funds)
- Municipal Bonds Agency (MBA) borrowing – Local Government Funded Agency, raises funds from selling municipal bonds to lend to local authorities
- Issuance of Local Authority Bonds (from Wokingham Borough Council) – Council issue bonds on bond market

Borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Interest rate exposure

Interest rates are very volatile at present and have seen an unexpected increase during mid to late 2022. Whilst the Council continually monitor its cashflow, prudential borrowing requirements and interest rate forecasts, the borrowing strategy and use of internal borrowing play an important role in reducing the exposure to interest rate risks.

Working with Link Group, our treasury management advisors the Council assess which borrowing options best align to our future prudential borrowing requirements.

It is estimated that an increase of 1% in interest rates would cost an additional £1.6 per annum in interest costs. As a majority of the Councils planned borrowing is “supported borrowing”, any increase in interest rate may have an impact on project’s returns on investment, payback periods, future revenue benefits, etc.

Changes to the borrowing strategy for 2023/24

There are no changes proposed for the borrowing strategy for 2023/24.

11. Appendices

- Appendix B – Prudential & Treasury Management Indicators 2023/24 to 2025/26
- Appendix C - Annual Investment Strategy
- Appendix D - MRP Policy

Prudential & Treasury Management Indicators 2023/24 to 2025/26

These are primary indicators designed to ensure the key objectives of the Prudential Code are met and that local authorities' capital investment plans are affordable, prudent and sustainable; that treasury management decisions are taken in accordance with good professional practice.

Capital Expenditure

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital programme.

The Council's Capital programme is summarised below as the required prudential indicators for capital expenditure.

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Housing, Local Economy & Regeneration – Non HRA	42.9	13.3	8.3	64.5
Children Services and Schools	17.3	27.0	21.0	65.3
Roads and Transport	10.5	9.3	7.9	27.7
Adult Social Care	6.8	3.1	1.8	11.7
Internal Services	6.4	3.7	3.0	13.1
Climate Emergency	5.3	3.1	4.9	13.3
Environment	0.9	0.1	1.1	2.1
Total General Fund Capital Programme	90.1	59.6	48.0	197.7
Housing, Local Economy & Regeneration – Housing Revenue Account (HRA)	11.6	25.1	21.7	58.4
Total Capital Programme 2023/24 to 2025/26	101.7	84.7	69.7	256.1

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources.

General Fund

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(39.0)	(17.5)	(9.3)	(65.8)
Developer contributions (S106 / CIL)	(8.6)	(3.0)	(0.9)	(12.5)
Capital grants	(23.0)	(29.1)	(21.8)	(73.9)
Other contributions	(0.6)	(0.4)	(0.1)	(1.1)
Capital receipts	(5.6)	(1.0)	(1.0)	(7.6)
General fund borrowing	(13.3)	(4.1)	(5.2)	(22.6)
Total	(90.1)	(55.1)	(38.3)	(183.5)

Housing Revenue Account

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(0.4)	(18.8)	(7.1)	(26.3)
Other contributions	(5.5)	(5.7)	(5.4)	(16.6)
Capital receipts	(5.7)	(0.6)	(9.2)	(15.5)
Total	(11.6)	(25.1)	(21.7)	(58.4)

A major source of funding for the Council's capital programme is borrowing. This is described in two forms, supported borrowing and general fund borrowing. A significant part of the Council's capital programme is either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services. These are referred to as "supported borrowing". General fund borrowing is funded through existing base budget and supports general investment to maintain Council assets and continue to provide services to customers and residents.

Capital Financing Requirement

The Capital Financing Requirement (CFR) is any capital expenditure above, which has not been funded (resulting in a borrowing need). The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which reduces the borrowing need in line with our MRP policy. The CFR includes any other long- term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include the financing of the asset and so the Council is not required to separately borrow for these schemes.

The following table shows the total CFR for the general fund and therefore excludes the HRA which is shown separately further below.

CFR : General Fund Total	Total			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	381.5	403.6	417.3	443.9
Expenditure in year	52.4	50.7	55.8	38.7
Repayments in year	(30.3)	(37.1)	(29.2)	(32.8)
Closing balance	403.6	417.3	443.8	449.6

This can be broken down further into supported and general fund borrowing.

	Supported Borrowing				General Fund Borrowing			
	22/23	23/24	24/25	25/26	22/23	23/24	24/25	25/26
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	280.9	300.4	309.6	329.2	100.6	103.2	107.7	114.7
Expenditure in year	46.1	42.8	44.8	31.0	6.3	7.9	11.0	7.7
Repayments in year	(26.6)	(33.6)	(25.2)	(28.6)	(3.7)	(3.5)	(4.0)	(4.2)
Closing balance	300.4	309.6	329.2	331.5	103.2	107.7	114.7	118.1

Supported borrowing consists of different types of supported borrowing which are broken down further below. As described earlier, these are either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services.

	Supported Borrowing		
	23/24	24/25	25/26
	£m	£m	£m
Invest to save	72.9	94.1	102.1
Town centre regeneration	92.1	84.8	81.9
Wokingham housing companies	24.2	22.7	20.8
Developer contributions forward funded	40.3	48.3	47.8
Housing, economy & regeneration	80.0	79.5	78.9
Closing balance	309.6	329.2	331.5

The following table shows the CFR balance for the HRA. Due to the ringfenced nature of the HRA, the CFR is considered separately to the general fund.

	Housing Revenue Account			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	80.3	78.2	77.6	95.4
Expenditure in year	0	0.4	18.8	7.0
Repayments in year	(2.1)	(1.0)	(1.0)	(1.4)
Closing balance	78.2	77.6	95.4	101.0

External Debt

The Operational Boundary

This is the limit beyond which external borrowing and long-term liabilities are not normally expected to exceed. In most cases, this would be linked to the CFR, but may be lower or higher depending on the levels of actual borrowing and the ability to fund under-borrowing by other cash resources.

	2023/24 £m	2024/25 £m	2025/26 £m
Operational boundary for total debt	545	593	606

Note: calculation CFR (GF + HRA) *110%

A 10% adjustment is added to the CFR balance in order to calculate the operational boundary. This is deemed prudent enough to cover any fluctuations in borrowing levels throughout the year.

Authorised limit

This is the maximum level of borrowing. It represents a limit beyond which external borrowing is prohibited.

	2023/24 £m	2024/25 £m	2025/26 £m
Authorised limit for total debt	594	647	661

Note: calculation CFR (GF + HRA) *120%

A 20% adjustment is added to the CFR balance in order to calculate the authorised limit. This is deemed prudent enough to cover any fluctuations in borrowing levels throughout the year.

Affordability

To assess the affordability of a council's capital programme, the following indicators provide an indication of the impact of the capital investment plans on the Council's overall finances.

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of income generated to repay capital costs), against the net revenue stream;

General Fund

	2023/24	2024/25	2025/26
net cost / (income) of financing costs (£m)	(£0.9m)	(£0.5m)	(£0.6m)
Net revenue stream	£153.9m	£148.8m	£154.2m
Percentage of Financing Costs to Net Revenue Stream	(0.57%)	(0.36%)	(0.39%)

The net cost / (income) of financing costs includes the interest costs, minimum revenue provision, treasury investment income and contributions from supported borrowing projects towards there funding costs.

This indicator is estimated to remain in line with the CFR for general fund borrowing highlighted in the earlier table. Increases in the CFR are related to supported borrowing which have an identified repayment stream to offset the financing costs and therefore has no impact on the ratio percentage above.

Housing Revenue Account (HRA)

	2023/24	2024/25	2025/26
net cost of financing costs (£m)	£3.6m	£3.6m	£4.0m
Net revenue stream	£17.6m	£18.1m	£18.6m
Percentage of Financing Costs to Net Revenue Stream	20.26%	20.06%	21.61%

The percentage remains consistent over the three years which a small increase reflecting the additional borrowing for the HRA capital programme. The net cost of financing for the HRA is funded from the rental income generated through the HRA.

Net income from commercial & service investments to net revenue stream - GF

This indicator comprises interest and investment income (other than from investments held for treasury management purposes), together with net income from other assets held primarily for financial return, such as commercial property. The intention of this indicator is to show the net financial impact on the authority of its entire non treasury investment income.

	2023/24	2024/25	2025/26
net income from commercial & service investments (£m)	£14.5m	£14.5m	£15m
Net revenue stream	£153.9m	£148.8m	£154.2m
Percentage of net income from commercial & service investments to net revenue stream	9.44%	9.77%	9.75%

Maturity structure of borrowing

The table below shows the current maturity structure of borrowing forecast as of 31 March 2023. The Council will aim to match the maturity structure of borrowing with the expected profile of when income will come in to repay borrowing.

	31st March 2023 £m
Long Term Borrowing	
Less than 1 year	£54.2m
Between 1 and 2 years	£14.7m
Between 2 and 5 years	£15.4m
Between 5 and 10 years	£38.2m
Between 10 and 15 years	£21.4m
Between 15 and 20 years	£0.0m
Between 20 and 25 years	£1.5m
Between 25 and 30 years	£8.7m
More than 30 years	£34.0m
Total	£188.1m

Note: Less than a year borrowing will be replaced with a mixture of new external debt and internal borrowing if possible. Due to current high interest rates and expectations rates will reduce towards the end of 2023, any new borrowing will be taken on a short-term basis (i.e. less than 2 years). The treasury service through the use of its cashflow constantly review its debt and will endeavour to get the best rates available while looking at the long and short term picture of anticipated receipts and payments.

The following table sets out the current loans the Council have in place, including maturity dates and interest rates.

Loan Number	Counterparty	Start Date	Maturity Date	Loan Principal	Interest Rate
L1089	Local Authority	25/03/2020	24/04/2023	15,000,000	1.60%
L1167	Local Authority	23/03/2023	21/03/2024	10,000,000	2.50%
L1168	Local Authority	28/03/2023	26/03/2024	10,000,000	2.50%
L1169	Local Authority	31/10/2022	05/10/2023	15,000,000	4.10%
488876	Public Works Loan Board	16/07/2004	01/02/2034	2,400,000	4.95%
491320	Public Works Loan Board	15/02/2006	01/08/2051	3,000,000	3.85%
491456	Public Works Loan Board	26/04/2006	30/09/2046	1,465,490	4.35%
491474	Public Works Loan Board	28/04/2006	01/08/2052	5,722,574	4.40%
493309	Public Works Loan Board	24/05/2007	31/03/2054	10,000,000	4.60%
501035	Public Works Loan Board	28/03/2012	28/03/2032	8,516,000	3.30%
501037	Public Works Loan Board	28/03/2012	28/03/2031	7,231,000	3.26%
501039	Public Works Loan Board	28/03/2012	28/03/2029	6,378,000	3.15%
501040	Public Works Loan Board	28/03/2012	28/03/2027	5,415,000	3.01%
501043	Public Works Loan Board	28/03/2012	28/03/2033	9,276,247	3.34%
501044	Public Works Loan Board	28/03/2012	28/03/2034	1,000,000	3.37%
501045	Public Works Loan Board	28/03/2012	28/03/2025	3,744,000	2.82%
501046	Public Works Loan Board	28/03/2012	28/03/2028	5,981,000	3.08%
501047	Public Works Loan Board	28/03/2012	28/03/2030	6,789,000	3.21%
501048	Public Works Loan Board	28/03/2012	28/03/2026	3,971,000	2.92%
501049	Public Works Loan Board	28/03/2012	28/03/2024	4,116,000	2.70%
505948	Public Works Loan Board	31/03/2017	31/03/2034	6,000,000	2.30%
505949	Public Works Loan Board	31/03/2017	31/03/2035	8,000,000	2.34%
505950	Public Works Loan Board	31/03/2017	31/03/2036	4,000,000	2.37%
3b	Barclays	24/02/2007	24/02/2077	5,000,000	4.35%
2c	Barclays	11/01/2007	11/01/2077	5,000,000	4.60%
1c	Just retirement	06/02/2006	06/02/2066	5,000,000	4.88%
4	Barclays	16/02/2006	16/02/2066	2,000,000	3.68%
5	Barclays	19/10/2006	19/10/2076	5,000,000	3.73%
6	Barclays	19/10/2006	19/10/2076	2,000,000	3.77%

This page is intentionally left blank

ANNUAL INVESTMENT STRATEGY

The CIPFA Prudential Code and DLUHC guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's investment priorities will be security first, liquidity second, then return.

The council may invest its surplus funds in accordance with its time and monetary limits for institutions on the Council's counterparty list, as shown below.

	Fitch		Moody's		Standard & Poors			
	Short Term Rating	Long Term Rating	Short Term Rating	Long Term Rating	Short Term Rating	Long Term Rating	Money Limit	Time Limit
Banks - higher grade	F1+	AA-	P-1	Aa3	A-1+	AA-	£5m	1 year
Banks - medium grade	F1	A	P-1	A2	A-1	A	£3m	1 year
Building Societies	-	-	-	-	-	-	£2m	1 year
Debt Management Office Account (DMADF)	-	-	-	-	-	-	£20m	6 Months
Guaranteed Organisations	-	-	-	-	-	-	£2m	3 Months
Other local authorities	-	-	-	-	-	-	£10m	5 years
Other Institution Limits (Money Market Funds, Gilts and Supranational investments)	-	-	-	-	-	-	£10m	1 year

Creditworthiness policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Deputy Chief Executive (S151 Officer) will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary.

Credit Rating criteria:

Credit rating information is supplied by Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list.

- Banks a minimum, the following Fitch, Moody's and Standard and Poors credit ratings (where rated):
 - i. Short term – F1 (Fitch), P-1 (Moody's), A-1 (Standard and Poor's)
 - ii. Long term – A (Fitch), A2 (Moody's), A (Standard and Poor's)
- Building societies. Subject to a minimum asset size of £5bn and meeting a minimum credit rating similar to the bank criteria used
- UK Government: including Money market funds – the Council and its Fund Managers will use AAA rated funds.

Bank criteria

The Council will only use good credit quality banks which:

- are UK banks; and/or
 - are non-UK and domiciled in a country which has a minimum sovereign long- term rating of AAA.
- Group Limits – For each banking group the following limits will apply, dependent on the rating of the Parent Bank
 - AAA : £7m with a maximum average duration of 1 year
 - AA- : £5m with a maximum average duration of 6 months

Other institutions

- Gilts and the Debt Management Account Deposit Facility (DMADF)
- Local authorities, parish councils etc.
- Supranational institutions – multilateral investment organisations such as the World Bank or European Investment Bank (sometimes used by the Fund Managers)

Note: investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

DLUHC issued Investment Guidance in 2010, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council applies its principles to all investment activity. In accordance with the Code, the Director of Resources and Assets has produced its treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

Annual investment strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of the following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

Strategy guidelines – The main strategy guidelines are contained above in this Appendix and in the body of the treasury strategy statement found in Appendix A.

SPECIFIED INVESTMENTS:

These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are low risk assets where the possibility of loss of principal or investment income is very low. These would include sterling investments with:

- The UK Government (such as the Debt Management Office, UK Treasury Bills or a gilt with less than one year to maturity).
- Supranational bonds with less than one year to maturity.
- A local authority, parish council or community council.
- Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. This covers a money market fund rated AAA by Standard and Poor's, Moody's or Fitch rating agencies
- A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society) this covers bodies with a minimum short term rating of F1+ (or equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies.

NON-SPECIFIED INVESTMENTS:

Non-specified investments are any other type of investment (i.e. not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any sterling investments with:

a.	Supranational Bonds greater than 1 year to maturity (a) Multilateral development bank bonds - These are bonds defined as an international financial institution having as one of its objects economic development, either generally or in any region of the world (e.g. European Investment Bank etc.). (b) A financial institution that is guaranteed by the United Kingdom Government (e.g. The Guaranteed Export Finance Company {GEFCO}) The security of interest and principal on maturity is on a par with the Government and so very secure, and these bonds usually provide returns above equivalent gilt edged securities. However, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.
b.	Gilt edged securities with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.
c.	Building societies which are subject to a minimum asset size of £5billion and meeting a minimum credit rating of A-. These investments will be restricted to a maximum period of 6 months and £2m per institution.
d.	NatWest Bank for the provision of Banking Services. The Council is limited to daylight exposure only (i.e. the flow of funds in and out during the day), with a maximum limit of 1 working day.

e.	A body which has been provided with a government issued guarantee for wholesale deposits within specific timeframes. Where these guarantees are in place and the government has a AAA sovereign long term rating these institutions will be included within the Council's criteria, temporarily until such time as the ratings improve or the guarantees are withdrawn. Monies will only be deposited within the timeframe of the guarantee. In addition to this, a maximum limit of £2m with a maximum duration of 3 months is also set.
f.	Eligible Institutions for the HM Treasury Credit Guarantee Scheme initially announced on 13 October 2008, with the necessary ratings required. These institutions have been subject to suitability checks before inclusion and have access to HM Treasury liquidity if needed.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	* Minimum credit criteria / colour band	Money Limit	Max. maturity period
DMADF – UK Government	UK sovereign rating	£20M	3 months
UK Government gilts	UK sovereign rating	£5m	1 year
UK Government Treasury bills	UK sovereign rating	£5m	1 year
Money market funds	AAA	£10m	N/A – held for instant liquidity
Local authorities	N/A	£10m	5 years
Term deposits with banks and building societies	AA	£5m	Liquid
CDs or corporate bonds with banks and building societies	A-	£5m	Liquid
Corporate bond funds	AA	£5m	Liquid

Other investment categories:

a.	Share capital in a corporate body – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies.
b.	Loan capital in a corporate body.
c.	Property funds – The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using.

Accounting treatment of investments

The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

The monitoring of investment counterparties

The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Group as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded after an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Director of Resources and Assets, and if required new counterparties which meet the criteria will be added to the list.

Use of external fund managers

It is the Council's policy to use external fund managers for part of its investment portfolio. The fund managers will use both specified and non-specified investment categories and are contractually committed to keep to the Council's investment strategy, which will be defined in an updated Treasury Management Strategy post fund manager's appointment. The performance of each manager is reviewed at least quarterly by the Director of Resources and Assets.

2023/24 Wokingham Borough Council MRP Policy

The Council is required to pay off an element of the accumulated general fund capital spend each year (the Capital Financing Requirement (CFR) through a revenue charge (the minimum revenue provision - MRP), and it is also allowed to undertake additional voluntary payments (voluntary revenue provision - VRP).

DLUHC regulations have been issued which require the full Council to approve a MRP Statement in advance of each financial year. The decision on the level of MRP lies with the Council although a prudent provision must be made. The Council is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2008, the MRP policy will be:

- an approximate 4% reduction in the borrowing need (CFR) each year.

From 1 April 2008 for all borrowing (including PFI and finance leases) the MRP policy will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction).

This option provides for a reduction in the borrowing need over approximately the asset's life. There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made. The HRA may make a VRP (Voluntary Revenue Provision) to debt repayment which will be agreed through the HRA budget setting process.

Repayments included in annual PFI or finance leases are applied as MRP.

Wokingham continues to ensure it is fully consistent with the statutory duty to make prudent revenue provision. It also follows the statutory guidance, except in some instances, as disclosed below. Guidance was issued by the Secretary of State under section 21(1A) of the Local Government Act 2003. Under that section local authorities are required to "have regard" to this guidance.

For some investment assets WBC believes it would be overly prudent to charge MRP in line with the draft guidance, as it would stop the Council making an investment which could otherwise strengthen its financial position, due to an artificial self-implemented restriction.

For assets which WBC or one of its subsidiary companies own that can be disposed of for appreciation, we will make a 10% charge for MRP over 15 years.

Alternative prudent assumptions will be used in the following circumstances.

Expenditure type	WBC MRP charging policy
Freehold land	maximum 50 years using asset life as a guide
Bridges	maximum 50 years using asset life as a guide
Housing, Local Economy and Regeneration a) assets that can be disposed of for appreciation	10% of maximum 15 years asset life
Housing, Local Economy and Regeneration b) all other assets	range of 5 to 50 years (depending on life of asset type)
Loan Capital in WBC holdings	no charge – loan secured by company asset
Forward Funding Schemes (Developer funded)	a) no charge – developer contributions are used to repay principle

For freehold land and bridges, the MRP charge will be over a maximum of 50 years asset life, as required by the MRP guidance.

Housing, Local Economy and Regeneration - a) assets that can be disposed of for appreciation – 10% for a maximum of 15 years asset life. This is a prudent contingency for assets which can be disposed of for appreciation, if they reduce in value when sold, to cover any loss on disposal.

Based on the Council' latest estimates of its Capital financing of its CFR on 31st March 2023 the budget for MRP and voluntary overpayments (VRP) has been set as follows:

Estimated MRP/VRP	2023/24 £m	2024/25 £m	2025/26 £m
MRP (minimum repayment provision)	£14.0m	£15.1	£15.9m
PFI principal charge	£0.4m	£0.3	£0.3m
HRA VRP	£1.0m	£1.0	£1.4m
Contribution from invest to save schemes	(£5.3m)	(£6.0)	(£6.4m)
Contribution from housing, economy & regeneration	(£5.3m)	(£5.1)	(£5.3m)
	£4.8m	£5.3m	£5.9m

Impact of IFRS 16 Changes

The MRP Policy above covers the treatment for finance leases. The accounting changes from IFRS 16 – Leases, which apply from 1st April 2024 will not change how the current MRP policy accounts for lease payments. The potential change will be for material operating leases being restated as finance leases which will affect the CFR balance and the estimated MRP payments. Any new leases undertaken from 1st April 2024 may also have an impact on the estimated balances above. The Council are currently reviewing all leases to ensure correct accounting treatment for 2024/25.

MRP Consultation

On 30th November 2021 a consultation was launched (open until 8th February 2022) in respect of potential changes to the current MRP arrangements. The consultation seeks views on a number of potential changes and should those or other changes be taken forward the Council will review its approach going forward as required.

The Council are awaiting the outcome of the consultation and are expecting further guidance and clarity on MRP, including applicable start date and confirmation changes are not retrospective. If received during the 2023-24 financial year, changes will be assessed and any significant changes reported through the appropriate governance process.

Changes to 2023-2024 Policy

- Maximum asset life will be 50 years unless supported by a professional valuer. Previously, the MRP policy had 60 years as the maximum. Under the MRP guidance, asset lives greater than 50 years can only be used subject to advice from a professional valuer.

This page is intentionally left blank

TITLE	Medium Term Financial Plan 2023-2026 Including Revenue Budget Submission 2023/24
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Finance - Imogen Shepherd-DuBey

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

To provide the Executive with the key revenue budget extract for 2023/24 of the Medium Term Financial Plan (MTFP) 2023-2024 for submission to Council.

RECOMMENDATION

That the Executive:

- 1) recommend to Council that the Summary of Budget Movements (SOBM) be approved. (Appendix A);
- 2) note the report of the Community and Corporate Overview and Scrutiny Committee relating to Scrutiny of the Budget Setting Process 2023-24 and the Medium Term Financial Plan 2023-2026 (as set out in Appendix B to the report);
- 3) approve the schedule of fees and charges, as set out in Appendix C to the report, to be effective from the dates listed on the schedule and the schedule of fees and charges, as set out in Appendix E in relation to the decision at Licensing and Appeals Committee;
- 4) to provide delegated authority for the Chief Finance Officer to draw funds from the Dedicated Schools Grant to support delivery of the Safety Valve Programme.
- 5) Note in relation to the capital programme, additional challenges have emerged in the secondary school places capital programme and are currently being worked through and will be reported to Executive in early 2023/24 to seek the necessary budget provision.

EXECUTIVE SUMMARY

Members are presented with the Medium Term Financial Plan for 2023-2026 including the proposed revenue budget submission for 2022/23 for recommendation to Council. (Due to the size of this document a copy has been circulated separately to all Members. A copy can also be obtained from the Council's website or on request from Democratic Services).

Executive are requested to recommend the following key revenue budget extract of the MTFP to Council;

- Summary of Budget Movements 2023/24 (Appendix A)

Fees and Charges

Members are presented with the schedule of proposed fees and charges. In previous years, this has been presented to Executive in November. For consistency with the overall budget approval for 2023/24, the fees and charges approval has now been included in this paper.

Members are required to agree the fees and charges contained in this report at Appendix C, effectively from the dates shown on the schedule, of which most are enacted from the beginning of April 2023.

The Council is currently projecting significant financial pressures both in the current and future financial years. Implementation of the new fees and charges during the financial year will help the Council to offset this challenge and is considered to be responsible.

The report contains proposed charges for services as set out in Appendix C. Annual inflationary increases have in general been increased by an average 7% (and rounded where appropriate) this is below the Retail Price Index (RPI) of 12.3% as at July 2022 and seeks to balance financial pressures for the Council with residents' financial ability to pay and access services. Some fees and charges, largely in Adults Social Services, vary according to the cost of providing the service.

Car parking charges, except for those for the Council's country parks, are not included in this report. Car parking charges are agreed and set through the Traffic Regulation Order making process, which requires that statutory provision for representation and objection are provided and the outcome determined through the Individual Executive Member Decision (IEMD) process. A list of charges for Council car parks can be found on the Council's website at <https://www.wokingham.gov.uk/parking-and-transport/parking-and-permits/find-a-car-park/>

The Executive are asked to approve the schedule of fees and charges, as set out in Appendix E in relation to the decision at Licensing and Appeals Committee. At its meeting on 30 January 2023, the Licensing and Appeals Committee resolved that;

- 1) The Committee notes the proposed discretionary fees for 2023/24 set out at Appendix A as part of the Council's annual fee setting process, with the following amendments:

- a) The penalty for dog fouling be increased to £100
- b) The maximum fee for stray dog kennelling be increased to 7 days at £112

- 2) The Committee recommends to Executive that, in relation to those fees which are within the Council's discretion to set, the fees should follow best practice and ensure that the cost to the Council of administering, managing and enforcing the licensing regime is covered by the fee income. A copy of the report can be found at <https://wokingham.moderngov.co.uk/ieListDocuments.aspx?CId=144&MId=4300&Ver=4>

BACKGROUND

The Medium Term Financial Plan (MTFP) 2023-2026 will be presented to Council for approval on 16 February 2023. Executive are asked to recommend the following key revenue budget extract of the MTFP to Council.

- Summary of Budget Movements 2023/24 (Appendix A)

In considering the Council's revenue budget submission, members should be aware of the chief finance officer (CFO) report. The Local Government Act 2003 requires the Chief Finance Officer (Deputy Chief Executive) to report to Members as part of the budget setting process. The report highlights the key financial and service risks contained in the 2023/24 budget proposals. This was reported to January Executive and forms the first section of the MTFP.

The net revenue budget for 2023/24 is approximately £157m excluding capital and internal recharges. The Council needs to set a balanced budget in the context of this.

The budget requirements for 2024/25 and 2025/26 will be shown in the MTFP as indicative figures only

Recommendation 4

The Executive are asked to approve delegated authority for the Chief Finance Officer to draw funds from the Dedicated Schools Grant to support delivery of the Safety Valve Programme. This delegation will include revenue and capital expenditure required to support the programme and will be in line with the plan submitted by the Council to the DfE.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	See MTFP	Yes	Revenue
Next Financial Year (Year 2)	See MTFP (Indicative only)	No	Revenue
Following Financial Year (Year 3)	See MTFP (Indicative only)	No	Revenue

Other Financial Information

None

Stakeholder Considerations and Consultation

The revenue budget submission represents the budget needed to deliver the strategic objectives and priorities of the Council.

Public Sector Equality Duty
A cumulative equality impact assessment has been undertaken on the budget and is detailed in Appendix D. The document provides detail of the overall context of budget changes as well as detail on specific changes and where further work will be required as those changes are progressed.

Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>
The MTFP includes budget allocation to deliver improvements in climate change.

Reasons for considering the report in Part 2
None

List of Background Papers
<ul style="list-style-type: none"> - Appendix A – Summary of Budget Movements 2023/24 - Appendix B – Report by the Community and Corporate Overview and Scrutiny Committee's - Scrutiny of the Budget Setting Process 2023-24 and the Medium Term Financial Plan 2023-26 - Appendix C – Fees and Charges - Appendix D – Cumulative Equality Impact Assessment - Appendix E - Fees and Charges for Licensable Activity 2023/24 - Medium Term Financial Plan 2023-2026

Contact Mark Thompson	Service Business Services
Telephone Tel: 0118 974 6555	Email mark.thompson@wokingham.gov.uk

Summary of Budget Movements 2023/2024

Appendix A

The following table shows how the 2023/24 budget has been calculated starting from the 2022/23 budget. The table includes additional budget to maintain / improve services, special items (one off expenditure budget), service efficiencies and any adjustments / additions.

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
2022/23 Restructured Service Budget (excluding Capital & Internal recharges)	58,095	10,577	31,173	32,639	12,172	144,655
Adjustments/Additions						
Exclusive one off revenue items in 2022/23 (Special Items)	(890)	(1,822)	(1,988)	(679)	0	(5,379)
Inflation for non-pay activities (Note 1)	0	0	0	0	6,623	6,623
Pay Inflation (Note 1)	598	494	986	727	1,503	4,308
Adjustments between services (e.g. budget reallocations inc.)	(60)	2,306	(413)	(1,355)	2,956	3,434
Total	(352)	978	(1,414)	(1,307)	11,081	8,986

Note 1 - Balance of Council wide budget held in Resources & Assets will be distributed across directorates during the year as contract and pay inflation rates are confirmed

Funding to Maintain / Improve Services						
Care & support - manage increasing demand in numbers and complexity	1,959	0	0	0	0	1,959
People at the Heart of Care	300	0	0	0	0	300
Prevention - investment in preventative services	100	0	0	0	0	100
Staffing resource required to deliver continued demand management programme	460	0	0	0	0	460
New Website	0	70	0	0	0	70
Social Care system increased software licence and hosting costs	0	128	0	0	0	128
Children in Care and Care Leavers [placements]	0	0	1,295	0	0	1,295
Education White Paper	0	0	360	0	0	360
Home to School Transport	0	0	1,650	0	0	1,650
Meeting and managing demand - right help, right place, right time	0	0	1,420	0	0	1,420
School place planning and Fair Access Policy	0	0	170	0	0	170
Car Parking income	0	0	0	350	0	350
Local Bus Services inflation	0	0	0	350	0	350
Local Plan team - increase in existing staff costs	0	0	0	19	0	19
Purchase and delivery of food waste caddy liners to all households	0	0	0	100	0	100
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	0	0	0	150	0	150
Carnival Hub Estates Management	0	0	0	0	20	20
Coroners Court	0	0	0	0	130	130
Governance salaries	0	0	0	0	93	93
Insurance Premiums	0	0	0	0	150	150
Legal Services	0	0	0	0	78	78
Payment and income system	0	0	0	0	16	16
Salary funding pressure from cost of abortive feasibility works	0	0	0	0	150	150
Sports and Leisure income generation	0	0	0	0	150	150
Total	2,819	198	4,895	969	787	9,668

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Special Items						
Demand management - resource investment to deliver change	800	0	0	0	0	800
Budget required to deliver sustainable organisational change	0	1,200	0	0	0	1,200
Customer Experience- Govmetric tool to measure and track customer satisfaction	0	13	0	0	0	13
Easy Read document review by Caring, Listening and Supporting Partnership	0	15	0	0	0	15
Equality & Tackling Anti-Poverty Community Engagement	0	115	0	0	0	115
Implementation of new HR Target Operating Model	0	44	0	0	0	44
Inclusion Officer	0	20	0	0	0	20
Meeting and managing demand - right help, right place, right time	0	0	850	0	0	850
Procurement of Education System	0	0	195	0	0	195
Transformation Programme	0	0	350	0	0	350
Additional consultancy support for the Local plan	0	0	0	175	0	175
Car Parking income	0	0	0	300	0	300
Deliberative Process for Climate Emergency	0	0	0	90	0	90
Domestic Abuse-Commissioned Service	0	0	0	75	0	75
Planning appeals and enforcement staffing costs	0	0	0	334	0	334
Replacement of Routewise System (Community Transport Unit - CTU)	0	0	0	60	0	60
School keep clear markings - roll out of parking enforcement scheme	0	0	0	183	0	183
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	0	0	0	150	0	150
Delayed opening of St Celas school	0	0	0	0	100	100
Investment & Estates Property pressures from depressed market	0	0	0	0	200	200
One off growth to support leisure income recovery	0	0	0	0	70	70
Total	800	1,407	1,395	1,367	370	5,339

Funded by the following Service Efficiencies						
Demand management - strengthening the voluntary sector and community offer, redesigning the front door	(1,200)	0	0	0	0	(1,200)
Extra Care - Decommission Background Support	(250)	0	0	0	0	(250)
High Cost Package Review - Mental Health	(50)	0	0	0	0	(50)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	0	0	0	0	(100)
Maximising health income for residents	(350)	0	0	0	0	(350)
Optalis review - improved commissioning and reduced overheads	(250)	0	0	0	0	(250)
Practice changes to reduce placement costs	(50)	0	0	0	0	(50)
Utilising funding to maximise hospital discharge within the community	(100)	0	0	0	0	(100)
Advertising in Libraries	0	(10)	0	0	0	(10)
Effective use of Council owned Community spaces	0	(150)	0	0	0	(150)
Organisational Foundation Project - Contracts	0	(500)	0	0	0	(500)
Organisational Foundation Project - Customer Excellence	0	(200)	0	0	0	(200)
Organisational Foundation Project - Workforce	0	(2,731)	0	0	0	(2,731)
Reduce number of Borough News Editions from 3 to 1	0	(30)	0	0	0	(30)
Reduced provision of mobile phones	0	(56)	0	0	0	(56)
Reduction in Microsoft cloud server spend	0	(34)	0	0	0	(34)
Removal of telephone lines	0	(70)	0	0	0	(70)
Removal of two vacant Customer Excellence posts	0	(52)	0	0	0	(52)

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Funded by the following Service Efficiencies cont.						
Alternative Delivery Model for Children's Centres	0	0	(25)	0	0	(25)
Education White Paper	0	0	(360)	0	0	(360)
Home to School Transport Review	0	0	(766)	0	0	(766)
Placements - Continuing Health Care	0	0	(300)	0	0	(300)
Placements - LAC Charging Policy	0	0	(50)	0	0	(50)
Placements - Strategy & Sufficiency	0	0	(570)	0	0	(570)
Transforming Children's Services	0	0	(259)	0	0	(259)
Absorb street cleansing into street cleaning regime	0	0	0	(13)	0	(13)
Changes to VolkerHighways contract	0	0	0	(397)	0	(397)
Highways and Transport restructuring	0	0	0	(150)	0	(150)
Income generation through commercialisation across the directorate	0	0	0	(68)	0	(68)
Increase garden waste service annual fees	0	0	0	(255)	0	(255)
Increase hourly rate for licensing team	0	0	0	(15)	0	(15)
Increase in off street parking charges	0	0	0	(500)	0	(500)
Increase the scope of MyJourney s106 expenditure to include management costs	0	0	0	(30)	0	(30)
Increased enforcement of housing standards	0	0	0	(12)	0	(12)
Introduce more naturalisation and biodiversity in the borough	0	0	0	(60)	0	(60)
Introduction of moving traffic offence enforcement	0	0	0	(103)	0	(103)
Introduction of on-street parking zones	0	0	0	(280)	0	(280)
Reduce the Community Engagement Team	0	0	0	(92)	0	(92)
Reduce Transport Planning consultants	0	0	0	(85)	0	(85)
Reduction in Drainage Maintenance (annual Grip cutting programme) to every other year	0	0	0	(25)	0	(25)
Removal of discretionary concession funding for transport on football services	0	0	0	(12)	0	(12)
Review access to free parking at Carnival Pool multi-storey car park	0	0	0	(120)	0	(120)
Stop the annual purchase and delivery of food waste caddy liners to all households	0	0	0	(100)	0	(100)
Trading Highways Commercial Design Services to Town & Parish Councils	0	0	0	(20)	0	(20)
3G Pitch Maiden Erlegh	0	0	0	0	(15)	(15)
Benefit realisation from Commercial activities	0	0	0	0	(150)	(150)
Business Support Efficiency Programme	0	0	0	0	(30)	(30)
Contracts and Commissioning reviews	0	0	0	0	(150)	(150)
Paperless democratic meetings	0	0	0	0	(11)	(11)
Penalty charges - Non provision of Information Council Tax/benefits	0	0	0	0	(25)	(25)
Rationalisation process of Corporate Accommodation	0	0	0	0	(180)	(180)
Revenues and Benefits Automation	0	0	0	0	(50)	(50)
Treasury Management Review	0	0	0	0	(250)	(250)
WBC share of a gain-share with Oxygen Finance for an early payment discount scheme	0	0	0	0	(45)	(45)
Total	(2,350)	(3,833)	(2,330)	(2,337)	(906)	(11,756)

The following corporate transfers are included within the "appropriation to / (from) balances" line in the grand summary. Corporate transfers are made in respect of funding that is not expected to continue beyond 2022/23



WOKINGHAM BOROUGH COUNCIL

COMMUNITY AND CORPORATE OVERVIEW & SCRUTINY COMMITTEE

SCRUTINY OF THE BUDGET SETTING PROCESS 2022-23 AND THE MEDIUM TERM FINANCIAL PLAN 2023-26

REPORT, PROCESS OVERVIEW AND OBSERVATIONS

FEBRUARY 2023

Committee Members:

Councillor Peter Dennis (Chair)

Councillors David Cornish (Vice Chair), Laura Blumenthal, Chris Bowring, Shirley Boyt, Andy Croy, Michael Firmager, Chris Johnson, Norman Jorgensen, Pauline Jorgensen, Gregor Murray, Alistair Neal

Foreword by Councillor Peter Dennis, Chair.

The agreement of a Medium Term Financial Plan (MTFP) is one of the most important decisions that every Local Authority is required to make. The MTFP sets out the funding proposals for all statutory and discretionary services provided by the Local Authority, which will have a direct impact on the lives of residents and service users.

Prior to the 2019/20 municipal year at Wokingham Borough Council (WBC), many of the emerging MTFP proposals had not been shared with Overview and Scrutiny Committees, or the wider public, prior to the publication of the agenda for the February Budget Council meeting. In the 2019/20 municipal year, Overview and Scrutiny were presented with all revenue bids over £50,000 and the entire capital programme. Members were once again pleased with the continuation of the public facing Overview and Scrutiny of the MTFP, and expressed their thanks to all those who made this happen.

The Committee were advised from the outset of their review of the stark and unprecedented pressures facing Local Government finances this year. A combination of factors including inflation, cost of living pressures and ongoing recovery from the pandemic had resulted in a revenue budget gap of approximately £4m that needed to be addressed to set a balanced budget for the next financial year (2023/24). This was in addition to an approximate £14m budget gap in the capital programme for the next financial year. The Committee were invited to provide suggestions for potential future savings, and carefully probed individual bids to gain assurances that they were both necessary and proportionate.

The Committee particularly focussed on seeking assurances that proposed savings were achievable and realistic, whilst any growth bids were wholly necessary and represented value for money. Members sought detail of the breakdown of funding streams, including assumptions in relation to expected Council Tax increases and collection rates. It was crucial that assumptions were grounded and based on the most up to date and reliable information, and stood up to scrutiny when examined.

On behalf of myself and the Committee, I would like to thank the Executive Members, Directors and Assistant Directors, Members and officers who engaged throughout this process and enabled a successful overview of the 2023-26 MTFP.

Special thanks should be given to Councillor Imogen Shepherd DuBey (Executive Member for Finance) and Graham Ebers (Deputy Chief Executive – Director of Resources & Assets) for their support in enabling this process, providing frank and thorough answers at each meeting of the Committee, and for continuing to make the development of the MTFP more transparent and comprehensible than ever.

Peter Dennis,
February 2023

Background and Process

- 1.1 It is common practice across the United Kingdom for the MTFPs of Local Authorities to be scrutinised by the relevant Overview and Scrutiny Committee(s). This is the norm for a variety of reasons, including checking that budgetary proposals have clear links with operational plans, and ensuring services (both statutory and discretionary) are offering an acceptable end product for residents whilst providing value for money. All Members were invited to a hybrid training session on effective budget scrutiny, provided by the Centre for Governance and Scrutiny (CfGS), in addition to being provided with a CfGS/CIPFA guide to budget scrutiny.
- 1.2 Overview and Scrutiny of the MTFP has become more important over recent years as a result of a reduction in public sector funding by Central Government, whilst Local Authorities have seen significant growth in demand for their services. Allowing Scrutiny to offer insight and analysis of the proposed budget and accompanying budget setting process, ensures that potential discrepancies and areas of risk are identified and addressed prior to implementation. Scrutiny of the budget setting process is an example of good governance.
- 1.3 Local Authorities have begun to make more use of their Overview and Scrutiny Committees when assessing the MTFP in recent years, as they are made up of Members from a range of business and financial backgrounds. Engaging Members from a range of backgrounds allows for different perspectives on proposals to be assessed. A variety of lines of questioning can also make the Executive and Directorate think about their proposals in a different light.
- 1.4 Overview and Scrutiny of the MTFP should not be seen as a conflict with the Executive, but instead as a “critical friend” that can add value to the budget setting process. The MTFP belongs to the Executive and the individual Service areas. Scrutiny’s role is to challenge assumptions, risks and funding proposals. For example, asking for more detail on how many residents would be served by a specific revenue bid, could lead to that figure being revised or the scheme being changed. The scrutiny process is driven by a desire to improve the MTFP and to make it as functional as possible for the residents that we serve.
- 1.5 For effective Overview and Scrutiny of the MTFP to take place, cooperation of the Executive and each Directorate is crucial. At WBC, the Executive and Directorates have embraced the practice of annual in-depth budget scrutiny, outlining all revenue proposals over £50,000, all special item proposals and the entire Capital Programme.
- 1.6 Executive Members and Directors of relevant service areas were invited to attend the Committee to provide background to specific proposals and to answer Member queries. Where answers to specific technical questions could not be answered on the evening, answers were circulated to the Committee in good time. Throughout the whole process, all questions and queries put to the

Executive Members and Directors were answered in full and to the satisfaction and appreciation of the Committee. Each session of the Committee resulted in some outstanding questions which were formally answered in the following review meeting.

- 1.7 The Committee's general lines of questioning can be summarised in three points: asking for more detail on specific proposals, identifying if the given figures were sufficient and/or suitable, and probing areas which have the most significant impact on residents (particularly vulnerable residents) to ensure that proposals are well thought out and meet their needs. Where proposals were identified to address more significant areas of risk, or posed significant growth in the face of difficult financial circumstances for Local Authorities, the Committee spent additional time probing proposals and asking for specific detail.
- 1.8 All revenue bids over £50,000 were presented to the Committee within a detailed and readable bid sheet. This enabled all Members, with a range of financial backgrounds, to digest specific bids and understand what each area of funding was intended to achieve. A positive consequence of this format also allows for residents and other Members the same opportunity to read and understand specific proposals and areas of interest. This in turn has created a more transparent and user-friendly budget setting process that is as detailed as it is readable.
- 1.9 Where changes were made to revenue bids between different iterations of the emerging MTFP, the Committee were provided with updated figures and detail on how the changes in proposed funding would affect each bid. Changes were made for a variety of reasons, including changes in forecast demand, realignment of costs (for example inflation), and reconsideration of provision. Where changes were made, it was key to ensure that the budget was balanced elsewhere to reflect the movement of funds.
- 1.10 When assessing the revenue budget, it was important to review not only the growth bids but also savings proposals. Savings proposals are key in supporting the development of a balanced budget, by reducing costs in areas where efficiency and infrastructure improvements can be made. By making realistic and manageable savings, funds can be reallocated to other areas of the budget where additional expenditure is required to fund new and existing service requirements.
- 1.11 Where savings were proposed, the Committee endeavoured to question whether the proposals were realistic and whether they could have any impact on front line service delivery. Many savings proposals focussed on increased utilisation of new and existing systems and databases, which would not affect front line service delivery and in many cases would actually improve service delivery for residents.
- 1.12 Other lines identified as savings were, in fact, income generation for WBC. Examples of these income streams include a return on investments made within the community, income generation from solar farms and income from

Wokingham-owned houses. The Committee recognised a continued concerted effort by the Executive to generate income for the Council using methods which did not penalise residents, whilst providing additional funds to spend on key service delivery areas.

- 1.13 When assessing special items (one-off spends), the Committee probed whether these spends were realistic one off spends, or whether they should be included within a recurring growth bid. Many of the special items contained within the 2023-26 MTFP were in place to cover transitional periods within departments and to finance one off reviews of service areas. The Committee noted a number of special items were now being built into the revenue budget, including the budget required to deliver sustainable organisational change, which showed a commitment to embed certain changes and efficiencies into the organisation for the long term.
- 1.14 The full suite of proposed capital expenditure was carefully reviewed by the Committee. These spends ranged from projects to enable elements of WBC's Climate Emergency Action Plan, funding to transform existing Adult Social Care accommodation, funding for highways structural maintenance schemes, and bids to develop greenways throughout the Borough. The Committee probed to identify what specific benefits each spend would bring, whether each scheme had enough funding to be carried out effectively, and where specific funds would be provided from (for example the Local Enterprise Partnership or specific grants).
- 1.15 The process of questioning proposed spends and savings in a public environment encourages all stakeholders within the budget setting process to pause and reflect on whether each item had been presented with solid reasoning and suitable resourcing. It also enables the Executive and Directors to be more confident about their proposals, as they must think about them in ways which they otherwise may not have considered. It demonstrates commitment to residents by being open and transparent about major funding proposals which will impact on residents across the Borough.
- 1.16 The entirety of this year's review of the draft MTFP has taken place in a hybrid environment, with Committee Members attending in person and Executive Members and officers either using Microsoft Teams or attending the meeting in person. The Committee appreciated the use of screen sharing for both presentations and bids. In addition, the live streaming and recording of Committee meetings has allowed for the public and Members to view specific discussions of interest both during and after the event.

Observations

- 2.1 Growth pressures within Children's Services is resulting in proposed spending increases of approximately £4.5m. However, savings proposals will reduce this growth by approximately £2m. The service was witnessing unprecedented increases in demand, including Special Educational Needs related services, whilst issues including the war in Ukraine and new arrivals from Hong Kong were placing pressure on school places, which contributed to 500 in-year school admissions. To enable the delivery of efficient and effective Children's Services, the demand management strategy was proposed to continue in order to provide services to children and families at the right time. There were significant pressures in home to school transport budgeting, and it was noted that this budget had been significantly overspent for some years. As a result, the budget for home to school transport was proposed to increase significantly, to better reflect the realistic cost of providing this service and to allow for more prudent financial management. Accompanying growth bids included a variety of savings proposals, including savings related to a review placements for children, and reconfiguration of Children's Services whilst minimising the risk to delivery of positive outcomes for vulnerable children, young people and families.
- 2.2 There was no desire to reduce staff numbers within Children's Services, particularly as it was not in the best interest of the service. Vacancies were being held where possible, whilst the impacts of other factors were yet to be fully understood. The Committee were informed that many vacancies on the WBC website were related to schools which were not funded from the WBC budget, whilst other posts were service critical or statutory posts.
- 2.3 The Committee probed a number of bids within the Adult's Social Care directorate, including construction of a proposed dementia care home, delivery of a demand management system, and improved commissioning and reduced overheads within Optalis (the Council's arm's length social care provider). The Committee were advised that approximately forty percent of WBC's revenue budget was spent on adult social care, which meant that a two percent increase in adult social care led to an approximate one percent increase in council tax. Growth within the service was continuing, however every effort was being made to keep this under three percent, which was half of the Local Government Association's inflationary pressure guide.
- 2.4 Members observed that bids such as the demand management systems (Children's and Adults), and its associated special item, represented significant budgetary pressures. Members fully appreciated the need to 'flatten the curve' of demand on the service, however requested that such spends be broken down further in future to help identify the component parts and how they would help to reduce growth and provide resultant savings.
- 2.5 As noted from previous reviews, a number of developments have been realised within the Climate Emergency Action Plan. The Committee noted that this was, and would be, an area of change and development for years to come. Many of the projects and proposals sat within the capital programme, including energy reduction projects. The Committee were reassured to hear that income generation from the part year effect of a second solar farm was provisionally estimated to equate to

£500k in year 3 of the MTFP. Additional solar farms would be smaller than the Barkham solar farm, and would be taken forward as quickly as was feasible.

- 2.6 The cost of living crisis and growing inflationary pressures have required WBC to assess all areas of expenditure, to an even greater extent than in a typical budget setting period. Every department has been asked to assess their current and future spending plans, and to make savings wherever possible. Examples of such savings include a reduced provision of mobile phones for officers, removal of telephone lines when Microsoft Team telephony was in place, and savings in relation to waste and recycling collections. Despite significant savings identified across each Directorate, the difficult financial environment has necessitated utilisation of £1.4m of reserves. Rather than utilising the general reserve, a decision has been made to utilise the re3 Equalisation Fund. This fund is in place to cover any significant additional costs within the re3 waste contract, or to cover costs at the end of the life of the contract. The Committee were advised that whilst utilisation of this fund did present an element of risk, WBC had earmarked reserves totalling approximately £100m across a range of services and assets. The Committee were surprised to learn of the levels of earmarked reserves held by WBC, over and above the General Fund. Whilst it is good to learn that WBC has other resources potentially available to it in times of crisis, concern was raised that Members may not have been fully briefed on these previously. The Committee sought additional details regarding utilisation of this fund, including the loss of any interest earned on the balance of this fund.
- 2.7 Income generation was still a priority for WBC, with the Resources and Assets Directorate continuing the drive for WBC to become a more self-sustaining local authority. This is especially pertinent in an environment of increasing costs and rising inflation. Due to a reduction in funding over the years by Central Government, WBC has looked to fund key services via the creation of new income streams. The Committee were provided with the proposed income streams, referred to as savings, over £50,000. These proposals included income generation from continued community investment, regeneration and housing in excess of financing costs, and solar income generation from existing and proposed assets. By generating additional income with no penalty to residents, whilst improving assets in the Borough for use by our residents, WBC hopes to be able to fund key service delivery areas whilst simultaneously having a positive impact on various areas of the Borough for residents.
- 2.8 The Chief Executive's Office is proposing a number of savings proposals, including more effective use of Council owned community spaces and a reduction in cloud server spend. The Committee made suggestions in relation to increased use of alternative and cheaper forms of technology, for example exploration of whether Chromebooks could be a possible alternative for officer laptop refreshes. Officers commented that they would explore such options to see if they were suitable for some officers. A notable growth bid is the revenue cost of delivering the new WBC website, which promises to offer additional functionality for residents and Members. The budget to deliver sustainable organisational change sat within this directorate. As noted earlier in the report, such items which represent large spends would be easier for Members to assess if additional detail was presented, possibly by further breaking down the bid into its component parts.

- 2.9 A number of capital spends are detailed within the above observations, however it is pertinent to highlight a couple of other examples. The Capital programme can often be seen as daunting, simply due to the large amounts of money being proposed for complex projects. Capital spends are, in general, spends which seek to develop infrastructure and improvements within the Borough. Examples of such proposals presented to the Committee this municipal year included funding for the initial costings of major distribution roads (known as SCAPE projects), a suite of IT related capital projects, and capital funding to deliver additional secondary school places. The Committee noted the proposed spends and justifications within the capital programme, aimed at providing positive change within the Borough. WBC has a good track record of spending within the capital budget. Nevertheless, major capital projects should continue to be monitored throughout their viability, planning and implementation stages. It was noted greater Overview and Scrutiny focus tended to be placed on the revenue budget rather than the capital budget. A considerable amount of schemes have necessitated reprofiling to future years, in order to set a balanced budget for next year. In future, greater emphasis, understanding and scrutiny of the capital programme would be a good use of the Committee's time.
- 2.10 The Committee noted the one-off spends, referred to as special items. The Committee probed whether these spends were justified as being one off spends, rather than being included formally within the year-on-year revenue budget. Examples of these proposed one-off spends include implementation of a new HR target operating model, one off growth to support leisure income recovery, additional consultancy budget for the Local Plan, and procurement of an education system. The Committee were advised that special items were to be used as one-off spends, and where such spends were likely to become recurring, consideration would be given to add them to the revenue budget via a growth bid in future budgets.
- 2.11 The Committee raised concern regarding the use of expensive agency workers, outside areas of skill scarcity, which placed pressure on departmental budgets for extended periods of time. A full breakdown of agency worker usage was provided to the Committee, whilst a more detailed report which broke the figures down to individual post level was considered in 'Part 2' by the Personnel Board.
- 2.12 The Committee commented that significant savings proposals should be accompanied by detailed business cases to ensure that the expectations of such bids were deliverable. When such savings were critical to the successful setting of a balanced budget, provision of a business case would provide Members with the assurance that such savings were achievable in the given timeframe.
- 2.13 Input from the Committee has resulted in Executive Members, service areas and officers considering potential bids and proposals in a different frame. An example of this, as alluded to previously, was the scope for further consideration of the capital programme, to understand any ramifications of reprofiling or removing schemes. Other examples, which may relate to future budgets, include the savings when compared to the impact of the potential review of the frequency of the Borough News, potential to lease underutilised WBC assets (which will be considered under

the Organisational Foundation Programme), and the further review of self-insurance options and levels of excess for coverage. These examples show the valuable contribution made by Overview and Scrutiny, acting as a critical friend to the Executive to offer insight, analysis and 'food for thought' outside of the traditional budget setting process.

- 2.14 Understandably, the theme of this year's review has been the overwhelming pressures being placed on the Council's finances via the cost of living crisis and inflationary pressures. This will continue in future due to uncertainty regarding the detail of the future adult social care funding agreements, and future Local Government settlement grants. The Committee noted that whilst the settlement allowed Local Authorities to raise Council Tax by an additional amount, this would place pressures on residents and might facilitate the need for more people to access the Council Tax reduction scheme. It is disappointing that the Government has once more only provided a year of certainty to Local Authorities, and it is the Committee's strong desire to see a fair and needs based (the cost of delivering statutory services) three-year funding settlement agreed in future. In addition, the announcement of the settlement, so late in December, has added a degree of unnecessary uncertainty for local authorities.

Conclusion and Future Years

- 3.1 The Committee is thankful that the involvement of Overview and Scrutiny has now become embedded into the budget setting process, allowing thorough and insightful overview of proposals which effect every resident of the Borough. Throughout this process, Executive Members and Directors have been thorough and frank with their answers and have aided the Committee by providing a helpful oversight of the proposed MTFP and the budget setting process.
- 3.2 As part of next year's Budget Scrutiny, the Committee hopes that public involvement within this process will increase, through greater publicity of the Scrutiny process and submission of public questions at meetings of the Committee. Officers will look to work with the Communications, Engagement, and Marketing team to make residents more aware of this process.
- 3.3 The Committee has appreciated the continued concerted effort by officers to improve the presentation of bid sheets for consideration by the Committee. With only a small number of exceptions, all bid sheets were clear and concise, which enabled Members to quickly consider the information provided. The Committee hopes that the formatting can be maintained at its current high level of quality, and can remain consistent between years, barring minor tweaks. Consistency of bid sheets is crucial in allowing Committee Members to easily refer and compare information from one year to the next. During the process it was noted that Committee papers produced were full colour, and officers responded quickly to produce black and white copies where appropriate to reduce the consumption of expensive printer ink. This process would continue going forwards. The Committee noted that it would be useful for bid values from the previous year to sit alongside new bids. The Committee were thankful that the total budget for services was now displayed next to bids, and are keen for this to continue. Members requested that, in future, large revenue bids be broken down where possible, to allow Members to more fully understand how the component parts of these large bids would work towards their intended goal.
- 3.4 The Committee have asked that a report be considered during the summer of 2023, to provide a breakdown of the Council's earmarked reserves. The Committee hopes that this will give Members a greater understanding of the reserves held by WBC, and what risks were being mitigated by having these reserves in place.
- 3.5 The Committee may place additional focus on the capital programme in future years. Many of these capital bids represent very significant spends, which aim to deliver critical infrastructure for our communities. The Committee wishes to better understand any consequences of reprofiling, delaying, or cutting schemes from the capital programme.
- 3.6 The Committee looks forward to Overview and Scrutiny continuing to develop the positive relationship with the Executive and the Directorates in order to help deliver a sound and balanced budget that meets the needs of our residents and fulfils our statutory obligations. This process will only become more crucial should factor, including inflationary pressures, persist for an extended period of time.

- 3.7 The ongoing recovery from the pandemic, in addition to rising inflation and cost of living pressures has placed considerable demands on all Council budgets. This situation has highlighted the need for safe levels of the General Fund, often referred to as reserves, which can be used to fund service areas which experience unpredictable demand or circumstances. The Committee hopes that prudent financial management can maintain and increase the general reserve in future years, to provide a safety net at times of crisis.
- 3.8 Overview and Scrutiny have received positive responses from Executive Members and Directors with regards to the fourth year of detailed Budget Scrutiny. Whilst Overview and Scrutiny realise the additional burden being placed on Members and officers to enable this scrutiny process to take place, the additional oversight and questioning of specific proposals from Overview and Scrutiny adds value to the whole budget setting process, delivers good governance, and puts a further level of safeguarding into the process. With uncertainty remaining regarding the future of Local Government funding arrangements, adult social care funding arrangements, and the impact of Central Government's 'Levelling up' agenda, the involvement of Overview and Scrutiny within the budget setting process will only add further value in future years.
- 3.9 The Committee wishes to reiterate their thanks for the support offered in enabling this year's review to be carried out. This review has taken many hours, both to formulate and present to a high standard. However, this is time and effort well spent. Members wish to thank all those who have enabled this overview of the proposed MTFP, especially given the backdrop of financial pressures and economic uncertainty.

This page is intentionally left blank

Medium Term Financial Plan 2023/2024

Including Revenue Budget Forecast & Capital Budget
Forecast to 2025/2026



WOKINGHAM
BOROUGH COUNCIL

Introduction

The Council's Medium Term Financial Plan provides a framework which enables the Council to effectively allocate its available financial resources to achieve its priority outcomes and objectives.

The plan accounts for expected changes in income and expenditure and provides an outline of the Council's approach to meeting its statutory requirements and setting a balanced budget each year.

This document provides a focus on both revenue expenditure (day-to-day running costs of providing services) and capital expenditure (long-term investment in infrastructure, like schools and roads). The Council also produces a separate Capital Strategy document which concentrates on its policy relating to investment in public assets.

The following pages also include;

- Statutory letter from the Chief Finance Officer, which summarises the overall financial position of the Council, key risks and historical and contextual information regarding funding and efficiencies.
- Summary of the services provided by each department and their risks and major projects
 - Details of the Schools Grant,
 - Housing Revenue Account (the Councils housing stock) and
 - Council Tax levies – including those from Parish Councils.

WOKINGHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN 2023/24 (Inc. Revenue Budget Forecast & Capital Budget Forecast to 2025/26)

135

Contents	Description	Pages
Chief Finance Officer's Statutory Report	This is a statutory report from the Chief Finance Officer confirming the robustness of the budget and level of reserves. It highlights key risks and in appendices shows historical detail in respect of various areas including efficiency and funding	4 – 29
Reserves and Balances	Lists the reserves and balances held – providing detail of their value, purpose and benefit	30 – 34
Grand Summary – General Fund Proposed Budget 2023/24	Summary of the budget at department level, income/grant streams and how that calculates against a Band D council tax charge	35 – 36
Grand Summary – General Fund Forecast Budgets 2024/25 and 2025/26	Current forecast of future revenue budgets	37
Gross Income and Expenditure	Summary position for all expenditure and income including Dedicated Schools Grant and Housing Revenue Account	38
Service Narratives (including Service Budgets)	Provides summary by department of the services key priorities, pressures, risks and transformation plans	39 – 58
Summary of Budget Movements 2023/24	Details the changes in budgets between 2022/23 and 2023/24 – their value and reason	59 – 62
Three Year Budget Forecast	Details the expected areas of growth for each department from 2023/24 to 2025/26	63 – 65
Budget Variables and Financial Risk Analysis	Lists the areas of risk identified and how they inform the level of general fund balance required	66 – 67
General Fund Reserves Policy Statement	Provides understanding of the purpose and need for the General Fund Balance	68
Housing Revenue Account Revenue and Capital Budget	Details for the accounts of the Councils Housing Stock including running costs, income / rents and capital investment	69 – 70

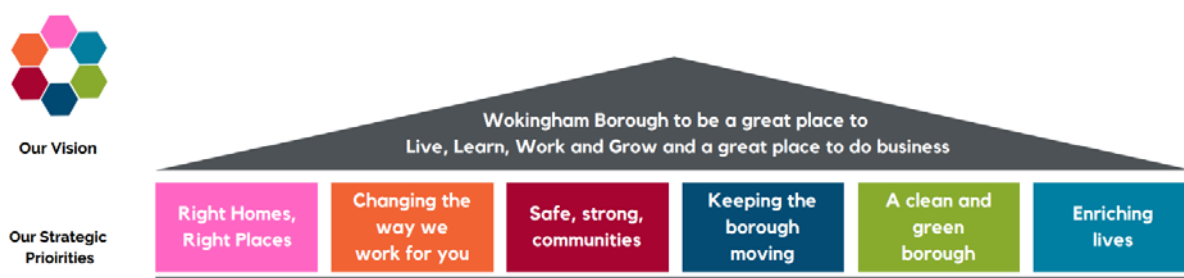
Contents	Description	Pages
Housing Revenue Account Budget Variables and Financial Risk Analysis	The areas of risk identified in calculating the required level of HRA reserves held	71
Housing Revenue Account Reserves Policy Statement	Provides detail and understanding to the purpose and need for the HRA Reserves	72
Schools Block Budget	Details of the statutory education budget – including expenditure, grants received and the surplus/deficit on the account	73
Capital Programme 2023-2026 and Prudential Indicators	Shows the Council Capital schemes, how they are funded and key indicators to monitor the impact on the Councils overall finances over the period to 2025/26	74 – 88
Capital Funding	Definition of capital expenditure and the policy for funding and ensuring affordability	89
Five Year Capital Vision	High level summary of the longer-term capital investment plans	90 – 91
Commercialisation and Value for Money	The Councils approach to commercialisation and VFM	92
Key Activity Data	Provides details across key services of demand, unit costs and total spend	93
Council Tax Background Information	An understanding of how council tax is charged, when charges can be reduced or increased and how income is split with partners	94 – 97
Parish Precepts 2023/24	Lists the level of Council Tax precepts for each parish	98
Council Tax by Band and Parish	Details the Council tax due by Band and for each parish	99
Budget Management Protocol	The expectations of officers and managers responsibilities to manage budgets	100 – 101
Essential Practice for Budget Managers	Exemplar questions for budget managers to assist their management role	102
Glossary of Terms	Further detail to explain a number of technical and local government terms and references	103 – 105

CHIEF FINANCE OFFICER'S STATUTORY REPORT

1. Introduction

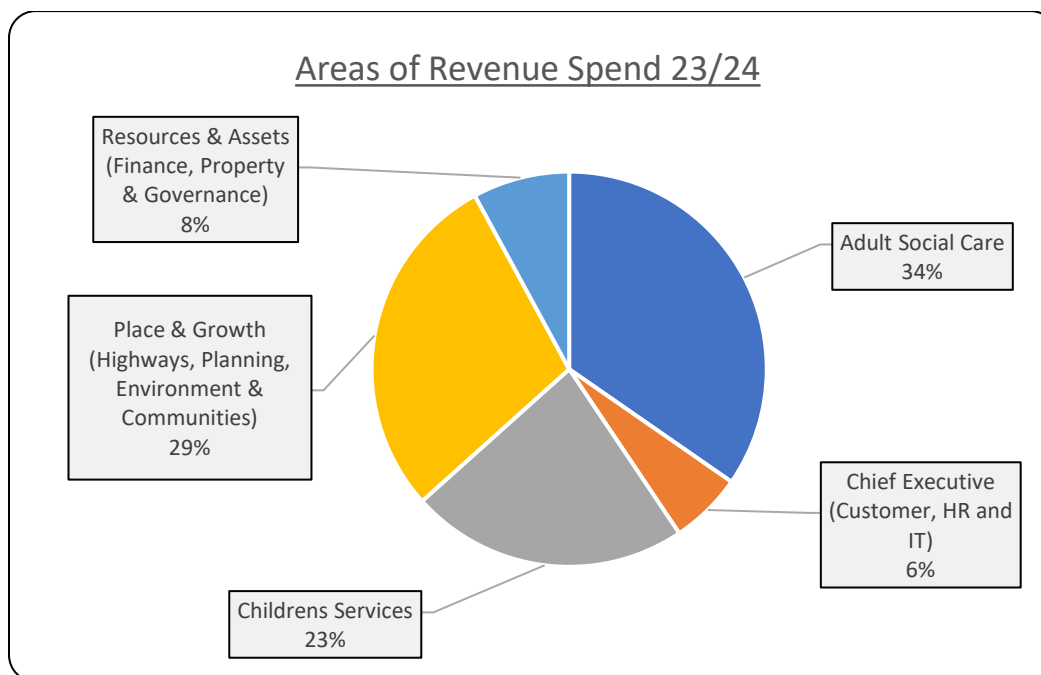
The Local Government Act 2003 requires the Chief Finance Officer (CFO) to report to Members (Councillors), when setting the council tax charges. The CFO must state if the budget is robust and if it has enough reserves. The report is intended to discharge this responsibility and provides an overview of the Council's financial position as a context before making specific recommendations on the 2023/24 budget.

The budget setting process started early in 2022/23 ensuring spend supports delivery of the Council's priorities (below) and are further detailed in the Council Plan (<https://www.wokingham.gov.uk/council-and-meetings/open-data/community-vision-and-council-plan/>). Budget proposals are put forward to invest in areas that require more spend to meet increasing demands, to reflect where services can be more efficient or where they can generate more income. The budget is also set to try to meet changing need, such as with the cost of living crisis.



A thorough and detailed budget setting process (where appropriate including impact assessments such as for Equalities) is undertaken to ensure spend is challenged against the Council's aims and objectives. To enhance transparency and engagement, this year's process has again included consultation with the Community & Corporate Overview & Scrutiny Committee (CCOSC) which is made up of Councillors from all parties and independent councillors. Information provided at CCOSC is also available to the Public.

A robust budget must be a balanced budget whereby total expenditure is matched by total income. Any change in the annual budget in relation to increased spend must be balanced by service efficiencies and/or additional income or council tax increases.



2. The financial standing of the Council

Heading into the 2023/24 financial year, the financial standing of the Council remains robust but with a number of significant local and national challenges ahead. This position has been maintained despite the Borough facing some of the most acute challenges in many years; the pandemic, cost of living/inflation rises, migration and the impacts of Brexit. It has only been achieved through strong financial management.

The Council has established financial resilience and sustainability, despite years of austerity resulting in minimal real terms increases and often real terms decreases in Government funding. **Appendix 6** is a letter from the Leader of the Council, Executive Member for Finance and Housing and the Chief Finance Officer to the Ministry of Housing, Communities and Local Government in response to the latest Local Government Financial Settlement (2023/24) detailing the pressures and impacts locally from the current approach and allocation.

Further challenges currently outside of the main General Fund also continue to build, significantly the DSG deficit as with many councils continues to increase and requires intervention to develop a longer-term sustainable position.

Further information is provided in **Appendix 1** which details:

- The standing of Wokingham Borough Council as indicated by the Chartered Institute of Public Finance & Accountancy (CIPFA) Resilience index; which shows the Council in the top 20 of upper tier authorities for financial sustainability, when initially published;
- context of the position in relation to government grants;
 - Lowest funding level across Berkshire LA's
 - Lowest Settlement Funding Assessment per head of population (unitary authorities)
 - Percentage of Revenue Support Grant lost between 2017/18 and 2022/23 – 100%

In order to achieve such a strong financial position, despite the challenges from funding and local and national pressures, the Council has enacted and enhanced; an effective budget monitoring and management process, an ongoing improvement and efficiency programme, and a continual review of the allocation of resources to meet demand and local priorities.

Further details of the outcomes and impacts of the above approaches are detailed in **Appendix 2**

Enhanced financial management has been vital to the organisation through recent financial challenges and particularly the Covid-19 pandemic. As we further understand the longer-term implications of those events and now face further challenges such as “Cost of Living” and from specific services such as Home to School Transport, we are working closely with Directors and Lead Members to continually review and challenge forecasts and to model future impacts.

These activities include;

- Seeking to maximise opportunities to deliver on savings plans, ensuring service models and approaches reflect latest demand and local need.
- Exploring reduced expenditure opportunities, including a review of Special (one-off) expenditure Items.
- Maintaining a regular financial review of the ongoing Covid-19 and emerging pressures of cost of living impacts including collection rates and Direct Debit failure rates on major income streams.
- Undertaking a Corporate transformation and efficiency program identifying key workstreams to shape and drive key opportunities including through use of assets and our approach to procurement and contract management.
- Initiating an early MTFP review process tailored to identify areas of relative financial certainty and high-risk areas of greater ambiguity.
- Reviewing non-General Fund balances to assess risks and potential options to transfer balances to the General Fund reserve (if the General Fund position becomes perilously low).
- Continuing to make representations for additional funding through Government Returns, Regional Conference calls and MPs.

As well as ongoing operational budget management and monitoring the authority utilises external and historical data and understanding to ensure confidence and robustness in its overall finances, funding and future spending need including those detailed in Appendix 1 and 2

3. How Council services are funded?

For 2023/24, the Council are planning to spend in the region of £530 million across revenue, capital, housing revenue account and dedicated school grants services. Council services can be broken down across 4 key financial areas known as;

- **Revenue (also known as General Fund) – expenditure in providing day to day services.**

Revenue expenditure covers the day to day running of services across the Council. For 2023/24, the Council will spend approximately £231m across these services. This is known as gross expenditure. Service specific grants and income will reduce this spend to a net expenditure in the region of £154m.

Further information on where this money is spent is highlighted throughout the Medium Term Financial Plan (MTFP). Funding of this revenue expenditure is determined through the local government finance settlement and consists of;

- Settlement Funding Assessment (SFA);
 - Revenue Support Grant (RSG)
 - Retained Business Rates
- Council Tax
- New Homes Bonus

A robust budget must be a balanced budget whereby total expenditure and total income match. Any change in the annual budget in relation to spend pressures must be balanced by service efficiencies and where appropriate council tax increases.

Local authorities have continued to push for a fairer funding review and long-term finance settlements to provide sustainable long-term funding for Local authorities. The intention from the government for some years has been to set a three-year finance settlement, however this has yet to materialise. The fundamental funding review is not likely to be enacted until 2025/26 at the earliest and has recently been published for 2023/24 only, with some indications for 2024/25. This means that there is still much uncertainty around future settlements in terms of duration and the actual funding Wokingham will receive. Consequently, it has been difficult to make definite determinations about budgets in 2024/25 and 2025/26. This context alongside a number of local and national pressures means it is extremely important the Council takes a prudent approach in its budget setting proposals for the 2023-2026 medium term financial plan.

- **Capital – expenditure in assets that generate economic benefits greater than one year.**

A five-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.

The first three years of the capital vision invariably receive greatest consideration and provides an indicative capital programme, although budget approvals and scheme commitments are provided to year 1 only. 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.

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 can borrow as much as they require to fund their capital programme provided it is affordable, prudent, and sustainable. A large proportion of Council borrowing is deemed as "supported" borrowing which means there is a direct repayment method identified meaning the cost of borrowing does not impact on the council taxpayer. These include investment to generate future cost reductions / income generation and forward funded investment to be recovered from developer contributions

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.

Further detail of the Capital Programme and its funding is shown in **Appendix 3**

- **Housing Revenue Account (HRA) – ringfenced expenditure across the local authority housing stock.**

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 regarding retaining income and generating capacity to invest in the housing stock.

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 £274m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants.

For capital spend, this is funded from the major repairs reserve, right to buy receipts and borrowing. Under accounting rules, an amount equal to the depreciation charge is transferred from the HRA revenue reserve into the major repairs reserve to contribute towards capital expenditure. It is therefore necessary to generate sufficient net income through housing rents to both reduce the level of debt over time and provide for major repairs.

- **Dedicated Schools Grant (DSG) – ringfenced expenditure across maintained schools, early years and high needs services.**

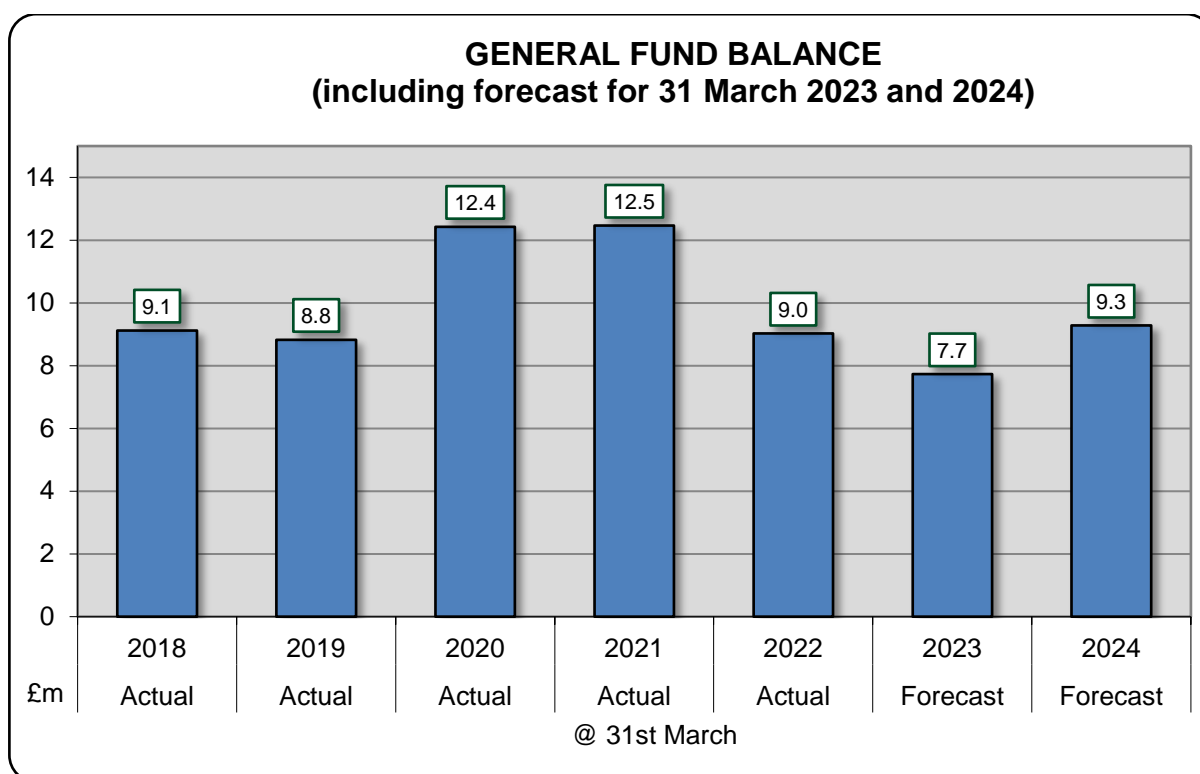
The Council receives DSG annually from the DfE and it must be used in support of the schools' budget as defined in the School and Early Years Finance (England) Regulations 2022. The purpose of the schools' budget is defined in legislation as the provision of primary and secondary education. Since the implementation of these regulations DSG deficits have risen in many Councils across the country and Wokingham is no exception. The annual deficit has risen significantly over the past five years and the accumulated deficit is of considerable concern. For this reason the Council has enlisted in the national Safety Valve programme, to ensure it is doing all it can to appropriately contain demand through numerous measures with regards to early intervention and prevention, manage need through greater self-provision and attain some additional financial support from the Government.

Further detail of the DSG are included in **Appendix 4**

4. Adequacy of reserves

The level of general fund 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. Historically this has shown that a safe level of General Fund Balances to be in the region of £9m with a minimum at £5m.

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.



Please note that work continues in 2022/23 to reduce the in-year overspend of £1.3m reported in the quarter three revenue monitoring and thereby restore reserves towards an intended minimum target level of £9m.

Capital

The Council hold various reserves for capital spend in the form of capital grants and contributions. Due to the nature of capital spend and multi-year projects, some reserves will be held but will be allocated to funding future year capital projects. The Council continuously review all capital funding each financial year to ensure grants are used where possible ahead of borrowing to reduce the capital financing costs (e.g. principal repayment + interest).

Housing Revenue Account (HRA)

Similar to the general fund balance, the level of HRA balance is informed by a budget risk analysis. Due to nature of the HRA being a ringfenced account where the main source of income is tenant's rental income, holding prudent reserves remain important to act as a contingency to meet unforeseen spending requirements or income reductions and to provide stability in medium term financial planning. Reserves have remained stable for the past two years and in line with our estimate of a prudential reserve limit

Dedicated Schools Grant (DSG)

As highlighted earlier, the Council have faced significant pressures over the past 4 years in relation to the High Needs Block, combined with under funding from the government the Council are now estimating a deficit reserve at 31st March 2023 of £16.5m in this area. For 2022/23 the mitigations are largely due to be delivered from actions and provision already planned for in the budget. From 2023/24 onwards successful delivery of the mitigations are predicated on increased local provision and are likely to require additional capital investment options currently being developed. We are currently working with the DfE to form a recovery plan for this. Recent accounting guidance published by CIPFA confirmed that this deficit reserve should be held as an unusable reserve and does not require to be covered by the authorities general reserves, although the authority may wish to contribute non-DSG funds to help manage the longer-term position.

The Council also hold approximately c£7m in school reserves which are held to act as a contingency to offset future pressures and or put towards capital investment within schools.

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.

Further information is available in section 2 of the medium-term financial plan under reserves and balances.

5. Major Financial Risks – Forward Look

Although the Council has worked over many years on the highest standards of financial management, including a strong track record of delivery of significant savings, the financial future looks both extremely challenging and uncertain. The degree of uncertainty is at a level never previously experienced by the Council.

The explanatory below sets out the key risks identified by each Directorate. Further detail including the mitigations and controls that are in place are provided in **Appendix 5**

Adult Social Care – Although the charging reform has been postponed until year 3 of the MTFP, the risk of care reform measures and the impact on the care market remains. The National living wage increase will mean an already struggling care market will require additional financial support through care payment increases. There is also a national requirement to enable an expedited hospital discharge rate with the consequence of a higher number of care placements to be secured and funded by the Local Authority with little additional funding to do this. Already demand in this area is increasing both in terms of numbers and complexity, which will be exacerbated through further pressures on both the care market and the health system.

Children's Services – Particularly pressures are being experienced through a starkly rising number of Children in Care and through increased EHCPs. The later which is the primary reason behind the escalating DSG deficit and linked to this is significant year on year growth in Home to School Transport which is compounded by other factors such as the increase in transport running costs. Inward migration, particularly the Unaccompanied Asylum scheme which has recently required a higher uptake brings further pressure on Children's Services.

Place & Growth – Inflationary pressures are being felt severely in many areas undertaken within this Directorate in terms of both in Revenue and Capital. As a Directorate that provides the highest value of discretionary services and generates the highest value of discretionary income, it is inevitable that it will be putting forward a number of the funding solutions to address the budget gap. The successful delivery of these proposals will carry risk, some considerably higher than others.

Corporate – The impact of inflation, interest rates, the continuing impact of Covid and the cost of living crisis is felt Council-wide both in terms of the direct impact and the imperative to respond to the needs of the community where we can. Similar to Place & Growth, there will be considerable Corporately held savings and efficiencies targets, such as those coming out of the Organisation Foundations, that must be delivered on.

From a strategic financial perspective, it will be extremely challenging to keep spending within budget in 2022/23 given the National and Local context and we must do all we can to minimise and prevent any unfunded financial burdens flowing into 2023/24. The 2023/24 budget proposals will attempt to fund and address the challenges described above, however considerable financial risk will need to be held and managed within Directorates and across the Council. The longer term strategic financial position will be impacted by the Council's responsible approach in setting the 2023/24 budget and how it continues to closely review and respond where necessary. These endeavours will need to be discharged in the context of considerable uncertainties which includes both the economic landscape and Government funding, given the financial settlement was for one year only. Longer term the unknown financial pressures around future legislative requirements, will also need to be understood

and overcome, such as; the removal of the statutory override on the DSG; the new requirements for Minimum Revenue Provision; and the ASC charging reform.

6. Conclusion

The budget submission to Council inevitably contains considerable risk that must be managed next year and beyond. The savings targets are challenging but are necessary and considered deliverable, and expenditure budgets will need to be carefully managed with considerable unknowns. A budgeted General Fund balance of over £9m is considered safe and prudent in the context of this. The Housing Revenue Account also experiences a higher level of risk than in previous years, however expenditure fluctuations are not as great in this area and therefore a modest forecast reserve of approximately £1m is considered to be adequate. Over recent years the DSG deficit has escalated to a level of considerable concern and the proposal to utilise 1% of the Council Tax increase p.a. for this is considered to be wholly necessary, in conjunction with all the other work being undertaken in this area to reduce costs.

The Capital Programme, although balanced in 2023/24 provides little to cover risks of unknown emergency expenditure or unmanageable increases in inflation. Diligent cost control measures and a continuous review of schemes will need to continue into 2023/24 to curtail or rephase expenditure where possible and enhance the level of contingency in year. Although good progress has been achieved in reducing pressure on future years programme, there remains a sizeable gap for Years 2 and 3 which will become more severe with any re-profiling from year 1. If costs cannot be curtailed overall, there may need to be a sizeable growth bid in future years to support additional borrowing.

From a strategic and longer term financial perspective the outlook remains both challenging and uncertain and as such it would be prudent to plan on using the maximum Council Tax flexibilities. The Council does hold sizeable Earmarked Reserves but also carries significant risk. The use of £1.4m Earmarked Reserves in 2023/24 is reasonably modest and necessary given the current national and local context.



Graham Ebers

Deputy Chief Executive
(and Chief Financial Officer)

7. 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

Appendix 1;

Key Financial Standing & Funding Context

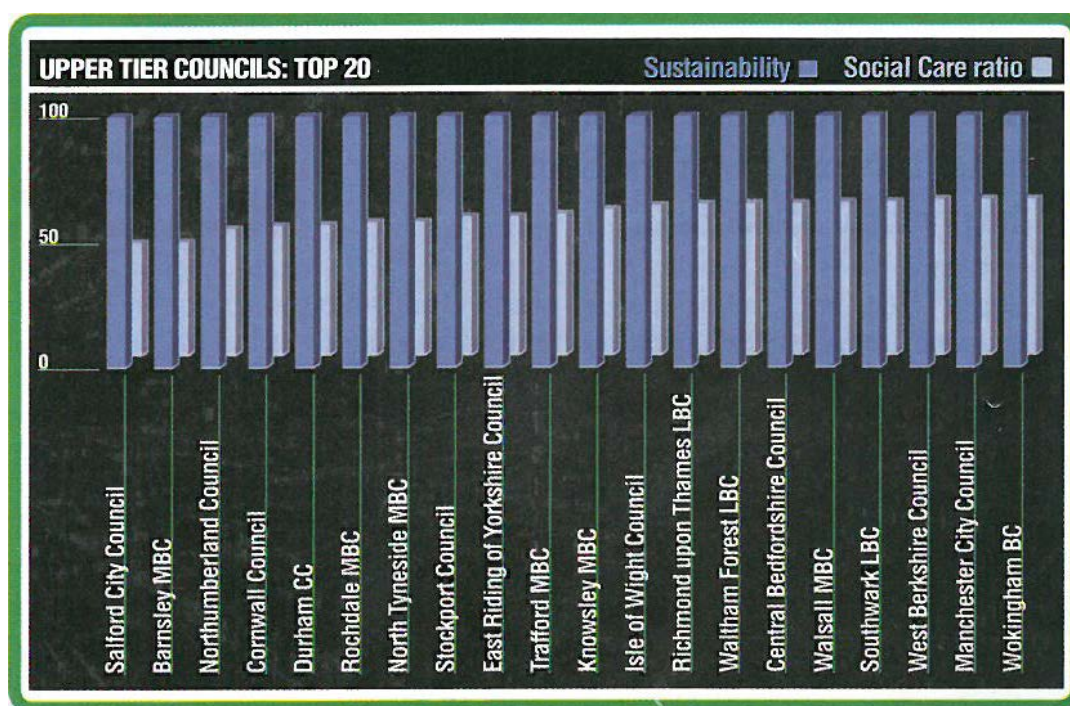
As part of the overall approach to managing and monitoring the financial position it is important to monitor and review the longer-term trend, impacts of funding and the position against other Councils. These are useful measures to further ensure Wokingham's approach and understanding is reasonable and there are not other risks or opportunities that have not been considered or understood.

CIPFA Resilience Index

In December 2019, CIPFA published their first 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 and financial stress. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over a number of 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 2020 – The Management Journal). Although Wokingham have been rated highly for financial sustainability (measured by ability to maintain reserve balances), 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). Also included in the graph is the social care ratio which shows how much of the annual spend is linked to social care which is seen by CIPFA as an area of financial risk for all local authorities.

The latest resilience index published (based on 2020/21 data) showed an improved position on indicators of financial stress. These included improved indicators around maintaining or improving earmarked reserves and the cost of social care as a proportion of total expenditure compared to other local authorities.



Source – The MJ – 9th January 2020 (The above analysis, undertaken for a national report, has not been repeated or updated since January 2020, however is still relevant to understand Wokingham's position and context at that time. We will consider methods to update this for future years reports)

Wokingham Funding Context

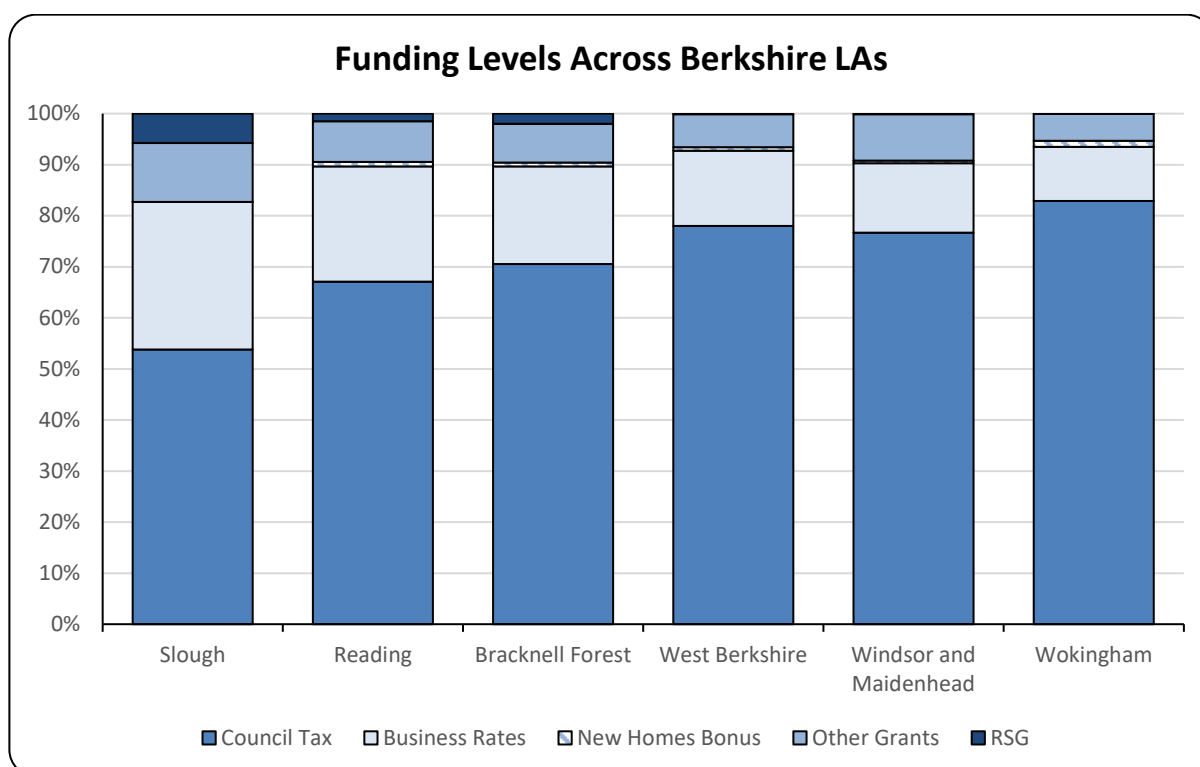
The reductions in Government grants have had a major impact on the Council's finances and budgets since 2010/11. The Council's net expenditure budget has been reduced each year since 2010/11 as shown in the table below, which indicates that the net expenditure budget has been reduced by £53m (50%) between 2010/11 and 2023/24 meaning the Council are delivering services more cost effectively.

	£m
WBC 2023/24 net expenditure budget	153.9
Less reduction in grants for services now part of formula grant	(12.5)
Less discount re inflation since 2010/11 (based on CPI)	(68.4)
Less discount re growth in council tax base since 2010/11	(21.5)
Net expenditure budget 2023/24 discounted to 2010/11 Prices (a)	52.2
WBC 2010/11 net expenditure budget (b)	105.2
Estimated reduction in expenditure since 2010/11 (b – a)	£53.0m (50%)

This is the 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 deemed in the finance settlement to have the majority funded by its council taxpayers. Whilst the average unitary authorities receive revenue support grant and retained business rates to fund around 30% of their service costs, Wokingham receive only 11%.

The graph below highlights the imbalance of funding requirements across the 6 Berkshire authorities. Based on the core spending assumptions from central government in the finance settlement, Wokingham has the majority of funding expected to come from council tax as opposed to Slough for example, who receive more revenue support grant and can retain more business rates funding.

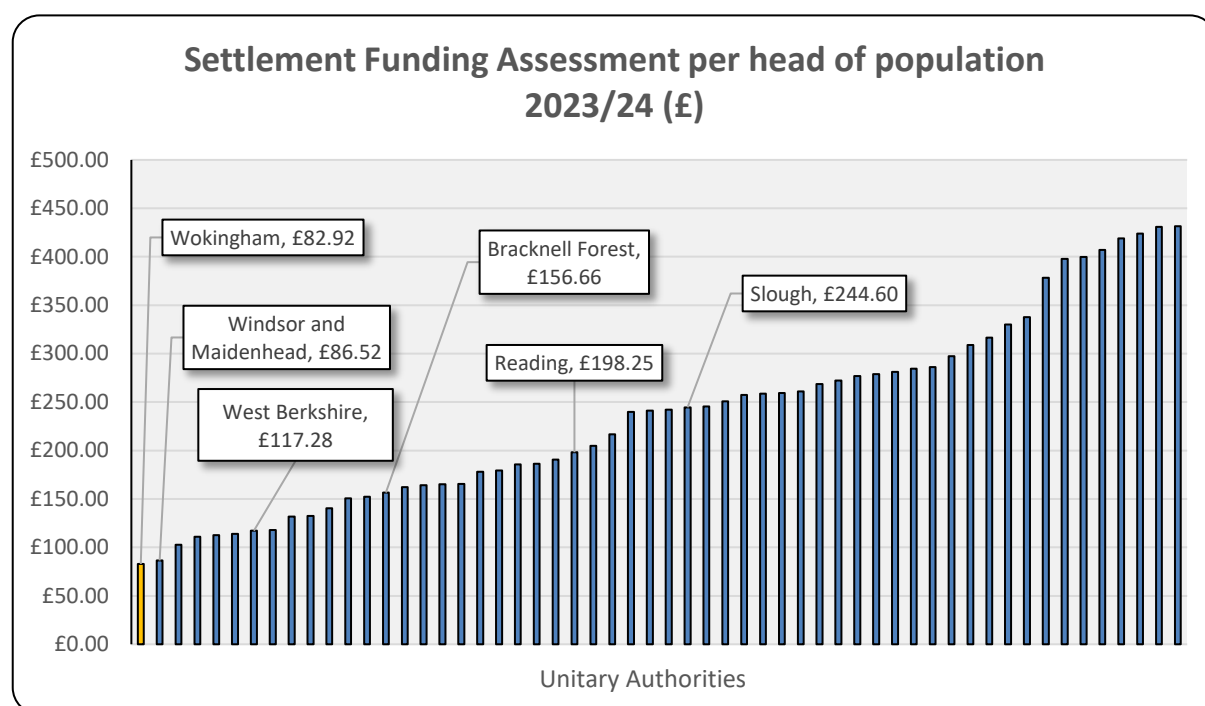


Settlement Funding Assessment (SFA)

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 (£14.65m) and the RSG represents a grant from government to help fund services within Wokingham (£0.12m).

Wokingham's total SFA will be £14.77m in 2023/24, compared to £19.07m in 2016/17, a reduction of 22.5%, or £4.3m. Wokingham's SFA has remained close to £14.1m since 2017/18 after the reduction in 2016/17. 2023/24 is the first year the Council have seen a small increase (c4%). This means our baseline funding level and therefore retained business rates have not seen any inflationary increases.

The graph below shows the position for 2023/24 in terms of SFA funding per head of population and confirms that Wokingham is the lowest funded unitary authorities, well below the unitary average, and less than 17% of the highest funded unitary authority:



Wokingham will receive the SFA per head of £82.92, which is significantly lower than the unitary authorities' average. It is also less than half the funding of two of the Berkshire authorities. If the Council received £250 per head, this would equate to an additional c£30m in funding.

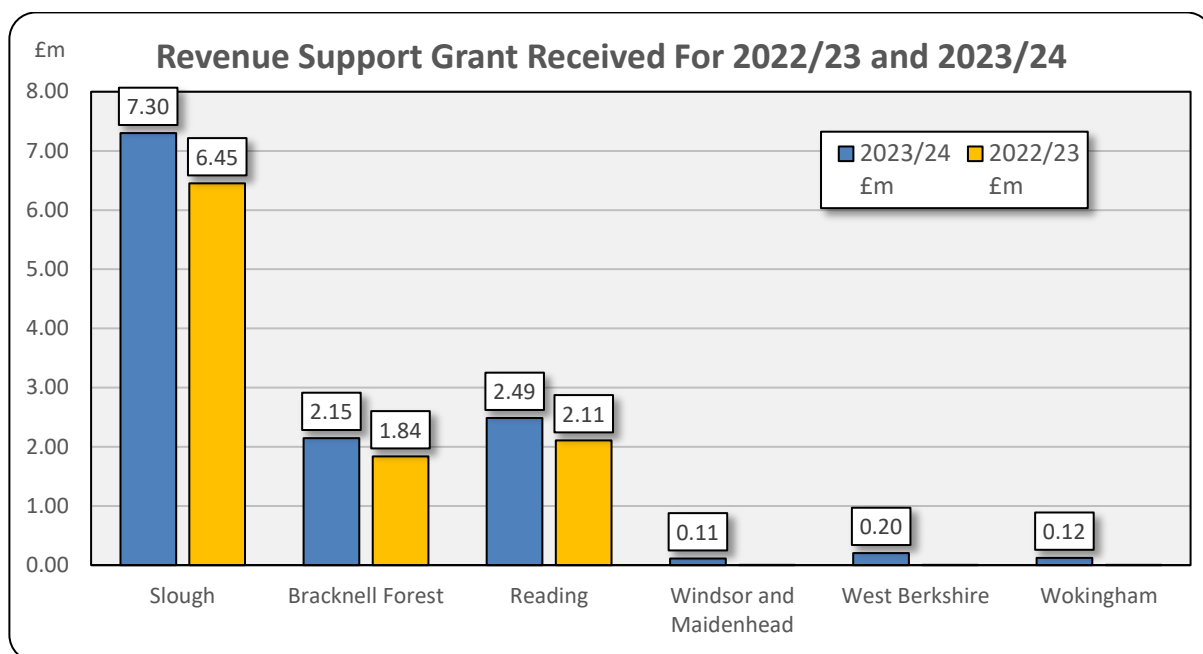
Revenue Support Grant (RSG)

RSG was previously the significant un-ringfenced grant that supported the Council's ongoing revenue expenditure. From 2013/14 it has been incorporated within the settlement funding assessment (SFA) which Wokingham faced reductions in grant yearly and the complete removal of this grant since 2018/19. Only this year (2023/24), have Wokingham seen some RSG allocation, £0.12m.

It was expected that from 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 2023/24 (similar to 2022/23). The funding position is unclear from 2024/25 onwards and Wokingham will need to continue to make representations regarding the new methodology for financing local authorities to ensure we secure a fair and viable ongoing funding settlement from the Government.

The graph below compares the RSG allocations over the past two years across Berkshire Councils.

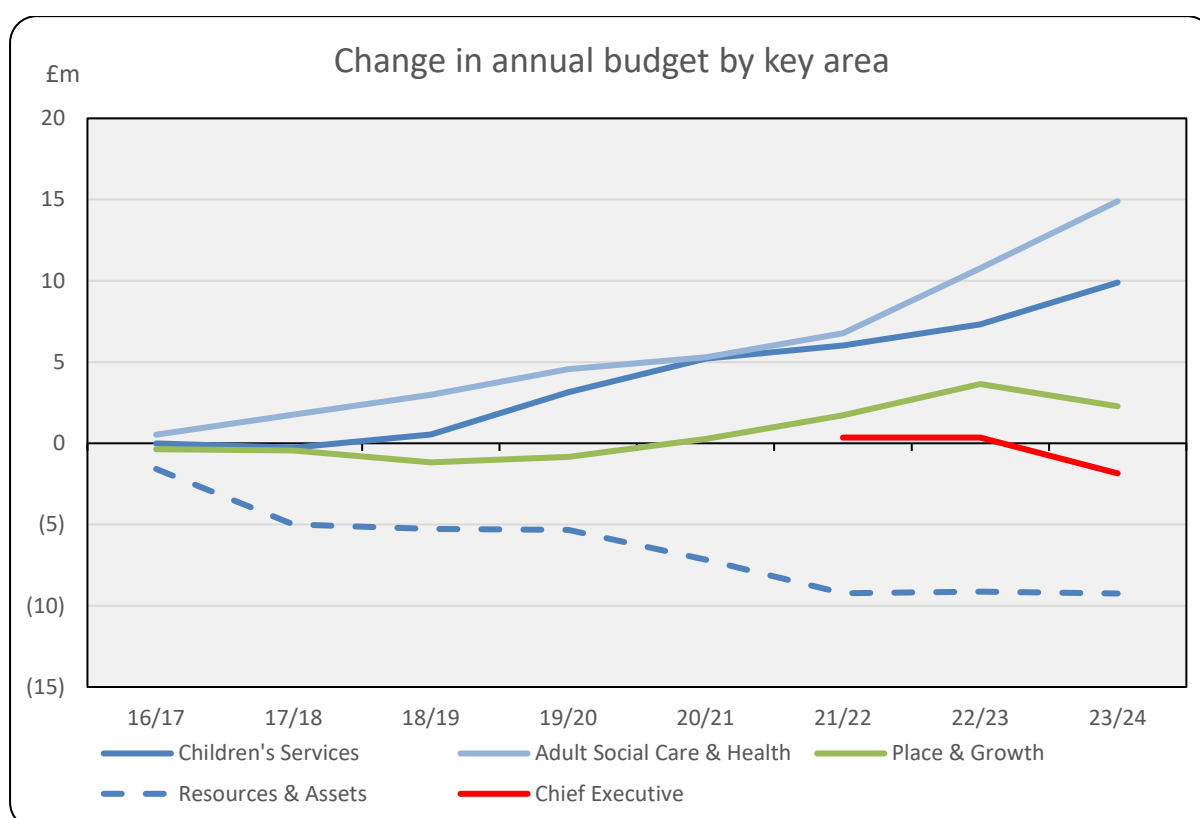


Appendix 2;

Delivering through financial governance and ongoing efficiency

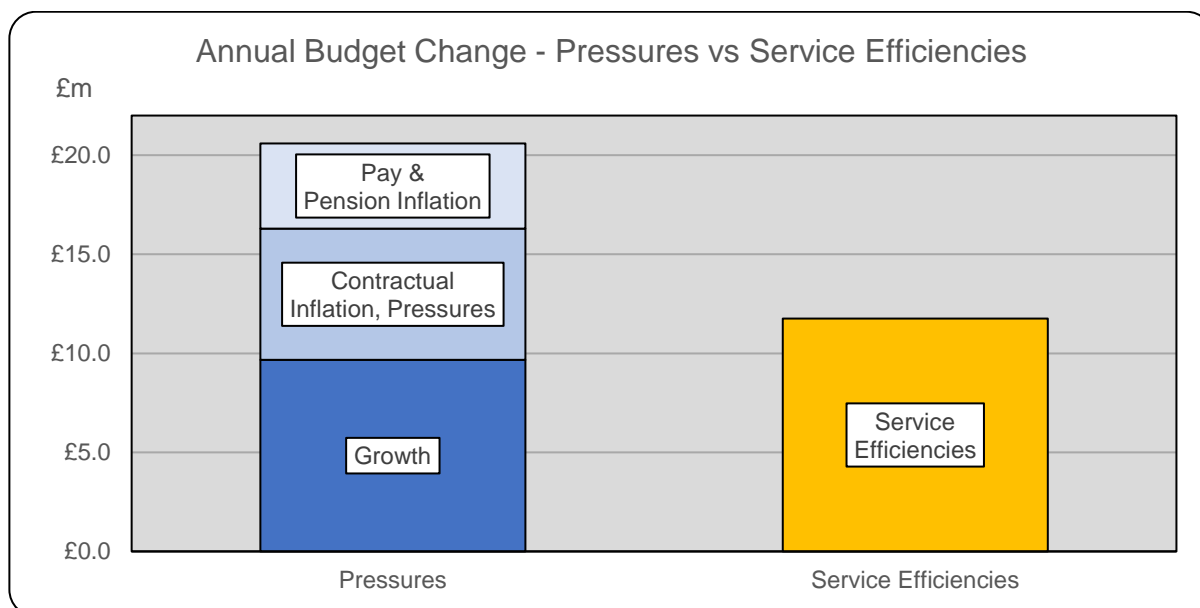
Across the many varied and complex services the Council provide, there will be pressures and risks as well as efficiencies and opportunities to reduce costs or to deliver more value from current resources. Often efficiency initiatives are required to meet additional demand and service need without the need for budget growth. The budget process aims to capture these to ensure the budget set is prudent and robust and that services continue to review their operations and cost base. The detail below shows where opportunities have been identified and how those initiatives have impact the distribution of resources across services and the impact on the overall budget position.

The graph below shows the cumulative change in annual budget across four key areas of Children's Services, Adult Social Care & Health, Place & Growth, Resources & Assets. Whilst the graph shows cost pressures across the social care areas, the Council have managed to offset many of these through efficiencies and income generation within resources & assets services and recently place & growth.



Note – the graph above excludes £2.96m of inflation in 2023/24 which will be distributed to services during the year.

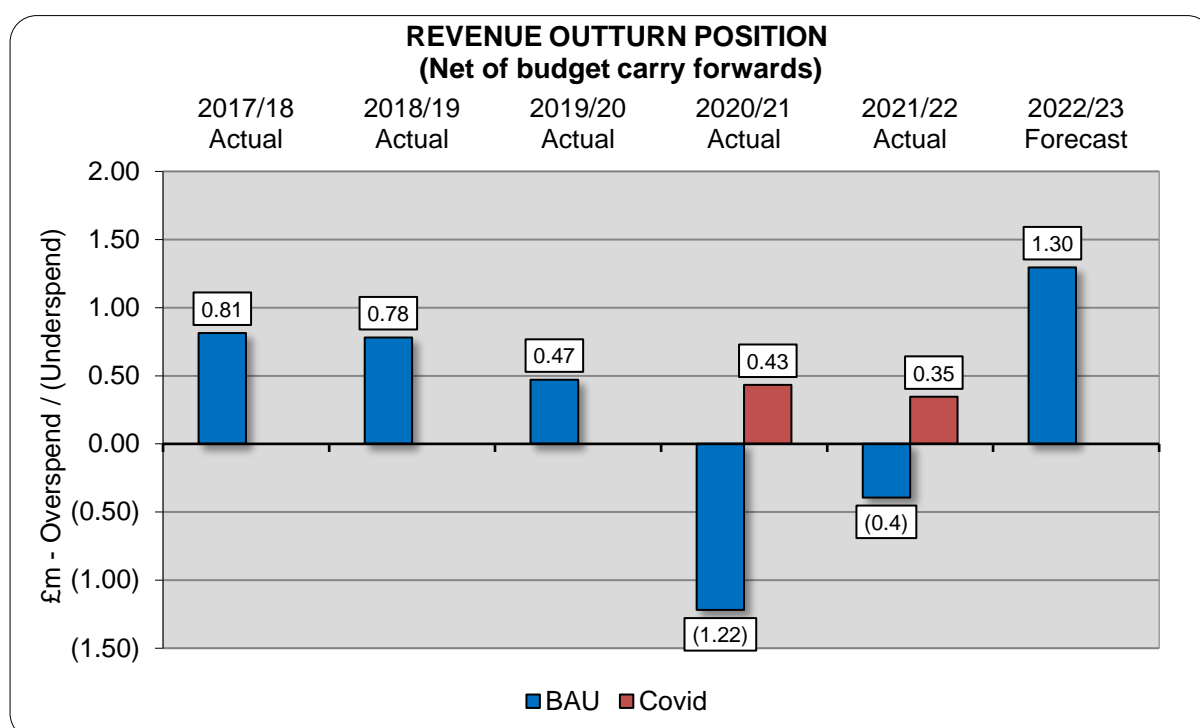
The annual change in budget is shown below. For 2023/24, the total pressures outweigh the service efficiencies. The difference will be required to be funded via council tax rises. The detail budget changes have formed part of the information provided to Community and Corporate Overview and Scrutiny Committee throughout the budget process.



* Service Efficiencies are designed to reduce costs whilst maintaining services to the public.

Mitigating Service and Budget Pressures

Over the past number of financial years, the Council have faced a number of demand led pressures in year and more recently, the financial impact from Covid-19. These underlying pressures are considered as part of the budget process. The forecast budget variance in 2022/23 currently shows a combined overspend of £1.295m compared to the budget approved in February 2022, based on December 2022 monitoring.



Further information is available in the quarterly revenue monitoring reports reported to Executive and available on the Councils website.

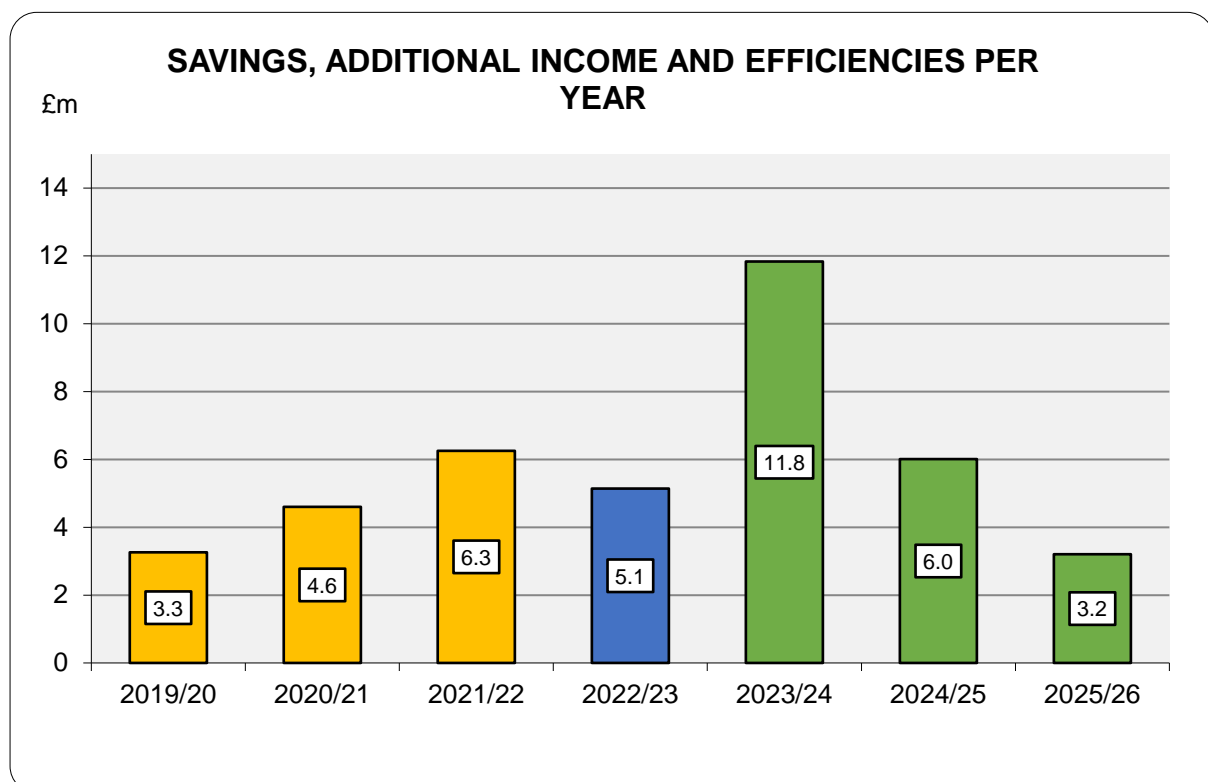
Extensive work is currently underway to manage the in-year 2022/23 position and to bring the current forecast back to a balanced position. This is critical in order to maintain appropriate reserves. Current activity includes;

- a) Departmental budget savings programmes,
- b) Restrictions on all recruitment,
- c) Implementation of future savings programmes being brought forward where possible,
- d) Program of contract reviews to manage inflation and understand efficiency options

Delivering Efficiency and Income generation

In order to continue to provide value for money and to maintain budgets within the ever difficult financial environment, efficiencies and income generation are required to meet the changing pressures in growth, inflation, and demand for services.

The total savings, efficiencies and income generation that have been identified in setting the council tax in previous years are shown below, along with planned savings required in the 2023/24 three year medium term financial plan. Efficiencies are used to fund growth, inflation and reductions in Government grants whilst allowing the Council to maintain frontline services.



Nb – Amber denotes savings delivered, Blue denotes savings in delivery and Green denotes savings in future plans.

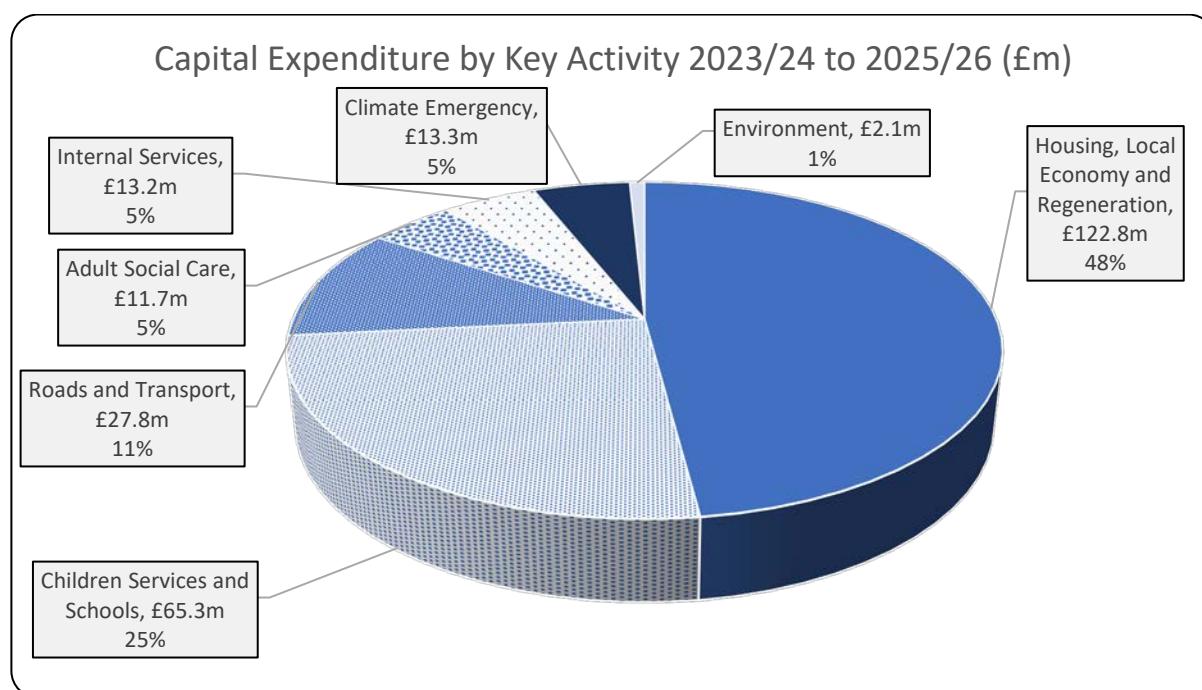
Appendix 3;

Capital Programme – Investing in the Borough

The following paragraphs further detail the Capital Programme showing where investment is being made, how the programme is being funded and the overall impact on borrowing, the capital financing requirement and the return on investments.

Spend Analysis

The graph below shows the capital expenditure planned for the next 3 years by key activity area. This excludes any previously approved budget that has will be carried forward into future years. In total the Council plan to invest a further £216m (including HRA) over the next 3 years.



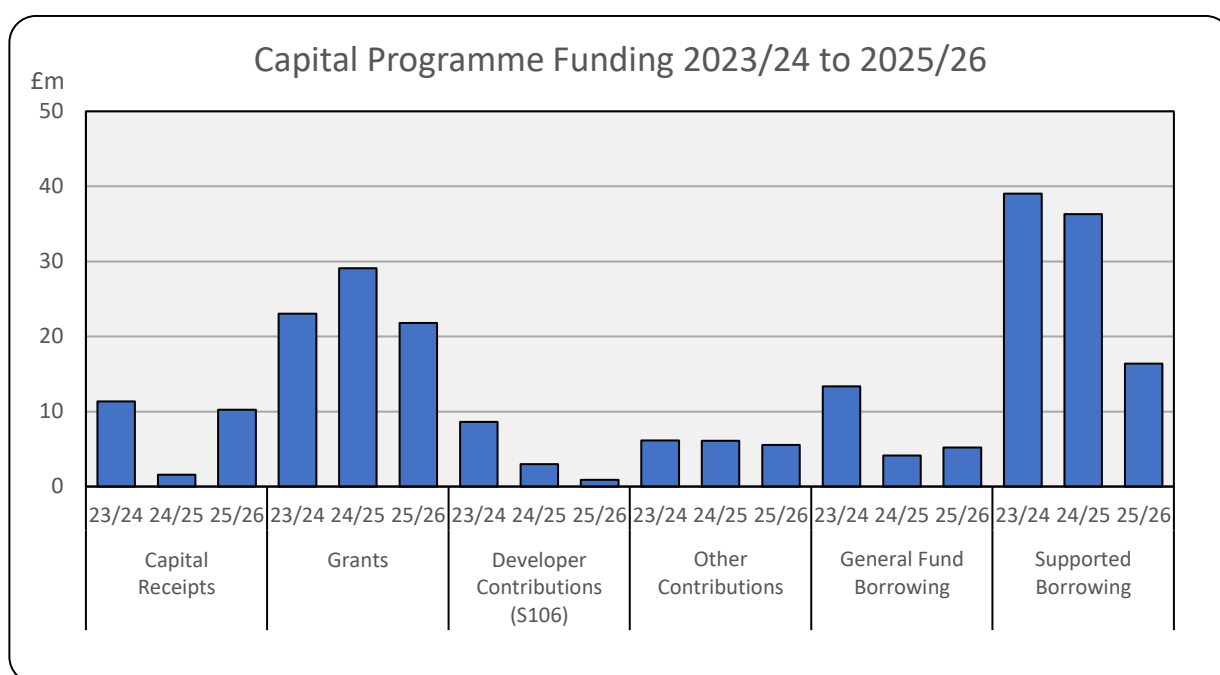
As highlighted above, significant investment is planned across schools, roads and transport, housing, local economy, and regeneration.

Funding Capital Investment

There is currently a gap in funding for the capital programme over the full MTFP period, however year 1 of the programme is fully funded. The longer-term budget gap will be addressed through a combination of expenditure reductions, reprofiling of projects and seeking to maximise funding resources.

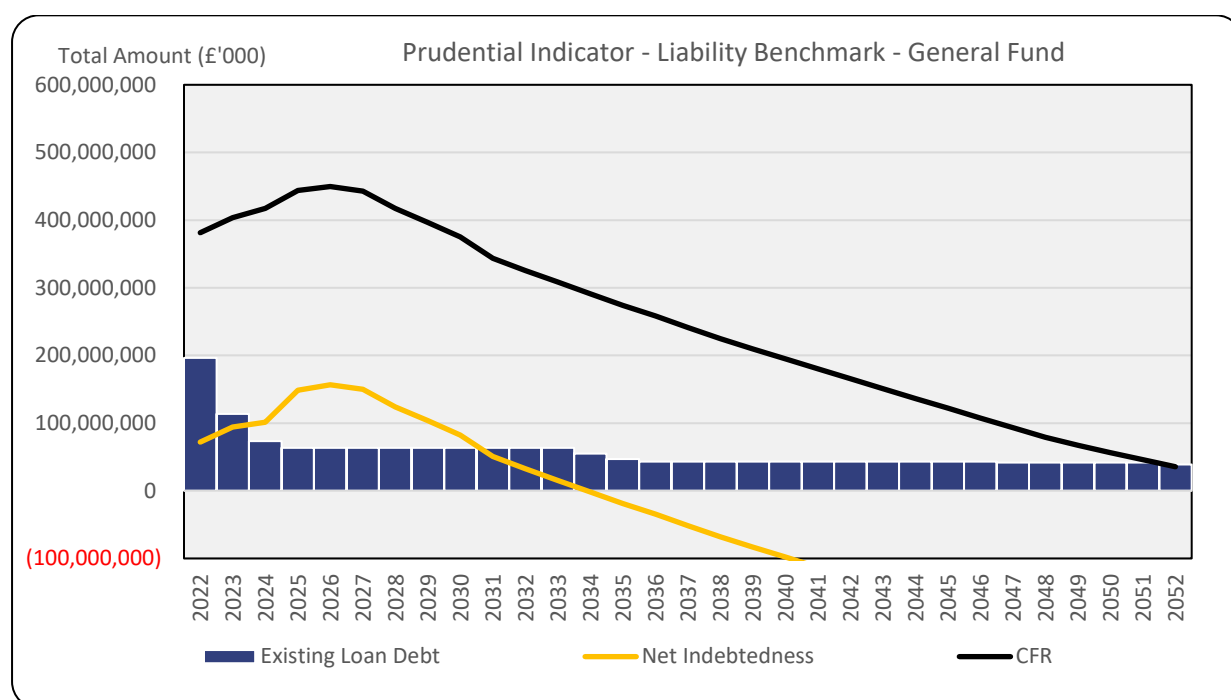
The major funding source for the capital programme will be supported borrowing which relates to borrowing upfront where a direct repayment source (e.g. Income generation, HRA rental income, repayment of subsidiary company loans and future developer contributions) has been identified whereas general fund borrowing is funded through existing revenue base budget. The graph below shows how the capital programme will be funded over the next 3 years (assuming the funding gap in year 2 and 3 are met through reducing / rephasing capital expenditure).

The amounts shown under supported borrowing are based on the budget permissions set out in the capital programme consisting of different projects. Some projects will be committed to deliver whereas some budget allocations will not yet have detailed plans for spend or relevant outcomes/returns and therefore will not progress until that detail is fully understood.



Nb; as explained above, funding identified in graph is currently less than total capital requirements. Further funding opportunities will be required or a reduction in the total capital programme will be needed in order to balance the position.

As the Council continues to borrow over the short to medium term period, debt levels will increase as shown by the CFR line in the graph below. The level of debt is considered affordable and sustainable as required by the CIPFA prudential code. All capital projects are supported by detailed business cases which include where appropriate how supported borrowing will be repaid.



Note – net indebtedness is calculated by subtracting treasury investments from external borrowing.

Further information on the funding of the capital programme is set out in the Capital Strategy and the Treasury Management Strategy.

Appendix 4;

Dedicated Schools Grant

The Council receives DSG annually from the DfE and it must be used in support of the schools' budget as defined in the School and Early Years Finance (England) Regulations 2022. The purpose of the schools' budget is defined in legislation as the provision of primary and secondary education.

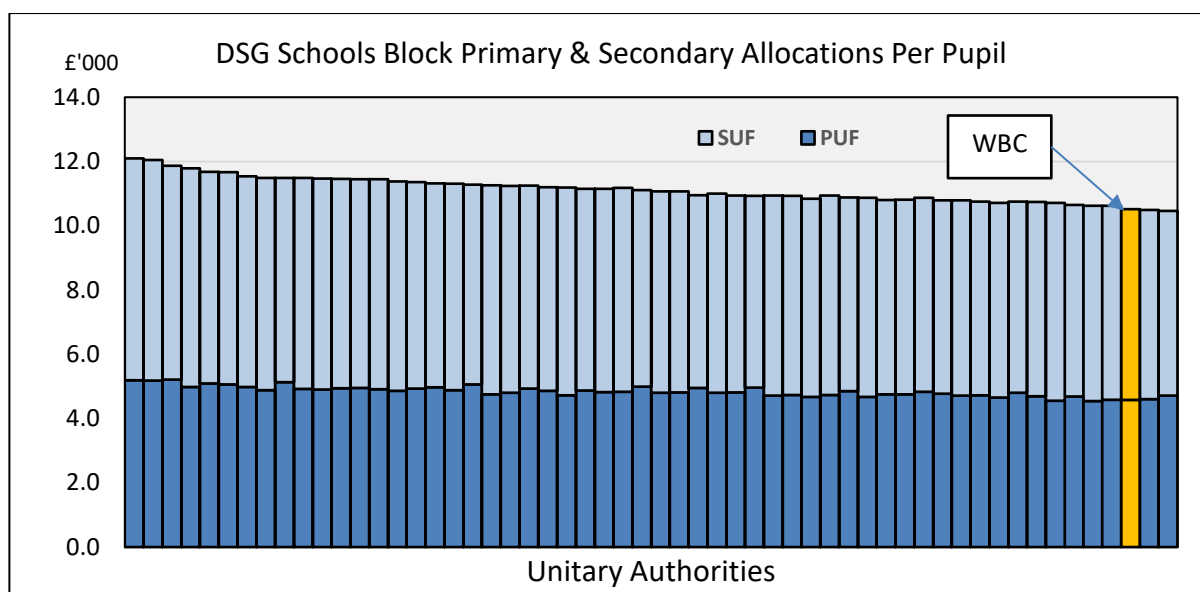
The following pages explain further how the grants are calculated and distributed. They also show Wokingham's grants in comparison to some other unitary authorities

The amount for 2023/24 was notified to the authority by the Department for Education (DfE) in December 2022. 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 2023/24 is £180.86m, compared to £167.16m in 2022/23. The increase to 2022/23 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 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.

DSG funding has increased for 2023/24 for all four blocks. This much needed funding increase is welcomed by the Council and all of our schools and will help contribute to the day-to-day funding of services.

Block	2022/23 £,000	2023/24 £,000	Change £,000	Change %
Schools Block	129,842	138,780	8,938	7
High Needs Block	25,031	28,430	3,399	14
Early Years Block	11,289	12,615	1,326	12
Central School Services Block	995	1,039	44	4

The actual 2023/24 PUF is £4,579 and SUF is £5,936 per pupil compared to £4,404 (PUF) and £5,656 (SUF) in 2022/23. Wokingham continues to receive one of the lowest funding amounts of all unitary authorities.



As outlined in the previous section, the DSG funding is based on 4 blocks and therefore expenditure mirrors these 4 blocks and includes;

- Schools Block – expenditure on day to day running of schools.
- High Needs Block – expenditure on high needs including independent special schools. This area has seen significant financial pressures due to growing demand and complexity in cases.
- Early Years Block – expenditure in relation to providing to early year settings including funding for free entitlement for 2, 3 and 4 years old.
- Central Schools Services Block – expenditure in relation to statutory services such as school admissions and education support services.

Of the £138.8m in the Schools Block, £1.7m is proposed to be retained for the Growth Fund, funding new and growing schools. The remaining £137.1m is allocated to individual school budgets based on the local funding formula, which all schools have been consulted on, and will be presented to Schools Forum for final approval on the 11th January.

All schools are funded using the same formula regardless of whether they are maintained or an academy, with the formula taking account of a large number of variables including pupil numbers and other factors such as deprivation.

The current school profile is as follows:

	Number of Schools	Total Number on Roll	Draft Budget 2023/24 £,000
Maintained Schools	29	9,713	46,758
Academies	36	16,702	90,356
TOTAL	65	26,415	137,114

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 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 have been invited into the government's Safety Valve Programme and are working with the ESFA to produce a DSG management Plan that will see The Council setting an in-year balanced budget by 2028/29".


Appendix 5;

Key Financial Risks and Mitigations / Controls

Risk	Mitigation and Controls
Adult Social Care and NHS reform	Significant work has been undertaken to model costs and service options. Liaison is ongoing with central govt and professional organisations. Contingency budgets built into MTFS. Recent delays allow for further preparation and understanding
Additional statutory costs of Children in Care	We are experiencing significant increases in demand and a number of management actions are in place to mitigate the risks including targeted service work to support children to remain at home and working with partners to manage and reduce costs of placements.
One-year financial settlement	Working with central govt, professional orgs and other local authorities to best understand future options and implications. MTFP includes a number of assumptions and contingencies
Increasing Interest rates and debt charges	The treasury team work with External experts to continually review and update borrowing and lending strategies. Investments are reviewed and modelled against various scenarios
Inflationary pressures – including pay and contracts	Specific corporate support is in place to assist contract management and procurement. MTFP includes provision for increases as best understood.
Future changes to Minimum Revenue Provision	Continue to work to understand likely changes and timing, input into consultation to inform future model. Investments are modelled against various future scenarios to ensure any revised investment decisions or further provisions are provided for
Dedicated Schools Grant Deficit	Actively involved in Safety Valve potential opportunity. Continually review service models and efficiency opportunities. MTFP includes further annual funding
Continuing impacts from COVID	Key budgets (leisure, parking) are continually reviewed with short-term additional funds and increased base budgets provided in MTFP where required.
Cost of living pressures	Ongoing engagement with community partners to provide support and wherever possible proactive interventions. Increases in Council Tax Reduction schemes to support vulnerable
Specific service pressures; Home to School Transport Unaccompanied Asylum Seekers	Detailed budget monitoring and forecasting. Support to services to review and innovate in service delivery models. Where appropriate lobbying to central government for appropriate funding.

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 expenditure (excluding Dedicated Schools Grant) – this equates to £7.9m Risk assessments of budgets To enable stability in longer term financial planning 	2024 £9.3m 2025 £9.0m 2026 £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 @ 3.0% = £30k 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 £30k per £1m Could be used instead of borrowing @ 4.0% = £40k per £1m but loss of interest of £30k 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 	2024 £2.8m 2025 £2.4m 2026 £2.0m	<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)	These are reserves held in order to finance the renewal or maintenance of specific items of equipment or furnishings.	<ul style="list-style-type: none"> Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life 	2024 £0.7m 2025 £0.7m 2026 £0.7m	<ul style="list-style-type: none"> Reduces pressure on maintenance budgets Interest is accrued on the reserves at 3.0% = £20k which helps to reduce costs 	<ul style="list-style-type: none"> Could be used for alternative maintenance or other revenue expenditure
Waste PFI Equalisation Fund (Earmarked Reserve)	The reserve is held to even out the cost of the waste PFI contract over the life of the contract and smooth revenue impacts from volatility in landfill and recycling usages.	<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 	2024 £4.2m 2025 £4.2m 2026 £4.2m	<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
Pension, Interest, and WTCR / Equalisation Funds (Earmarked Reserve)	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. These reserves also held to smooth the negative impact from the fairer funding review.	<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 Smooth impact of fairer funding review and loss of new homes bonus 	2024 £50m 2025 £48m 2026 £46m	<ul style="list-style-type: none"> Equals out market fluctuations in income due to volatile interest rates Avoid short term borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m 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, parks and natural greenspaces	<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. 	2024 £21m 2025 £22m 2026 £23m	<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 Avoid short term borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m 	<ul style="list-style-type: none"> Money cannot be used for other purposes
Forward Bonding (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 	2024 £23m 2025 £22m 2026 £21m	<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

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
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) 	2024 £2m 2025 £2m 2026 £1m	<ul style="list-style-type: none"> To finance future capital schemes This provides stability for longer term planning Interest on balances helps to reduce costs to the taxpayer. 	<ul style="list-style-type: none"> Loss of interest income
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 	2024 £1m 2025 £1m 2026 £1m	<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
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 Aim to fund schemes identified within the 3 year capital programme / 5 year capital vision All contracts are unique to each developer and will vary depending on the nature of the particular project Balances may increase due to restrictions on how contributions may be spent, and matching these to schemes within the capital programme 	2024 £75m 2025 £74m 2026 £73m	<ul style="list-style-type: none"> Avoid short term borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m 	<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, but loss of interest

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Ring Fenced Reserves:					
Housing Revenue Account (HRA) (Statutory)	Resources available to meet future running costs for council houses	<ul style="list-style-type: none"> Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA Balance is determined by level of risk associated with the budget Current recommended minimum level of reserves is £1m 	2024 £1m 2025 £1m 2026 £1m	<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. 3% Interest = £30k 	<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 £30k per £1m Could be used to fund HRA debt repayment
167 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 	2024 £0.1m 2025 £0.1m 2026 £0.1m	<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
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 	2024 £15m 2025 £14m 2026 £13m	Reserves include: <ul style="list-style-type: none"> Challenge of business rates Energy contract reserve Building Control trading account reserves 	<ul style="list-style-type: none"> Interest on these reserves at 3.0% would be £390k which helps to reduce costs

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2023/24

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

	2022/23 Restated Estimate £	2022/23 Local Tax Rate £	2023/24 Estimate £	2023/24 Local Tax Rate £
Adult Social Care	58,094,700	775.15	59,011,680	773.95
Chief Executive	10,576,770	141.12	9,327,050	122.33
Childrens Services	31,172,970	415.94	33,718,660	442.23
Place & Growth	32,638,920	435.50	31,318,990	410.76
Resources & Assets	12,171,520	162.40	23,515,750	308.42
Total Net Expenditure	144,654,880	1,930.11	156,892,130	2,057.68
Appropriation to / (from) Balances	6,807,582	90.83	7,522,963	98.67
Borough Council Requirement	151,462,462	2,020.95	164,415,093	2,156.35
Income:				
Government Support / Business Rates	(20,643,100)	(275.44)	(27,976,943)	(366.92)
New Homes Bonus	(4,765,095)	(63.58)	(1,865,430)	(24.47)
Council Tax Collection Fund Surplus	(1,000,000)	(13.34)	(1,000,000)	(13.12)
Council Tax for Borough Council Purposes	125,054,267	1,668.58	133,572,720	1,751.84
General Fund Balance Estimates (Note 1)				
Brought Forward	9,025,630		7,730,293	
In Year Variation	1,295,337		1,549,707	
Carried Forward	7,730,293		9,280,000	
Council Tax Base	74,946.3		76,247.1	

Note 1 - 2022/23 estimate based the in year revenue monitoring position at quarter three

The local tax Band D rate of £1,751.85 is a 2.99% core increase in council tax and a 2.00% increase which forms the Adult Social Care precept.

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2023/24

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

	2022/23 Restated Estimate £	2022/23 Local Tax Rate £	2023/24 Estimate £	2023/24 Local Tax Rate £
Adult Social Care	61,342,940	818.49	62,638,850	821.52
Chief Executive	10,307,740	137.54	10,098,870	132.45
Childrens Services	37,710,820	503.17	42,037,440	551.33
Place & Growth	47,355,280	631.86	51,535,820	675.91
Resources & Assets	4,596,730	61.33	13,772,030	180.62
Depreciation Charges	(16,658,630)	(222.27)	(23,190,880)	(304.15)
Total Net Expenditure	144,654,880	1,930.11	156,892,130	2,057.68
Appropriation to / (from) Balances	6,807,582	90.83	7,522,963	98.67
Borough Council Requirement	151,462,462	2,020.95	164,415,093	2,156.35
Income:				
Government Support / Business Rates	(20,643,100)	(275.44)	(27,976,943)	(366.92)
New Homes Bonus	(4,765,095)	(63.58)	(1,865,430)	(24.47)
Council Tax Collection Fund Surplus	(1,000,000)	(13.34)	(1,000,000)	(13.12)
Council Tax for Borough Council Purposes	125,054,267	1,668.58	133,572,720	1,751.84
General Fund Balance Estimates				
Brought Forward	9,025,630		7,730,293	
In Year Variation	1,295,337		1,549,707	
Carried Forward	7,730,293		9,280,000	
Council Tax Base	74,946.3		76,247.1	

GRAND SUMMARY - GENERAL FUND FORECAST BUDGETS 2024/25 & 2025/26

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.

	2024/25 Estimate £	2024/25 Local Tax Rate £	2025/26 Estimate £	2025/26 Local Tax Rate £
Adult Social Care	59,021,680	774.08	60,034,680	787.37
Chief Executive	7,901,050	103.62	6,527,050	85.60
Childrens Services	33,586,660	440.50	33,173,660	435.08
Place & Growth	28,059,690	368.01	27,614,390	362.17
Resources & Assets	33,283,750	436.52	42,104,750	552.21
Total Net Expenditure	161,852,830	2,122.74	169,454,530	2,222.44

The above figures are based on the bids in the MTFP. Figures will be revised during the budget setting process for 2024/25 and 2025/26.

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.

2022/23 Budget £'000		2023/24 Estimate £'000
Income		
General Fund		
32,950	Fees and Charges	34,569
35,955	Specific Grants	34,973
1,920	Other Income	1,920
2,649	Internal Income	5,385
73,474		76,846
Dedicated Schools Grant		
86,127	Specific Grants	90,273
0	Plus movements from reserves	0
86,127		90,273
Housing Revenue Account		
16,309	Fees and Charges	19,841
0	Specific Grants	1
68	Other Income	33
16,377		19,875
175,978	Total Income	186,994
Expenditure		
General Fund		
79,469	Adult Social Services	87,922
13,089	Chief Executive	11,733
38,076	Children's Services	48,221
57,583	Place & Growth	75,379
46,570	Resources & Assets	33,674
234,788		256,929
Dedicated Schools Grant		
46,436	Schools Block incl Growth Fund	47,825
29,142	High Needs Block Budget	35,420
11,289	Early Years Block	12,615
995	Central School Services Block	1,039
1,806	Pupil Premium allocated to schools	1,860
(3,541)	Contribution to reserves	(8,484)
86,128		90,273
Housing Revenue Account		
16,377	Housing Revenue Account	19,875
16,377		19,875
337,291	Sub Total Expenditure	367,077
161,313	Net Expenditure	180,083
16,659	Less: depreciation	23,191
5,379	Less: special items	5,339
22,038		28,530
139,276	Net Expenditure (excluding Special Items & Depreciation)	151,553

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 2023/26

1. SERVICE AIMS

The Adult Social Care Services Directorate aims to support all adults who have care and support needs to be as independent as possible in a way that works for them throughout their lives. This includes adults with mental health conditions, autism, learning disabilities, physical disabilities, sensory impairment (sight or hearing difficulty) and older people.

2. SERVICE SCOPE

The main policy driver for the work of Adult Social Care is The Care Act (2014). The Care Act (2014) is the legislative framework providing Duties and Powers that all Local Authorities must adhere to. The key emphasis of The Care Act (2014) is to support prevention; to promote well-being; and to offer choice and control. It also outlines general responsibilities for Local Authorities including promoting individual wellbeing of the entire population as well as meeting the eligible support and care needs of residents. Delivering this will be a collaborative approach, particularly working closely with our Health and Voluntary and Community Sector partners as we progress towards integrated health and social care services.

Adults Services are supported by;

The **Strategy, Commissioning and Performance** Team:

- **Strategic Commissioning:** Supports 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.
- **People at the Heart of Care:** Leads the development and delivery of the Social Care Future agenda (People at the Heart of Care). This includes cross directorate co-ordination of the programme and accountability for the delivery of fundamental transformational benefits this programme will have across the Social Care system.
- **Contracts, Performance and Assurance:** Develop and maintain a Contract Management Framework for Adult Social Care, ensuring best practice in contract management. Oversight of the contracting service ensuring that legislative and procedural agreements are always adhered to.
- **Operation Commissioning (inc. Intelligence Purchasing):** Responsible for commissioning placements for vulnerable adults and children across a number of different provisions, including residential, nursing care, supported living, fostering services and Post 16.

The **Population Health, Integration and Partnerships** Team:

- Focuses on improving the health and wellbeing of Wokingham residents through integrated working with external partner organisations and working within the Integrated Care System.
- Works with partners from across the health (The Royal Berks Hospital, Community Nursing and primary care), adult social care, housing and voluntary sector to prevent people going into hospital as an emergency, to support residents to be discharged from hospital if they have been admitted and to reduce differences in health between different groups of people in Wokingham.
- Carries out commissioning and contract management.

As of **November 2022**:

- 20.7% of working age people with a learning disability in Wokingham Borough are in paid employment (included supported employment) in 2021-22, compared to 4.8% for the England average in 2021-22. Our rank was number 2 from all local authorities
- 212.6 older adults (aged 65 and over) per 100,000 whose long-term support needs met by admission to residential and nursing care homes in 2021-22 compared to 538.5 England average in 2021-22
- 86.8% of service users in Wokingham Borough with a learning disability in 2021-22, are living on their own or with their family compared to 78.8% England average in 2021-22
- 612 people were assessed in year 2021-22
- 960 people were reviewed in year 2021-22
- 15,593 people received long term services throughout 2021-22

3. SERVICE PRIORITIES

We are proud of the diversity of our borough, and that people are living longer and are healthier. We are committed to supporting all adults who have care and support needs to be as independent as possible in a way that works for them throughout their lives. This includes adults with mental health conditions, autism, learning disabilities, physical disabilities, sensory impairment (sight or hearing difficulty) and older people.

Our strategy is focused on the following priorities:

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

Over the last 24 months the Council has faced considerable challenges. Most notably, due to COVID-19, Brexit, and the ongoing Cost of Living Crisis. This has presented a huge opportunity to rethink, redesign, and reorientate care.

At the same time we have also identified that there is still work to do to support the market to be more innovative, and to be able to deliver services under more personalised arrangements. We are also aware of the changing diversity of the Borough and acknowledge that we must work to incorporate this into arranging people's care and support.

The Social Care Futures (SCF) movement was started during lockdown, where it was recognised that many people, particularly those who use social care, live in permanent lockdowns and experience everyday inequality. SCF is about ensuring that everyone is included and change only happens in people's lives with their say.

This provides us with an opportunity to do something fundamentally different and to reimagine the care that we all want for ourselves and our families.

4. BUDGET SUMMARY

REVENUE

	Budget 2022/2023 £'000	Budget 2023/2024 £'000
REVENUE SERVICE BUDGETS 2023/2024		
Adult Social Care		
Adult Social Care	56,466	56,861
Strategy and Commissioning	3,242	3,767
Public Health and Better Care Fund	(1,533)	(1,616)
<i>Internal Recharges & Depreciation Charges</i>	3,248	3,627
Total Health & Wellbeing	61,423	62,639

Note: 2022/23 figures have been realigned to take accounts of movements between service during the year

CAPITAL

Capital schemes 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;
- Adult social care accommodation transformation: This will address the accommodation needs of our clients, and meet any future increased demand, to ensure that suitable services are available;
- Replacement of Day Services for adults;
- Adult Social Care – community equipment; and,
- Mosaic Modernisation and Reimplementation.

5. SERVICE PRESSURES AND RISKS

Risks are documented in, and monitored via, our directorate and corporate risk registers. Our current risks are:

- Market pressures and inflation:
There are significant pressures within the Adults Social Care market, placing increased pressure on the local authority finance and the sustainability of care providers. This has been exacerbated by the cost of living crisis and workforce issues across the sector. These pressures affect capacity in the market, reducing care providers ability to take new packages of care and limit staff cover arrangements.

To mitigate these risks, Adult Services are working with our commissioned providers (care providers and voluntary sector) to ensuring sustainability within the parameters of the local government financial settlement. Adult Services continues to liaise with regional and central government partners to reiterate the importance of fair funding within Adults Services.

- NHS and Social Care Systems Pressures:

The interface between the NHS and Social Care is fundamental in ensuring positive outcomes for local residents.

Adult Services will continue to work closely with Integrated Care Boards (ICBs) to develop a joint funding model and discharge plan that maximises the resources available within the system to ensure appropriate services are in place for a smooth transition from hospital to home, or a residential care setting.

6. TRANSFORMATION AND EFFICIENCIES

Adult Services has developed a wide-ranging programme of transformation and service improvement which builds upon the Government publication of its adult social care system reform white paper, 'People at the heart of care' (1st December 2021). The white paper sets out a 10-year vision for care and support in England, which includes the introduction of an assurance process, moving towards inspection from April 2023.

Adults Services will build upon its successful transformation programme, reflecting the reforms within adult social care, and continue to implement its fast-paced transformation of the Adult Social Care and Health services to deliver better outcomes for people, improved value for money, and a sustainable high quality Adult Social Care system for the people of the borough of Wokingham, in line with our strategic priorities set out in the Adult social Care Strategy.

CHIEF EXECUTIVE OFFICE 2023/26

1. SERVICE AIMS

The Chief Executive's directorate supports all council customers and other service teams in their service delivery through:

- Providing a clear Council Plan to focus other strategies and plans across the council, sitting alongside the Medium Term Financial Plan (MTFP).
- Championing excellent Customer Experience.
- Promoting effective communications and engagement with our residents, our workforce and our partners.
- Delivering high quality IT services which are secure and effective.
- Providing a flexible, skilled, diverse workforce through an effective Human Resources and Organisational Development provision.
- Ensuring the council's approach to service delivery and change is evidence-based, inclusive and focused on the council's priorities.

2. SERVICE SCOPE

Customer Excellence

- Manages frontline customer interactions with 120,000 calls, 48,000 emails and over 7,000 web chats received a year.
- Delivers 300 weddings, 70 citizenship ceremonies and registers the births and deaths for the borough, generating an income of approximately £250,000 each year.
- Provides a range of library services across ten sites including access to digital services via computers with 500,000 visits a year.

Change

- Supports and enables the organisation to deliver effective Programme Management and strategic change, through the Organisational Foundation Programmes (OFPs) and directorate-led transformation programmes (in Adult Social Care, Place & Growth and Children Services).

IT and Digital

- Provides the Council's technical infrastructure, software, applications and hardware, supporting and maintaining the Council's 48 network locations and 130 servers. The function supports approximately 2,000 IT users, 18,000 IT Service calls and 51 software applications.
- Develops and manages the Council's digital customer interfaces to help manage demand. including the Council's corporate website, several service specific websites and online customer facing services (visited 1.7 million times in 2020).
- Develops and manages the customer relationship management system (CRM) which enables customer shift to a more cost-effective channel.

Insight, Strategy & Inclusion

- Develops and co-ordinates a strategic framework and strategic forward plan to ensure key policies, strategies and plans are aligned to the council plan priorities, reviewing and refreshing the Council Plan as required.
- Co-ordinates quarterly performance reports to senior managers and councillors, along with the council's annual report.
- Provides horizon scanning and Business Intelligence to support the organisation's decision-making, strategy development and change programmes.

- Ensures the council meets the Public Sector Equality Duty and develops its approach to equalities, diversity and inclusion, in line with the Equality Framework for Local Government.
- Implements the Tackling Poverty Strategy with the Hardship Alliance and supports the response to the cost-of-living crisis.

Partnerships, Voluntary and Community Sector, Community Development

- Co-ordinates the council's relationships with Town and Parish Councils and the borough's Voluntary and Community Sector (VCS).
- Works with partner organisations to provide services or support that reduces the need for services.
- Engages the voluntary sector as key and equal partners to inform strategies and approaches that support delivery.
- Engages our residents in community-based initiatives and volunteering.

Communications

- Provides a pro-active communications strategy and programme for the borough, working with VCS partners on shared messaging, and communications support for departments, partnerships and key programmes of activity.
- Provides an external and internal communications resource to support service delivery, brand and marketing of the council and borough.
- Consults and engages with residents through the Engage Wokingham platform to support key initiatives, strategy development and implementation of these.

Human Resources and Organisational Development

- Provides support and advice on employee relations matters, resourcing strategies, reward and recognition, recruitment, service transformations and people management issues.
- Ensures there is a robust people performance management system in place and that there are appropriate learning and development opportunities available to develop and grow council staff to deliver the services for the Borough.
- Publishes and reviews HR Policies to keep them current and up to date with legislation changes.
- Strives to be an employer of choice. We will put equality, diversity and inclusivity at the heart of everything we do, valuing the strength of a diverse workforce.

3. SERVICE PRIORITIES

To support the delivery of the Council Plan and Community Vision the service priorities are focused on Providing Safe and Strong Communities, Enriching Lives, Changing The Way We Work For You and Being The Best We Can Be. Priorities are to:

- Improve customer experiences when interacting with the council, to maximise 'right first time' and minimise costs by reducing failure demand.
- Deliver services, including digital and technology services that are value for money, inclusive and focused on customer needs, to improve outcomes for the individual and wider community.
- Strengthen the way the council engages and works with partner organisations to develop and deliver a shared community vision, Borough Plan and Council Plan.
- Deliver effective communications and engagement with our communities on the matters that are important to them.
- Support the organisation to achieve outcomes set out in the Council Plan through developing a People Strategy, improving the performance reporting on how the Council is delivering its services, implementing effective Business Change methodology, and robust Programme governance.

4. BUDGET SUMMARY

REVENUE

	Budget 2022/2023 £'000	Budget 2023/2024 £'000
REVENUE SERVICE BUDGETS 2023/2024		
Chief Executive		
Chief Executives Office	1,036	665
Strategy and Inclusion	410	504
Human Resources	1,581	1,752
Customer & Localities	2,526	2,205
Communications, Marketing & Exchange	425	651
Change Programme	1,048	(1,149)
Information Technology	3,578	3,555
Digital	1,185	1,145
<i>Internal Recharges & Depreciation Charges</i>	274	772
Total Chief Executive	12,061	10,099

Note: 2022/23 figures have been realigned to take accounts of movements between service during the year

CAPITAL

Capital schemes include the following:

- IT – Hardware: provision of equipment such as laptops, audio visual and other peripherals to enable staff to deliver services whether remote or in the office;
- IT – Security: Funding of security projects to protect the Councils digital and technology assets from continued cyber threats;
- IT – Infrastructure: Project funding to ensure the Councils core estate of servers and network is maintained and refreshed in line with their expected lifecycle (Server 2012, firewalls, wireless infrastructure);
- IT – Applications: Project funding to ensure the Councils critical applications are maintained, upgraded and replaced in line with vendor lifecycles and statutory changes;
- IT – Microsoft E5: Funding of the Councils Microsoft licensing; and
- IT – Maintenance and Enhancement: Implementation of Teams telephony along with capital funding of resources who are working of technology projects.

5. SERVICE PRESSURES AND RISKS

For the Chief Executive's Office particular impacts and challenges are:

- Managing expectations from residents, and voluntary and community sector around what can be delivered.
- Many contracts in place are subject to the Consumer / Retail Price Index which is currently above the budgeted levels.
- Multiple systems / websites purchased internally but outside of the IT / Digital Framework and require retrospective support or integrations.

6. TRANSFORMATION AND EFFICIENCIES

The Chief Executive's Directorate is leading the council's Organisational Foundation Programmes (OFPs) of Customer Excellence, Workforce, Community and Partnerships, Business Intelligence, Contracts and Procurement, and Asset Opportunities. It is also enabling and facilitating the wider OFP programme and supporting directorate transformations; including Children's Services, Safety Valve, Adult Social Care and Place & Growth.

Other areas of focus are:

- Working with the Hardship Alliance to support people in need.
- Improving customer experiences and focusing on customer needs to improve outcomes.
- Developing digital services.
- Involving the voice of customers to drive improvements and developing services that are inclusive and easily accessible.
- Running projects to deliver savings in the operational costs of the Council's IT estate through
 - Reduced cloud computing spend
 - Implementation of VOIP telephony
 - Reduction in provision of staff mobile phones.

CHILDREN'S SERVICES 2023/26

1. SERVICE AIMS

The Children's Services Directorate's primary aims are to safeguard children, 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.

We aim to achieve this by:

1. Ensuring that Wokingham Borough's children are able to live, learn and thrive free from fear and harm, with a network of safe people around them;
2. Enabling families to use their own resources so children live, learn and thrive in safety; and
3. Delivering improved outcomes for children and families through our Early Help approach, building on what works well, empowering professionals to maintain a relentless focus on children, and designing services to enable excellent practice.

2. SERVICE SCOPE

Social Work and Early Help:

- Provides Support, Help and Intervention for some of Wokingham's most vulnerable children delivered by social work teams, children's centres, respite care, therapeutic and practical support, a youth offending team; foster care and adoption services.
- Delivers support which is either statutory or preventative to stop needs escalating to the point of needing statutory intervention.
- Works closely with children, families, schools, health, the police and range of other community services.
- As at the end November 2022:
 - 124 children and young people are subject to a Child Protection Plan;
 - 144 are children in care for whom WBC is a corporate parent;
 - 324 children are supported through child in need plans;
 - 103 young people are care leavers between the ages of 18 and 25; and
 - 305 children are in receipt of Early Help support.

Learning, Achievement and Partnerships (LAP) through a range of statutory and chargeable activity:

- Champions positive outcomes for all children and young people attending Wokingham schools and settings;
- Supports Wokingham children placed in schools outside the Borough;
- Promotes, supports and challenges maintained schools and academies to raise achievement levels;
- Secures effective early years and childcare provision;
- Assesses the needs of children and young people with Special Educational Needs and Disabilities (SEND), and issues Education, Health and Care Plans (EHCP) where the threshold of need is met;
- Administers the School Admissions service for the Borough's maintained schools and academies;
- Ensures sufficiency of school places;
- Delivers specialist educational support through the Virtual School for Children in Care;
- Supports young people who are NEET (Not in Employment, Education or Training) into positive destinations; and
- Delivers a range of adult learning opportunities.

- As at the end of November 2022:
 - 1675 children and young people are supported by WBC through an EHCP.
 - 93% of children and young people are attending a “good” or “outstanding” Wokingham school.

Quality Assurance and Safeguarding Standards (QASS):

- Develops the IT case management systems which capture and provide reports on management and performance data;
- Produces a range of statutory and local performance reports;
- Coordinates inspection and peer review activity, and cross service policy initiatives as well as the audit function;
- Provides the Independent Reviewing Officer, Child Protection Chair, and Local Area Designated Officer (LADO) resource;
- Manages the complaints and compliments service;
- Provides advocacy and children’s rights support;
- Provides a Learning and Development offer;
- Provides challenge and support to Social Workers through the audit programme, and Principal Social Worker; and
- Manages the practice improvement programme

The Strategic & Operational Delivery sub-directorate:

- Provides Strategic Commissioning support to Children’s Services;
- Leads the Children’s Services transformation, efficiency and savings programme;
- Supports specialist recruitment and retention activity;
- Develops and writes key strategies and action plans;
- Oversees the development and implementation of the Children and Young People’s Participation Strategy, including programme management of the UNICEF Child Friendly Community initiative, coordination and development of the Youth and Children in Care Councils;
- Represents Children’s Services in corporate matters and activity; and
- Delivers the Holiday Activity and Food Programme, supporting over 800 children and young people so far in 22/23.

3. SERVICE PRIORITIES

To support the delivery of the Council Plan and Community Vision the service priorities are focused on Providing Safe and Strong Communities, and Enriching Lives, through:

- Ensuring we are designed to deliver excellent outcomes for all children, young people and families in Wokingham.
- Excelling in our practice, being known for the quality of our work, and performing to the highest standards.
- Developing effective strategies which improve outcomes and deliver them in the most efficient way.
- Recruiting, developing and retaining a high-performing children’s workforce.
- Strengthening our partnerships, driving system leadership and putting children at the heart of everything Wokingham does.

4. BUDGET SUMMARY

REVENUE

	Budget 2022/2023 £'000	Budget 2023/2024 £'000
REVENUE SERVICE BUDGETS 2023/2024		
Children's Services		
Learning, Achievement & Partnerships	7,600	8,757
Social Work & Early Help	18,228	19,644
Quality Assurance & Safeguarding Standards	2,452	2,564
Directorate	2,622	2,376
Strategic & Operational Delivery	271	379
<i>Internal Recharges & Depreciation Charges</i>	6,538	8,319
Total Children's Services	37,711	42,037

Note: 2022/23 figures have been realigned to take accounts of movements between service during the year

CAPITAL

Capital schemes include the following:

- Capital investment in the provision of Special Education (SEND) to best meet needs across primary and secondary, with a focus on additional capacity for children with challenging behaviour and Autistic Spectrum Disorder (ASD) and those with social emotional and mental health needs;
- Secondary School extension projects to meet the need of additional places in the borough;
- Sixth Form expansion to meet the need of additional places in the borough;
- New and improved accommodation for care leavers requiring residential support;
- Schools maintenance planned improvements and suitability issues; and
- Schools Devolved Formula – to carry out specific capital works on schools.

5. SERVICE PRESSURES AND RISKS

For Children's Services particular impacts and challenges are:

- Increasing demand and complexity of need against a backdrop of severe public sector financial challenges;
- Increasing numbers of Unaccompanied Asylum Seeking Children coming into our care;
- Ensuring sufficiency of appropriate placements for children in care and care leavers;
- Ensuring sufficiency of school places as the number of children and young people coming into the Borough (including Ukraine, Hong Kong) rises;
- Ensuring children with SEND are supported effectively and efficiently in a context of rising demand and increasing complexity of need;
- Rising demand for Home to School Transport; and
- Shortages of qualified staff.

6. TRANSFORMATION AND EFFICIENCIES

Far-reaching transformation and efficiency programme underway including a focus on:

- Ensuring we have sufficient and appropriate placements for young people close to their home;
- Engagement in the Safety Valve programme;
- Providing an efficient and effective statutory Home to School Transport offer;
- Reducing the need for interim agency workers; and
- Realignment and redesign of services.

PLACE & GROWTH SERVICE 2023/26

1. SERVICE AIMS

The Place and Growth Directorate's primary aims are to shape places, plan for future housing and infrastructure, maintain and improve the built, natural and economic environments, create thriving, safe neighbourhoods, and support all residents with their housing needs.

2. SERVICE SCOPE

Economic Development and Growth

- Leads the development and implementation of the Housing Strategy, enables and commissions affordable housing, including that tailored to different client groups, and manages the Registered Provider partnership with eight Housing Associations.
- Leads on strategic housing matters, evidence, policies and initiatives, providing advice and guidance and liaison with Homes England, securing external funding for major projects, including for homelessness and rough sleeping; oversees the governance, and delivery of the regeneration of Gorse Ride ensuring liaison with residents and involvement of stakeholders.
- Leads on the representation for devolution and a county deal and works collaboratively at local level to meet shared economic priorities including employment and skills, business engagement, sustaining thriving town centres and promoting the borough as a place for foreign investment and growth; and at a sub-regional level on economic development initiatives including business start-ups, Superfast Broadband and Berkshire Net Zero.
- Promotes Wokingham as a borough, and arts and culture, through partnership working.
- Leads on the council's response to the Climate Emergency, embedding in all operations and services through providing specialist advice; delivers promotional activity and engagement to raise awareness and encourage behavioural change among our residents and businesses.

Environment and Safety:

- Provides regulatory services for environmental health, licensing, trading standards, and Emergency Planning, including co-ordinating the response and recovery phases of major incidents.
- Manages major contracts for Grounds Maintenance, Street Cleansing, and Waste Collection for refuse and recycling from every household, and the delivery of the 25 year Private Finance Initiative (PFI) for Waste Disposal with Bracknell and Reading Councils (re3), through the Joint Waste Board and PFI governance arrangements.
- Manages the council's cemeteries, parks, open spaces, country parks and other countryside sites, including the multi-activity centre at Dinton pastures.
- Inspects and carries out necessary works to council-owned trees and play areas.
- Provides specialist advice on trees and landscape, built heritage, ecology and green infrastructure; and delivers operational tree management, maintenance of the public rights of way and council's drainage assets including over 30,000 gullies, 5,000 manholes, and 320km of drainage pipe network; and capital projects for greenways and play areas.
- Works with communities to deal with crime and anti-social behaviour hotspots and to reduce the harm caused by domestic abuse, and reduce serious crimes such as violence, knife crime and exploitation.

Highways and Transport

- Provides strategic transport planning to ensure a coherent approach across the borough, in line with national and regional objectives, including carbon reduction and electric vehicle planning.
- Provides specialist transport input to the delivery of development proposals, through determining around 1,800 applications a year, and oversees the implementation of transport projects.
- Co-ordinates all works on the public highway ensuring they are completed safely, with minimum disruption, deals with day-to-day traffic and parking management, with traffic offence enforcement.
- Maintains the highway assets including roads, footpaths and bridges, streetlighting and street furniture, and designs and delivers the capital projects to meet our statutory highways duties including the £124m Major Highway programme delivering 6 new strategic roads, and reviews and delivers schemes in line with planning obligations and developer contributions.
- Manages and delivers contracts for school and community transport and liaises with public transport service providers.

Housing Services:

- Supports all residents with their Housing Needs including those that face homelessness and rough sleeping, delivering statutory homelessness duties, allocations of new properties (Council and housing associations), temporary accommodation management, and licensee management of mobile home sites.
- Provides all aspects of the Landlord functions for Wokingham Borough Council social housing tenants and acts as managing agent for the wholly owned Housing Associations, Berry Brook Homes, and Loddon Homes.
- Collects rent and service charges; manages tenancy agreements, sheltered housing, and leaseholders and provides day-to-day Statutory Landlord repairs and general repairs, and planned maintenance.
- Assesses and delivers statutory Decent Homes works and Disabled Facilities Grants works and adaptations.
- Provides Tenant Engagement through a range of statutory, formal and informal approaches.

Planning Service:

- Prepares the Borough-wide Local Plan setting out development allocations and planning policies for the longer term, co-ordinates with neighbouring planning authorities, planning for new infrastructure that needs to be provided in association with new development, and engages with local communities where new development is planned.
- Deals with around 4,000 planning applications, 100 appeals, and 900 alleged breaches of planning control each year; determines all planning applications for the five strategic development areas allocated for major development.
- Manages the collection, monitoring and reporting of developer contributions and legal agreements associated with planning permissions; and oversees effective spend of monies working with infrastructure providers, and town and parish councils.
- Ensures, through a commercial Building Control Partnership that new development is built to safe, secure, and environmentally sound construction standards, determining around 2,500 building control applications each year across Wokingham and West Berkshire; and processes new land charges and legal queries on property transactions in the Borough.

- Prepares a Minerals and Waste Local Plan in partnership with other Berkshire local planning authorities and provides advice and steer to local groups preparing Neighbourhood Plans.

3. SERVICE PRIORITIES

To support the delivery of the Council Plan and Community Vision the services are focused on Delivering The Right Homes In The Right Place, Keeping The Borough Moving, Enjoying A Clean and Green Borough, and Providing Safe and Strong Communities; and in particular to:

- Deliver efficiency and savings required.
- Contribute to the equalities and inclusion agenda.
- Support victims of domestic abuse.
- Strengthen the pipeline of need for housing growth through the Strategic Growth and Asset Board to inform decisions on 'right Homes in the right place at the right time'.
- Prepare and adopt an updated Local Plan with new development allocation and planning policy for the period to 2040.
- Develop and adopt the Economic Development Strategy.
- Develop and adopt the Tree Strategy.
- Develop and adopt the Housing Strategy, including reducing the need for temporary accommodation and introducing more preventative measures to reduce homelessness.
- Continue to deliver against the Climate Emergency Action Plan
- Work in partnership to support the devolution and county deal.
- Contribute to strengthening the relationship with town and parish councils.

4. BUDGET SUMMARY

REVENUE

REVENUE SERVICE BUDGETS 2023/2024	Budget 2022/2023 £'000	Budget 2023/2024 £'000
Place & Growth		
Place and Growth Management	572	605
Economic Development and Growth	709	680
Environment and Safety	19,944	19,753
Highways and Transport	8,675	8,367
Housing Services	247	262
Planning	935	1,652
<i>Internal Recharges & Depreciation Charges</i>	<i>14,513</i>	<i>20,217</i>
Total Environment	45,594	51,536

Note: 2022/23 figures have been realigned to take accounts of movements between service during the year

CAPITAL

Capital schemes include the following:

- 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 – building new and 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;
- Active Travel and Bus Priority;
- 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;
- Maintenance of highway structures including bridges & embankments and vehicle restraint systems (VRS);
- Temporary Accommodation development – addressing housing needs and supporting our vulnerable residents;
- 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); and
- Continued investment in the waste collection arrangements including food waste service.

5. SERVICE PRESSURES AND RISKS

For Place and Growth particular impacts and challenges are:

- Contract inflation, supply chain issues and shortages of qualified staff in key professional areas.
- Increase in demand in housing needs due to economic pressures.
- Continued increase in presentation of victims of domestic abuse.
- Risks in failing to progress the Local Plan with pressures on the five-year land supply for housing – along with continuing uncertainties regarding any national planning reform.
- Economic sustainability of public transport due to economic pressures.

6. TRANSFORMATION AND EFFICIENCIES

Activities to improve the delivery and efficiency of Place and Growth services include:

- Delivering reviews and restructures across departments to secure efficiencies and savings in line with the Organisational Foundation Programmes.
- Delivering more efficient and customer focused highways and transport services.
- Developing a more enabling and facilitating role in relationships with partners, especially town and parish councils.

RESOURCES & ASSETS 2023/26

1. SERVICE AIMS

The Resources and Assets directorate supports and enables the delivery of frontline services through sound governance, prudent budgeting and through the provision of responsive support services. These include:

- Finance – Providing a strategic financial function and a core enabling role to inform, enable and support delivery; to provide financial and procurement systems, information and advice to enable, empower and support the workforce to deliver efficient and effective customer-focused services.
- Governance – Custodian of the Council's constitutional, legal, internal audit and governance arrangements, and management of elections.
- Commercial Property - To efficiently manage the Council's property portfolio to deliver income, to deliver regeneration and development of assets to meet service needs and objectives, and provide professional estates and facilities management.
- Sport and Leisure - To support our residents to lead healthy lives and provide access to good leisure facilities to compliment an active lifestyle and help create community cohesion and social capital.

2. SERVICE SCOPE

Finance

- Co-ordinates budget setting and provides financial advice on a revenue account of £257m per annum gross, capital of £102m per annum and Housing Revenue Account (HRA) of £17m per annum gross.
- Invests an average of £96m per annum and manages borrowing of £264m.
- Makes over 43,500 salary payments to staff (including schools) each year.
- Collects council tax of c£155 million from over 73,000 homes, business rates of c£69 million and over £20 million per annum on sundry debtor accounts.
- Provides financial support to over 5,000 residents through housing benefit and council tax relief totalling c£4 million.
- Provides governance and support across the organisation for all Procurement, contract management and Commercial activity.

Commercial Property

- Acts as Corporate Landlord for over 50 properties and oversees the management, of the Council's property assets valued at £800m
- Manages the Council's (and schools') energy and utilities use, currently £3m pa.
- Management of a commercial property investment to provide positive rental income stream
- To effectively manage assets to support development of suitable, sufficient fit for purpose estate to meet strategic priorities, including working towards carbon neutrality
- Development of the council's own assets to deliver against the objectives of service delivery, climate emergency and commercial return

Governance

- Services a range of daytime and evening meetings including Individual Executive Member decisions, and appeals and reviews
- Runs the authority's annual elections, along with all other elections and referenda such as for parish councils
- Employs and trains hundreds of casual staff at election time and runs an annual canvas of all 68,000 properties in the borough
- Internal Audit is a statutory function bringing a systematic approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- Investigations - into incidents of fraud, code of conduct breaches, whistleblowing allegations and other suspected irregularities.
- Provides legal advice, and guidance, with more than 1,300 transactions, advice, or cases during the year. Prosecutes, defends, and enforces the Council's rights.

Sport & Leisure

- Providing a platform of opportunities for residents to be active across our communities
- Improves access and grows participation in leisure and sport activities – aligned and supporting the Health & Wellbeing strategy
- Manages the delivery of a range of leisure and recreation services across Parks & Open spaces
- Delivery of income generation projects aligned to Leisure and sport activities.
- Manages the delivery of the leisure contract ensuring the approach is aligned and supports wider health objectives.

3. SERVICE PRIORITIES

Through its activities, the Resources and Assets directorate supports the entire council to deliver all priorities within the Council Plan, providing a council wide approach to the financial challenges and solutions, ensuring appropriate governance is in place and adhered to and providing expertise in contract management. The Sports and Leisure team promotes residents engaging in active health cultural and social opportunities, and improvements in health and wellbeing.

The Resources and Assets Directorate will focus on:

- Develop a strategy for member development
- Prepare and deliver local elections 2023, and prepare for all out elections in 2024
- Embed and communicate the Local Code of Corporate Governance
- Complete independent review of overview & scrutiny
- Support boundary commissions electoral review
- Deliver organisational financial skills programme
- Ensuring strong financial management practices across the council
- Develop and agree 2024/25 revenue and capital budgets as part of MTFP 24/5 to 26/7
- Monitor and support delivery of balanced 2023/24 capital and revenue budgets
- Develop and deliver a pipeline of commercial and procurement improvement workstreams and embed improved governance and good practice
- Maximise collection of revenue collection including Council Tax and Business Rates
- Support development of budget challenge/efficiency approach
- Develop and deliver asset management and service asset management plans
- Protecting the council's asset interests
- Management of commercial property estate to provide commercial income stream

- Review and rationalisation of council asset portfolio – to ensure aligned to council needs
- Deliver green energy and energy reduction regeneration programme (3 years)
- Deliver major capital programmes and projects including – Gorse Ride II, Barkham Solar Farm and Toutley East Care Home
- Review current Leisure operating model and alignment to wider culture offer – including consideration of alternative sourcing options for key services
- Ensure Leisure contract performance to key service target and ongoing alignment with wider Health and Leisure Strategy
- Undertake and complete a holistic playing pitch strategy
- Extend wider engagement cross the Borough to support delivery of Health outcomes
- Deliver increase in participant numbers - from inactive groups within Leisure Strategy
- Maximise grant income
- Deliver key income streams from key Leisure and Health Activity

4. BUDGET SUMMARY

REVENUE

	Budget 2022/2023 £'000	Budget 2023/2024 £'000
REVENUE SERVICE BUDGETS 2023/2024		
Resources & Assets		
Governance	2,704	2,945
Finance	12,190	22,522
Property	(627)	(384)
Leisure	(1,827)	(1,567)
<i>Internal Recharges & Depreciation Charges</i>	<i>(7,914)</i>	<i>(9,744)</i>
Total Finance & Resources	4,525	13,772

Note: 2022/23 figures have been realigned to take accounts of movements between service during the year

CAPITAL

- Market and affordable housing schemes, including commercial property portfolio in line with the Council's socio-economic and sustainability agenda and self-build housing
- Energy schemes aligned with the climate emergency
- Service provision

5. SERVICE PRESSURES AND RISKS

There are a number of pressures and risks to be managed in order to deliver key objectives and properly support the organisation;

- To set a balanced budget and maintain appropriate reserves in the face of significant additional demand, inflation and reducing/restricted levels of grant.
- To maintain and increase use of Leisure and Sport facilities following the impacts of covid and pressures now from cost of living pressures
- To manage potential financial impacts of increasing interest rates, inflation and market pressure on the property portfolio
- To maintain collection levels (council tax and other council debts) whilst supporting residents who are struggling to pay due to the cost of living pressure.

6. TRANSFORMATION AND EFFICIENCIES

- Supporting the Councils overall transformation and efficiency programme (Organisations Foundation Programme) and individual projects (including Safety Valve)
- To lead on the rationalisation of corporate accommodation
- Deliver additional income through improved collection processes
- To continue to develop and support internal governance and skills across the organisation; finance, procurement, commercialisation, constitutional
- Improved financial return on Treasury Management activity
- Program of process efficiency across finance support activity
- Deliver Sport and Leisure transformation Programme

Summary of Budget Movements 2023/2024

The following table shows how the 2023/24 budget has been calculated starting from the 2022/23 budget. The table includes additional budget to maintain / improve services, special items (one off expenditure budget), service efficiencies and any adjustments / additions.

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
2022/23 Restructured Service Budget (excluding Capital & Internal recharges)	58,095	10,577	31,173	32,639	12,172	144,655
Adjustments/Additions						
Exclusive one off revenue items in 2022/23 (Special Items)	(890)	(1,822)	(1,988)	(679)	0	(5,379)
Inflation for non-pay activities (Note 1)	0	0	0	0	6,623	6,623
Pay Inflation (Note 1)	598	494	986	727	1,503	4,308
Adjustments between services (e.g. budget reallocations inc.)	(60)	2,306	(413)	(1,355)	2,956	3,434
Total	(352)	978	(1,414)	(1,307)	11,081	8,986

Note 1 - Balance of Council wide budget held in Resources & Assets will be distributed across directorates during the year as contract and pay inflation rates are confirmed

Funding to Maintain / Improve Services						
Care & support - manage increasing demand in numbers and complexity	1,959	0	0	0	0	1,959
People at the Heart of Care	300	0	0	0	0	300
Prevention - investment in preventative services	100	0	0	0	0	100
Staffing resource required to deliver continued demand management programme	460	0	0	0	0	460
New Website	0	70	0	0	0	70
Social Care system increased software licence and hosting costs	0	128	0	0	0	128
Children in Care and Care Leavers [placements]	0	0	1,295	0	0	1,295
Education White Paper	0	0	360	0	0	360
Home to School Transport	0	0	1,650	0	0	1,650
Meeting and managing demand - right help, right place, right time	0	0	1,420	0	0	1,420
School place planning and Fair Access Policy	0	0	170	0	0	170
Car Parking income	0	0	0	350	0	350
Local Bus Services inflation	0	0	0	350	0	350
Local Plan team - increase in existing staff costs	0	0	0	19	0	19
Purchase and delivery of food waste caddy liners to all households	0	0	0	100	0	100
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	0	0	0	150	0	150
Carnival Hub Estates Management	0	0	0	0	20	20
Coroners Court	0	0	0	0	130	130
Governance salaries	0	0	0	0	93	93
Insurance Premiums	0	0	0	0	150	150
Legal Services	0	0	0	0	78	78
Payment and income system	0	0	0	0	16	16
Salary funding pressure from cost of abortive feasibility works	0	0	0	0	150	150
Sports and Leisure income generation	0	0	0	0	150	150
Total	2,819	198	4,895	969	787	9,668

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Special Items						
Demand management - resource investment to deliver change	800	0	0	0	0	800
Budget required to deliver sustainable organisational change	0	1,200	0	0	0	1,200
Customer Experience- Govmetric tool to measure and track customer satisfaction	0	13	0	0	0	13
Easy Read document review by Caring, Listening and Supporting Partnership	0	15	0	0	0	15
Equality & Tackling Anti-Poverty Community Engagement	0	115	0	0	0	115
Implementation of new HR Target Operating Model	0	44	0	0	0	44
Inclusion Officer	0	20	0	0	0	20
Meeting and managing demand - right help, right place, right time	0	0	850	0	0	850
Procurement of Education System	0	0	195	0	0	195
Transformation Programme	0	0	350	0	0	350
Additional consultancy support for the Local plan	0	0	0	175	0	175
Car Parking income	0	0	0	300	0	300
Deliberative Process for Climate Emergency	0	0	0	90	0	90
Domestic Abuse-Commissioned Service	0	0	0	75	0	75
Planning appeals and enforcement staffing costs	0	0	0	334	0	334
Replacement of Routewise System (Community Transport Unit - CTU)	0	0	0	60	0	60
School keep clear markings - roll out of parking enforcement scheme	0	0	0	183	0	183
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	0	0	0	150	0	150
Delayed opening of St Celas school	0	0	0	0	100	100
Investment & Estates Property pressures from depressed market	0	0	0	0	200	200
One off growth to support leisure income recovery	0	0	0	0	70	70
Total	800	1,407	1,395	1,367	370	5,339

Funded by the following Service Efficiencies						
Demand management - strengthening the voluntary sector and community offer, redesigning the front door	(1,200)	0	0	0	0	(1,200)
Extra Care - Decommission Background Support	(250)	0	0	0	0	(250)
High Cost Package Review - Mental Health	(50)	0	0	0	0	(50)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	0	0	0	0	(100)
Maximising health income for residents	(350)	0	0	0	0	(350)
Optalis review - improved commissioning and reduced overheads	(250)	0	0	0	0	(250)
Practice changes to reduce placement costs	(50)	0	0	0	0	(50)
Utilising funding to maximise hospital discharge within the community	(100)	0	0	0	0	(100)
Advertising in Libraries	0	(10)	0	0	0	(10)
Effective use of Council owned Community spaces	0	(150)	0	0	0	(150)
Organisational Foundation Project - Contracts	0	(500)	0	0	0	(500)
Organisational Foundation Project - Customer Excellence	0	(200)	0	0	0	(200)
Organisational Foundation Project - Workforce	0	(2,731)	0	0	0	(2,731)
Reduce number of Borough News Editions from 3 to 1	0	(30)	0	0	0	(30)
Reduced provision of mobile phones	0	(56)	0	0	0	(56)
Reduction in Microsoft cloud server spend	0	(34)	0	0	0	(34)
Removal of telephone lines	0	(70)	0	0	0	(70)
Removal of two vacant Customer Excellence posts	0	(52)	0	0	0	(52)

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Funded by the following Service Efficiencies cont.						
Alternative Delivery Model for Children's Centres	0	0	(25)	0	0	(25)
Education White Paper	0	0	(360)	0	0	(360)
Home to School Transport Review	0	0	(766)	0	0	(766)
Placements - Continuing Health Care	0	0	(300)	0	0	(300)
Placements - LAC Charging Policy	0	0	(50)	0	0	(50)
Placements - Strategy & Sufficiency	0	0	(570)	0	0	(570)
Transforming Children's Services	0	0	(259)	0	0	(259)
Absorb street cleansing into street cleaning regime	0	0	0	(13)	0	(13)
Changes to VolkerHighways contract	0	0	0	(397)	0	(397)
Highways and Transport restructuring	0	0	0	(150)	0	(150)
Income generation through commercialisation across the directorate	0	0	0	(68)	0	(68)
Increase garden waste service annual fees	0	0	0	(255)	0	(255)
Increase hourly rate for licensing team	0	0	0	(15)	0	(15)
Increase in off street parking charges	0	0	0	(500)	0	(500)
Increase the scope of MyJourney s106 expenditure to include management costs	0	0	0	(30)	0	(30)
Increased enforcement of housing standards	0	0	0	(12)	0	(12)
Introduce more naturalisation and biodiversity in the borough	0	0	0	(60)	0	(60)
Introduction of moving traffic offence enforcement	0	0	0	(103)	0	(103)
Introduction of on-street parking zones	0	0	0	(280)	0	(280)
Reduce the Community Engagement Team	0	0	0	(92)	0	(92)
Reduce Transport Planning consultants	0	0	0	(85)	0	(85)
Reduction in Drainage Maintenance (annual Grip cutting programme) to every other year	0	0	0	(25)	0	(25)
Removal of discretionary concession funding for transport on football services	0	0	0	(12)	0	(12)
Review access to free parking at Carnival Pool multi-storey car park	0	0	0	(120)	0	(120)
Stop the annual purchase and delivery of food waste caddy liners to all households	0	0	0	(100)	0	(100)
Trading Highways Commercial Design Services to Town & Parish Councils	0	0	0	(20)	0	(20)
3G Pitch Maiden Erlegh	0	0	0	0	(15)	(15)
Benefit realisation from Commercial activities	0	0	0	0	(150)	(150)
Business Support Efficiency Programme	0	0	0	0	(30)	(30)
Contracts and Commissioning reviews	0	0	0	0	(150)	(150)
Paperless democratic meetings	0	0	0	0	(11)	(11)
Penalty charges - Non provision of Information Council Tax/benefits	0	0	0	0	(25)	(25)
Rationalisation process of Corporate Accommodation	0	0	0	0	(180)	(180)
Revenues and Benefits Automation	0	0	0	0	(50)	(50)
Treasury Management Review	0	0	0	0	(250)	(250)
WBC share of a gain-share with Oxygen Finance for an early payment discount scheme	0	0	0	0	(45)	(45)
Total	(2,350)	(3,833)	(2,330)	(2,337)	(906)	(11,756)

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Revenue Implications of Capital						
Older People Dementia Home	0	0	0	0	0	0
Multifaceted Placement Hub	0	0	0	0	0	0
Dinton Activity Centre	0	0	0	(12)	0	(12)
3G Pitch Maiden Erlegh	0	0	0	0	0	0
Cantley Park Enhancements	0	0	0	0	(1)	(1)
Capital Financing Requirement	0	0	0	0	10	10
Commercial Property Site Initial Design Work	0	0	0	0	0	0
Community Investment	0	0	0	0	0	0
Outdoor gyms x 3 locations	0	0	0	0	3	3
Residential Development [Barkham]	0	0	0	0	0	0
Residential Development [Winnersh]	0	0	0	0	0	0
Solar Farms (Barkham)	0	0	0	0	0	0
Total	0	0	0	(12)	12	0

Service Budget 2023/2024 (excluding Capital & Internal recharges)	59,012	9,327	33,719	31,319	23,516	156,892
<i>Internal Recharges & Depreciation Charges</i>	3,627	772	8,319	20,217	(9,744)	23,191
Service Budget 2023/2024 (including Capital & Internal recharges)	62,639	10,099	42,037	51,536	13,772	180,083

The following corporate transfers are included within the "appropriation to / (from) balances" line in the grand summary. Corporate transfers are made in respect of funding that is not expected to continue beyond 2022/23

Corporate Transfers						
Contribution to DSG deficit recovery						1,251
Contribution towards future impact of reduction in new homes bonus and fairer funding review						2,000
Contribution towards future impact of removal of minimum funding guarantee grant						1,100
Contribution towards future impact of early debt repayment changes (MRP)						1,500
Forward funding (infrastructure bridging loan)						1,500
Total	0	0	0	0	0	7,351

THREE YEAR BUDGET FORECAST

2023/2024
£'000

2024/2025
£'000

2025/2026
£'000

Growth

Adult Social Care			
Care & support - manage increasing demand in numbers and complexity	1,959	3,969	5,969
People at the Heart of Care	300	500	500
Prevention - investment in preventative services	100	200	300
Staffing resource required to deliver continued demand management programme	460	460	460

Chief Executive			
Budget required to deliver sustainable organisational change	0	860	860
New Website	70	70	70
Social Care system increased software licence and hosting costs	128	128	128

Children's Services			
Children in Care and Care Leavers [placements]	1,295	1,763	2,073
Education White Paper	360	360	360
Home to School Transport	1,650	1,800	2,000
Meeting and managing demand - right help, right place, right time	1,420	1,790	2,020
School place planning and Fair Access Policy	170	170	170

Place & Growth			
Car Parking income	350	350	350
Local Bus Services inflation	350	350	350
Local Plan team - increase in existing staff costs	19	19	19
Purchase and delivery of food waste caddy liners to all households	100	100	100
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	150	150	150

Resources & Assets			
Carnival Hub Estates Management	20	20	20
Coroners Court	130	130	130
Governance salaries	93	93	93
Insurance Premiums	150	150	150
Legal Services	78	78	78
Payment and income system	16	16	16
Salary funding pressure from cost of abortive feasibility works	150	150	150
Sports and Leisure income generation	150	150	150

Total Growth	9,668	13,826	16,666
---------------------	--------------	---------------	---------------

Savings

Adult Social Care			
Demand management - strengthening the voluntary sector and community offer, redesigning the front door	(1,200)	(2,150)	(3,100)
Extra Care - Decommission Background Support	(250)	(500)	(500)
High Cost Package Review - Mental Health	(50)	(50)	(50)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	(200)	(200)
Maximising health income for residents	(350)	(700)	(700)
Optalis review - improved commissioning and reduced overheads	(250)	(250)	(250)
Practice changes to reduce placement costs	(50)	(100)	(150)
Utilising funding to maximise hospital discharge within the community	(100)	(100)	(150)

THREE YEAR BUDGET FORECAST

	2023/2024 £'000	2024/2025 £'000	2025/2026 £'000
Chief Executive			
Advertising in Libraries	(10)	(10)	(10)
Effective use of Council owned Community spaces	(150)	(150)	(150)
Organisational Foundation Project - Assets	0	(470)	(940)
Organisational Foundation Project - Contracts	(500)	(1,000)	(1,500)
Organisational Foundation Project - Customer Excellence	(200)	(513)	(513)
Organisational Foundation Project - Workforce	(2,731)	(2,731)	(2,731)
Reduce number of Borough News Editions from 3 to 1	(30)	(30)	(30)
Reduced provision of mobile phones	(56)	(56)	(56)
Reduction in Microsoft cloud server spend	(34)	(34)	(34)
Removal of telephone lines	(70)	(70)	(70)
Removal of two vacant Customer Excellence posts	(52)	(52)	(52)
Children's Services			
Alternative Delivery Model for Children's Centres	(25)	(50)	(50)
Education White Paper	(360)	(360)	(360)
Home to School Transport Review	(766)	(766)	(766)
Placements - Continuing Health Care	(300)	(300)	(300)
Placements - LAC Charging Policy	(50)	(50)	(50)
Placements - Strategy & Sufficiency	(570)	(640)	(800)
Transforming Children's Services	(259)	(734)	(1,034)
Place & Growth			
Absorb street cleansing into street cleaning regime	(13)	(13)	(13)
Cease the provision of residual waste blue bags	0	(350)	(350)
Changes to VolkerHighways contract	(397)	(547)	(547)
Highways and Transport restructuring	(150)	(150)	(150)
Income generation through commercialisation across the directorate	(68)	(68)	(68)
Increase garden waste service annual fees	(255)	(255)	(255)
Increase hourly rate for licensing team	(15)	(15)	(15)
Increase in off street parking charges	(500)	(700)	(700)
Increase the scope of MyJourney s106 expenditure to include management costs	(30)	(30)	(30)
Increased enforcement of housing standards	(12)	(12)	(12)
Introduce more naturalisation and biodiversity in the borough	(60)	(60)	(60)
Introduction of charge for garden waste bins	0	(20)	(10)
Introduction of moving traffic offence enforcement	(103)	(308)	(513)
Introduction of on-street parking zones	(280)	(560)	(560)
Night time dimming for street lights	0	(40)	(40)
Parking permits	0	(62)	(62)
Play area rationalisation	0	(15)	(15)
Proposal to move to alternate weekly or three weekly residual waste collections	0	(700)	(700)
Reduce the Community Engagement Team	(92)	(92)	(92)
Reduce Transport Planning consultants	(85)	(120)	(120)
Reduction in Drainage Maintenance (annual Grip cutting programme) to every other year	(25)	(25)	(25)
Reduction of weed spraying from 3 to 2 visits per year	0	(24)	(24)
Removal of discretionary concession funding for transport on football services	(12)	(12)	(12)
Review access to free parking at Carnival Pool multi-storey car park	(120)	(120)	(120)
School keep clear markings - roll out of parking enforcement scheme	0	(50)	(50)
Smart drainage sensors borough wide roll-out	0	(50)	(50)
Stop the annual purchase and delivery of food waste caddy liners to all households	(100)	(100)	(100)
Trading Highways Commercial Design Services to Town & Parish Councils	(20)	(50)	(50)
Resources & Assets			
3G Pitch Maiden Erlegh	(15)	(15)	(15)
Benefit realisation from Commercial activities	(150)	(230)	(230)
Business Support Efficiency Programme	(30)	(30)	(30)
Contracts and Commissioning reviews	(150)	(150)	(150)
Income generation from Solar Farms	0	0	(500)
Leisure car parking fees	0	(116)	(116)
Paperless democratic meetings	(11)	(11)	(11)
Penalty charges - Non provision of Information Council Tax/benefits	(25)	(25)	(25)
Rationalisation process of Corporate Accommodation	(180)	(180)	(180)
Reduced external audit costs from improved quality assurance	0	0	(30)
Revenues and Benefits Automation	(50)	(100)	(100)
Treasury Management Review	(250)	(250)	(250)
WBC share of a gain-share with Oxygen Finance for an early payment discount scheme	(45)	(45)	(45)
Total Savings	(11,756)	(17,766)	(20,971)

THREE YEAR BUDGET FORECAST

2023/2024
£'0002024/2025
£'0002025/2026
£'000

Special Items

Adult Social Care			
Demand management - resource investment to deliver change	800	200	0
Older people dementia home - funding to cover running costs until optimal capacity is reached	0	0	500

Chief Executive			
Budget required to deliver sustainable organisational change	1,200	300	0
Customer Experience- Govmetric tool to measure and track customer satisfaction	13	0	0
Customer Experience Improvement Team	0	52	0
Easy Read document review by Caring, Listening and Supporting Partnership	15	0	0
Equality & Tackling Anti-Poverty Community Engagement	115	0	0
Implementation of new HR Target Operating Model	44	0	0
Inclusion Officer	20	52	0

Children's Services			
Meeting and managing demand - right help, right place, right time	850	400	0
Procurement of Education System	195	195	0
Transformation Programme	350	250	250

Non Reporting Service			
Increased demand/support through Council Tax Relief Scheme (cost of living pressures)	250	0	0

Place & Growth			
Additional consultancy support for the Local plan	175	0	0
Car Parking income	300	150	0
Deliberative Process for Climate Emergency	90	0	0
Domestic Abuse-Commissioned Service	75	0	0
Planning appeals and enforcement staffing costs	334	169	69
Replacement of Routewise System (Community Transport Unit - CTU)	60	0	0
School keep clear markings - roll out of parking enforcement scheme	183	0	0
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	150	0	0

Resources & Assets			
Delayed opening of St Celas school	100	0	0
Investment & Estates Property pressures from depressed market	200	100	0
One off growth to support leisure income recovery	70	30	0

Total Special Items	5,589	1,898	819
----------------------------	--------------	--------------	------------

Revenue Implications of Capital

Adult Social Care			
Older People Dementia Home	0	0	(337)

Children's Services			
Multifaceted Placement Hub	0	0	(98)

Place & Growth			
Dinton Activity Centre	(12)	(12)	(12)

Resources & Assets			
3G Pitch Maiden Erlegh	0	0	(27)
Cantley Park Enhancements	(1)	(1)	(1)
Capital Financing Requirement	10	10	9,742
Commercial Property Site Initial Design Work	0	0	(44)
Community Investment	0	0	(6,908)
Outdoor gyms x 3 locations	3	3	3
Residential Development [Barkham]	0	0	(1)
Residential Development [Toutley]	0	0	(9)
Residential Development [Winnersh]	0	0	(17)
Solar Farms (Barkham)	0	0	(2,291)

Total Revenue Implications of Capital	0	0	0
----------------------------------------------	----------	----------	----------

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2023/24 - 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
Chief Executive Service						
Organisational Foundation Projects	0	0	300	50	100	150
TOTAL Chief Executive Service	0	0	300	50	100	150
Adult Social Care						
Learning disability - unknown high cost pressures	23,652	23,852	24,602	180	300	270
Mental health - unknown high cost pressures	1,861	1,961	2,261	100	150	50
Physical disability - unknown high cost pressures	4,953	5,103	5,503	100	200	100
Older people - increases above expected levels (including self funders with depleted funds)	13,631	14,474	14,974	100	200	200
Market pressures arising from inflation / cost of living	0	0	750	200	300	250
Risk of litigation / compensation against assessment outcomes (including Deprivation of Liberty Safeguarding)	0	0	250	150	100	0
Risk of market failure	0	0	1,500	900	300	300
NHS and Social Care system pressures	0	0	1,000	500	300	200
TOTAL Adult Social Care	44,097	45,390	50,840	2,230	1,850	1,370
Children's Services						
Additional placements for children & young people above expected, including dispersal of UASC (demand led)	6,500	6,600	7,600	200	300	500
Direct payments and Community Support increased activity and costs (demand led)	500	530	630	30	50	20
Difficulty in recruiting essential frontline posts with permanent staff resulting in higher cost agency	550	630	930	100	100	100
Home to School Transport (demand led)	5,300	5,400	6,000	100	200	300
Legal costs through Joint Legal Team (demand led)	720	770	1,000	30	80	120
Adoption costs (demand led)	430	430	520	10	20	60
Emergency Duty Service (children's & adults) (demand led)	250	250	320	20	30	20
TOTAL Children's Services	14,250	14,610	17,000	490	780	1,120

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2023/24 - 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
Place & Growth						
Highways (roads and footways) urgent repairs following flooding and freezing and disposal of Tar bound material	1,823	1,823	2,003	50	100	30
Winter maintenance (bad weather)	220	384	494	60	50	0
Street lighting - energy cost increase	924	924	1,386	80	300	82
Failure of an embankment/structure on the highway	0	0	1,000	800	200	0
Highway Order - ensuring the network is compliant	150	0	200	30	20	150
Underachievement of MTFP additional income/savings target	(2,237)	(2,237)	(1,237)	700	100	200
Pre applications fees - under achievement of predicted fee income	(39)	(388)	(78)	80	80	150
Planning applications fees - under achievement of predicted fee income	(126)	(1,258)	(252)	350	350	307
Homelessness - greater than forecast usage of B&B accommodation	680	680	730	10	30	10
Waste disposal costs	10,700	10,700	11,400	250	300	150
TOTAL Place & Growth	12,095	10,628	15,647	2,410	1,530	1,079
Resources & Assets						
Income target from property portfolio not realised	(4,083)	(4,083)	(3,843)	50	90	100
Non achievement of Commercialisation savings	(398)	(398)	(198)	50	50	100
Loss of income - Leisure	(1,620)	(1,620)	(1,270)	100	150	100
General Inflation	0	0	2,000	1,200	300	500
TOTAL Resources & Assets	(6,101)	(6,101)	(3,311)	1,400	590	800
Total Budget Variable - General fund	64,341	64,527	80,476	6,580	4,850	4,519

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 18 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 2023/24 indicates that balances of at least £9.4m are required to provide for budget risks identified as high and medium. The recommended level of balances (below) is based on this.

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

3 Budget Risk Analysis

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

- £7.9m – minimum guide (5% net budget)
- £8.0m to £9.4m – reasonable level (High/Medium risks)
- £15.9m – upper limit (High/Medium/Low risks)

HOUSING REVENUE ACCOUNT - REVENUE BUDGET

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 £274m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants. The following table sets out the revenue expenditure planned for the HRA and the estimated income.

		2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
INCOME				
Rents				
Dwelling Rents		(16,860)	(17,366)	(17,887)
Garage Rents		(192)	(196)	(200)
Commercial Rents		(2)	(2)	(2)
Total Rents		(17,054)	(17,564)	(18,089)
Fees & Charges				
Service Charges		(468)	(477)	(487)
Leasehold Charges		(88)	(90)	(92)
Other Charges for Services & Facilities		(92)	(92)	(92)
Interest on balances		(20)	(20)	(20)
Total Income		(17,722)	(18,243)	(18,779)
EXPENDITURE				
Housing Repairs		4,317	4,532	4,759
General Management		3,797	3,987	4,186
Sheltered Accommodation		272	286	300
Depreciation	Note 1	5,060	5,060	5,060
Capital Finance Interest Charge	Note 2	2,600	2,630	2,660
Voluntary Revenue Provision	Note 3	955	995	1,361
Revenue Contribution to Capital	Note 4	560	590	290
Total Expenditure		17,561	18,080	18,616
Net Expenditure / (Income)		(161)	(163)	(163)
HRA Revenue Reserve				
Balance at Beginning of Year		(827)	(988)	(1,151)
Net Expenditure / (Income) - from above		(161)	(163)	(163)
Balances at Year End	Note 5	(988)	(1,151)	(1,314)

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

Note 2. Based on current and forecast loan portfolio

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

Note 4. Additional revenue contribution to fund capital programme

Note 5. 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.

		2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
EXPENDITURE				
Estate Improvements		10	10	10
Capitalised Staffing Costs		700	725	750
Adaptations for the Disabled		600	600	600
Voids		800	800	800
Housing Purchase & New Builds		0	1,000	1,000
Planned & Improvements Works		3,290	3,365	3,090
Gorse Ride Redevelopment	Note 4	6,204	18,648	15,484
Total Capital Expenditure		11,604	25,148	21,734
FUNDED BY				
Major Repairs Reserve		(5,060)	(5,110)	(5,060)
Right to Buy Receipts	Note 1	0	(650)	(650)
Revenue Contributions	Note 2	(560)	(590)	(290)
Loan for 60% right to buy contribution	Note 3	0	(600)	(600)
Capital Receipts - Gorse Ride	Note 4	(5,698)	0	(8,683)
HRA Borrowing - Gorse Ride	Note 4	(406)	(18,198)	(6,452)
Total Capital Funding		(11,724)	(25,148)	(21,734)
Balances at Year End		(120)	0	0

Note 1. Estimated receipts from right to buy sales

Note 2. Revenue contribution to fund capital programme

Note 3. Additional borrowing to support maximising right to buy receipts and capital works

Note 4. Part of £107m redevelopment scheme agreed by Executive in February 2022.

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2023/24 - 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 (Resources & Assets)						
Risk of contractor failure to revenue budget	3,246	3,246	3,746	200	200	100
Risk of contractor failure to capital budget	11,604	11,604	12,204	250	250	100
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	200	150	50	0
Increase in rent arrears due to cost of living crisis	0	0	300	100	100	100
Change to requirements of Regulatory framework and standards for Social Housing	0	0	150	150	0	0
TOTAL Housing Revenue Account	14,850	14,850	16,900	1,000	700	350

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 2022	1.3
Estimated Balance 31st March 2023	1.0
Estimated Balance 31st March 2024	1.0
Estimated Balance 31st March 2025	1.2
Estimated Balance 31st March 2026	1.3

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 £1.0m

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.

The level of reserves are expected to reduce in 2022/23 due to in year financial pressures however within the period of the current MTFP, reserves are expected increase gradually to pre 2022 balances.

3 Budget Risk Analysis

£1.0m - recommended level (High/Medium risks)

£2.0m - covers high / medium / low risks based on risk assessments

DEDICATED SCHOOLS GRANT BUDGET

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.

Considerable challenge continues for SEND in Wokingham, balancing financial sustainability for the High Needs Block against an increasing number and complexity of Children and Young People with Education Health & Care Plans. Wokingham has set out a robust but challenging DSG Management Plan programme for the next 6 years, to deliver a balanced budget by 2028/29. Work through central government's Safety Valve Programme seeks to secure funding from the Department for Education to support in meeting our cumulative deficit. Creation of a SEND equalisation reserve through council tax levy will ensure sufficient resources are held to fund the Council's anticipated contribution.

	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
INCOME				
Dedicated Schools Grant [Note 1]	(167,158)	(180,864)	(186,197)	(191,783)
Less : Academy Recoupment	82,838	92,451	94,269	97,097
Pupil Premium	(1,806)	(1,860)	(1,916)	(1,974)
Total Income	(86,127)	(90,273)	(93,844)	(96,660)
EXPENDITURE				
Schools Block - Individual Schools Budget (ISB)	44,847	45,828	46,728	48,129
Schools Block - Growth Fund	1,589	1,997	1,716	1,767
High Needs Block Budget	29,142	35,420	36,432	35,164
Early Years Block	11,289	12,615	12,993	13,383
Central School Services Block	995	1,039	1,070	1,102
Pupil Premium allocated to schools	1,806	1,860	1,916	1,974
Total Expenditure	89,668	98,758	100,855	101,520
Net Expenditure / (Income)	3,541	8,484	7,011	4,860
Balance brought forward [Note 2]	10,040	16,575	25,059	32,070
Budgeted net expenditure / (income) [Note 3]	3,541	8,484	7,011	4,860
Forecast in-year over / (under) spend [Note 4]	2,994	0	0	0
Balance Carried Forward - (Surplus) / Deficit	16,575	25,059	32,070	36,931

Note 1 - 2022/23 figures reflect initial budget allocations

2023/24 Schools Block Budget allocation approved at Schools Forum on 11th January 2023

Note 2 - Surplus or deficit balance at the end of each financial year carried forward into the following year

Note 3 - Budgeted deficit reflected in 6 year DSG Management Plan Programme

Note 4 - Forecast overspend for 2022/23, reported to Schools Forum on 11th January 2023, primarily relating to the High Needs Block
Reflects pressure over and above that anticipated at the time of 2022/23 budget setting

CAPITAL PROGRAMME 2023 to 2026 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:

- Housing, Local Economy and Regeneration
- Roads and Transport
- Childrens Services and Schools
- Climate Emergency
- Internal Services
- Environment
- Adult Social Care

2 Capital Programme

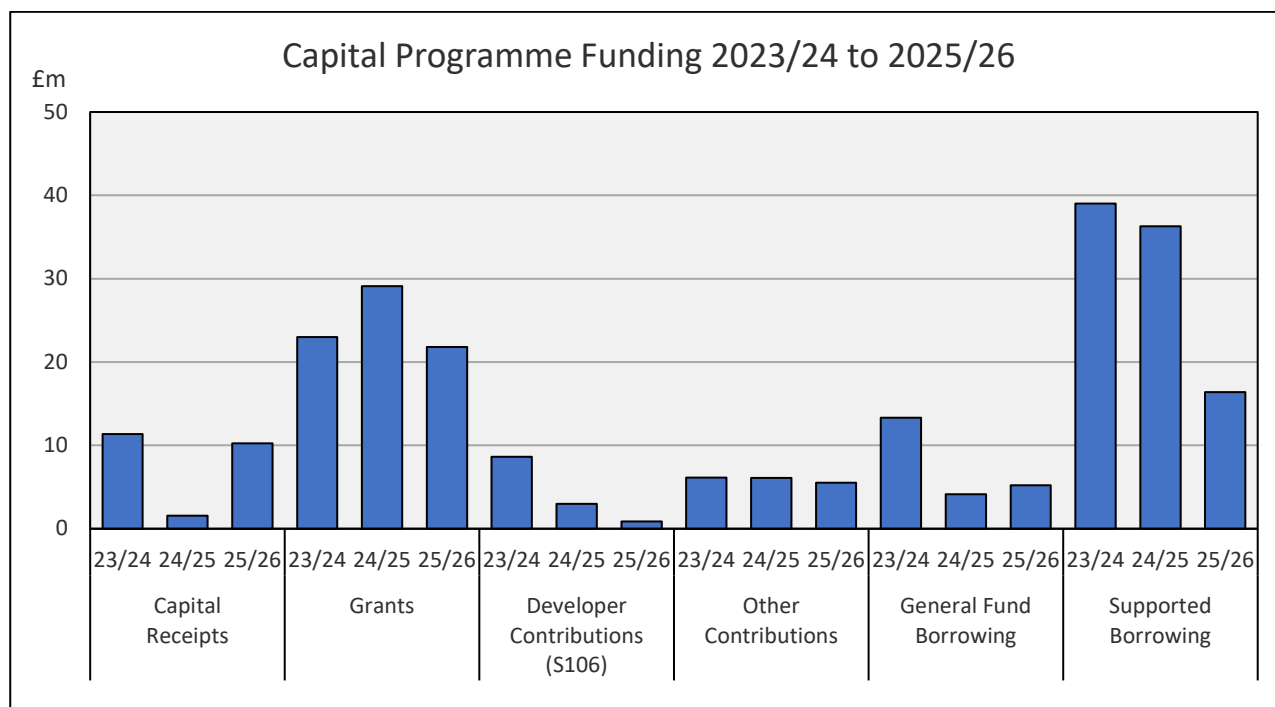
An overview of the proposed programme over the next three years is shown below. Further detail of the Capital Programme allocation of individual projects across key areas, and key area sub - categories is contained in the schedules further on in this section of the Medium Term Financial Plan and can be found in the Capital Programme and Strategy 2023/26.

In addition to the amounts below are carry forwards from the current year capital programme. These will be in addition to the £256.2m capital programme below. Details of the carry forwards are set out each quarter in the capital monitoring to Executive.

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Housing, Local Economy and Regeneration	54.4	38.4	30.0	122.8
Children Services and Schools	17.3	27.0	21.0	65.3
Roads and Transport	10.5	9.3	7.9	27.7
Adult Social Care	6.8	3.1	1.8	11.7
Internal Services	6.4	3.7	3.0	13.1
Climate Emergency	5.3	3.1	4.9	13.3
Environment	0.9	0.1	1.1	2.1
Total Capital Programme 2023/24 to 2025/26	101.7	84.7	69.8	256.2

3 Capital Funding

The funding for the Capital Programme over the next three years is estimated to be funded by a combination of the funding sources shown below. The funding below does not include any funding relating to any carry forwards from the current financial year, this funding is in addition to the funding set out below.



	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Supported borrowing	(39.4)	(36.3)	(16.4)	(92.1)
Developer contributions (S106 / CIL)	(8.6)	(3.0)	(0.9)	(12.5)
Capital grants	(23.0)	(29.1)	(21.8)	(73.9)
Other contributions	(6.1)	(6.1)	(5.5)	(17.7)
Capital receipts	(11.3)	(1.6)	(10.2)	(23.1)
General fund borrowing	(13.3)	(4.1)	(5.2)	(22.6)
Total	(101.7)	(80.2)	(60.0)	(241.9)

The capital programme currently has a budget shortfall of c£28m over three years which includes a fully funded year 1 programme. This shortfall is made up of c£14m budget shortfall against the capital programme highlighted above (£256m less £242m). The remaining c£14m shortfall is the current estimated gap between CIL income and associated capital spend requirements. This shortfall over three years will be balanced through a combination of reducing or reprofiling capital expenditure, additional CIL income from potential new developments and by maximising capital funding opportunities such as bidding for capital grants.

4 Capital Strategy

A 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 2023/24 to 2025/26 are set as:

Prudential Indicators	2023/24 £m	2024/25 £m	2025/26 £m
<u>Limits</u>			
Authorised Limit (Note: CFR*120%)	£594.0m	£647.2m	£661.0m
Operational Boundary (Note: CFR*110%)	£544.5m	£593.2m	£605.9m
Maturity structure of borrowing	See Appendix B		
<u>Performance Indicators</u>			
Capital financing requirement – General Fund (GF)	£417.3m	£443.8m	£449.6m
Capital financing requirement – HRA	£77.7m	£95.5m	£101.2m
Gross external borrowing – General Fund (GF)	£130.1m	£177.7m	£185.7m
Gross external borrowing - HRA	£65.0m	£82.8m	£88.5m
Ratio of financing costs to net revenue stream - GF	(0.57%)	(0.36%)	(0.39%)
Ratio of financing costs to net revenue stream - HRA	20.26%	20.06%	21.61%
Net income from commercial & service investments to net revenue stream - GF	9.44%	9.77%	9.75%
Liability benchmark	See Section 5		

The ratios above are explained in more detail in the Treasury Management Strategy 2023/24 and form a key part of our treasury management activities. These ratios are monitored and reviewed throughout the year.

6 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. The Council's general fund CFR from 2023/24 to 2025/26 is demonstrated in the table below.

CFR : General Fund Total	Total			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	381.5	403.6	417.3	443.9
Expenditure in year	52.4	50.7	55.8	38.7
Repayments in year	(30.3)	(37.1)	(29.2)	(32.8)
Closing balance	403.6	417.3	443.8	449.6

This can be broken down further into supported and general fund borrowing.

	Supported Borrowing				General Fund Borrowing			
	22/23	23/24	24/25	25/26	22/23	23/24	24/25	25/26
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	280.9	300.4	309.6	329.2	100.6	103.2	107.7	114.7
Expenditure in year	46.1	42.8	44.8	31.0	6.3	7.9	11.0	7.7
Repayments in year	(26.6)	(33.6)	(25.2)	(28.6)	(3.7)	(3.5)	(4.0)	(4.2)
Closing balance	300.4	309.6	329.2	331.5	103.2	107.7	114.7	118.1

Supported borrowing consists of different types of supported borrowing which are broken down further below. As described earlier, these are either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services.

	Supported Borrowing		
	23/24	24/25	25/26
	£m	£m	£m
Invest to save	72.9	94.1	102.1
Town centre regeneration	92.1	84.8	81.9
Wokingham housing companies	24.2	22.7	20.8
Developer contributions forward funded	40.3	48.3	47.8
Housing, economy & regeneration	80.0	79.5	78.9
Closing balance	309.6	329.2	331.5

The following table shows the CFR balance for the Housing Revenue Account (HRA). Due to the ringfenced nature of the HRA, the CFR is considered separately to the general fund.

	Housing Revenue Account			
	22/23	23/24	24/25	25/26
	£m	£m	£m	£m
Opening balance	80.3	78.2	77.6	95.4
Expenditure in year	0	0.4	18.8	7.0
Repayments in year	(2.1)	(1.0)	(1.0)	(1.4)
Closing balance	78.2	77.6	95.4	101.0

A full breakdown of the prudential indicators, investment strategy and borrowing strategy can be found in the Treasury Management Strategy 2023/24.

CAPITAL PROGRAMME 2023/24 to 2025/26

The following table sets out by key area, the Councils Capital Programme for the next three years. The HRA Capital programme is also included under Housing, Local Economy and Regeneration, sub section Housing Delivery. Note - the budget allocations below exclude any carry forwards from the current year.

	2023/24 £,000	2024/25 £,000	2025/26 £,000	Total £,000
Housing, Local Economy and Regeneration Delivering sustainability, a strong, robust and successful economy that stimulates opportunities for all who work and live in	54,454	38,398	29,964	122,817
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential	17,278	26,992	21,034	65,304
Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network	10,539	9,319	7,940	27,797
Adult Social Care An effective, high-quality care and support service to providing a better quality of life for residents	6,820	3,081	1,787	11,688
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities	6,443	3,690	3,040	13,173
Climate Emergency Commitment to reduce carbon emissions and working towards becoming a carbon neutral Council	5,289	3,089	4,939	13,317
Environment Investment and enhancement of facilities across the borough benefiting communities and residents wellbeing	883	100	1,100	2,083
Total Capital Programme 2023/24 to 2025/26	101,706	84,669	69,804	256,179

CAPITAL PROGRAMME 2023/24 to 2025/26 BY SUB CATEGORY

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

	2023/24 £,000	2024/25 £,000	2025/26 £,000	Total £,000
Housing, Local Economy and Regeneration				
Income Generation	26,500	0	0	26,500
Housing delivery	27,854	38,398	29,364	95,617
Service Improvements	100	0	100	200
Regeneration of towns	0	0	500	500
Housing, Local Economy and Regeneration Total	54,454	38,398	29,964	122,817
Children Services and Schools				
New facilities	15,671	25,385	19,427	60,483
Improvement to existing facilities	1,277	1,277	1,277	3,831
Service improvements	330	330	330	990
Children Services and Schools Total	17,278	26,992	21,034	65,304
Roads and Transport				
Service improvements	6,176	3,426	800	10,402
Improvement to existing facilities	3,345	3,827	3,345	10,517
Alternative transport	954	2,000	0	2,954
New roads	64	66	3,795	3,924
Roads and Transport Total	10,539	9,319	7,940	27,797
Adult Social Care				
New facilities	5,541	2,300	1,000	8,841
Service improvements	1,229	731	737	2,697
Improvement to existing facilities	50	50	50	150
Adult Social Care Total	6,820	3,081	1,787	11,688

CAPITAL PROGRAMME 2023/24 to 2025/26 BY SUB CATEGORY CONT..

	2022/23 £,000	2023/24 £,000	2024/25 £,000	Total £,000
Internal Services				
Service improvements	4,093	3,340	2,690	10,123
New facilities	2,000	0	0	2,000
Improvement to existing facilities	350	350	350	1,050
Internal Services Total	6,443	3,690	3,040	13,173
Climate Emergency				
C02 Reduction	3,059	3,059	3,059	9,177
Alternative transport	2,230	30	1,880	4,140
Climate Emergency Total	5,289	3,089	4,939	13,317
Environment				
Improvement to existing facilities	700	100	100	900
Service improvements	183	0	0	183
New facilities	0	0	1,000	1,000
Environment Total	883	100	1,100	2,083
Total Capital Programme 2023/24 to 2025/26	101,706	84,669	69,804	256,179

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category		Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
				£,000	£,000	£,000	£,000
Housing, Local Economy and Regeneration							
Income Generation	Community Investment	To build on the commercial property portfolio in line with the Council's socio-economic and sustainability agendas		26,500	0	0	26,500
		Income Generation Total		26,500	0	0	26,500
Housing Delivery 215	Gorse Ride Regeneration Project	Redevelopment of Gorse Ride housing estate to provide new affordable housing		6,204	18,648	15,484	40,337
	WBC Holdings Ltd Loan	Wokingham Borough Council owned houses funding		6,000	6,000	6,000	18,000
	Housing Tenants Services (HRA)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)		5,400	5,500	5,250	16,150
	Bulldog Garage - Temporary Accommodation	Build temporary accommodation to meet increase demand in the borough		4,900	1,500	0	6,400
	Wellington Road	To deliver homes for our most vulnerable residents and key workers		4,000	1,930	0	5,930
	Mandatory Disabled Facility Grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home		1,100	1,100	1,100	3,300
	Self-Build Project	Delivery of an affordable self-build schemes		250	250	0	500
	Seaford Court Development	Options being considered for the scheme which includes accommodation for vulnerable young people or for temporary accommodation for homelessness		0	2,470	530	3,000
	Purchase of Council Houses (HRA)	To replace HRA housing stock using the 1 for 1 right to buy receipts		0	1,000	1,000	2,000
		Housing Delivery Total		27,854	38,398	29,364	95,617
Service Improvements	Commercial Portfolio - Improvement to WBC commercial properties	To ensure commercial properties are suitable for letting		100	0	100	200
		Service Improvements Total		100	0	100	200
Regeneration of Towns	Denmark Street Environmental Improvements	Improving the borough towns and parishes		0	0	500	500
		Regeneration of Towns Total		0	0	500	500
Housing, Local Economy and Regeneration Total				54,454	38,398	29,964	122,817

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Children Services and Schools						
216	SEND Sufficiency		5,862	16,400	13,300	35,562
	Basic Needs Secondary Places	Extension / new build projects to provide additional places throughout the borough to meet demand	4,500	6,500	4,500	15,500
	Sixth Form Expansion		3,500	1,900	0	5,400
	Care Leaver Accommodation		1,200	0	0	1,200
	UASC Accommodation	To provide a setting to meet the needs of vulnerable children.	500	0	0	500
	Matthews Green Primary School		38	25	15	78
	Arborfield / Barkham Primary School		30	30	30	90
	Shinfield West Primary School	Furniture, fittings & equipment to meet need of additional places throughout the borough	30	30	30	90
	Montague Park Primary School		11	0	0	11
	Basic Needs Primary Programme	Extension / new build projects to provide additional places throughout the borough to meet need	0	500	1,500	2,000
	Primary Strategy - FFE	Furniture, fittings & Equipment to meet need of additional places throughout the borough	0	0	52	52
		New Facilities Total	15,671	25,385	19,427	60,483
Improvement to Existing Facilities	Schools Maintenance	Capital improvements and suitability issues	630	630	630	1,890
	Schools Devolved Formula	Specific government grant to carry out capital works, controlled by schools	375	375	375	1,125
	Children in Care Equipment	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	200	200	200	600
	School Kitchens	Improve various school meals kitchens including delivery of the universal free school meal programme	50	50	50	150
	ICT Equipment for Children in Care	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	22	22	22	66
		Improvement to Existing Facilities Total	1,277	1,277	1,277	3,831
Service Improvements	Capita IT System	Children's Services IT system	192	192	192	576
	Capitalisation of Analysts and Report Developers	Investment in business analysts part of continued change programme	138	138	138	414
		Service Improvements Total	330	330	330	990
Children Services and Schools Total			17,278	26,992	21,034	65,304

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Roads and Transport						
Service Improvements	Toutley Highways Depot Modernisation	Environmental services facility enhancement	3,500	0	0	3,500
	Wokingham Highways Investment Strategy (WHIS)	A "Needs Based" approach to maintaining Wokingham's highways network, aligned to the Council's and stakeholder priorities	2,126	2,126	0	4,252
	Integrated Transport Schemes	Enhancement the integrated transport schemes	400	400	400	1,200
	Safer Routes to Schools	Infrastructure changes to make school journey's by most sustainable mode	150	150	150	450
	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	0	500	0	500
	Traffic Signal Upgrade Programme	Investment in highways signals	0	250	250	500
		Service Improvements Total	6,176	3,426	800	10,402
217 Improvement to Existing Facilities	Highways Carriageways Structural Maintenance	Rolling programme to resurfacing carriageways (roads) to repair damage and extend the life of the asset	2,280	2,280	2,280	6,840
	Safety / Crash Barriers	Improving safety / crash barriers on the highways in the borough	500	750	500	1,750
	Bridge Strengthening	Continued enhancement to highway structures	225	225	225	675
	Highway Drainage Schemes	To reduce the overall degradation of the highway drainage network	200	200	200	600
	Highways Footway Structural Maintenance Programme	Enhancement to footways within the borough	100	100	100	300
	Strengthening Approach Embankments to Bridges	Continued enhancement to highway structures	20	20	20	60
	Street Lighting Column Structural Testing	Structural testing of lighting assets	20	0	20	40
	Commonfield lane passing bays	Improvements to roads	0	252	0	252
		Improvement to Existing Facilities Total	3,345	3,827	3,345	10,517
Alternative Transport	Active Travel & Bus Priority	Improvement to traffic flow and the encouragement of alternative sustainable modes of transport	954	2,000	0	2,954
		Alternative Transport Total	954	2,000	0	2,954
New Roads	Completed Road Schemes Retention	Meet any retention costs from completed road schemes	64	66	68	197
	SCAPE - Road infrastructure (dist roads etc) initial costs	Investment in future road building / enhancement across WBC road network (including new relief roads)	0	0	3,727	3,727
		New Roads Total	64	66	3,795	3,924
Roads and Transport Total			10,539	9,319	7,940	27,797

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Adult Social Care						
New Facility	Older People's Dementia Home	Manage the future demand by investing in dementia care accommodation	5,541	0	0	5,541
	Accommodation Transformation	Additional supported living accommodation	0	1,500	1,000	2,500
	Replacement of Day Services for Adults	Investment in provision of day services	0	800	0	800
		New Facility Total	5,541	2,300	1,000	8,841
Service Improvements	Adult Social Care - Community Equipment	Support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of equipment.	729	731	737	2,197
	Mosaic Modernisation and Reimplementation	Improvements to Adult Social Care IT System	500	0	0	500
		Service Improvements Total	1,229	731	737	2,697
Improvement to Existing Facilities	Adult Social Care Urgent Maintenance & Refurbishment	Urgent maintenance / refurbishment of the Adult Social Care 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			6,820	3,081	1,787	11,688

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Internal Services						
	Central Contingency	Held to meet unforeseen cost pressures across the capital programme	1,500	1,500	1,500	4,500
	IT - Microsoft E5	Continued enhancement in IT network	808	890	890	2,588
	IT - Hardware		400	200	0	600
	IT - Applications		345	50	0	395
	IT - Infrastructure		330	350	0	680
	New CRM (Microsoft D365) system		300	50	0	350
	IT - Maintenance & Enhancement	Continued enhancement in IT network (Ensuring that Tier A apps used Council Wide remain in support, with ongoing security of applications and for the data held in them.)	150	300	300	750
	IT - Security		130	0	0	130
	Digital Tools- Replace CMS		100	0	0	100
	Application Tracking System (ATS) Implementation		30	0	0	30
219		Service Improvements Total	4,093	3,340	2,690	10,123
	New Facilities	Capital Construction Inflation Costs	2,000	0	0	2,000
		New Facilities Total	2,000	0	0	2,000
	Improvement to Existing Facilities	Property Maintenance and Compliance	350	350	350	1,050
		Improvement to Existing Facilities Total	350	350	350	1,050
	Internal Services Total		6,443	3,690	3,040	13,173

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Climate Emergency						
Co2 Reduction	Energy Reduction Projects	Energy efficiency projects at existing properties including, installing LED lighting, cavity wall & loft insulation, boiler controls, etc	1,750	1,750	1,750	5,250
	Electric Vehicle Charge Points	Installation of electric vehicle charge points	1,200	1,200	1,200	3,600
	Waste Schemes - Recycling	Purchase of waste receptacles to enable the borough to enhance their waste / recycling	89	89	89	267
	Food Waste Collection	To provide food waste containers	20	20	20	60
		Co2 Reduction Total	3,059	3,059	3,059	9,177
Alternative Transport	Local Cycling and Walking Infrastructure Plans	Improvements for walking and cycling in borough	1,200	0	0	1,200
	Greenways	A network of quiet commuting and leisure routes for pedestrians and cyclists	1,000	0	0	1,000
	Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy	Transport infrastructure enhancement	30	30	30	90
	Feasibility and first stage of new non highway crossing (new foot and cycle structures in borough)	New non highway crossing (new foot and cycle structures in borough)	0	0	1,500	1,500
	A327 Cycleway	Investment in cycle networks in the borough	0	0	350	350
		Alternative Transport Total	2,230	30	1,880	4,140
Climate Emergency Total			5,289	3,089	4,939	13,317

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

The following table sets out by the key areas, the Councils detailed Capital Programme by scheme for the next 3 years. The HRA Capital programme is also included under Housing Delivery.

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Environment						
Improvement to Existing Facilities	California Lakeside Refurbishment	Refurbishment and upgrading of the lakeside area and associated paths at California Country Park.	600	0	0	600
	Leisure Centre Refurbishments / upgrades across the borough	The enhancement of existing leisure facilities	100	100	100	300
		Improvement to Existing Facilities Total	700	100	100	900
Service Improvements	New Bid - Planning Civica APP replacement	New software system with mobile functionality required to support PPP service Planning service	100	0	0	100
	New Bid - PPP Civica APP replacement		83	0	0	83
		Service Improvements Total	183	0	0	183
New Facilities	New Pool at Arborfield	A development of a new swimming pool and leisure facilities	0	0	1,000	1,000
		New Facilities Total	0	0	1,000	1,000
Environment Total			883	100	1,100	2,083
Total			101,706	84,669	69,804	256,179

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

FIVE YEAR CAPITAL VISION 2023/24 to 2027/28

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

	2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	Total £,000
Housing, Local Economy and Regeneration						
Income Generation	26,500	0	0	0		26,500
Housing delivery	27,854	38,398	29,364	25,304	18,984	139,905
Service Improvements	100	0	100	0	100	300
Regeneration of towns	0	0	500	0	0	500
Housing, Local Economy and Regeneration Total	54,454	38,398	29,964	25,304	19,084	167,205
Children Services and Schools						
New facilities	15,671	25,385	19,427	8,895	5,310	74,688
Improvement to existing facilities	1,277	1,277	1,277	1,277	1,277	6,385
Service improvements	330	330	330	330	330	1,650
Children Services and Schools Total	17,278	26,992	21,034	10,502	6,917	82,723
Roads and Transport						
Service improvements	6,176	3,426	800	800	800	12,002
Improvement to existing facilities	3,345	3,827	3,345	3,575	3,325	17,417
Alternative transport	954	2,000	0	0	0	2,954
New roads	64	66	3,795	70	0	3,994
Roads and Transport Total	10,539	9,319	7,940	4,445	4,125	36,367
Adult Social Care						
New facilities	5,541	2,300	1,000	0	0	8,841
Service improvements	1,229	731	737	745	745	4,187
Improvement to existing facilities	50	50	50	50	50	250
Adult Social Care Total	6,820	3,081	1,787	795	795	13,278
Internal Services						
Service improvements	4,093	3,340	2,690	2,690	2,690	15,503
New facilities	2,000	0	0	0	0	2,000
Improvement to existing facilities	350	350	350	350	350	1,750
Internal Services Total	6,443	3,690	3,040	3,040	3,040	19,253

	2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	Total £,000
Climate Emergency						
C02 Reduction	3,059	3,059	3,059	3,459	1,859	14,495
Alternative transport	2,230	30	1,880	3,500	3,500	11,140
Climate Emergency Total	5,289	3,089	4,939	6,959	5,359	25,635
Environment						
Improvement to existing facilities	700	100	100	100	100	1,100
Service improvements	183	0	0	0	0	183
New facilities	0	0	1,000	6,000	0	7,000
Environment Total	883	100	1,100	6,100	100	8,283
Total Capital Programme 2023/24 to 2027/28	101,706	84,669	69,804	57,145	39,420	352,744

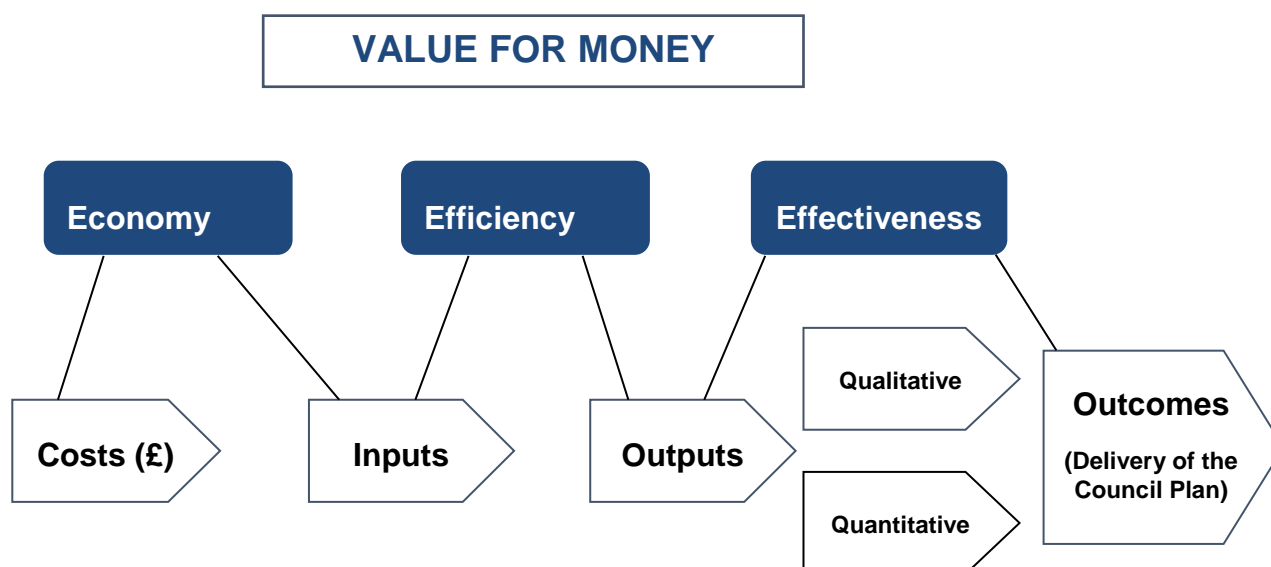
COMMERCIALISATION AND VALUE FOR MONEY

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	2023/24			2024/25			2025/26			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	4,586	1,585	7,271	4,592	1,633	7,499	4,610	1,682	7,754	High
	Learning Disability, Supported Living	weeks	11,443	940	10,755	11,450	968	11,084	11,559	997	11,525	High
	Mental Health, Supported Living	weeks	2,391	556	1,330	2,376	573	1,361	2,399	590	1,415	Medium
	Older People, Homecare	hours	313,959	20	6,289	303,579	21	6,263	300,779	21	6,392	High
	Older People, Nursing Care	weeks	4,118	983	4,046	4,203	1,012	4,254	4,292	1,042	4,474	High
	Older People, Residential Care	weeks	4,182	921	3,853	4,074	949	3,866	4,009	977	3,918	High
	Physical Disability, Homecare	hours	108,382	20	2,171	104,470	21	2,155	103,944	21	2,209	Medium
	Physical Disability, Supported Living	weeks	1,269	631	801	1,411	650	917	1,535	670	1,028	Medium
Children's Services												
	Foster Placements / Staying Put	per night	27,740	62	1,712	28,295	64	1,799	28,861	65	1,890	Medium
	Independent Foster Placements	per night	5,867	121	710	5,984	125	746	6,104	128	784	Medium
	Residential Home Placements	per night	6,620	518	3,429	6,752	534	3,603	6,887	550	3,785	High
	Semi-Independent Living	per night	6,010	126	760	6,130	130	798	6,253	134	839	Medium
	Home to School Transport - Mainstream	per pupil	533	2,726	1,453	540	2,808	1,516	550	2,892	1,591	High
	Home to School Transport - SEND	per pupil	378	11,710	4,426	420	12,061	5,066	450	12,423	5,590	High
Place & Growth												
	Waste Disposal (based on 72000 tonnes pa in 2021/22) combined landfill and recycling and 3% growth per annum. The average cost of recycling treatment (including DMR and food waste) is £66.68 for 2021/22. This has been increased by 5% per year - RPI	charge per tonne	66,057	90	5,945	68,000	100	6,800	70,000	110	7,700	Medium
	Building Control - Plan check fee (Total Number of Submissions in year)	per search	900	515	464	900	515	464	900	515	464	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	1,570	300	471	1,570	300	471	High
Schools Block - Dedicated Schools Grant												
	Independent & Non Maintained Special School Placements	per pupil	137	76,300	10,453	108	82,700	8,932	82	72,900	5,978	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 / Universal Credit, 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 the council tax for the property. These are set out below;

- Properties empty for at least 2 years (but less than 5 years), the maximum long-term empty homes premium is 100%.
- Properties empty for at least 5 years (but less than 10 years), the maximum long-term empty homes premium is 200%.
- Properties empty for at least 10 years, the maximum long-term empty homes premium is 300%.

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 2022/23 and 2023/24 are set out below.

Precept	2022/23 £	Band D £	2023/24 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	18,083,043	241.28	19,540,607	256.28	6.22%
Royal Berkshire Fire Authority	5,542,279	73.95	6,019,709	78.95	6.76%

Collection Fund Surplus

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2023. The calculation is required by legislation to be made by 15th January. 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 2023 the collection fund expects to achieve a surplus of £1,181,000 therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £1,000,000

Police and Crime Commissioner for Thames Valley – £140,000

Royal Berkshire Fire Authority - £41,000

PARISH PRECEPTS 2023/24

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>2022/23</u> PARISH PRECEPT	COUNCIL TAX BAND D	TAX BASE	<u>2023/24</u> PARISH PRECEPT	COUNCIL TAX BAND D
		£	£		£	£
Arborfield & Newland	1,298.90	106,955	82.34	1,279.10	105,321	82.34
Barkham	2,158.90	73,787	34.18	2,336.80	61,185	26.18
Charvil	1,464.90	87,059	59.43	1,473.20	90,000	61.09
Earley	11,974.90	988,054	82.51	12,005.70	1,007,815	83.94
Finchampstead	6,295.60	184,615	29.32	6,553.70	192,154	29.32
Remenham	327.30	27,751	84.79	328.70	29,138	88.65
Ruscombe	545.70	29,300	53.69	580.20	28,600	49.29
St. Nicholas Hurst	1,104.00	48,400	43.84	1,106.70	54,650	49.38
Shinfield	7,356.10	552,370	75.09	7,613.20	599,570	78.75
Sonning	829.50	39,002	47.02	827.00	42,200	51.03
Swallowfield	1,077.80	32,237	29.91	1,078.60	35,487	32.90
Twyford	3,026.40	127,238	42.04	3,046.30	153,382	50.35
Wargrave	2,150.90	204,404	95.03	2,143.50	213,865	99.77
Winnersh	4,465.30	186,917	41.86	4,433.80	191,166	43.12
Wokingham Town	16,712.90	1,014,210	60.68	17,230.60	1,118,820	64.93
Wokingham Without	3,299.40	227,400	68.92	3,315.70	239,957	72.37
Woodley	10,857.80	1,225,628	112.88	10,894.30	1,195,649	109.75
TOTAL	74,946.30	5,155,327	68.79	76,247.10	5,358,959	70.28

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

COUNCIL TAX BY BAND AND PARISH 2023/24

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	1,438.22	1,677.94	1,917.64	2,157.35	2,636.76	3,116.18	3,595.57	4,314.70
WBC plus average Parish	1,214.74	1,417.20	1,619.66	1,822.12	2,227.04	2,631.96	3,036.86	3,644.24
Average Parish	46.85	54.66	62.47	70.28	85.90	101.52	117.13	140.56
Police Authority	170.85	199.33	227.80	256.28	313.23	370.18	427.13	512.56
Fire Authority	52.63	61.41	70.18	78.95	96.49	114.04	131.58	157.90
Adult social care precept*	153.65	179.25	204.86	230.47	281.69	332.90	384.12	460.94
Wokingham Borough Council excluding ASC precept	1,014.24	1,183.29	1,352.33	1,521.37	1,859.45	2,197.54	2,535.61	3,042.74
Wokingham Borough Council total	1,167.89	1,362.54	1,557.19	1,751.84	2,141.14	2,530.44	2,919.73	3,503.68

* Percentage increases based on total 2022/23 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	54.89	64.04	73.19	82.34	100.64	118.94	137.23	164.68
Barkham	17.45	20.36	23.27	26.18	32.00	37.82	43.63	52.36
Charvil	40.73	47.51	54.30	61.09	74.67	88.24	101.82	122.18
Earley	55.96	65.29	74.61	83.94	102.59	121.25	139.90	167.88
Finchampstead	19.55	22.80	26.06	29.32	35.84	42.35	48.87	58.64
Remenham	59.10	68.95	78.80	88.65	108.35	128.05	147.75	177.30
Ruscombe	32.86	38.34	43.81	49.29	60.24	71.20	82.15	98.58
St. Nicholas Hurst	32.92	38.41	43.89	49.38	60.35	71.33	82.30	98.76
Shinfield	52.50	61.25	70.00	78.75	96.25	113.75	131.25	157.50
Sonning	34.02	39.69	45.36	51.03	62.37	73.71	85.05	102.06
Swallowfield	21.93	25.59	29.24	32.90	40.21	47.52	54.83	65.80
Twyford	33.57	39.16	44.76	50.35	61.54	72.73	83.92	100.70
Wargrave	66.51	77.60	88.68	99.77	121.94	144.11	166.28	199.54
Winnersh	28.75	33.54	38.33	43.12	52.70	62.28	71.87	86.24
Wokingham Town	43.29	50.50	57.72	64.93	79.36	93.79	108.22	129.86
Wokingham Without	48.25	56.29	64.33	72.37	88.45	104.53	120.62	144.74
Woodley	73.17	85.36	97.56	109.75	134.14	158.53	182.92	219.50

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	1,446.26	1,687.32	1,928.36	2,169.41	2,651.50	3,133.60	3,615.67	4,338.82
Barkham	1,408.82	1,643.64	1,878.44	2,113.25	2,582.86	3,052.48	3,522.07	4,226.50
Charvil	1,432.10	1,670.79	1,909.47	2,148.16	2,625.53	3,102.90	3,580.26	4,296.32
Earley	1,447.33	1,688.57	1,929.78	2,171.01	2,653.45	3,135.91	3,618.34	4,342.02
Finchampstead	1,410.92	1,646.08	1,881.23	2,116.39	2,586.70	3,057.01	3,527.31	4,232.78
Remenham	1,450.47	1,692.23	1,933.97	2,175.72	2,659.21	3,142.71	3,626.19	4,351.44
Ruscombe	1,424.23	1,661.62	1,898.98	2,136.36	2,611.10	3,085.86	3,560.59	4,272.72
St. Nicholas Hurst	1,424.29	1,661.69	1,899.06	2,136.45	2,611.21	3,085.99	3,560.74	4,272.90
Shinfield	1,443.87	1,684.53	1,925.17	2,165.82	2,647.11	3,128.41	3,609.69	4,331.64
Sonning	1,425.39	1,662.97	1,900.53	2,138.10	2,613.23	3,088.37	3,563.49	4,276.20
Swallowfield	1,413.30	1,648.87	1,884.41	2,119.97	2,591.07	3,062.18	3,533.27	4,239.94
Twyford	1,424.94	1,662.44	1,899.93	2,137.42	2,612.40	3,087.39	3,562.36	4,274.84
Wargrave	1,457.88	1,700.88	1,943.85	2,186.84	2,672.80	3,158.77	3,644.72	4,373.68
Winnersh	1,420.12	1,656.82	1,893.50	2,130.19	2,603.56	3,076.94	3,550.31	4,260.38
Wokingham Town	1,434.66	1,673.78	1,912.89	2,152.00	2,630.22	3,108.45	3,586.66	4,304.00
Wokingham Without	1,439.62	1,679.57	1,919.50	2,159.44	2,639.31	3,119.19	3,599.06	4,318.88
Woodley	1,464.54	1,708.64	1,952.73	2,196.82	2,685.00	3,173.19	3,661.36	4,393.64

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.

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Accountancy and Procurement						
Charge for printed copies of the MTFP or Statement of Accounts		Zero Rated	Full cost recovery	£20.80	£18.00	
Adult Social Services - Deputyship and Appointee						
Deputyship & Appointee WBC Fees/charges						
Management of client finances under Appointeeship where savings are over £3000	Annual	Exempt		£111.90	£119.70	
Additional services after death - e.g. locating executors, arranging funerals						
Estates Winding up fee - Level 1 (Deputy & Appointeeship)	One off	Exempt		£246.10	£263.30	
Estates Winding up fee - Level 2 (Deputy & Appointeeship)	One off	Exempt		£302.10	£323.20	
Estates Winding up fee - Level 3 (Deputy & Appointeeship)	One off	Exempt		£425.30	£455.10	
Additional services for clients with capacity e.g. arranging a will/funeral plan etc	One off	Exempt		£54.20	£58.00	
Sports Activities						
						For all Leisure activities - increases/price changes will not be implemented prior to overall service review. Members are asked to agree in principle, with officers having delegated authority for final fee setting
Children's Holidays Sports Activities:						
Wokingham Active Kids Full Day Course (9:30 am - 3:30pm)		Exempt		£25.00	£26.80	
Wokingham Active Kids Full Day Course (9:30 am - 3:30pm) - Weeks Charge		Exempt		£102.50	£109.70	
Wokingham Active Kids Full Day Course (8 am - 6pm)		Exempt		£36.25	£38.80	
Wokingham Active Kids Full Day Course (8 am - 6pm) - Week Charge		Exempt		£162.00	£173.30	
Power-Up (9am - 5pm) Standard Day		Exempt		£30.00	£32.10	
Specialised Sports Camps (Courses) Per Day		Exempt		£36.00	£38.50	
All sports 1/2 day 9 - 12pm		Exempt		£15.00	£16.10	
All Sports 1/2 day 9 - 12pm (Weeks Course Discount)		Exempt		£62.30	£66.70	
1/2 Day Special Offer Price (5 for the Price of 4)		Exempt		£55.00	£58.90	
Full Day Special Offer Price (5 for the Price of 4)		Exempt		£93.50	£100.00	
Breakfast Club		Standard		£6.00	£6.40	
Afterschool club		Standard		£11.00	£11.80	
Birthday party (3G 1 hour + ashridge room 1 hour) unsupervised - without food		Standard		£100.00	£107.00	
Children's Term Time Sports Activities:						
Term Time Activities (Sports) - Per session i.e. Mini Soccer		Exempt		£4.80	£5.10	

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Over 60's Physical Activities (S.H.I.N.E) / Adults with Health Conditions (Disability) - charges from 1 March 2023						
1 class	Class	Standard		£5.20	£5.60	
10 classes (£4.30/class)	10 classes	Standard		£43.00	£46.00	
8 week course - upfront payment	8wk course	Standard		£34.40	£36.80	
Single Session Ad-Hoc		Exempt		£7.50	£8.00	
Specialist Sessions (Archery-Pilates-Yoga) Block of 10		Exempt		£71.00	£76.00	
Block of 10 Sessions for non Wokingham borough residents		Exempt		£72.00	£77.00	
Social events		Exempt		£5.40	£5.80	
Sports Social/Special events - One-off sessions		Exempt		£5.40	£5.80	
Sports Social/Special events - Non WBC residence		Exempt		£6.20	£6.60	
Adult Classes:						
Sports Social/Special events		Exempt		£5.40	£5.80	
Non-Residents and Single Session Ad-Hoc		Exempt		£6.20	£6.60	
Specialised Health Prevention Projects						
Steady Steps (based on 12 weeks)		Exempt		£39.10	£41.80	
Steady Steps (based on 12 weeks) for non Wokingham borough residents		Exempt		£78.10	£83.60	
Cardiac Rehab (10 Week block)		Exempt		£39.10	£41.80	
LTHC Rehab Gym incl. phase 4 cancer rehab (based on 10 sessions)		Exempt		£39.10	£41.80	
GP referral (based on 10 sessions)		Exempt		£39.10	£41.80	
Steady Steps Drop In session Pay as you go		Exempt		£3.90	£4.20	
Steady Steps Drop In session Pay as you go non Wokingham residents		Exempt		£7.80	£8.30	
Mindful Health and Wellbeing - x10 coupon card		Exempt		£39.10	£41.80	
Escape Pain (12 Week Block)		Exempt		£41.60	£44.50	
Dementia Friendly Activities						
Dementia Class		Exempt		£3.60	£3.90	
Dementia Class - x10 coupon card		Exempt		£35.80	£38.30	
Ageing Actively		Exempt		£3.60	£3.90	
Ageing Actively - x10 coupon card		Exempt		£35.80	£38.30	
Dementia Class - Non-Residents		Exempt		£4.70	£5.00	
Ageing Actively - Non-Residents		Exempt		£4.70	£5.00	
Adults with Health Conditions & Additional Needs (Disability)						
General class per session off peak		Exempt		£3.20	£3.40	

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Children with Health Conditions & Additional Needs (Disability)						
General Class (£4.59 per session 10 weeks)		Exempt		£47.70	£51.00	
General Class (£3.76 per session CAN Card Holders 10 weeks)		Exempt		£39.10	£41.80	
Specialised Courses		Exempt		£62.00	£66.30	
Additional Services:						
Provision of Coach / Instructor Per Hour		Exempt		£29.50	£31.60	
Provision of Specialised Coach / Instructor Per Hour		Exempt		£41.10	£44.00	
Promotional social events for WBC Sports & Leisure		Exempt		£5.40	£5.80	
WBC 3G Pitches						
Cantley Park, Laural Park, Emmbrook						
Standard Clubs						
Full Pitch (peak) Peak 5pm to 10pm		Standard		£101.00	£108.10	
Half Pitch (peak) Peak 5pm to 10pm		Standard		£50.50	£54.00	
Quarter Pitch (peak) Peak 5pm to 10pm		Standard		£25.20	£27.00	
Full pitch (off peak)		Standard		£50.40	£53.90	
Half Pitch (off peak)		Standard		£25.25	£27.00	
Quarter Pitch (off-peak)		Standard		£12.80	£13.70	
Hire of changing rooms / shower facilities	per game	Standard		£32.50	£34.80	
Key Partner Club						
Full Pitch (peak)		Standard		£90.00	£96.30	
Half Pitch (peak)		Standard		£45.00	£48.20	
Quarter Pitch (peak)		Standard		£22.50	£24.10	
Full Pitch (off peak)		Standard		£45.00	£48.20	
Half Pitch (off peak)		Standard		£22.50	£24.10	
Quarter Pitch (off peak)		Standard		£11.20	£12.00	
Artificial Pitch, Cantley Park, Wokingham -						
Full Pitch (peak)		Standard		£92.00	£98.40	
Half Pitch (Peak)		Standard		£60.50	£64.70	
Full Pitch (Off Peak)		Standard		£46.00	£49.20	
Half Pitch (Off Peak)		Standard		£30.20	£32.30	
Astro Training Per Hour		Standard		£92.00	£85.00	Re-benchmarked in current economic climate
Astro Match 90 minutes		Standard		£92.00	£85.00	Re-benchmarked in current economic climate

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Commercial Operations (inc Private Coaching Companies- Discretion of WBC S&L)						
Full Pitch (peak)		Standard		£134.40	£143.80	
Half Pitch (peak)		Standard		£73.00	£78.10	
Quarter Pitch (peak)		Standard		£42.00	£44.90	
Full Pitch (off peak)		Standard		£77.10	£82.50	
Half pitch (off peak)		Standard		£41.00	£43.90	
Quarter Pitch (off peak)		Standard		£27.00	£28.90	
Football Foundation Match Play 3G						
Key Partner Clubs						
11 vs 11 2 Hours (inc changing room)		Standard		£89.00	£95.20	
11 vs 11 2 Hours (NO changing room)		Standard		£89.00	£95.20	
9v9 1 game full pitch 1.5 hours		Standard		£44.50	£47.60	
7v7 2 games full pitch 1 hour		Standard		£44.50	£47.60	
5v5 4 games full pitch 1 hour		Standard		£44.50	£47.60	
Non Football Foundation Match Play 3G						
Standard Clubs						
11 vs 11 2 Hours		Standard		£101.00	£108.10	
9v9 1 game half pitch 1.5 hours		Standard		£50.50	£54.00	
7v7 2 games half pitch 1 hour		Standard		£50.50	£54.00	
5v5 4 games half pitch 1 hour		Standard		£50.50	£54.00	
Artificial Five a Side Pitch Montague Park						
FA Charter/Key Partner/Informal						
Full Pitch (peak) 92yds x 49 yds (training only)		Standard		£52.10	£55.70	
Half Pitch (peak) 52yds x 49yds (Training only)		Standard		£25.50	£27.30	
Full Pitch (Off Peak)		Standard		£37.00	£39.60	
Half Pitch (off peak)		Standard		£21.10	£22.60	
Commercial Hire Montague Park						
Full Pitch (peak)		Standard		£66.60	£71.30	
Half Pitch (peak)		Standard		£33.25	£35.60	
Grass Pitches						

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
All sites:						
Ryeish Green Grass	Sandford Park					
Cantley Park Grass						
Barkham Rec						
Elizabeth Park						
Chalfont Park						
Waverley Way						
Bigshotte Park						
Senior Pitch (90 x 60 & above)		Standard		£53.40	£57.10	
Junior Pitch (80 x 50 & smaller) per game		Standard		£25.50	£27.30	
Hire of changing rooms / shower facilities	per game	Standard		£32.50	£34.80	
Cantley Park Grass Pitches - nets and flags provided by WBC						
Senior Pitch				£60.00	£64.00	
Junior Pitch				£29.00	£31.00	
SPORTS PAVILION HIRE:						
Ashridge room inc kitchen, & upstairs toilets only, Cantley:						
Hire per hr - Off peak (before 6pm weekdays & Sundays inc WBC users)		Standard		£15.10	£20.00	
Hire per hr - Peak times (Weekdays after 6 pm & all day Saturday)		Standard		£18.60	£25.00	
EVENTS						
EVENTS	Deposit of 10% required					
Event hire based on new Event hire Matrix		Standard			POA	New pricing structure. Pricing to allow event organiser/hirers to understand charges with a discount for Charities
Hire of field for Cross Country race		Standard			£120.00	New

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
MISCELLANEOUS GROUNDS MAINTENANCE FEES:						
Refundable deposit for all keys to Pavilions & Secure Sites (per set)		Exempt	N/A	£35.00	£37.50	
Emmbrook						
County FA 11v11 Flexi - Summer Saturdays x 8 weeks full pitch		Standard		£106.00	£113.40	
15 Berks Bucks FA Coach Ed Days to include 1) 1 st 4 sport Level 1 Award Coaching Football; 2) Level 2 Block 1,2 & 3; 3) Referee Courses - included in BBFA 15 days		Standard		£158.30	£169.40	
4 x FA Safeguarding & FA Emergency First Aid - FA Day Rate		Standard		£79.20	£84.70	
Berks and Bucks FA		Standard		£132.30	£141.60	
Reading FC Community Trust	10am-3pm	Standard		£156.00	£166.90	
BOBi Disability League		Standard		£47.00	£50.30	
Café Items- Cantley Park						
Café food and drink prices will be set at full cost recovery and in line with market rates offering diverse catering offerings for all dietary requirements				Variable	Variable	
Cricket Pitch (Artificial)						
Cricket Pitch Hire (Artificial) - School T20 Daytime/Evenings	per game	Standard		£36.40	£38.90	
Cricket Pitch Hire (Artificial) Club - Weekends & Evenings T20 (Junior or Adult)	per game	Standard		£52.00	£55.60	
Cricket Pitch Hire (Artificial) Club - Weekends 40+ overs per innings (Junior or Adult)	per game	Standard		£77.90	£83.40	
Cricket Pitch Hire (Artificial) Club - Weekday Daytime	per game	Standard		£41.60	£44.50	
SPONSORSHIP						
Banner Space Initial set-up + per annum		Standard		£500.00	£459.40	
Renewal		Standard		£350.00	£321.60	
Event sponsorship - negotiable at service managers discretion		Standard		Variable	Variable	
Event banner sponsorship		Standard		£250.00	£229.70	
Boxing Gym						
8 Week course		Standard		£100.00	£95.40	
12 week course		Standard		£125.00	£119.30	
Food, drinks and café item prices will be set at full cost recovery and in line with market rates						Currently in review whilst corresponding to supplier costs and sensitivity review.
Merchandise prices will be set at full cost recovery and in line with market rates						

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	DESCRIPTION	LEVEL/TYPE	CHARGE	UNIT	VAT TYPE	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	NOTES
							Incl VAT (if applic) £	Incl VAT (if applic) £	
BXGFIT Boxing Fitness Hub									
									For all Leisure activities - increases/price changes will not be implemented prior to overall service review. Members are asked to agree in principle, with officers having delegated authority for final fee setting
ADULT MEMBERSHIPS 245		HEAVYWEIGHT - top level	Membership	Monthly	Standard		£30.00	£32.00	Unlimited Freebox Attendance - Paid Monthly
	CLASSES - organised exercise class sessions	HEAVYWEIGHT	Membership	Monthly	Standard		£44.00	£47.00	Unlimited Classes Attendance - Paid Monthly
			Membership	Annual	Standard		£440.00	£471.00	Unlimited Classes Attendance - Paid Upfront
		MIDDLEWEIGHT	Membership	Monthly	Standard		£35.20	£34.70	10 Classes Per Month
			Membership	Annual	Standard		£360.00	£385.00	10 Classes Per Month
		LIGHTWEIGHT	Membership	Monthly	Standard		£24.20	£23.10	5 Classes Per Month
			Membership	Annual	Standard		£250.00	£268.00	5 Classes Per Month
	OPEN GYM ADD ON	WITH EXISTING MEMBERSHIP	Membership	Monthly	Standard			£15.00	New
OTHER MEMBERSHIPS	JUNIOR	Junior Lightweight	Monthly	Standard			£15.00	£16.00	
		Junior Middleweight	Monthly	Standard			£20.00	£21.50	
		Junior Heavy weight	Monthly	Standard			£27.50	£29.50	
		Junior Open Gym add on	Monthly	Standard			£15.00	£16.00	
	CORPORATE	Corporate Premium Membership		Standard			20% off full price		
		Corporate Classes Membership		Standard			20% off full price		
		Corporate Freebox Membership		Standard			20% off full price		
MEMBERSHIP SAVINGS	MEMBERSHIP & AD-HOC SAVINGS	Family Discount					15% off full price		3+ memberships - discount applied to all members (same household)
		Couples/Household Discount					10% off full price		2 memberships - discount applied to all members
		Sport And Leisure Programme Discount					5%-20% off full price		members of another programme or family member
		Student Discount					10%-20%		University or College students - student ID required
		Early Bird Discount					10% off full price		on memberships upfront and monthly
AD-HOC/PAYG (PAY AS YOU GO) SESSIONS	FREEBOX	Adult	1				£11.00	£11.80	
		Junior	1				£7.00	£7.50	
	CLASSES	Adult	1				£13.20	£14.10	
		Junior	1				£9.50	£10.00	
		Miscellaneous Blocks Of Multiple 5,10,20,50,100	MISC				5-20% Off Full Price	5-20% Off Full Price	
		Block Of 10 Adult	10				£110.00	£117.70	
		Block Of 10 Junior	10				£82.50	£88.30	
		OFF-PEAK CLASS	E.G. Youth Offenders Group	1			£1.50	£1.60	

Resource & Assets

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	DESCRIPTION	LEVEL/TYPE	CHARGE	UNIT	VAT TYPE	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	NOTES
PERSONAL TRAINING - 1 To 1 SESSION			Miscellaneous Blocks Of Multiple 5,10,20,50,100	MISC			5-20% Off Full Price	5-20% Off Full Price	
			Block of 3				£108.00	£115.60	
			Block of 6				£204.00	£218.30	
			Block of 12				£324.00	£346.70	
PROMOTIONS			Buy 1 Get 1 Half Price				1 Full One 50% Off	1 Full One 50% Off	
			5% To 30% Off Memberships				5% -30%	5% -30%	
246 OTHERS			Children In Care				Free	Free	
			Carer Leavers				Free	Free	<25 Years Old
			Foster Children + Siblings				Free	Free	Aged 12+
			Foster Parents				Free	Free	
			Nhs Discounts				20% Off	20% Off	
			Prevention Programmes				20% Off Full Price	20% Off Full Price	Upon Completion of a WBC Prevention Programme
			Disabled				20% Off Full Price	20% Off Full Price	Proof of Registered Disability
			Unemployed				10% Off Full Price	10% Off Full Price	Off Peak Access
			Café Discount				10% Off Food And Drink	10% Off Food And Drink	
			Corporate Rates	Per Company			£500-£2,000	£525-£2,140	
			PT Hire	Per Hour			£15.00	£16.10	
			Studio Hire Rate	Per Hour			£100-£500	£50 to £535	Re-benchmarked working with the commercial team. Based on numbers attending, length of booking, staff required

Children's Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes	
				Incl VAT (if applic)	Incl VAT (if applic)		
				£	£		
YOUTH & COMMUNITY SERVICE:							
Wokingham Youth & Community Centre							
Commercial rates agreed on negotiation							
Small Hall	per hour	Exempt	Covers full costs	£15.20	£16.30	Formerly called Activity	
Large Hall	per hour	Exempt		£19.10	£20.50	Formerly called Hall	
Kitchen	per hour	Exempt		£63.30	£15.00	Restructure of charges	
Lounge	per hour	Exempt		£32.70	£18.50		
Premises	per hour	Exempt		£79.10	£70.00		
Purple room	per hour	Exempt			£12.00	New	
Teal room	per hour	Exempt			£12.00	New	
Woodley Airfield							
Commercial Hire:							
Hall	per hour	Exempt	Covers full costs	£22.20	£23.80		
Lounge area and kitchen facilities	per session	Exempt		£7.00	£7.50		
Community Hire:							
Hall	per hour	Exempt		£18.60	£19.90		
Lounge area and kitchen facilities	per session	Exempt		£7.00	£7.50		
Private Hire:							
Hall	per hour	Exempt		£18.60	£19.90		
Storage facilities (for organisations storing equipment at Centre)	per month	Exempt		£10.00	£10.70		
Use of car park for organisations who are not hiring the hall	per session			5.20	£5.60		
Home To School / College Transport							
All changes in charges to come into effect from the start of the school year 1 September 2023							
Fee Payer Annual Charge	per pass	Zero Rated	Full cost recovery	£785.00	£840.00		
Lost Pass replacement fee	per pass	Zero Rated	Full cost recovery	£19.20	£21.00		
Disabled Children's Saturday Clubs							
Cost to other local authorities	per visit	Non Business	Full cost recovery	£108.60	£116.00		
Administration fee to process a licence for a chaperone	per licence	Standard			£10.00	New	
Administration fee to process a licence for a professional chaperone	per licence	Standard			£50.00	New	

Adult Social Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Home Care Service & Community Support Services						
Full cost recovery (means Tested) except where two carers required where only one will be charged (maximum charge to individual is the actual cost incurred by WBC)	Hour	Non Business		Full cost recovery	Full cost recovery	
Second carer		Non Business		Full cost recovery	Full cost recovery	
Older People						
Residential Care:						
WBC Homes for Older People						
Full Standard charge - residents - Suffolk Lodge	Week	Non Business		Full cost recovery	Full cost recovery	
Full Cost to other local authorities - Suffolk Lodge	Week	Non Business		Full cost recovery	Full cost recovery	
Independent Sector Homes for the Elderly						
Maximum charge to resident is the actual cost incurred by WBC		Non Business		Full cost recovery	Full cost recovery	
Respite Care:						
Adults - charge to resident - WBC Homes						
WBC Home - Suffolk Lodge - Maximum charge subject to a financial assessment	Week	Non Business		Full cost recovery	Full cost recovery	
Adults - charge to resident - Independent Sector						
Maximum charge to resident is the actual cost incurred by WBC		Non Business		Full cost recovery	Full cost recovery	
ADULTS AND MENTAL HEALTH:						
Day Care Service:						
Where a meal is received, flat rate charge	Day	Non Business		Full cost recovery	Full cost recovery	
Two or more meals received, minimum charge	Day	Non Business		Full cost recovery	Full cost recovery	
Day Care:						
Full cost to other local authorities	Day	Non Business		Full cost recovery	Full cost recovery	
Self Funders:						
Care management for non-residential service – start of service		Non Business		£183.20	£192.40	
Care management for non-residential service – following years		Non Business		£105.10	£110.40	
Annual administration charge for non-residential services – start of service	Annual	Non Business		£124.00	£130.20	
Annual administration charge for non-residential services –following years	Annual	Non Business		£124.00	£130.20	
Deferred Payment Agreements (DPA)						
Setup charge excluding disbursements	Annual	Non Business		£891.60	£936.20	
Setup charge including disbursements	Annual	Non Business		£708.70	£744.10	
Annual Administration excluding disbursements	Annual	Non Business		£308.40	£323.80	
Annual Administration including disbursements	Annual	Non Business		£203.10	£213.30	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Concessionary Travel						
Replacement of lost National Bus Pass		Zero Rated	Full Cost Plus	£6.00	£12.50	Increase in charge also covers the cost to update the portal
Community Transport						
Community Transport Safeguarding Course		Standard	Cost recovery	£55.00	£55.00	
Building Control GF						
Building Control Solutions						
Research, retrieval and copy charge per property for Building Regulation Decision Notice(s) and/or Completion Certificate(s) intended for commercial re-use.						
To professionals for commercial purposes or owners/buyers	per hour	Non business		£34.00	£36.00	
48 hour response	per hour	Non business		£67.50	£71.00	
Research and response to enquiry per property where no documentation is supplied	per hour	Non business		£34.00	£36.00	
First issue of Completion Certificates on archive applications		Standard		£92.00	£96.00	
Provide pre-application advice (first hour free of charge)	per hour	Standard		£92.00	£96.00	
Subsequent Building Regulation Charges may be reduced accordingly to reflect this advice.						
Research, retrieval and examination of Building Regulation record						
To professionals for commercial purposes	per hour	Non business		£34.00	£36.00	
Letter confirming exemption		Non business		£44.50	£47.00	
Letter confirming enforcement action will not be taken		Non business		£44.50	£47.00	
Pre-application site inspections to discuss possible work e.g. view trial holes. Payment is required in advance		Standard		£92.00	£96.00	
Submission of a Demolition Application		Non business		£264.00	£278.00	
Retrieve archive file, undertake research, further inspection(s) and issue a completion certificate in respect of a project, following a period of three years since the last inspection of the work	per hour	Standard		£92.00	£96.00	
Scaffold licence	Each	Non business	Cost recovery & contribution towards income generation	£210.00	£220.00	
Scaffold licence extension	Each	Non business	Cost recovery & contribution towards income generation	£131.00	£137.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Building Regulations Application charges						
Application Type						
Applications: Plan charge						
Erection or extension of a detached or attached building which consists only of a garage or carport or both having a floor area not exceeding 60m2 in total and intended to be used in exempt building.	per application	Standard		£295.50	£316.00	
Conversion of a domestic garage to habitable accommodation	per application	Standard		£295.50	£316.00	
Any extension or loft conversion of a dwelling the total floor area of which does not exceed 10m2.	per application	Standard		£295.50	£316.00	
Any extension or loft conversion of a dwelling the total floor area of which exceeds 10m2, but does not exceed 40m2	per application	Standard		£295.50	£316.00	
Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2	per application	Standard		£295.50	£316.00	
Applications: Inspection Charge						
Erection or extension of a detached or attached building which consists only of a garage or carport or both having a floor area not exceeding 60m2 in total and intended to be used in exempt building.	per application	Standard		£152.00	£162.00	
Conversion of a domestic garage to habitable accommodation	per application	Standard		£164.50	£176.00	
Any extension or loft conversion of a dwelling the total floor area of which does not exceed 10m2.	per application	Standard		£316.50	£338.00	
Any extension or loft conversion of a dwelling the total floor area of which exceeds 10m2, but does not exceed 40m2	per application	Standard		£459.00	£491.00	
Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2	per application	Standard		£643.50	£688.00	
Applications: Building Notice						
Erection or extension of a detached or attached building which consists only of a garage or carport or both having a floor area not exceeding 60m2 in total and intended to be used in exempt building.	per application	Standard		£470.50	£503.00	
Conversion of a domestic garage to habitable accommodation	per application	Standard		£472.50	£505.00	
Any extension or loft conversion of a dwelling the total floor area of which does not exceed 10m2.	per application	Standard		£673.00	£720.00	
Any extension or loft conversion of a dwelling the total floor area of which exceeds 10m2, but does not exceed 40m2	per application	Standard		£830.00	£888.00	
Any extension or loft conversion of a dwelling the total floor area of which exceeds 40m2, but does not exceed 100m2	per application	Standard		£1,077.00	£1,152.00	
Window replacements (non competent persons scheme) on a single dwelling	per application	Standard		£206.00	£220.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Building Regulations Application charges						
Application Type:						
Applications: Plan charge						
< 5000m2	Per application	Standard		£211.00	£225.00	
> 5000m2 but < 10000m2	Per application	Standard		£211.00	£225.00	
> 10000m2 but < 20000m2	Per application	Standard		£211.00	£225.00	
> 20000m2 but < 30000m2	Per application	Standard		£285.00	£305.00	
> 30000m2 but < 40000m2	Per application	Standard		£337.50	£361.00	
> 40000m2 but < 50000m2	Per application	Standard		£400.00	£428.00	
Applications: Inspection charge						
< 5000m2	Per application	Standard		£113.00	£120.00	
> 5000m2 but < 10000m2	Per application	Standard		£215.50	£230.00	
> 10000m2 but < 20000m2	Per application	Standard		£358.50	£383.00	
> 20000m2 but < 30000m2	Per application	Standard		£424.50	£454.00	
> 30000m2 but < 40000m2	Per application	Standard		£495.00	£529.00	
> 40000m2 but < 50000m2	Per application	Standard		£635.00	£679.00	
Applications: Building notice						
< 5000m2	Per application	Standard		£355.50	£380.00	
> 5000m2 but < 10000m2	Per application	Standard		£469.00	£502.00	
> 10000m2 but < 20000m2	Per application	Standard		£650.00	£695.00	
> 20000m2 but < 30000m2	Per application	Standard		£779.50	£834.00	
> 30000m2 but < 40000m2	Per application	Standard		£915.50	£980.00	
> 40000m2 but < 50000m2	Per application	Standard		£1,127.50	£1,206.00	
Charges Relating to New Houses and Flats up to Three Storeys High and Not Exceeding 500m2						
Full Plans charge						
New-dwellings 1 unit	Per application	Standard		£443.00	£474.00	
New-dwellings 2 units	Per application	Standard		£548.50	£587.00	
>2 units contact BC solutions						
Full Plans Inspection charge						
New-dwellings 1 unit	Per application	Standard		£622.50	£665.00	
New-dwellings 2 units	Per application	Standard		£801.50	£858.00	
>2 units contact BC solutions						

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Building notice charge						
New-dwellings 1 unit	Per application	Standard		£1,244.50	£1,332.00	
New-dwellings 2 units	Per application	Standard		£1,568.50	£1,679.00	
>2 units contact BC solutions						
Charges relating to work for electrical or heating work not carried out by an electrician/gas engineer registered under a Competent Persons Scheme						
Building Notice charge for electrical works only	Per application	Standard		£463.00	£495.00	
Additional cost to a Building Notice or Full Plans application	Per application	Standard		£427.00	£457.00	
Charges relating to renovation of thermal element Fixed price for works not exceeding £2000.00 in value						
Building Notice charge	Per application	Standard		£158.50	£169.00	
Domestic work involving the installation of solar panels/wind turbines (where controlled by Building Regulations)						
Building Notice charge for electrical works only	Per application	Standard		£185.00	£198.00	
Planning						
Application Fees						
Planning Application fee levels are set nationally and individual local planning authorities have no powers to vary them. The anticipated income is based on current fee levels.						
Pre-application Charges:						
Application Type:						
House Holder	Per application	Standard		£192.00	£192.00	
Non-householder ≤40 sq m floorspace £200	Per application	Standard		£207.60	£238.74	
Non-householder 41-100 sq m floorspace £500	Per application	Standard		£519.00	£596.90	
Non-householder 101-200 sq m floorspace £1000	Per application	Standard		£1,038.00	£1,193.70	
Non-householder 201-500 sq m floorspace £1200	Per application	Standard		£1,245.00	£1,431.75	
Non-householder 501-1000 sq m floorspace £1500	Per application	Standard		£1,557.00	£1,790.55	
Non-householder 1001– 2000 sq m floorspace £2000	Per application	Standard		£2,076.00	£2,491.20	
Non-householder 2001–5000 sq m floorspace £2500	Per application	Standard		£2,595.00	£3,114.00	
Non-householder ≥5000 sq m floorspace £10K	Per application	Standard		£10,380.00	£12,456.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Non-householder where no new floorspace proposed based on site area ≤ 1 Ha	per 0.1 Ha	Standard		£311.40	£373.65	
1.01 - 3 Has	Per application	Standard		£2,076.00	£2,491.20	
3.01 - 5 Has	Per application	Standard		£5,190.00	£6,228.00	
≥ 5.01 Has	Per application	Standard		£10,380.00	£12,456.00	
New-dwellings cost per dwelling	Per Dwelling	Standard		£311.40	£400.00	
S106 agreement (Major Developments)- minimum charge	Per application	Non-business		£1,557.00	£1,868.40	
S106 agreement (Major Developments) - maximum charge	Per application	Non-business		£2,595.00	charge at hourly rate - available on application	
S106 agreement (all other developments)- minimum charge	Per application	Non-business		£1,000.00	£1,350.00	
S106 agreement (all other developments) - maximum charge	Per application	Non-business		POA	charge at hourly rate - available on application	
S106 agreement - deed of variation	Per application	Non-business		£500.00	£750 minimum and thereafter at hourly rate	
Responding to Solicitor S106/CIL enquiries	Per enquiry per application site	Standard			£100.00	New
S106 monitoring fees	Per planning obligation trigger	Non-business			£474.00	
Planning site research, examination and retrieval of data	Hourly Rate	Standard	Full cost recovery		£30.00	New
Planning Performance Agreements (PPA's)	Price On Application	Standard	Full cost recovery		POA	New
Planning Application Viability Assessment	Price On Application	Standard	Full cost recovery		POA	New
High Hedges Legislation		Non Business		£991.00	£1,040.60	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Transportation						
Park & Ride User		standard	Full cost recovery	£1.00	£1.00	
Winnersh Station Parking						
Train User		standard	Full cost recovery	£4.00	£4.00	
Day Parking		standard	Full cost recovery	£4.00	£4.00	
Countryside Services						
Car Parking @ California Country Parks and Dinton Pastures						
Coach Parking per day		Standard	Full cost	£18.30	£21.50	
Charge per Visit - per hour	per hour	Standard		£1.70	£2.00	
Charge per Visit - over 4 hours		Standard		£6.80	£8.00	
Annual Season Ticket - 6 month		Standard		£91.00	£110.00	
Annual Season Ticket - 12 month		Standard		£171.00	£200.00	
Annual Season Ticket - 6 month concessionary		Standard		£63.50	£74.00	
Annual Season Ticket - 12 month concessionary		Standard		£128.00	£145.00	
Out of hours car park unlocking		Standard		£91.30	£107.00	
Mobil Scooter Joining Fee - admin charge		Exempt		£20.50	£21.50	
Angling						
Fishing Syndicates						
White Swan Lake	per person	Standard	Full cost plus	£740.00	£830.00	
White Swan winter		Standard		£274.00	£287.70	
Black Swan Lake		Standard		£740.00	£830.00	
River Loddon		Standard		£145.00	£150.00	
Longmoor Lake		Standard		£250.00	£275.00	
Gold Ticket		Standard		£1,450.00	£1,625.00	
Twyford Reserve		Standard		£330.00	£400.00	
Guest ticket		Standard		£30.00	£30.00	
Day season tickets full		Standard		£85.00	£93.50	
Day season discount		Standard		£62.50	£65.00	
Waiting list deposit non refundable , taken off first year membership		Standard	Concession	£20.00	£20.00	
Day ticket per rod	per rod	Standard	Full cost plus	£6.20	£6.50	
CALIFORNIA COUNTRY PARK						
Paddling Pool	Per Person	Exempt	Full cost	£2.60	£2.90	
Paddling Pool, Pool side ticket		Exempt		£1.00	£1.20	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Public Rights of Way						
Processing statutory Declarations	per item	Non Business	Cost	£606.50	£636.80	
Statutory Declarations - processing of subsequent declarations		Non Business	Cost	£58.00	£60.90	
Extinguishment and Diversion Orders of Public Rights of Way under Section 118 and 119 Highways Act 1980	per item	Non Business	Full cost plus	POA	POA	
Extinguishment and Diversion Orders of Public Rights of Way under Section 257 Town and Country Planning Act 1990		Non Business	Full cost plus	POA	POA	
Temporary Traffic Regulation Order		Non Business	Full cost plus	£2,695.20	£2,830.00	
Public rights of way information - Definitive Map extract	1st query	Standard	Demand Driven	£109.00	£114.50	
Enforcement action under Section 143 Highways Act 1980 and Schedule 1	Per item	Non Business	Full cost plus officer time	POA	POA	
Highways						
Licence to Plant in the Highway		Non Business	Recovery of costs (Ref Highways Act S.142)	£355.00	£373.00	
Planters Licence		Non Business	Recovery of costs (Ref Highways Act S.142)	£355.00	£373.00	
Street Light Column Relocation - Admin Charge. (Recovery officers time and works cost is additional to this)		Non Business		£56.80	£59.60	
Licence to fit third party attachments to street lighting columns or similar Highways equipment/structures - Licence valid for one year - renewal required annually		Non Business	Recovery of costs	£45.00	£47.30	
Rechargeable works on the highway including accident damage - charges depend on actual value of the works and costs associated with reinstatement		Non Business	Full cost plus administrative, legal and insurance	Variable	Variable	
Technical Approval of Highways Structures						
Cat 0		Non Business		£945.20	£992.50	
Cat 1		Non Business		£1,063.40	£1,116.60	
Cat 2		Non Business		£1,830.90	£1,922.40	
Cat 3		Non Business		POA	POA	
Street Naming & Numbering:						
Change of Property Name		Standard		£89.00	£98.00	
To alter the address if plans altered by developer		Standard		£31.00	£34.00	
Research into archives (where not part of statutory function) Per hour set as minimum.		Standard	Recovery of administration costs	£31.00	£34.00	
To rename a street when requested by residents		Standard		£484.00	£532.00	
Confirmation of address to solicitors, agents etc		Standard		£31.00	£34.00	
New Developments:						
First Address		Non Business	Recovery of administration costs	£117.00	£129.00	
Additional addresses		Non Business		£49.00	£54.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
STREETWORKS - PERMIT SCHEME			Permit fees cannot be amended without formal consultation			
Provisional Advance Authorisation	Main Roads. All 0, 1, 2 streets, Traffic Sensitive 3 & 4 streets	Non Business		£84.00	£84.00	
	Minor Roads. 3 & 4 / Non Traffic Sensitive streets	Non Business		£74.00	£74.00	
Major Activity over 10 days and all major works requiring a traffic regulation order	Main Roads. All 0, 1, 2 streets, Traffic Sensitive 3 & 4 streets	Non Business		£219.00	£219.00	
	Minor Roads. 3 & 4 / Non Traffic Sensitive streets	Non Business		£143.00	£143.00	
Permit Variation	Main Roads. All 0, 1, 2 streets, Traffic Sensitive 3 & 4 streets	Non Business		£45.00	£45.00	
	Minor Roads. 3 & 4 / Non Traffic Sensitive streets	Non Business		£35.00	£35.00	
Major Activity (4-10 days)	Main Roads. All 0, 1, 2 streets, Traffic Sensitive 3 & 4 streets	Non Business	To recover service costs	£127.00	£127.00	
Major Activity (up to 3 days)		Non Business		£63.00	£63.00	
Standard Activity		Non Business		£127.00	£127.00	
Minor Activity		Non Business		£63.00	£63.00	
Minor Activity (carried out wholly outside traffic sensitive times)		Non Business		£51.00	£51.00	
Immediate Activity		Non Business		£54.00	£54.00	
Immediate Activity (carried out wholly outside traffic sensitive times)		Non Business		£44.00	£44.00	
STREETWORKS - LICENSES		Non Business				
NRSA - Streetworks Licence up to 20m (over 20m to be pro-rated to max £)	Minimum	Non Business	To recover service costs	£496.50	£521.30	New
NRSA s171 - Tree Works		Non Business	To recover service costs		£66.30	
s50 License		Non Business	To recover service costs		£521.30	New
Skip Licence (max 2 weeks)		Non Business	Recovery of costs (Ref Highways Act S.139)	£48.50	£65.00	
Skip Licence (additional fee per week beyond original 2 weeks)	Additional fee per week	Non Business	Recovery of costs (Ref Highways Act S.139)	£37.90	£45.00	
Crane Oversail License	per week	Non Business			£150.00	New

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
STREETWORKS - TRAFFIC ORDERS						
Temporary Order		Non Business	Full cost plus	£2,695.20	£2,830.00	
Temporary Notice	1	Non Business	Full cost plus	£417.40	£500.00	
Special Events	1	Non Business	Subsidised	£1,344.30	£1,411.50	
Street Parties (on Non through roads)	1	Non Business	Subsidised	£104.60	£1.00	
Street Parties - Provision of traffic signs (on Non through roads)	1	Non Business	Full cost recovery	POA	£100.00	£100 or 10% of Sign Provision Cost, dependant on quote. Applicant responsible for cost of providing signs
		Non Business				
TRAFFIC MANAGEMENT:						
Tourist Signing - formal application	1	Non Business	Full cost recovery	£190.10	£199.60	
Tourist Signs - actual cost + admin	1	Non Business	Full cost recovery	£278.80	£292.70	
Supervision of erection of signs	1	Non Business	Full cost recovery	£127.50	£133.90	
Daily Traffic Signal Switch off / on requests - initial instruction: Related to third party request to switch off existing traffic signal installed to facilitate local roadworks (either Stats Company or Developer)	1	Non Business	Full cost plus	£550.00	£577.50	
Traffic Signal Switch off / on requests - follow up cost per site visit as part of original request above	1	Non Business	Full cost plus	£245.00	£257.30	
Access Protection Markings - per 4.5m length (pro-rata thereafter)	1	Non Business	Full cost plus	£155.00	£162.80	
Temporary Developer Signs - Application 1-5 Signs	1	Non Business	Full cost recovery	£190.00	£199.50	
Temporary Developer Signs - Application 6+ Signs	1	Non Business	Full cost recovery	£450.00	£450.00	
Accident data requests:						
	1 - 20	Standard	Full cost recovery	£185.00	£194.30	
	21 - 40	Standard	Full cost recovery	£235.00	£246.80	
	41 - 60	Standard	Full cost recovery	£280.00	£294.00	
	61 - 80	Standard	Full cost recovery	£330.00	£346.50	
Accident data requests (81 or more units)		Standard	Full cost recovery	POA	POA	
Permanent Traffic Regulation Orders		Standard	Full cost recovery	£5,390.40	£5,659.92	
Traffic data request-Automated Traffic Counter Site / Junction Count Data	1	Non Business	Full cost plus	£171.50	£180.10	
Licence to undertake traffic surveys on highway per site	1	Standard	Full cost recovery	£50.00	£52.50	
Diversion signing schedule sensitive streets	1	Non Business	Full cost plus	£595.70	£625.50	
Diversion signing schedule non-sensitive streets	1	Non Business	Full cost plus	£470.60	£494.10	
Cycle Helmets (Schools)	1	Standard	Full cost recovery	£11.00	£12.00	
Cycling Level 1/2 Training (2 day session)	1	Standard	Full cost recovery	£20.00	£20.00	
Cycling Level 3 Training (1 day session)	1	Standard	Full cost recovery	£10.00	£10.00	
Bikeability Learn to Ride or Adult Cycle Training (per person)	1	Standard	Full cost recovery	£6.00	£6.00	
Adult cycle training		Standard	Full cost recovery		£10.00	New

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
HIGHWAYS INFORMATION & TRAFFIC SCHEME INFORMATION:						
Highways information - ordnance survey extract	1st query	Standard	Demand Driven	£109.00	£120.00	
Each additional query	1	Standard	Demand Driven	£28.90	£32.00	
Traffic Scheme Information		Standard	Demand Driven	£108.00	£113.40	
Access to Wokingham Transportation Model (by negotiation @ Commercial rates)				POA	POA	
Travel Planning / My Journey						
Developer contribution to My Journey (per dwelling)	1		Full cost	£540.00	£567.00	
Travel Plan monitoring fee (Residential and Workplace)	1		Full cost	POA	POA	
HIGHWAY DEVELOPMENT						
Combined S38/S278 works agreement - 10% of works value & a deposit of 2% or £20k whichever is the greater will be required on commissioning of WBCs services	1	Non Business	Demand Driven	POA	POA	
S38 adoption of highways - 10% of works value. A deposit of 2% or £20k whichever is the greater will be required on commissioning of WBCs services	1	Non Business		POA	POA	
S278 works to existing highways - 10% of works value. Deposit of 2% or £20k whichever is the greater will be required on commissioning of S38 adoption of highways where S38 agreement is completed prior to commencement of works onsite - 8% of works value. A deposit of 2% or If works associated with a S38 Agreement have not been completed within 2 years from the works start date, then an additional fee of 4.25%	1	Non Business		POA	POA	
Minor works agreement - works to existing highways.	1	Non Business		POA	POA	
Fee for works starting on development site in advance of a S38 agreement being completed		Non Business		£3,360.80	£3,528.80	
Fee per additional S38/S278 technical review of drawings following review of developer's initial two S38/S278 technical submissions		Non Business		£10,546.10	£11,073.40	
Fee per site visit should WBC engineers visit the site to carry out inspections and are not able to do so through no fault of their own		Non Business		£210.90	£221.40	
Fee for separate specialist approval of new traffic signals junction		Non Business		£105.50	£110.80	
				POA	POA	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
COMMUTED SUMS (payable prior to issue final certificate):						
Highway Structures (per structure)	1	Non Business		POA	POA	
Structural & Non Structural Retaining Walls	1	Non Business		POA	POA	
Structural or Non Structural Noise Reducing Fences	1	Non Business		POA	POA	
Vehicle Road Restraint Systems	1	Non Business		POA	POA	
Soakaways (per soakaway)	1	Non Business		POA	POA	
Catchpit (per Catchpit) (30 years)		Non Business		POA	POA	
Road Gully (per Gully)	1	Non Business		POA	POA	
Petrol Interceptors (per interceptor) (30 years)	1	Non Business		POA	POA	
Linear Drainage Systems, Carrier Drains, Headwalls & Storm Water Grills	1	Non Business		POA	POA	
Balancing Pond (per item)	1	Non Business		POA	POA	
Carriageway (per m2)	m2	Non Business		POA	POA	
Anti Skid (per m2)	m2	Non Business		POA	POA	
Footway (per m2)	m2	Non Business		POA	POA	
Verge (per m2)	m2	Non Business		POA	POA	
Landscaped area within or adjacent highways (per m2)	m2	Non Business		POA	POA	
Trees within or adjacent highways (per tree)	1	Non Business		POA	POA	
Traffic Signal Junction	1	Non Business		POA	POA	
Pedestrian Crossing (Pelican/Toucan)	1	Non Business		POA	POA	
Zebra Crossing	1	Non Business		POA	POA	
Street Lighting	1	Non Business		POA	POA	
Illuminated Road Signs/Traffic Bollards	1	Non Business		POA	POA	
Non Illuminated Traffic Bollards	1	Non Business		POA	POA	
Traffic Calming (per item)	1	Non Business		POA	POA	
Bus Shelters with Real Time Information	1	Non Business		POA	POA	
DOMESTIC VEHICULAR CROSSOVERS (formerly Footway Crossings):						
Application fee (includes highway site safety assessment)		Non Business		£185.00	£194.30	
Site supervision hourly fee where works undertaken by Term Contractor		Non Business	Recovery of Administration costs (recovery of works cost is additional to this)	£65.00	£68.30	
Site supervision hourly fee where works undertaken by Other Contractor		Non Business		£128.00	£134.40	
Domestic Vehicular Crossing - Standard Width		Non Business	Full Cost Recovery	POA	POA	
Charge per crossing where carried out by residents to an approved specification under council supervision		Non Business	Recovery of Administration costs	POA	POA	
Charge for licensing tables and chairs on public highway (Highways Act 1980) - does not include legal fees		Non Business	Demand Driven	£585.00	£614.00	
Charge for licensing tables and chairs on public highway (Business and Planning Act 2020)		Non Business	Demand Driven	£100.00	£100.00	Fixed rate set until Sept 23

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
CIVIL PARKING ENFORCEMENT						
Weekly Parking Suspensions & Dispensations	per 4.8m bay/vehicle or part thereof	Non Business	Recovery of Administration costs	£46.70	£49.00	
Discretionary Parking permit	per permit per day	Non-business	Recovery of Administration costs		£9.00	New
PROFESSIONAL SERVICES						
Programme Manager	Per Hour	Standard	Full cost plus		£68.00	New
Project Manager Design	Per Hour	Standard	Full cost plus		£50.00	New
Site Project Manager Days	Per Hour	Standard	Full cost plus		£50.00	New
Project Manager Night	Per Hour	Standard	Full cost plus		£75.00	New
Senior Civil Engineer	Per Hour	Standard	Full cost plus		£45.00	New
Graduate Engineer	Per Hour	Standard	Full cost plus		£39.00	New
Civil Engineer Apprentice	Per Hour	Standard	Full cost plus		£25.00	New
Waste						
Green Waste 240L or 180L Wheelie Bin (12-month existing subscriber)	Per annum	Non Business	Full cost	£70.00	£80.00	
Green Waste 75L Compostable Sacks	Each		Full cost	£1.15	£1.20	
Provision of extra residual waste bags in rolls of 10	Per roll		Full cost	£10.00	£10.50	
Collection of up to 5 bulky household items including a fridges / freezers			Full cost	£58.10	£61.00	
EPA 1990, s45(1)(b) - Commercial Waste Collection	Contractor deals direct with Business					
EPA 1990, s45(1)(b) - Chargeable Household Waste Collection (excludes cost of disposal)	Contractor deals direct with Charity					
Activity Centre						
Members receive 10% discount on • Activities for Adults • Activities for Juniors • Junior and Family Clubs • Personal Tuition • Pay & Play						
Lake Access Fees:						
Annual Lake Access Pass Adult	pp	Standard	Full cost plus	£100.00	£110.00	
Annual Lake Access Pass Concession	pp	Standard		£52.94	£58.00	
Annual Lake Access Pass Family (two adults, two juniors)	4 people	Standard		£141.18	£152.00	
Day Lake Access Pass	per boat, per day	Standard		£10.40	£10.00	
Afternoon Lake Access Pass	per boat 1pm-5pm	Standard		£6.20	£6.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Event / Course						
Activities for Adults :						
Adult Sailing Course (2 days or equivalent)	pp	Exempt	Full cost plus	£207.60	£210.00	
Adult Powerboat Course (2 days or equivalent)		Exempt		£300.00	£315.00	
Adult Paddlesports 1/2 Day Course (or equivalent)		Exempt		£51.90	£52.50	
Adult Paddlesports 1 Day Course (or equivalent)		Exempt		£103.80	£105.00	
Instructor Training:						
RYA Assistant Instructor / Paddlesports Leader Course	pp	Exempt	Full cost plus	£150.00	£160.00	
RYA Dinghy Instructor Pre-Assessment		Exempt		£103.80	£110.00	
RYA Dinghy Instructor Course		Exempt		£368.50	£390.00	
BCU FSRT		Exempt		£103.00	£110.00	
BCAB Paddle Sports Instructor Award		Exempt		£205.00	£215.00	
Archery Instructor Award		Exempt		£250.00	£265.00	
8hr First Aid		Exempt		£105.00	£110.00	
16hr First Aid		Exempt		£210.00	£220.00	
Activities for Juniors (8yrs +):						
Junior / Teen Sailing Course (5 days or equivalent)	pp	Exempt	Full cost plus	£290.00	£300.00	
Multi Activity Days Ages 8+ (1/2 day or equivalent)		Exempt		£30.00	£30.00	
Multi Activity Days Ages 6+ (1/2 day or equivalent)		Exempt		£35.00	£38.00	
10% Discount for booking a full week of Multi Activity Days						
10% Sibling Discount for multiple bookings in the same transaction						
10% Discount for October Half Term						
Only one discount applies						
Activity Clubs:						
Activity Clubs Per Session	pp	Exempt	Full cost plus	£20.80	£22.00	
Activity Clubs Per Six Session Booking		Exempt		£93.40	£98.00	
Days Out:						
Promotional Events	pp	Exempt	Full cost plus	£4.00	£4.00	
Guided Paddles	per person	Exempt		£25.00	£26.50	
Themed Guided Paddles	per person	Exempt		£35.00	£36.00	
Cinema Ticket Adult - Dinton		Standard		£9.00	£9.00	
Cinema Ticket pre entry - Dinton		Standard		£4.00	£4.00	
* 10% block booking discount (4+ cinema tickets or two tickets for 2+ films)						
Dinton Show / Christmas Fair - Adult Standard	16+	Standard		£8.30	£9.00	
Dinton Show / Christmas Fair - Adult All Inclusive Ticket	16+	Standard		£11.40	£12.00	
Dinton Show / Christmas Fair - Child Standard	7+	Standard		£6.20	£6.50	
Dinton Show / Christmas Fair - Child All Inclusive Ticket	7+	Standard		£9.30	£9.80	
Dinton Show / Christmas Fair - Under 6		Standard		£1.00	£1.00	
*On the door tickets are +£2						

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Personal Tuition:						
1:1 Tuition	pp 2hrs	Exempt	Full cost plus	£80.00	£84.00	
2:1 Tuition	2ppl 2hrs	Exempt		£60.00	£63.00	
Small Group Tuition (up to 6:1)	pp 2hrs	Exempt		£55.00	£58.00	
Taster Sessions:						
Taster Sessions: 10% discount for multiple bookings	1 hr30 session	Exempt	Full cost plus	£31.00	£32.00	
School and Youth Group Activities:						
Bronze Packages - 12:1 ratio min age 8						
Evening Activity (min group size 20)	pp 1hr30	Exempt	Full cost plus	£18.70	£20.00	
Half Day Activity (min group size 20, max 2 activities)	pp 3hrs	Exempt		£22.80	£24.00	
Full Day Activity (min group size 20, max 3 activities)	pp 5hrs (day)	Exempt		£34.30	£36.00	
Regular Sessions (min group size 12)	pp 2hrs	Exempt		£16.60	£17.50	
winter season min group size reduced to 9 (daytime only)						
Silver - 8 to 1 ratio min age 6						
Evening Activity (min group size 20, 1 activity)	pp 1hr30	Exempt		£24.00	£25.75	
Half Day Activity (min group size 20, 2 activities)	pp 3hrs	Exempt		£29.30	£31.00	
Full Day Activity (min group size 20, 3 activities)	pp 5hrs (day)	Exempt		£44.00	£46.50	
Regular Sessions (min group size 6, Max 8)	pp 2hrs	Exempt		£21.30	£22.50	
winter season min group size reduced to 9 (daytime only)						
Gold - 6:1 ratio min age 8						
Evening Activity (min group size 20, 1 activity)	pp 1hr30	Exempt		£34.00	£35.70	
Half Day Activity (min group size 20, 2 activities)	pp 3hrs	Exempt		£41.50	£43.60	
Full Day Activity (min group size 20, 3 activities)	pp 5hrs (day)	Exempt		£62.30	£65.40	
Regular Group Sessions (min group size 4, max 6)	pp 2hrs	Exempt		£30.20	£31.70	
winter season min group size reduced to 9 (daytime only)						
* 15% Discount Nov-March on the above						
Facility Use Season Ticket (max group size 20)	per WBC Term	Exempt		£272.10	£285.00	
Environmental Education One Activity - Self Led	pp for up to 3 hours	Exempt		£4.30	£4.80	
Environmental Education Two Activities - Self	pp up to 5 hours	Exempt		£8.40	£9.00	
Environmental Education Ranger to lead package	per Ranger /per hour	Exempt		£31.70	£34.00	
Adult Group Activities:						
Half Day Activity (min group size 10, max 2 activities)	pp 3hrs	Exempt	Full cost plus	£29.00	£31.00	
Full Day Activity (min group size 10, max 3 activities)	pp 5hrs	Exempt		£43.50	£45.00	
* 15% Discount Nov-March on the above						
Corporate Conservation Task	pp up to 3hrs	Exempt		£3.00	£3.20	
Corporate Conservation Task	pp over 3hrs	Exempt		£5.00	£6.00	
Ranger to lead Conservation Task	per ranger per day	Exempt		£33.00	£35.00	
Exclusive Conservation Activity (includes parking, refreshments and range	pp up to 5hrs	Exempt		£18.50	£19.50	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Junior Group Activities / Children's Parties:						
Half Day Activity (for a group of 8 under 8's and 10 for over)	per 8 or 10 for 3hrs	Exempt		£290.60	£300.00	
Junior Rangers Party. Includes ranger and garden	up to 20 for 2hrs	Exempt		£218.00	£230.00	
Rock Climbing Wall Private Hire:						
wall + 2 ins + equip + delivery + PL	per day	Standard	Full cost plus	£568.80	£600.00	
wall + 2 ins + equip + delivery + PL	half day / evening	Exempt		£780.60	£820.00	
Delivery Charge outside of 10 mile radius	day	Exempt		£3.80	£4.00	
Archery Range + 1 ins + equip + delivery + PL	half day - 3hrs	Exempt			£370.00	New
Archery Range + 1 ins + equip + delivery + PL	per day	Exempt			£700.00	New
Fencing + 1 ins + equip + delivery + PL	half day - 3hrs	Exempt			£330.00	New
Fencing + 1 ins + equip + delivery + PL	per day	Exempt			£650.00	New
min of 2 instructors on any trip						
Room Hire: DAC and Loddon Emmbrook rooms						
Activity Hall						
Commercial Rate Half Day / Evening	per 3 hours	Exempt	Full cost plus	£92.40	£99.00	
Commercial Rate Full Day	per 7 hours	Exempt		£213.80	£225.00	
Commercial Rate per hour	per hour	Exempt		£33.20	£35.00	
Youth/Education/WBC Rate per hour	per hour	Exempt		£27.00	£28.00	
Commercial Block Booking Rate (min 6 consecutive weeks)	per hour	Exempt		£27.00	£28.00	
Youth Block Booking Rate (min 6 consecutive weeks)	per hour	Exempt		£23.40	£24.00	
Classroom						
Commercial Rate Half Day / Evening	per 3 hours	Exempt	Full cost plus	£43.80	£46.90	
Commercial Rate Full Day	per 7 hours	Exempt		£101.70	£107.00	
Commercial Rate per hour	per hour	Exempt		£15.80	£16.70	
Youth/Education/WBC Rate per hour	per hour	Exempt		£12.90	£13.40	
Commercial Block Booking Rate (min 6 consecutive weeks)	per hour	Exempt		£12.90	£13.40	
Youth Block Booking Rate (min 6 consecutive weeks)	per hour	Exempt		£11.10	£11.40	
Meeting Room						
Youth/Education/WBC Rate per hour	per hour	Exempt		£4.80	£5.00	
Late lock up fee for Hall / Room Hire (after 6pm)	one off charge	Standard		£63.30	£66.50	
10% discount for hiring all three rooms						
Book & Play:						
Single Handed Dinghy	1 hour	Standard	Full cost plus	£20.80	£20.00	
Sporty Single Handed Dinghy	1 hour	Standard		£26.00	£26.00	
Double Handed Dinghy	1 hour	Standard		£31.00	£30.00	
SUP / Kayak Hire (one person)	pp per half hour	Standard		£8.00	£8.00	
Canoe / Double Kayak Hire (two to three people)	per boat per half hour	Standard		£16.00	£16.00	
Pedalo Hire (max 5 people)	per boat per half hour	Standard		£24.00	£24.00	
Mega SUP	per boat per half hour	Standard			£24.00	New
Disc Hire (driver and midrange disc set)	pp per day	Standard		£6.20	£6.50	
Lost Disc Fee	per disc	Standard		£10.40	£12.00	
Clip and Climb session	pp per 1 hour	Standard		£10.00	£10.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Staff Resources:						
Countryside manager	per hour	Exempt			£60.00	New
Senior Instructor	per hour	Exempt	Full cost plus	£47.40	£49.80	
Lead Instructor	per hour	Exempt		£31.70	£33.30	
Instructor	per hour	Exempt		£26.40	£27.70	
Countryside and DAC administration/booking amendment		Exempt		£15.00	£15.80	
Ranger	per hour	Exempt			£33.30	New
Duty Ranger	per hour	Exempt			£49.80	New
Activity Equipment Hire:						
PPE (harness, helmet, wetsuit, life jackets)	per day	Standard	Full cost plus	£4.10	£4.00	
Land Hire						
Commercial up to 5 acre	per day	Standard		£227.80	£250.00	
Commercial up to 20 acre	per day	Standard		£568.90	£600.00	
Commercial of lakeside trails	per day	Standard			£1,200.00	New
Commercial up to 40 acre or use of lakeside trails -Set Up	per day	Standard		£827.64	£870.00	
Commercial up to 40 acre or use of lakeside trails - Event	per day	Standard		£1,655.27	£1,740.00	
Non-commercial 24% discount						New
WBC, Schools, charity, 48% discount						New
Use of park land for filming	per day	Standard		£685.00	£725.00	
Charge for removing bin liner bag of event litter		Standard		£3.10	£3.50	
Charge for removing 1100L bin of event litter		Standard		£21.10	£22.50	
Charge for provision of water for event		Standard		£82.20	£90.00	
Charge for water use for event		Standard		£21.10	£22.00	
Additional grass cutting required for event		Standard		£108.00	£115.00	
Generator 2Kw exc fuel	per day	Standard			£50.00	New
Generator 5Kw exc fuel	per day	Standard			£65.00	New
Generator 6Kw exc fuel	per day	Standard			£70.00	New
Buggy exc fuel	per day	Standard			£70.00	New
All of the above 20% discount for low season Oct-end Mar						
Camping Pitch, Grass no electric per 2 man tent	per day	Standard		£10.60	£11.00	
All Land hire is at Budget Manager discretion to amend to meet commercial aspirations						
20ft Container rental	Per Month	Standard		£60.00	£63.00	
20ft Container Storage	Per Year	Standard		£600.00	£630.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Cemeteries / Burial & Cremation						
Interment fees:						
Under 5 years (including stillborn)		Non Business	All fees will be reclaimed from the Children's' Funeral Fund	FREE	£122.00	New
Child 5 - 17 years		Non Business		FREE	£245.00	New
18 years an over*		Non Business	To cover maintenance cost	£633.00	£665.00	
Cremated remains*		Non Business		£211.00	£222.00	
Columbaria - ashes internment for 10 years only*		Non Business	To provide an additional service	£949.00	£996.00	
Columbaria fee for additional ashes into the same slot (2nd and final interment only)*		Non Business		£169.00	£177.00	
Renewal fee for the above (at end of 10 year period) per year		Non Business		£50.00	£53.00	
Exclusive Rights of Burial:						
Burial: 100 years*		Non Business	To cover maintenance cost	£1,413.00	£1,995.00	
Burial : or extension of exclusive rights 75 years*		Non Business		£1,496.00		New
Burial or extension of exclusive rights: 50 years*		Non Business		£1,050.00		New
Extension of exclusive rights: 25 years*		Non Business		£578.00		New
Cremated Remains: 100 years*		Non Business		£470.00	£634.00	
Cremated Remains or extention of exclusive rights: 75 years*		Non Business		£475.00	New	
Cremated Remains or extention of exclusive rights: 50 years*		Non Business		£334.00	New	
Cremated Remains or extention of exclusive rights: 25 years*		Non Business		£193.00	New	
Scattering of Cremated Remains on WBC land		Non Business	To cover maintenance and administration cost	£77.00	£81.00	
Scattering of Cremated Remains within prescribed Cemetery scattering areas		Non Business		£84.00	£88.00	
Memorial Benches						
Memorial Bench (provided by WBC) with plaque 10 year lease (outside Cemeteries)		Standard		POA	POA	
Renewal of lease for a further 5 years		Standard		£473.00	£497.00	
Installation of memorial bench on grass (without plaque/outside Cemeteries)		Standard		£290.00	POA	Variable Rates
Memorial Trees						
Memorial Tree for period of 10 years, includes supply, plant and plaque		Standard	To cover maintenance and administration cost	£1,113.00	POA	
Renewal of lease for a further 10 years		Standard		£473.00	£497.00	
Replacement/additional plaque		Standard		POA	POA	
Right to erect Memorials						
For the right to erect any headstone or monument on a burial grave space		Standard		£264.00	£277.00	
For the right to erect a temporary marker on a grave		Standard		£26.00	£27.00	
Memorial Mushroom						
Memorial Mushroom or similar. Initial set-up and 1st year lease		Standard	To cover maintenance and administration cost	£481.00	£259.00	
Renewal of lease for further 10 years		Standard		£260.00	£273.00	
Other						
Additional Inscription or works (on headstone)		Standard		£84.00	£88.00	
Cremation Tablet		Standard		£137.00	£144.00	
Transfer of exclusive Right of Burial (not done at time of interment)		Standard		£43.00	£45.00	
Family History Search of Burial Records		Standard	Full Cost	£14.00	£15.00	
*Non residents are charged triple fees for the purchase of a plot and for the first interment and scattering						

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Place Clienting						
Events						
Hire of public open space for event		Standard			POA	New
Sponsorship						
Sponsorship of roundabout or parks and open space asset		Standard			POA	New
Acorn Centre						
Hall (until 10pm)	1 hour	Exempt	Fees & Charges need to be flexible to respond to the demand of market forces	£25.50	£26.80	
Hall (until 10pm) concessionary rate		Exempt		£23.30	£24.50	
Hall (10pm-12am)		Exempt		£46.30	£48.60	
Meeting Room1 or Meeting Room 2		Exempt		£10.50	£11.00	
Meeting Room1 or Meeting Room 2 concessionary rate		Exempt		£9.30	£9.80	
Meeting Rooms 1 & 2 combined		Exempt		£18.60	£19.50	
Meeting Rooms 1 & 2 combined concessionary rate		Exempt		£17.30	£18.20	
Meeting Room 3		Exempt		£12.80	£13.40	
Meeting Room 3 concessionary rate		Exempt		£11.60	£12.20	
Art Room		Exempt		£12.80	£13.40	
Art Room concessionary rate		Exempt		£11.60	£12.20	
Sensory Room		Exempt		£18.70	£19.60	
Sensory Room concessionary rate		Exempt		£17.30	£18.20	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Housing General Fund - Charges from 3rd April 2023						
Carters Hill Park - Licence Fee	per week	Non Business		£63.40	£67.80	
Twyford Orchards - Licence Fee	per week	Non Business		£56.80	£60.80	
Grovelands Park - Plot Fee	per week	Non Business		£45.60	£48.80	
Grovelands Park Garages - tenants - non-vatable		Non Business		£9.00	£9.60	
Grovelands Park Garages - non-tenants - vatable		Standard		£12.90	£13.80	
Bed & Breakfast - family room (homeless residents in temporary accommo	room per week	Non Business		£23.70	£25.40	
Bed & Breakfast - single room (homeless residents in temporary accommo	room per week	Non Business		£14.10	£15.10	
Bed & Breakfast weekly charge for homeless residents in temporary accom	room per week	Non Business		£173.90	£186.10	
Storage costs contribution (for homeless residents in temporary accommodation whose goods are being stored)	per week	Non Business		£9.40	£10.10	
Service charges for 1-5 Foxwood and 1-9 Oxford Road	The rent setting policy allows rents to increase by 11.10% when re-let					Charge if re-let
Foxwood Room 1	per week	Non Business	Rent Setting Policy	£80.71	£85.54	£89.66
Foxwood Room 2		Non Business		£78.14	£82.82	£86.81
Foxwood Room 3		Non Business		£78.99	£83.72	£87.75
Foxwood Room 4		Non Business		£80.71	£85.54	£89.66
Foxwood Room 5		Non Business		£91.82	£97.32	£102.01
Oxford Road Hostel room 1	per week	Non Business	Rent Setting Policy	£78.14	£82.82	£86.81
Oxford Road Hostel room 2		Non Business		£78.14	£82.82	£86.81
Oxford Road Hostel room 3		Non Business		£79.85	£84.63	£88.72
Oxford Road Hostel room 4		Non Business		£79.86	£84.64	£88.72
Oxford Road Hostel room 5		Non Business		£91.82	£97.32	£102.01
Oxford Road Hostel room 6		Non Business		£79.85	£84.63	£88.72
Oxford Road Hostel room 7		Non Business		£91.82	£97.32	£102.01
Oxford Road Hostel room 8		Non Business		£79.85	£84.63	£88.72
Oxford Road Hostel room 9		Non Business		£91.82	£97.32	£102.01
6 Church Close		Non Business	Rent Setting Policy	£155.90	£165.24	£173.55
9 Sevenoaks Road		Non Business	Rent Setting Policy	£151.20	£160.26	£167.98
24 Orbit Close		Non Business	Rent Setting Policy	£112.90	£119.66	£112.90
76A Finchampstead Road		Non Business	Rent Setting Policy	£182.85	£193.80	£203.15
76B Finchampstead Road		Non Business	Rent Setting Policy	£148.02	£156.89	£166.08
87 Finchampstead Road		Non Business	Rent Setting Policy	£150.92	£159.96	£167.68
4 Woollahill Court		Non Business	Rent Setting Policy	£104.11	£110.35	£115.67
Any future General Fund properties (such as new purchases) where The Rent Standard 2020 applies						
		Non Business	Rent Setting Policy			

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Enforcement & Safety						
Animal Licences – (Class A – Fee Discretionary)* + vet fee where applicable		The granting fee includes initial inspection and mid-term inspection totalling 4 hours (unless stated differently). Inspections required beyond this due to additional visits, aborted visits will be charged at an additional fee				
Animal Boarding Establishment - combined (dogs and cats)	New Application	Exempt		£590.00	£650.00	
Renewal	Renewal Fee	Exempt		£531.00	£585.00	
Animal Boarding Establishment - single species (dogs or cats))	New Application	Exempt		£472.00	£520.00	
Renewal	Renewal Fee	Exempt		£413.00	£455.00	
Home boarder	New Application	Exempt		£271.85	£293.00	
Renewal	Renewal Fee	Exempt		£241.85	£260.00	
Home Boarder - Franchisee arrangers licence (excludes inspection fee per year)	New Application	Exempt		£207.00	£228.00	
Renewal	Renewal Fee	Exempt		£177.00	£195.00	
Home Boarder - Assessment of hobby host as part of a franchisee licence	New Application	Exempt		£118.00	£130.00	
Renewal	Renewal Fee	Exempt		£118.00	£130.00	
Dog Day Care	New Application	Exempt		£590.00	£650.00	
Renewal	Renewal Fee	Exempt		£531.00	£585.00	
Dog Breeding Establishment (excluding vet fee)	New Application	Exempt		£590.00	£650.00	
Renewal	Renewal Fee	Exempt		£531.00	£585.00	
Dog Breeding Establishment (in domestic dwelling)	New Application	Exempt		£472.00	£520.00	
Renewal	Renewal Fee	Exempt		£413.00	£455.00	
Pet Vending / Sale of pets	New Application	Exempt		£472.00	£520.00	
Renewal	Renewal Fee	Exempt		£413.00	£455.00	
Animal for Exhibition	New Application	Exempt		£590.00	£650.00	
Renewal	Renewal Fee	Exempt		£531.00	£585.00	
Riding Establishment (excludes vet's fees)						
Main inspection fee, plus fee per horse	New Application	Exempt		£472.00	£520.00	
Renewal	Renewal Fee	Exempt		£413.00	£455.00	
Fee per horse, for the first 10 horses		Exempt		£15.00	£17.00	
Fee per horse, for next 11-50 horses		Exempt		£10.00	£11.00	
Fee per horse, for every horse 51 & over		Exempt		£8.00	£9.00	
Other Fees						
Variation to the licence fee (inclusive of one visit)		Exempt		£224.00	£244.00	
Replacement licence fee (lost or stolen paperwork, change of name, etc.)		Exempt		£56.00	£65.00	
Re-evaluation of star rating (inclusive of one visit)		Exempt		£112.00	£130.00	
Transfer due to death of licensee		Exempt		£56.00	£65.00	
Dangerous Wild Animal Consent	2 years	Exempt		£460.00	£520.00	
Zoo Licences (new & renewals)	Up to 6 years	Exempt		£2,066.00	£2,276.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Hackney Carriage and Private Hire Licences			Subject to statutory consultation			
Vehicle Licences						
Hackney Carriage Vehicle – New & renewal		Exempt		£248.00	£325.00	
Private Hire Vehicle – New and renewal		Exempt		£248.00	£325.00	
Private Hire Vehicle with Dispensation		Exempt		£248.00	£325.00	
Temporary Vehicle Licence	Up to 3 months	Exempt		£232.00	£260.00	
Driver licence - New & Renewal	3 years	Exempt		£271.00	£293.00	
Conversion of driver licence to another type		Exempt		£80.00	£98.00	
Private Hire Operators (PHO)						
NEW Private Hire Operator Per vehicle calculation of 4 hours (at £59.00 hourly rate) plus an hour per year (years 2-5) for first vehicle, plus 15 minutes per additional vehicle per years (years 1-5) up to a maximum of 20 vehicles	Number of Vehicles					
1 vehicle	1	Exempt		£472.00	£520.00	
2	2	Exempt		£545.75	£601.00	
3	3	Exempt		£619.50	£683.00	
4	4	Exempt		£693.25	£764.00	
5	5	Exempt		£767.00	£845.00	
6	6	Exempt		£840.75	£926.00	
7	7	Exempt		£914.50	£1,008.00	
8	8	Exempt		£988.25	£1,089.00	
9	9	Exempt		£1,062.00	£1,170.00	
10	10	Exempt		£1,135.75	£1,251.00	
11	11	Exempt		£1,209.50	£1,333.00	
12	12	Exempt		£1,283.25	£1,414.00	
13	13	Exempt		£1,357.00	£1,495.00	
14	14	Exempt		£1,430.75	£1,576.00	
15	15	Exempt		£1,504.50	£1,658.00	
16	16	Exempt		£1,578.25	£1,739.00	
17	17	Exempt		£1,652.00	£1,820.00	
18	18	Exempt		£1,725.75	£1,901.00	
19	19	Exempt		£1,799.50	£1,983.00	
20+	20+	Exempt		£1,873.25	£2,064.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
RENEWAL Private Hire Operator Per vehicle calculation of 2 hours (at £59.00 hourly rate) plus an hour per year (years 2-5) for first vehicle, plus 15 minutes per additional vehicle per years (years 1-5) up to a maximum of 20 vehicles	Number of Vehicles		Change would require re-assessment of the cost recovery basis and consultation with licensees			
1	1	Exempt		£354.00	£390.00	
2	2	Exempt		£427.75	£471.00	
3	3	Exempt		£501.50	£553.00	
4	4	Exempt		£575.25	£634.00	
5	5	Exempt		£649.00	£715.00	
6	6	Exempt		£722.75	£796.00	
7	7	Exempt		£796.50	£878.00	
8	8	Exempt		£870.25	£959.00	
9	9	Exempt		£944.00	£1,040.00	
10	10	Exempt		£1,017.75	£1,121.00	
11	11	Exempt		£1,091.50	£1,203.00	
12	12	Exempt		£1,165.25	£1,284.00	
13	13	Exempt		£1,239.00	£1,365.00	
14	14	Exempt		£1,312.75	£1,446.00	
15	15	Exempt		£1,386.50	£1,528.00	
16	16	Exempt		£1,460.25	£1,609.00	
17	17	Exempt		£1,534.00	£1,690.00	
18	18	Exempt		£1,607.75	£1,771.00	
19	19	Exempt		£1,681.50	£1,853.00	
20+	20+	Exempt		£1,755.25	£1,934.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Other Private Hire & Hackney Carriage Charges						
Variation to PHO licence		Exempt		£59.00	£65.00	
Transfer of vehicle to new owner		Exempt		£118.00	£130.00	
Change of vehicle		Exempt		£74.00	£82.00	
Replacement Licence		Exempt		£41.00	£49.00	
Replacement Badge		Exempt		£41.00	£49.00	
Replacement Vehicle Licence Plate		Exempt		£59.00	£65.00	
Knowledge Test		Exempt		£74.00	£82.00	
Missed Appointment		Exempt		£37.00	£44.00	
Disclosure and Barring Service Check (DBS)		Exempt		£90.00	£98.00	
Advertising on a Hackney carriage - New		Exempt		£47.00	£49.00	
Advertising on a Hackney carriage - Renewal		Exempt		£32.00	£33.00	
Change of address (PH & HC)		Exempt		£14.00	£16.00	
Backing Plate		Exempt		£26.00	£33.00	
Medical Exemption from carrying an assistance dog		Exempt		£22.00	£21.00	
Refund Processing Fee		Exempt		£59.00	£65.00	
Change of vehicle registration		Exempt		£57.00	£65.00	
Age of vehicle Inspection – initial & renewal		Exempt		£59.00	£65.00	
Scrap Metal Dealer Act 2013 (Discretionary)						
Description						
Scrap Metal site -New and renewal - 3 years	3 Years	Exempt	Cost recovery for assessment and administration of the application	£501.00	£552.00	
Scrap Metal mobile collector -new and renewal - 3 years	3 years	Exempt		£267.00	£293.00	
Scrap Metal - Variation of Licence		Exempt		£368.00	£390.00	
Scrap Metal - change of site manager		Exempt		£68.00	£65.00	
Scrap Metal - copy of licence		Exempt		£11.00	£12.00	
Scrap Metal - Change of Name		Exempt		£36.00	£33.00	
Skin Piercing & Dermal Treatments (one off registration) - (Class A – Fee Discretionary)						
Individual	Individual	Exempt		£180.00	£195.00	
Premises	Premises	Exempt		£282.00	£325.00	
Joint application	Joint application	Exempt		£451.00	£488.00	
Pre-application work, hourly rate	Min. 1 hour	Exempt		£59.00	£65.00	
Street Trading Consents (Class A – Fee Discretionary)						
Annual Fee	Annual Fee	Exempt		£1,378.00	£1,495.00	
6 months	6 months	Exempt		£805.00	£845.00	
Monthly Rate	Monthly Rate	Exempt		£228.00	£260.00	
Variation fee		Exempt		£91.00	£100.00	
Refund for Street Traders if application withdrawn	If application withdrawn	Exempt		£116.00	£128.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
ENVIRONMENTAL PROTECTION						
Dog Warden Services						
Stray Dog recovered		Standard		£73.00	£80.00	
Stray Dog – recovered and taken to kennel	charges and cost recovery. Vets	Standard		£73 + £15 per day max £75	£80 + £16 per day max £112	
Dog fouling fixed penalty charge		Exempt	Fixed penalty	£75.00	£100.00	
Miscellaneous stray dog activities e.g. taxi, relocating, microchipping		Standard		£59.00	£65.00	
Environmental Fixed Penalties		Exempt		£80.00	£85.00	
Private Sector Housing						
Inspection of Housing Premises for Immigration purposes (Class A – Fee Discretionary)		Exempt		£116.00	£130.00	
Enforcement Notices served under Housing Act 2004		Exempt	On a cost recovery basis	£402.00	£455.00	
Concurrent notices served under Housing Act 2004 on same property		Exempt		n/a	£65.00	
HMO Licence NEW - assisted application		Exempt	Set on a cost recovery basis for the costs of (a) the administration and processing of the application and (b) for the general management and enforcement of the scheme	£1,204.00	£1,300.00	
HMO Licence RENEWAL		Exempt		£805.00	£845.00	
Caravan Site Licences			Cost recovery for administering and monitoring site licences - a fee fixed by the authority under Caravan Sites and Control of Development Act 1960			
Site licence new		Exempt		£440.00	£488.00	
New licence per pitch		Exempt		£16.00	£16.00	
Transfer of licence		Exempt		£186.00	£195.00	
Annual fee per pitch		Exempt		£14.00	£16.00	
Enforcement Notices served under Mobile Homes Act 2013		Exempt		£402.00	£455.00	
Deposit, vary or deleting site rules		Exempt		£117.00	£130.00	
Variation of licence		Exempt		£116.00	£130.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Mobile Homes Regulations 2020			The Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020 ("the Regulations") permit the Council to charge a fee			
Application Fee – Fit and Proper Test		Exempt	Any application taking more than two hours to process will be charged at an additional hourly rate of £62/ph	£118.00	£130.00	
Annual Fee – Fit and Proper Test	Hourly	Exempt		£59.00	£65.00	
Other fees	Hourly rate applies minimum of 2 hours	Exempt				
Environmental Information Request - Individual, Non-Commercial		Exempt		£118.00	£130.00	
Environmental Information Request - Commercial and Government		Exempt		£118.00	£130.00	
Civil Actions (Class A – Fee Discretionary)		Exempt		£118.00	£130.00	
Safety Certification and administration	Hourly rate applies minimum of 2 hours	Exempt		£118.00	£130.00	
Pre-Application Advice, hourly charge		Exempt		£59.00	£65.00	
		Exempt				
Food Hygiene Rating Scheme rescore	2 hours	Exempt		£118.00	£130.00	
General Business Advice (NonPrimary Authority)	Hourly rate (first 30 minutes free)	Exempt		£59.00	£65.00	
Resident Request for Advice	Hourly rate	Exempt		£59.00	£65.00	
Hourly charge		Exempt		£59.00	£65.00	

Place & Growth Services

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic)	Incl VAT (if applic)	
				£	£	
Private Water Supplies			Maximums set in Schedule 5 Private Water Supplies Regulations 2016 and the Private Water Supplies (England) (Amendment) Regulations 2018			
Risk assessment - Every 5 years. Charged per hour, simple risk assessment and report typically 5 hours	Every 5 years.	Standard		£59.00	£65.00	
Private water and pool samples - Includes cost of testing	Includes cost of testing	Standard		£59.00	£65.00	
Investigation - Includes cost of testing Carried out in the event of a test failure - this does not include any required analysis costs.	Carried out in the event of a test failure, can be substituted by the	Standard		£59.00	£65.00	
Granting an authorisation	risk assessment - this does not include any required analysis costs.	Standard		£59.00	£65.00	
Analysis – Regulation 10 (1) a. to e. Where a supply provides <10m3/day or serves <50 people and is used for domestic purposes	Where a supply provides <10m3/day or serves <50 people and is used for domestic purposes	Standard		£59.00	£65.00	
Analysis - Regulation 8 and 9 Taking a sample and delivery to the laboratory.	Charge for a visit, taking a sample and delivery to the laboratory. Typically 2.5 hours	Standard		£59.00	£65.00	
Local Land Charges						
Part 1 enquiry		Standard	Service costs are fully covered	£115.00	£127.00	
Individual CON29 questions on part 1 of the enquiry form	per question	Standard			£25.00	New
Certificate of search for Part 1 enquiry		Exempt		£38.00	£42.00	
Each optional question on part two of the enquiry form		Standard		£25.00	£28.00	
Each additional question not covered by parts one and two		Standard		£39.00	£43.00	
Local Land Charges: Commercial / Land						
Part 1 enquiry		Standard	Service costs are fully covered	£145.00	£160.00	
Individual CON29 questions on part 1 of the enquiry form	per question	Standard			£40.00	New
Certificate of search for Part 1 enquiry		Exempt		£57.00	£63.00	
Each optional question on part two of the enquiry form		Standard		£25.00	£28.00	
Each additional question not covered by parts one and two		Standard		£40.00	£44.00	
Expedited Search Fee		Standard		£53.00	£60.00	

Chief Executive

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Registration of Births, Marriages and Deaths						
Licence Fees for Approved Premises:			To cover costs benchmarked against other LA's			
Initial and Renewal of licences for Approved Premises (valid for 3 years)		Non Business		£2,095.00	£2,242.00	
Licence Fees for Civil Partnerships in Religious Buildings		Non Business		£952.00	£1,019.00	
Licence Amendment Fee		Non Business		£152.00	£163.00	
Marriage Fees / Civil Partnership Fees:						
Attendance of Superintendent Registrar and Registrar at a marriage or Civil Partnership at approved premise						
Monday - Thursday	per ceremony	Non Business		£472.00	£505.00	
Late Weddings 6-8pm		Non Business		£558.00	£597.00	
Friday - Saturday		Non Business		£544.00	£582.00	
Late Weddings 6-8pm		Non Business		£631.00	£675.00	
Sunday and Bank Holidays		Non Business		£619.00	£662.00	
Late Weddings 6-8pm		Non Business		£796.00	£852.00	
Ceremony Room						
Monday to Thursday	per ceremony	Non Business		£171.00	£183.00	
Late Weddings 4.30-8pm		Non Business		£305.00	£326.00	
Friday		Non Business		£299.00	£320.00	
Saturday or Sunday		Non Business		£342.00	£366.00	
Bank Holidays		Non Business		£482.00	£516.00	
Naming / Renewal of Vows:						
Naming / Renewal of Vows in Ceremony Room:						
Monday to Thursday	per ceremony	Standard		£161.00	£172.00	
Friday or Saturday		Standard		£331.00	£354.00	
Sunday and Bank Holidays		Standard		£434.00	£464.00	
Naming / Renewal of Vows in an Approved Premises:						
Monday to Thursday	per ceremony	Standard		£350.00	£375.00	
Friday or Saturday		Standard		£408.00	£437.00	
Sunday and Bank Holidays		Standard		£474.00	£507.00	
Naming / Renewal of Vows in Private Premises						
Monday to Thursday	per ceremony	Standard		£375.00	£401.00	
Friday or Saturday		Standard		£454.00	£486.00	
Sunday or Bank Holidays		Standard		£520.00	£556.00	
Private Citizenship Ceremony						
Citizenship Ceremony Fees in Ceremony Room Mon-Fri		Non Business		£141.00	£151.00	
Saturday	per ceremony	Non Business		£235.00	£251.00	
Miscellaneous:						
All other charges will be made at either cost price or a reasonable charge.			Full cost and be competitive with other LA's			All benchmarked against other LAs in SE region

Chief Executive

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
Libraries						
OVERDUE CHARGES:						
Adult books, CD's / Cassettes (No overdue charges for people with visual impairment)	per item per day min	Non Business	Fees & Charges need to be flexible to respond to the demand of market forces	£0.33	£0.35	
Adult books, CD's / Cassettes (No overdue charges for people with visual impairment)	maximum charge	Non Business		£13.86	£14.70	
Children's Books	per item per day min	Non Business		£0.07	£0.07	
Children's Books	maximum charge	Non Business		£3.64	£3.85	
DVD	per item per day min	Non Business		£1.80	£1.90	
DVD	maximum charge	Non Business		£24.70	£26.60	
AUDIO VISUAL LOAN CHARGES :						
Cassettes [1-2 tape sets] :	per set per 3 weeks	Non Business	Fees & Charges need to be flexible to respond to the demand of market forces	£1.50	£1.60	
Concessionary Groups		Non Business		£0.70	£0.70	
Cassettes [3-6 tape sets] :		Non Business		£1.80	£1.90	
Concessionary Groups		Non Business		£0.70	£0.70	
Cassettes [7 or more tapes] :		Non Business		£2.60	£2.80	
Concessionary Groups		Non Business		£1.50	£1.60	
Compact discs [1 disc in the item]		Non Business		£2.60	£2.80	
Concessionary Groups		Non Business		£1.50	£1.60	
Compact discs [7 disc in the item]		Non Business		£4.40	£4.70	
Children's compact discs		Non Business		£1.30	£1.40	
Children's cassettes		Non Business		£0.80	£0.90	
AUDIO-VISUAL LOAN CHARGES:						
DVD	per week min	Non Business	Tiered pricing system based on title popularity	£2.40	£2.60	
DVD	per week max	Non Business	Tiered pricing system based on title popularity	£4.30	£4.60	
RESERVATIONS:						
Any item within Borough stock (excluding children's)	per item	Non Business	Fees & Charges need to be flexible to respond to the demand of market forces	£0.70	£0.75	
Any item not currently in Borough stock	per item	Non Business		£7.30	£8.00	
Photocopies from British Library	per item	Non Business		as per charge from British Library	as per charge from British Library	
Charge as per British Library in line with Copyright, Designs & Patents Act 1988						
Bookclub Reservations	per annum	Non Business		£34.90	£37.30	
Forget-Me-Not Service	per annum	Non Business		£33.20	£35.50	

Chief Executive

DISCRETIONARY FEES AND CHARGES 2023 - 2024

CHARGE	UNIT	VAT Type	SERVICE POLICY	PREVIOUS CHARGE	CHARGE from 01.04.23	Notes
				Incl VAT (if applic) £	Incl VAT (if applic) £	
LOST AND DAMAGED ITEMS:						
BOOKS:						
Books on loan from British Library	per volume	Non Business	Full cost recovery	charge from British library plus £8.50	charge from British library plus £9.10	
British Library charge						
Lost items available for re-purchase from Library stock supplier	per item	Non Business		Replacement charge + £2.35 admin fee	Replacement charge + £2.50 admin fee	
LOST TICKETS:						
Reader's Tickets (No charge for first replacement issued)	per ticket	Non Business	Fees & Charges need to be flexible to respond to the demand of market forces	£2.50	£2.60	
PHOTOCOPYING:						
Black & White: A4	per sheet A4	Standard	Fees & Charges need to be flexible to respond to the	£0.20	£0.20	
A3	per sheet A3	Standard		£0.40	£0.40	
FAXES:						
Sending in UK	1st sheet	Standard	Fees & Charges need to be flexible to respond to the demand of market forces	£1.70	£1.80	
	Each additional sheet thereafter	Standard		£0.80	£0.90	
Outside UK	1st sheet	Standard		£5.50	£5.90	
	Each additional sheet thereafter	Standard		£3.50	£3.70	
WITHDRAWN STOCK:						
All withdrawn stock	per item	Standard/Zero Rated dependent on stock type	Fees & Charges need to be flexible to respond to the demand of market forces	£0.75 - £10.70	£0.80 - £11.20	
PRINTING FROM ELECTRONIC INFORMATION SOURCES:						
Black & White / Colour	per sheet	Standard	Fees & Charges need to be flexible to respond to the demand of market forces	£0.33	£0.35	
EVENTS (WHERE CHARGED):						
Adult Events	per event min	Standard	Fees & Charges need to be flexible to respond to the demand of market forces	£2.90	£3.10	
Adult Events	per event max	Standard		£15.60	£16.70	
Children's Events	per event	Standard		£1.40	£1.50	
Woodley Library Room Booking (non community & commercial)		Standard		£8.80	£9.40	
Wokingham Library Room Booking (non community & commercial)	maximum per hour	Standard		£19.30	£20.70	
Training Course Fees						
Fully day Course	Day	Non Business		£73.00	£78.00	
Half Day Course	Half day	Non Business		£36.00	£39.00	
Cancellation fee, (less that 7-14 days notice)	per course	Non Business		£83.00	£89.00	
Non attendance of course	per course	Non Business		£83.00	£89.00	

This page is intentionally left blank

Cumulative equality impact assessment: Wokingham Borough Council, Medium Term Financial Plan 2023-26 Revenue & Capital Budget

Introduction

Purpose

Wokingham Borough Council is committed to embedding equality, diversity, and inclusion in all aspects of its operations and decision-making. The purpose of this cumulative equality impact assessment is to evaluate the potential impact of the proposed budget for 2023/24 on different groups of people protected by the Equality Act 2010.

The council's approach to equality ensures that where needed, equality impact assessments (EqIAs) are undertaken to support the decision-making process. A cumulative equality impact assessment differs from this usual process as it seeks to assess the impact of all of the budget proposals in combination with each other, rather than looking at each in isolation. This helps our decision makers to consider the overall impact of the budget proposals, including any unintended consequences, and enables the council to take action to mitigate any compound negative impacts.

Public sector equality duty

The Public Sector Equality Duty (PSED) is a legal requirement for public sector bodies to actively consider how their policies and practices impact different groups of people protected by the Equality Act 2010. The duty requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different groups.

The protected characteristics defined in the Equality Act 2010 are Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion, Sex and Sexual Orientation. As part of its commitment to [Tackling Poverty](#), Wokingham Borough Council includes consideration of socio-economic inequality in equality impact assessments undertaken to support council decisions.

The Public Sector Equality Duty supports good decision-making by ensuring that the potential impact of policies and practices on different groups is considered before they are implemented, and that actions are taken to address any negative impacts and promote equality and inclusion.

A cumulative equality impact assessment is not a statutory requirement, but it is a useful tool to support robust decision making.

Equality Plan & Strategic Priorities

The council's [Equality Plan](#) sets out our commitment to promoting equality and inclusion in everything we do as an employer, provider and commissioner of services, and as a local leader. The Equality Plan sets out three priorities: to Listen to and learn from our communities and use this to deliver services that work well for everyone; act on our commitments to equality, diversity and inclusion in the way we plan, deliver and shape our services; and to build a diverse and engaged workforce, where everyone is respected. Delivery of our equality plan is supported by the council's annual equality action plan. This sets out how the council will continually work to improve our own processes and practices to ensure we embed inclusion across the business of the council, as well as through our work with partners. The production of a cumulative impact assessment to support the council's budget setting process forms part of this improvement activity.

Approach

Assessing the impact of our budget savings proposals on equality is an ongoing process. Currently, the analysis is general and indicative. As specific proposals are refined and put into action, they will undergo additional examination to determine whether a full equality impact assessment is needed.

For the purposes of this analysis, all savings proposals set out within the MTFP 2023-26 have been subject to an initial equality screening. This screening identifies whether each proposal is considered likely to have a disproportionate impact on protected equality groups. If the screening has identified that there is a risk of a negative impact for a savings proposal for the 2023/24 financial year, full equality impact assessments have been conducted where appropriate or recommended where proposals will be developed and subject to further decisions by our elected members. Proposals for subsequent years will be subject to further scrutiny within the budget setting process for that financial year.

For proposals with staffing implications, equality impact assessments will be carried out prior to a restructure.

Equality Profile

Wokingham borough is a vibrant and sought-after semi-rural region located in Berkshire, with a population of 177,502. The borough has a higher proportion of adults between the ages of 35 and 54 (nearly 30%) compared to the England average (26.4%), and a lower proportion of younger adults (17% compared to 21.8% across England). 17% of the adult population is aged 65 or over. The 2021 census found that 24% of households in Wokingham reported at least one person with a disability, significantly lower than the national average for England and Wales at 32%.

The 2021 census also revealed that 80% of the Wokingham Borough population identifies as White, including 'White Other', 2.4% as Black African/Caribbean/British, and 12.9% as Asian/Asian British. The Annual Population Survey of 2020 highlights that the most ethnically diverse community within Wokingham is among those aged between 20-24 years, where 31% of residents belong to ethnic minority communities. 44.7% of the borough identifies as Christian, 37% as No Religion, 4.8% as Muslim, 4.8% as Hindu, and 1.7% as Sikh.

The [Wokingham Borough Equality Profile](#) provides further information about the borough's demographics and how they relate to protected equality groups.

Investing in our services 2023/24

Costs are increasing for the council as they are for everybody else. Various factors such as inflation on contracts, heightened demand resulting from demographic shifts in the need for services, and reductions or cessation of government funding have exerted further strain on the council's budget. To alleviate these pressures, certain areas of the budget will experience growth, resulting in a net positive impact on those utilising the services, particularly among children and young people, older individuals, and individuals with disabilities.

Fees and Charges

A review of fees and charges for council services and facilities is undertaken annually. This covers a broad range of activity from licensing to exercise classes. Any proposed increase in fees and charges for services used by residents is considered likely to disproportionately impact lower-income households. Though not considered individually prohibitive there is a risk that fee increases can add-up for some individuals or families, generating additional financial pressures. There is a further risk that due to heightened vulnerability to the causes of poverty, any such impact could disproportionately fall upon the protected characteristics of sex (a greater proportion of lone parents are women) and disability

(greater likelihood of increased living costs and barriers to employment). In considering the cumulative financial burden, frequency of use, breadth of services accessed by individuals and families, and the degree to which services might be considered essential, are important factors, alongside the proposed changes to fees and charges.

The schedule of fees and charges for 2023/24 shows a standard 7% increase, and details where increases differ from that due to specific service requirements or changes. The increase in most cases is below the current rate of inflation (CPI 10.5%). Services for residents are optional and of those contained within the schedule, the Sports and Leisure services and facilities are likely to be those most frequently accessed by individuals and families. Some services set out concessionary rates in relation to age, disability, or other factors. Fees proposed for a number of leisure services, such as those delivered at the countryside activity centre, are significantly lower than 7%. It is considered therefore, that the potential cumulative financial impact described above is likely to be low. Nonetheless, the council is taking proactive action to support residents who may be struggling due to the cost of living crisis, and is committed to long term action through its Tackling Poverty Strategy.

There are also several services included within the fees and charges schedule that meet the needs of or are more likely to be utilised by particular cohorts including children and young people, older people, and people with disabilities. Any increase in fees and charges to such services will result in a direct but individually minor adverse financial impact on those groups. However, where proposed increases are to meet cost of service provision, there is a positive anticipated impact as the fee increase enables sustainable delivery of that service.

Savings Proposals 2023/24

Equality screenings have been undertaken for all savings proposals for 2023/24. A number of the proposed savings generate an income for the Council or have other positive impacts on residents and communities.

The following proposals have been identified as potentially having a minor or moderate adverse impact on protected equality groups. Many will require further equality impact assessment as the proposals develop to ensure that any negative equality implications are considered and mitigated where possible, and that opportunities to advance inclusion are maximised.

Adult Social Care

Practice changes to reduce placement costs.

The proposed changes to placement practices with the aim of reducing costs may have an impact on the protected characteristics of Age and Disability. Therefore, an Equality Impact Assessment will be conducted to ensure that any formal changes to policy do not discriminate against these groups.

Extra Care - Decommission Background Support

The proposal envisages a change in the model of delivery for support for the council's extra care facilities. At present, support is provided 24 hours a day and is available to those with no or low care needs as well as those with significant care needs. The proposal sets out a targeted model of support which removes the on-site offer for those with no or low care needs. It is considered that this could have a negative impact on the protected characteristics of Age and Disability. However, in mitigation of this impact, alternative forms of support are available for those with no or low care needs including emergency, out of hours alarm service, ensuring that these customers can continue to access support

suitable to their level of need. A separate equality impact assessment has been conducted to support this decision and will be updated as the proposal progresses.

Childrens Services

Alternative Delivery Model for Children's Centres

This proposal is to review activity and collaborate with partners and other agencies to deliver cost effective yet engaging services at the council's Children Centres. Any change of service is likely to impact women and children (protected characteristics of Age, Sex, and Pregnancy and Maternity) and the proposal will need to be subject to further equality impact assessment as it develops. Consideration will be given to the equality profile of customers of the service to ensure that any negative impacts or opportunities to promote equality are identified and acted upon.

Chief Executive's

Effective use of Council owned Community spaces.

This proposal is to create improved community spaces across the borough by more efficiently using council assets and facilities to yield savings, meet local needs, and achieve positive outcomes. It is likely that this could result in changes to the current activities or locations of those activities that are currently held within those community spaces. This could result in a low or moderate negative impact across a range of protected characteristics. It is also likely however, that positive impacts can be delivered through this review, particularly with the focus on localities. A robust equality impact assessment will be undertaken to inform the review being undertaken and subsequent development of any changes proposed as a result of the review.

Reduce frequency of Borough News

The proposal is to reduce the frequency of the council magazine 'the Borough News' from three issues per year to one issue per year. This is likely to have a minor negative impact in relation to those who may struggle to access council news through digital means. Older people, people with disabilities and those on lower incomes can be at a greater risk of digital exclusion. An Equality Impact Assessment has been conducted to inform this proposal, with consultation undertaken with affected groups. Mitigating actions to enable those affected to continue to access essential council news and information will be undertaken in line with the results of this consultation.

Organisational Foundations Programme

The council has established an Organisational Foundation Programme (OFP) to provide a coordinated and strategic approach to generating efficiencies. There are a number of workstreams: Assets, Contracts, Customer Excellence, and Workforce. Each is supported by an overall equality impact assessment and specific projects within each programme will be required to undertake detailed assessments as the work of the OFP continues to develop. Ongoing support is also provided by the council's Inclusion Team.

Place and Growth

Increase Garden Waste Service annual fees by £10

Any increase in council fees or charges is likely to have a greater impact on lower income households. However, the Garden Waste Service is an optional service, and the impact is considered to be minor.

Stop the annual purchase and delivery of food waste caddy liners to households

This proposal to stop the provision of free food waste caddy liners to households could impact lower income households and could disproportionately impact larger households including multigenerational households. However, the impact is considered to be minor and free alternate methods of lining food caddies are available. Mitigating actions could include promotion of these alternate methods.

Increase in Off Street Parking Charges

The council proposes to increase off-street parking charges. At present charges are below that of neighbouring boroughs and have not been increased for five years. As a semi-rural borough, consideration is needed of the impact of any such changes with respect to accessing town centre facilities, alongside availability and cost of alternative means of transport such as public transport. The increase in parking charges could have a minor negative impact on lower income households, however, provision for disabled parking will not be affected. There is a statutory period of notice required for a change in TRO and comments received during this time will be taken into consideration.

Introduction of On Street Parking Controls - 100 spaces per year for next two years

The addition of on-street parking controls will also require consideration of accessibility of town centre facilities and is likely to have a low negative impact on lower income households. The Blue Badge scheme ensures that there is no adverse impact of this proposal on people with disabilities.

Charging leisure users at Carnival Car Park

Carnival Pool Leisure Centre users are currently entitled to two hours of free parking. This proposal is to remove that concession and apply parking charges. An Equality Impact Assessment will need to be undertaken to inform development of this proposal, with consideration given to users of the centre who may currently be accessing facilities for free – such as free swimming of those over 60, and for whom the cost of parking could be prohibitive.

Reduce the community engagement team by 2 posts

This proposal is to remove two vacant full time equivalent posts from the community engagement team. The community engagement team undertake a range of activities with different community groups, including groups which impact children and young people, older people, and maternity and breastfeeding groups. A full equality impact assessment is being undertaken to inform this decision as it progresses. At present there are no negative impact anticipated by the removal of vacant posts but moderate adverse impacts would be anticipated if the removal of these positions resulted in a change of service provision.

Removal of discretionary concession funding for transport on football services

This service enables qualifying residents to access free one-way travel on “football Special” bus services to Reading Football stadium. Payment is required on a return journey back into the borough. At present, this means that a concessionary pass holder for this special service only has to pay a single fare to travel to and from the football grounds. This proposal is to remove the funding for this, requiring those residents who hold the concessionary pass to pay a full return fare, rather than a single fare for the return service. The direct “football special” bus service will still operate. The removal of this funding will have an adverse impact on those on lower incomes who qualified for this concessionary pass (i.e older people and those with a mobility impairment who are eligible for free bus travel). The impact is considered minor as travel to the grounds can still be achieved via free (non-direct) services and the financial impact on individual residents of continuing to use the direct service is not considered significant.

Resources and Assets

Rationalisation process of Corporate Accommodation

This proposal forms part of the activity being undertaken within the Assets workstream of the Organisational Foundation Programme and will be supported by equality impact assessments as needed. It is likely however, that if there are any changes with regard to assets that are currently utilised by staff or accessed by members of the public that there could be adverse implications for equality groups across the protected characteristics and that consideration of the user profile of any assets will be needed as part of this process.

Penalty charges - Non provision of Information Council Tax/benefits

Legislation permits a penalty of circa £70 (council tax) and £50 (benefits) to those customer who do not tell us about a change in their personal situation. The council applied this charge pre-covid and this proposal is to reintroduce this charge. There is no direct impact on low-income households as the charge is only relevant where the customer has failed to inform the council of a change in circumstances. However, it is important to note that where customers have a compelling reason for failing to inform the council, the decision to implement a charge would be reviewed.

Summary & Cumulative impacts

There are 55 savings proposals for 2023/24 (a further 10 proposals are set out in the MTFP for delivery in subsequent years). 36 proposals were deemed to have no adverse equality implications at this time, and 18 were considered likely to have a minor or moderate impact. Of these, it was considered that 6 proposals required an equality impact assessment at this stage. For a further 14 proposals, Officers will be expected to undertake new or update existing equality impact assessments as the proposals are developed and further formal decisions are required to determine implementation.

The table provided in Appendix 1 sets out a summary of the anticipated adverse impacts of the savings proposals for 2023/24. It is considered that these could result in the following cumulative impacts for our residents.

Age & Disability

There is a small number of proposals that could result in an adverse cumulative impact for the older people and disabled people, in particular proposals relating to services provided for adults with care needs. There are further proposals that could, depending on how they are progressed result in additional negative impact for disabled people, including the reduced frequency of the council magazine. However, there are sufficient individual mitigating actions in place to address these risks and this will be kept under review as these proposals progress.

Socioeconomic inequality

There are a number of proposals that support income generation which will have a positive impact on residents, communities and service delivery. However, there are clear impacts for low-income households in the borough of increased fees and charges. This cumulative impact is considered minor with regard to the proposals that are included within the 2023/24 budget. Nonetheless, the council is committed to tackling poverty and supporting our residents through the cost-of-living crisis and will continue to review the cumulative impact of any increases to charges to our residents.

Conclusion

In light of the above, the proposed budget saving proposals are considered reasonable and have shown due regard to the Public Sector Equality Duty.

Although initial equality screenings have been undertaken to ascertain potential impact, many of the proposals are in their formative stages and are still to be developed and or subject to consultations. Consequently, as the proposals are developed further equality impact assessment will be undertaken to assess the relevance to the Public Sector Equality Duty.

Table 1: Adverse impact across protected characteristics

Proposal	Age	Disability	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Race	Religion	Sex	Sexual Orientation	Socio-economic inequality	Mitigation
Extra Care - Decommission Background Support	Medium	Medium	None	None	None	None	None	None	None	None	Alternative support services available
Policy changes to reduce placement costs	Medium	Medium	None	None	None	None	None	None	None	None	To be identified as proposal progresses
Effective use of Council owned Community spaces	Minor	Minor	Minor	None	Minor	Minor	Minor	Minor	Minor	Minor	Mitigating actions to depend on changes proposed. Significant opportunity to identify opportunities to promote inclusion.
Organisational Foundation Project - Assets	Minor	Minor	Minor	None	None	Minor	Minor	Minor	None	Minor	To be identified as proposal progresses
Reduce number of Borough News Editions from 3 to 1	Minor	Minor	None	None	None	None	None	None	None	Minor	Alternative options for accessing information and news, with targeted print as appropriate.
Alternative Delivery Model for Children's Centres	Medium	None	None	None	None	None	None	None	None	None	To be identified as proposal progresses
Charging leisure users at Carnival MSCP	Minor	None	None	None	None	None	None	None	None	Minor	To be identified as proposal progresses
Increase garden waste service annual fees by £10	None	None	None	None	None	None	None	None	None	Minor	To be identified as proposal progresses
Increase in off street parking charges	None	None	None	None	None	None	None	None	None	Minor	To be identified as proposal progresses
Introduction of on street parking controls - 100 spaces per year for next two years	None	None	None	None	None	None	None	None	None	Minor	To be identified as proposal progresses

Table 1: Adverse impact across protected characteristics

Proposal	Age	Disability	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Race	Religion	Sex	Sexual Orientation	Socio-economic inequality	Mitigation
Reduce the Community Engagement Team by 2 posts	Minor	Minor	Minor	None	Minor	Minor	None	Minor	Minor	Minor	To be identified as proposal progresses, consideration to be given to how best to support community based activities and groups
Removal of discretionary concession funding for transport on football services	Minor	Minor	None	None	None	None	None	None	None	Minor	Alternative indirect free travel is available. Minor financial impact to continue to use direct services.
Stop the annual purchase and delivery of food waste caddy liners to all households	None	None	None	None	None	None	None	None	None	Minor	Promotion of free alternatives
Rationalisation process of Corporate Accommodation	Medium	Medium	None	None	None	None	None	None	None	Minor	To be identified as proposal progresses

This page is intentionally left blank

TITLE	Fees and Charges for Licensable Activity 2023/24
FOR CONSIDERATION BY	Licensing and Appeals Committee on 30 January 2023
WARD	(All Wards);
LEAD OFFICER	Director, Place and Growth - Steve Moore

OUTCOME / BENEFITS TO THE COMMUNITY

Fees and charges relating to licences, permits and registrations contribute to covering the cost of the council's licensing functions.

RECOMMENDATION

- 1 That the Committee NOTES the proposed discretionary fees for 2023/24 set out at Appendix A as part of the Council's annual fee setting process
- 2 That the Committee RECOMMENDS to Executive that, in relation to those fees which are within the Council's discretion to set, the fees should follow best practice and ensure that the cost to the Council of administering, managing and enforcing the licensing regime is covered by the fee income.

SUMMARY OF REPORT

This report sets out the Fees and Charges which are proposed for licensable activities in this area of the council for 2023/24 and provides information about how fees are set.

The costs to the Council of administering the licensing service should be covered by the fee income raised from the licensed parties. Any income shortfalls or excesses should be balanced in following years. Due to rising licensing costs to the Council, the consequence of not increasing the fees is likely to result in a deficit in the licensing budget which would need to be covered from general taxation from the General Fund with the agreement of full Council.

Background

1. At the Licensing and Appeals Committee on 19 October 2022 it was resolved that:
 - a report including information on licensing costs and income would be brought to the 30 January meeting, and
 - Work would be undertaken to understand the full cost details of running the licensing service.
2. Members requested:
 - evidence of increases in the cost of the licensing service
 - more detailed information on the calculation of the proposed increased fees
 - information about the consequences of not having a balanced budget for the licensing service.

Analysis of Issues

3. A significant number of fees within the licensing field are set by Government Statute or Regulation and cannot therefore be changed by the Council (“Statutory fees”). Primarily, statutory fees cover Gambling; Alcohol and Regulated Entertainment; Environmental Permitting; Petroleum and Explosives and together amount to roughly half the licensing fee income per annum, although the largest volume of applications is Alcohol and Regulated Entertainment.
4. Those fees which are within the Council’s discretion to set (“Discretionary fees”) are required to be based on an assessment of the costs of the administration and processing of applications and for the general management and enforcement of the regulatory function. Licensing authorities are required to review their discretionary fees and charges on an annual basis.
5. Income from licensing fees should be no greater than the costs of the licensing regime. However, the hourly rate used to calculate the fees has only increased by 3.5% in the five years since 2017/18 (£57 to £59) but in the same period, the Council has faced considerable cost increases.
6. It is proposed that the hourly charge rate should be increased from £59 to £65 (+10.2%) to ensure that costs are fully funded. Proposed fees and charges for 2023/24 have been calculated using this hourly rate multiplied by officer assessment of hours required for each licence or activity type and are shown in Appendix A.

Alternative to recommendation

7. Alternatively, the committee could recommend that fees remain unchanged for 2023/24 (or a lower increase) due to the likely impact on licensable businesses (where the fee is at the discretion of the Council) of increased fuel, energy and other costs and economic downturn.
8. If this is the decision, then it is probable that fee income would not cover the costs and the shortfall would need to be funded from general taxation from the

general fund. In short, council tax would be required to subsidise the licensing regime.

Effect of Alternative to Recommendation

9. If this Committee were to decide to recommend a set of fees that does not cover the costs of the licensable activity, then funding the shortfall from general taxation could be considered by Executive and if accepted then it would recommend to Council (as part of the budget setting process) increasing the taxation demand on general taxpayers. In the alternative, Executive could decide to recommend reducing other services which may free up existing expenditure.
10. However, it is considered unlikely that Executive will recommend either a reduction in alternative services within the Council to pay for this or that sufficient monies exists in the general fund to pay for a reduction. In that case, it would be necessary to reduce the cost of licensing services, most likely by reducing staffing levels in the licensing service.
11. This is not recommended as it would result in reduced capacity to process applications for licences, meaning that processing applications would be less efficient, leading to delays in carrying out checks and issuing licences and therefore possible business interruption for the applicant.
12. Further, management and enforcement of licence requirements and conditions would be adversely affected. For example, in 2022/23 audits of licence holders led to licence suspensions, revocations and prosecutions. Reduction in capacity to do this would increase risk to public safety which the licensing regime is designed to minimise.
13. There is little precedent that demonstrates where Councils have funded licensable activities from other income sources. This is presumably due to either Councils deciding not to do this or if they have, then those benefiting (the licence holders) are unlikely to challenge this outcome. There are precedent cases that relate to the level of fees where the courts have determined the principles for fee setting in licensable activities. These include that fees should be set at a level that is broadly cost neutral in budgetary terms, so that over the lifespan of the licence, the budget should balance. If there is an over or under recovery, then this should be adjusted in subsequent years. Surpluses from one fee should not subsidise another and fee income should not be drawn into the general fund. The principle is that those benefiting from the activities permitted by the licence should pay the cost and not be subsidised by the general fund.

Taxi licence fees

14. It is relevant to note that in relation to the Hackney Carriage tariff of fares, an increase to the tariff chargeable by Wokingham drivers was approved by Licensing and Appeals Committee with effect from 4 April 2023. The amount of the increase was in the region of a 34% increase to the maximum fare chargeable, albeit that this was the first increase since 2014.
15. It is also noteworthy that in relation to fees for the grant of taxi vehicle and operators' licences, under Local Government (Miscellaneous Provisions) Act

1976 section 70 it is necessary to publish in at least one local newspaper a notice setting out the variation proposed, drawing attention to a period not being less than twenty-eight days, within which objections to the variation can be made.

16. If objection is made, the council shall set a further date, not more than two months later, on which the variation shall come into force with or without modification as decided by the council after consideration of the objections. In practice, this means that if objections are received there will be a further report and recommendation to this Committee and the increase for this particular licence fee may not take effect until after the start of the 2023/24 financial year.

The break-even cost for the licensing service

17. The table in Appendix B shows the budgeted income and costs (salary and non-salary) of the Licensing Service (ie the expected costs) in 2023/24. This is the cost that the Council should aim to fund through the imposition of licensing fees.

The hourly rate

18. The hourly cost is calculated to be the rate per hour required to generate sufficient income to process licence applications and manage and enforce the licensing scheme. The figure was £57 per hour until 2017/18 when it was increased to £59 per hour. After several years of small salary increases for staff due to low inflation, the local government pay award for 2022 had the effect of adding £15,300 to the Licensing Service salary budget (5.6%).
19. With regard to the 2023 pay award, the Chancellor confirmed in the Autumn Statement in November 2022 that the National Living Wage (NLW) rate will increase by 9.7% on 1 April 2023.
20. There is a long-held position that the local government salary spine should start above the NLW, so increases in the NLW have a direct bearing on salaries at all grades. Therefore, upward pressure on the local government salary scale is likely to continue in the 2023 pay round.
21. The table below (para 22) is based on 6 fte staff directly involved in delivering the licensing service, with the hourly rate being the average costs across all six staff. More detail about how the hourly rate is calculated is in Appendix C.

22.

Hourly Rates	£
Salary costs	43.28
Non-salary costs	16.64
Central Recharges	5.09
Total	65.00

Hourly requirement for discretionary licence types

23. The fees in previous years have been based on the hourly rate multiplied by the number of hours required on average to process each type of licence and (where appropriate) for the general management and enforcement of the licensing scheme. Appendix D shows an example of the hours required for a licence type.
24. Appendix A shows the number of hours officers estimate is required to administer and manage each licence and activity type. The hours have been amended for 2023/24 to correct rounding anomalies from previous fee increases. Several hourly requirements had become fractional, probably due to rounding and previous inflation increases since the hours were first calculated. The hour requirements have been revised to more meaningful numbers, which will make the percentage increase slightly variable in line with the proposed new hourly rate of £65.

Benchmarking

25. Some comparison costs for similar fees at the 2022/23 rates are in Appendix E, using the Office for National Statistics [five most similar local authorities](#) to Wokingham.
26. The Wokingham proposed fees are from Appendix A, calculated on the basis of the hourly rate set at the recommended fee of £65 per hour for 2023/24. In the 5 sampled licensable activities, the proposed fees for Wokingham for 2023/24 are still lower than the highest comparable fee in 4 of the 5 licensable activities. This is comparing the proposed licence fees against current rates and doesn't include any changes to the licence fee that may be proposed by the other authorities in 2023/24.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Approximately an extra £15k income		Revenue
Next Financial Year (Year 2)	(£15k) plus any fee increase confirmed in fee setting for 2024/5		Revenue
Following Financial Year (Year 3)	(£15k) plus any fee increase from 2024/25 and 2025/6		Revenue

Other financial information relevant to the Recommendation/Decision

The proposals in this report have no impact of the cost of delivering the service. The proposed fees as set out in detail in the Appendices are based on the calculated hourly rate appropriate for the service as described earlier in the report.

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)

There are no implications arising from the recommendation in this report.

Public Sector Equality Duty

An equalities impact assessment is not required at this stage, as no change is being proposed to the current fee structure

Climate Emergency – ***This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030***

No impact is identified to the Council's carbon neutral objective.

Reasons for considering the report in Part 2

n/a

List of Background Papers

None

Contact Ed Shaylor

Telephone No 07871 735927

Service Place

Email ed.shaylor@wokingham.gov.uk

APPENDIX A

DISCRETIONARY FEES

DISCRETIONARY FEES	Note	Regulatory Framework	Charge in 2022/23	Hours req'd per licence	Proposed charge from 1/4/2023	% change
Animal Licences	The granting fee includes initial inspection and mid-term inspection totalling 4 hours (unless stated differently). Inspections required beyond this due to additional visits, aborted visits will be charged at an additional fee					
Animal Boarding Establishment new - (dogs and cats)			£590	10.0	£650	10%
Animal Boarding Establishment renewal - (dogs and cats)			£531	9.0	£585	10%
Animal Boarding Establishment new - single species (dogs or cats)			£472	8.0	£520	10%
Animal Boarding Establishment Renewal - single species			£413	7.0	£455	10%
Home Boarder New			£272	4.5	£293	8%
Home Boarder Renewal			£242	4.0	£260	8%
Home Boarder - Franchisee New			£207	3.5	£228	10%
Home Boarder - Franchisee Renewal			£177	3.0	£195	10%
Home Boarder - Assessment of host in franchisee licence New			£118	2.0	£130	10%
Home Boarder - Assessment of host in franchisee licence Renewal			£118	2.0	£130	10%
Dog Day Care New			£590	10.0	£650	10%
Dog Day Care Renewal			£531	9.0	£585	10%
Dog Breeding Establishment New			£590	10.0	£650	10%
Dog Breeding Establishment Renewal			£531	9.0	£585	10%
Dog Breeding Establishment (domestic dwelling) New			£472	8.0	£520	10%
Dog Breeding Establishment (domestic dwelling) Renewal			£413	7.0	£455	10%

Sale of pets new			£472	8.0	£520	10%
Sale of pets renewal			£413	7.0	£455	10%
Animal for Exhibition New			£590	10.0	£650	10%
Animal for Exhibition Renewal			£531	9.0	£585	10%
Riding Establishment						
Riding establishment inspection (plus fee per horse) New			£472	8.0	£520	10%
Riding establishment inspection renewal			£413	7.0	£455	10%
Inspection fee per horse, for the first 10 horses			£15	0.3	£17	10%
Inspection fee per horse, for next 11-50 horses			£10	0.2	£11	10%
Inspection fee per horse, for every horse 51 & over			£8	0.1	£9	10%
Other Fees						
Variation to animal licence			£224	3.75	£244	9%
Replacement licence fee (lost or stolen paperwork, change of name, etc.)			£56	1.0	£65	16%
Re-evaluation of star rating (inclusive of one visit)			£112	2.0	£130	16%
Transfer due to death of licensee			£56	1.0	£65	16%
Wild animals and zoos						
Dangerous Wild Animal Consent	2 years		£460	8.0	£520	13%
Zoo Licences (new & renewals)	Up to 6 years		£2,066	35.0	£2,276	10%

Taxi Licences	Cost recovery. Change would require consultation with licensees					
Hackney Carriage Vehicle – New & renewal	* New fee based on 2019/20 fee of £290 prior to Covid discount		£248	5.0	£325	12%*
Private Hire Vehicle – New and renewal			£248	5.0	£325	12%*
Private Hire Vehicle with Dispensation			£248	5.0	£325	12%*
Temporary Vehicle Licence	Up to 3 months		£232	4.0	£260	12%
Driver licence - New & Renewal	3 years		£271	4.5	£293	8%
Conversion of driver licence to another type			£80	1.5	£98	22%
Private Hire Operators (PHO)						
NEW						
NEW Private Hire Operator Licence Number of Vehicles: 1			£472	8.00	£520	10%
NEW Private Hire Operator Licence Number of Vehicles: 2			£546	9.25	£601	10%
NEW Private Hire Operator Licence Number of Vehicles: 3			£620	10.50	£683	10%
NEW Private Hire Operator Licence Number of Vehicles: 4			£693	11.75	£764	10%
NEW Private Hire Operator Licence Number of Vehicles: 5			£767	13.00	£845	10%
NEW Private Hire Operator Licence Number of Vehicles: 6			£841	14.25	£926	10%
NEW Private Hire Operator Licence Number of Vehicles: 7			£915	15.50	£1,008	10%
NEW Private Hire Operator Licence Number of Vehicles: 8			£988	16.75	£1,089	10%
NEW Private Hire Operator Licence Number of Vehicles: 9			£1,062	18.00	£1,170	10%
NEW Private Hire Operator Licence Number of Vehicles: 10			£1,136	19.25	£1,251	10%
NEW Private Hire Operator Licence Number of Vehicles: 11			£1,210	20.50	£1,333	10%
NEW Private Hire Operator Licence Number of Vehicles: 12			£1,283	21.75	£1,414	10%
NEW Private Hire Operator Licence Number of Vehicles: 13			£1,357	23.00	£1,495	10%

NEW Private Hire Operator Licence Number of Vehicles: 14			£1,431	24.25	£1,576	10%
NEW Private Hire Operator Licence Number of Vehicles: 15			£1,505	25.50	£1,658	10%
NEW Private Hire Operator Licence Number of Vehicles: 16			£1,578	26.75	£1,739	10%
NEW Private Hire Operator Licence Number of Vehicles: 17			£1,652	28.00	£1,820	10%
NEW Private Hire Operator Licence Number of Vehicles: 18			£1,726	29.25	£1,901	10%
NEW Private Hire Operator Licence Number of Vehicles: 19			£1,800	30.50	£1,983	10%
NEW Private Hire Operator Licence Number of Vehicles: 20+			£1,873	31.75	£2,064	10%
RENEWAL						
RENEWAL Private Hire Operator Licence Number of Vehicles: 1			£354	6.00	£390	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 2			£428	7.25	£471	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 3			£502	8.50	£553	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 4			£575	9.75	£634	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 5			£649	11.00	£715	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 6			£723	12.25	£796	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 7			£797	13.50	£878	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 8			£870	14.75	£959	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 9			£944	16.00	£1,040	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 10			£1,018	17.25	£1,121	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 11			£1,092	18.50	£1,203	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 12			£1,165	19.75	£1,284	10%

RENEWAL Private Hire Operator Licence Number of Vehicles: 13			£1,239	21.00	£1,365	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 14			£1,313	22.25	£1,446	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 15			£1,387	23.50	£1,528	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 16			£1,460	24.75	£1,609	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 17			£1,534	26.00	£1,690	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 18			£1,608	27.25	£1,771	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 19			£1,682	28.50	£1,853	10%
RENEWAL Private Hire Operator Licence Number of Vehicles: 20+			£1,755	29.75	£1,934	10%
Other Private Hire & Hackney Carriage Charges						
Variation to PHO licence			£59	1.00	£65	10%
Transfer of vehicle to new owner			£118	2.00	£130	10%
Change of vehicle			£74	1.25	£82	10%
Replacement Licence			£41	0.75	£49	19%
Replacement Badge			£41	0.75	£49	19%
Replacement Vehicle Licence Plate			£59	1.00	£65	10%
Knowledge Test			£74	1.25	£82	10%
Missed Appointment			£37	0.67	£44	18%
Disclosure and Barring Service Check (DBS)			£90	1.50	£98	9%
Advertising on a Hackney carriage - New			£47	0.75	£49	4%
Advertising on a Hackney Carriage - Renewal			£32	0.50	£33	2%
Change of address (PH & HC)			£14	0.25	£16	16%
Backing Plate			£26	0.50	£33	25%
Medical Exemption from carrying an assistance dog			£22	0.4	£26	18%
Refund Processing Fee			£59	1.00	£65	10%
Change of vehicle registration			£57	1.00	£65	14%
Age of vehicle Inspection – initial & renewal			£59	1.00	£65	10%

Scrap Metal	Cost recovery for assessment and administration of the application					
Scrap Metal Site Licence	3 Years		£501	8.5	£552	10%
Scrap Metal mobile collector licence	3 years		£267	4.5	£294	10%
Scrap Metal - Variation of Licence			£368	6.0	£390	6%
Scrap Metal - change of site manager			£68	1.0	£65	-4%
Scrap Metal - copy of licence			£11	0.2	£12	10%
Scrap Metal - Change of Name			£36	0.5	£33	-10%
Skin Piercing & Treatments						
Skin Piercing & Dermal Treatments Individual	Individual		£180	3.0	£195	8%
Skin Piercing & Dermal Treatments Premises	Premises		£282	5.0	£325	15%
Skin Piercing & Dermal Treatments Joint Application	Joint application		£451	7.5	£488	8%
Pre-application work, hourly rate	Min. 1 hour		£59	1.0	£65	10%
Street Trading Consents						
Street Trading Consent Annual Fee	Annual Fee		£1,378	23.0	£1,495	8%
Street Trading Consent 6 months	6 months		£805	13.0	£845	5%
Street Trading Consent Monthly Rate	Monthly Rate		£228	4.0	£260	14%
Variation fee			£91	1.5	£100	10%
Refund for Street Traders if application withdrawn	If application withdrawn		£116	2.0	£128	10%
Dog Warden Services						
Stray Dog recovered	Fees based on cost recovery. Vets fees separate.		£73	1.25	£80	10%
Stray Dog – kennel charge in addition to recovery charge			£15 per day max £75	£16 per day max £80	£16-£80	7%
Dog fouling fixed penalty charge		Fixed penalty	£75	1.25	£80	7%
Miscellaneous stray dog activities e.g. taxi, relocating, microchipping			£59	1.0	£65	10%

Private Sector Housing						
Inspection of Housing Premises for Immigration purposes			£116	2.0	£130	10%
Enforcement Notices served under Housing Act 2004	On a cost recovery basis		£402	7.0	£455	13%
HMO Licence NEW	Set on a cost recovery basis for the costs of (a) the administration and processing of the application and (b) for the general management and enforcement of the scheme		£1,204	20.0	£1,300	8%
HMO Licence RENEWAL			£805	13.0	£845	5%
Caravan Site Licences	Cost recovery for administering and monitoring site licences - a fee fixed by the authority under Caravan Sites and Control of Development Act 1960					
Caravan Site licence new			£440	7.50	£488	11%
New Caravan Site licence per additional pitch			£16	0.25	£16	2%
Caravan Site Licence Transfer			£186	3.00	£195	5%
Caravan Site Annual fee per pitch			£14	0.25	£16	16%
Compliance Notice under Mobile Homes Act 2013			£402	7.00	£455	13%
Deposit, vary or deleting Caravan Site rules			£117	2.00	£130	11%
Variation of Caravan Site licence		Minimum two hours	£59 per hour		£65 per hour	10%
Mobile Homes Regulations 2020	The Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020 (“the Regulations”)					
Application Fee – Fit and Proper Test	Any application taking more than two hours to process will be charged at an additional hourly rate		£118	2.0	£130	10%
Annual Fee – Fit and Proper Test			£59.00 per hour		£65 per hour	

Private Water Supplies	Maximums set in Schedule 5 Private Water Supplies Regulations 2016 and the Private Water Supplies (England) (Amendment) Regulations 2018					
Risk assessment - Every 5 years. Charged per hour, simple risk assessment and report typically 5 hours			£59 per hour		£65 per hour	10%
Private water and pool samples - Includes cost of testing			£59 per hour		£65 per hour	10%
Investigation - Includes cost of testing Carried out in the event of a test failure - not including any required analysis costs.			£59 per hour		£65 per hour	10%
Granting an authorisation			£59 per hour		£65 per hour	10%
Other fees	Hourly rate applies minimum of 2 hours					
Environmental Information Request - Individual, Non-Commercial			£118	2.0	£130 + VAT	10%
Environmental Information Request - Commercial and Government			£118	2.0	£130 + VAT	10%
Civil Actions (Class A – Fee Discretionary)			£118	2.0	£130 + VAT	10%
Safety Certification and administration	Hourly rate applies minimum of 2 hours		£118	2.0	£130 + VAT	10%
Pre-Application Advice, hourly charge			£59	1.0	£65 + VAT	10%
Food Hygiene Rating Scheme rescore			£118	2.0	£130	10%
General Business Advice (NonPrimary Authority)	Hourly rate (first 30 minutes free)		£59	1.0	£65 + VAT	10%
Resident Request for Advice	Hourly rate (first 30 minutes free)		£59	1.0	£65 + VAT	10%

APPENDIX B

Licensing Service Budget 2023/24

	No of staff - full time equivalent	Licensing staff salary budget 2023/24
		£
Total Salary Costs	6.0	286,500
Non-Salary Costs		110,128
Central Recharges		33,675
Total Licensing Expenditure		430,303
Budgeted Licensing Income *		(315,000)
* Assuming 10% increase to discretionary fees		

Note: The reason income does not match expenditure is partly due to statutory fees not having kept pace with cost increases and in some cases have not been increased since 2005.

Salary costs include:

Pay plus 23% for employer's national insurance and pension contributions for:

	Full time equivalent
Licensing Manager	1
Licensing Officer	2
Licensing Processing Officer	1.8
Head of Service	0.2
Legal Services	0.2
System Administrator	0.2
Environmental Health Officers (Environmental Permitting; Caravan Site Licensing; HMO Licensing; Dermal Treatment Registrations)	0.6
Total full time equivalent staff	6.0

Non-salary costs include:

Invoicing and income recovery
IT licences and services
Equipment and stock purchases and maintenance
Printing and postage
Animal inspections – vet fees
Proportion of PPP contract for Trading Standards and Legal Casework in relation to licensable activity

Central Re-charges include:

Corporate services such as democratic services, finance, audit and HR, accommodation and office costs

APPENDIX C

Hourly rate calculation

Hourly Rates	£
Salary costs	43.28
Non-salary costs	16.64
Central Recharges	5.09
Total	65.00

Based on 253 working days per year – 365 minus 104 weekend days and 8 bank holidays. Further deductions are made for annual leave, average sick leave, training days for example at Institute of Licensing, leaving 213 working days x 7.4 = 1,576 work hours per year for the service.

An element of time for each staff member must be allowed for corporate tasks such as health and safety, performance appraisal, stock control, team building, audit, budget monitoring and the like, assumed to average at 30%, meaning that 1,103 hours are available per officer and 6,620 to deliver the service (6 full-time equivalent staff).

The salary cost per hour is the salary budget £286,500 / 6,620 = £43.28

Non-salary cost per hour is £110,128 / 6,620 = £16.64

Central re-charges per hour is £33,675 / 6,620 = £5.09

APPENDIX D

Example of cost calculation

Taxi Driver Licence	Hours
Receipt of application and enter on database	0.5
Check and contact applicant for missing data	0.5
Organise knowledge test	0.5
Supervise knowledge test	0.5
Receive DBS check, scrutinise and enter on database	0.25
Organise Safeguarding Training	0.25
Issue licence and despatch	0.25
Print and create badge	0.25
Total for Processing	3.0
Enquiries from public and customers	0.1
Complaints from public and customers	0.5
Suspensions	0.5
Liaison meetings with TVP and trade	0.05
FOIs and complaints	0.1
Enforcement and compliance	0.25
Total for Compliance	1.5
Total	4.5 @ £65 = £293

Taxi Vehicle Licence	Hours
<i>Based on previous PPP licensing scheme</i>	
Initial enquiry	0.5
Data entry	0.5
Post room liaison and website updates	0.2
DVLA checks	0.2
Plate manufacture and document printing	0.25
Ownership checks of lease company	0.25
Insurance checks	0.25
MOT checks	0.25
Vehicle inspection	0.2
Liaison with approved garages	0.25
Operator licence review	0.25
Wheelchair certification checks with supplier	0.15
Cross referencing with "protected status"	0.25
Total for Processing	3.5
Enquiries from public and customers	0.1
Complaints from public and customers	0.5
Suspensions	0.5
Liaison meetings with TVP and trade	0.05
FOIs and complaints	0.1
District wide compliance	0.25
Total for Compliance	1.5
Total	5 @ £65 = £325

APPENDIX E

Benchmarking: ONS Five most similar local authorities to Wokingham

Amber:	Lowest in the group
Green:	Between the lowest and highest in the group
Red:	Highest in the group

Council	Fees 2022/23				
	Taxi Driver Licence	Home Animal Boarder Licence	Scrap Metal Collector Licence	Dermal Treatment Premises Licence	Caravan Site Licence
Wokingham (current fees 2022/23)	£271	£272	£267	£282	£440
Wokingham (proposed fees 2023/24)	£293	£293	£293	£325	£448
Hart (current fees)	£240	£260	£352	£206	£343
West Berkshire (current fees)	£301	£236	£236	£295	£443
Surrey Heath (current fees)	£249	£150 (+£183 if enforcement)	£226	£164	n/a
South Oxfordshire (current fees)	£336	£433	£431	£250	£380
Chiltern (current fees)	£303	£362	£298	£191	£550

Note: Subject to increases other councils may make from 1/4/2023

TITLE	Selection of Preferred Registered Provider (RP) Partners
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None specific
LEAD OFFICER	Director, Place and Growth - Steve Moore
LEAD MEMBER	Deputy Leader of the Council and Executive Member for Housing - Stephen Conway

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The delivery of affordable homes is an underpinning principle of the Council's vision. The approval of carefully selected Registered Provider (RP) Partners for the Council will ensure that those RPs delivering affordable housing in the borough via s106 agreements and other land opportunities are aligned to the Council's strategic vision and aspirations. In doing so, this will positively benefit the community through provision of high quality, well-managed affordable homes, with the Council gaining full nomination rights to these homes.

RECOMMENDATION

That Executive is asked to approve the following matters:

- 1) That the following Registered Providers (RP) be approved as Partners for the next three-year period commencing on 1st April 2023, with a further two years subject to satisfactory performance:
 - A2Dominion
 - Aster
 - Housing Solutions
 - Loddon Homes Limited
 - Metropolitan Thames Valley Housing
 - Places for People
 - Silva
 - Sovereign Housing Association
 - Vivid
- 2) To note that performance during the initial partnership period will be assessed by Overview and Scrutiny Committee at the end of the three year period.
- 3) That the Council and the nine RPs enter into a Partnership Agreement. The Agreement will detail expectations and responsibilities and will outline the basis for regular performance monitoring. The agreement will also contain an action plan which all partner RPs will be expected to adhere to.

EXECUTIVE SUMMARY

Until 2008, in line with the Housing Act 1988, the Council acted as an 'enabler' of new affordable housing rather than a direct provider. New affordable housing was developed in partnership with housing associations to provide a continuing supply of homes to

meet local need. We sought to work with a small number of development partners who would offer best value for money, operate consistently high standards of housing management, and add value through use of their own resources and expertise.

The Council has had successful partnership arrangements with Registered Providers (RPs) since 2002 with the current partnership due to end in March 2023. In recent years there has been a significant increase in the number of affordable homes secured, particularly on the Strategic Development Locations (SDLs). This affordable housing delivery programme via Section 106 agreements has been delivered through partnership working with RPs as well as through the Council's own housing company, Loddon Homes. Just under 1700 affordable homes have been delivered over the past 5 years primarily through s106 sites.

A full competitive process has been run to review and renew membership of this partnership arrangement, including a formal application process, formal interviews involving the Lead Member for Housing as well as a presentation to the Affordable Housing Member/Officer Group. A summary of the assessment process is contained within Appendix 1. This process has also included input from the Preferred Registered Provider Task and Finish Group whose recommendations will be reviewed and incorporated where appropriate (an Executive report with recommendations is expected in March 2023).

This report seeks Executive approval for the selection of the nine Registered Providers to partner the Council in the delivery of affordable housing for the next three years commencing on 1st April 2023, with the option of extending the partnership for a further two years subject to satisfactory performance (performance during the initial partnership period to be assessed by Overview and Scrutiny Committee at the end of the three year period). The selection of nine Registered Provider Partners is made on the basis there is considerable housing delivery in the Borough providing ample opportunities for all RP partners and each partner bringing different strengths to the partnership. It also helps to spread both the cost (of purchasing the affordable homes being offered by the developer) and risk across a number of RP partners, all of which can bring significant financial strength. Whilst our housing company is normally the preferred partner for delivery of affordable housing on the Council's own land, the RP Partnership ensures there is greater financial capacity to deliver the substantial numbers of homes coming forward on Section 106 sites.

BACKGROUND

Until 2008, in line with the Housing Act 1988, the Council acted as an ‘enabler’ of new affordable housing rather than a direct provider. New affordable housing was developed in partnership with housing associations to provide a continuing supply of homes to meet local need. This led over time to a very large number of housing associations operating in the borough, with tenants receiving different levels of service, and some of the associations in question having little interest or buy-in to the borough or their local community. We, along with many local authorities, sought to tackle this through running a competitive process to identify a small number of development partners who would offer best value for money; operate consistently high standards of housing management in accordance with what we would expect for our own tenants and add value through use of their own resources, or particular development specialisms.

Consequently, Wokingham Borough Council has operated a successful Preferred Registered Provider Partnership since 2002 to manage and oversee the quality of affordable housing and ongoing housing management services coming forward. Working with a partnership has helped the Council to rationalise the number of Registered Providers operating in the Borough and ensure they have bought into the Council’s vision and values. Whilst the Council is delivering affordable housing itself through its own RP, Loddon Homes, there is still a need for a partnership approach to deliver the level of affordable housing coming forward in the coming years.

The partnership process for 2023 – 2026 involved a change in focus to ensure that the registered providers are accountable for providing a high level of service for all areas of business including tenant engagement, repairs and maintenance, complaints, supporting vulnerable tenants, fuel poverty and sustainability, alongside providing housing delivery to those most in need in the borough (including care leavers, people who are homeless and those with complex needs). A draft of the proposed RP partnership agreement is contained in Appendix 2 (to note this agreement is subject to further change following recommendations from the Registered Provider Task & Finish group). The proposed RP partners have been selected through a full competitive process, which required the successful RPs to demonstrate a high level of commitment to excellent service delivery, financial strength, development expertise and an understanding of Wokingham’s strategic approach and need for affordable housing. All selected RPs hold significant stock within Wokingham Borough or within neighbouring boroughs. A summary of the assessment process is contained within Appendix 1.

The key successes of the previous partnerships include:

- Delivery of just under 1700 new affordable homes in the borough in the past 5 years, primarily through our RP partnership via s106 sites.
- Maximising social rented properties where possible (our policy guide on tenure split is for 70% social rent and 30% shared ownership)
- Successful delivery of Wokingham specific models of affordable housing, such as the shared ownership model of 35% equity share and 1.5% cap on rent on unsold equity
- Establishment of effective relationships with larger stock holding RPs in tackling anti-social behaviour and other tenancy issues
- Commitment from RP partners in terms of delivery of Council strategic objectives, including providing empty shared ownership properties for use as temporary accommodation at the beginning of the covid pandemic

- Supported housing scheme for vulnerable young people at Reading Road which provides seven bedrooms for short term licences (maximum one year) for young people transitioning from care settings into independent living. This site also provides access to support as well as essential life lessons in how to maintain tenancies in the future

BUSINESS CASE

A full competitive selection process was undertaken to select the best RPs to work with the Council to meet local needs. The closing date for applications was 4th July 2022. Nine initial Expressions of Interest were received, and nine formal application forms were sent in within the deadline, of which all were assessed and invited to interview. The RP interviews took place between the 2nd and 15th of November 2022 with the interview panel consisting of the Deputy Leader of the Council and Executive Member for Housing, Chair of the Preferred Register Provider Task and Finish Group, Assistant Director - Economic Development and Growth, Interim Assistant Director of Housing/Specialist Advisor and the Head of Strategic Housing.

All those shortlisted were also asked to do a presentation to the Affordable Housing Member/Officer Group on the 6th and 9th December 2022. Vivid was unable to attend either date and subsequently attended another interview date on the 4th January 2023.

Following interviews, the panel agreed that the following RPs should be selected as RP partners in Wokingham Borough:

- A2Dominion
- Aster
- Housing Solutions
- Loddon Homes Limited
- Metropolitan Thames Valley Housing
- Places for People
- Silva
- Sovereign Housing Association
- Vivid

All nine RPs that attended the interview process demonstrated a high-level commitment to excellent service delivery, financial strength, development expertise, partnership working and an understanding of Wokingham's strategic approach and need for affordable housing. All nine have considerable stock either within Wokingham or within neighbouring boroughs and are therefore well-established landlords within the local area. All are committed to Wokingham's affordable housing policy and specific models of affordable housing, providing a consistent approach to affordable housing delivery. Metropolitan Thames Valley Housing has been an RP partner in Wokingham since April 2002 and a further two (Housing Solutions and Sovereign) since April 2007. They have already demonstrated their commitment to the area as well as an excellent track record for delivery.

The selection of nine RP partners is made on the basis there is considerable housing delivery in the Borough both current and projected, providing ample opportunities for all RP partners. Whilst our housing company is normally the preferred partner for delivery of affordable housing on the Council's own land, the RP Partnership ensures there is greater financial capacity to deliver the substantial numbers of homes coming forward

on Section 106 sites. By having a cascade arrangement within Section 106 agreements the Council is able to stipulate that preferred partners must be approached to bid for the affordable units, although we are unable to be prescriptive about which RP they should work with.

It would be pertinent to spread the cost and risk of large Section 106 requirements by having a range of RP partners. There has also been an increase in housing need for more complex cases including customers with mental health concerns, care leavers and homelessness, which requires a joint working approach with the RP partners. Having a mix of RP partners in place it should be more achievable to deliver the scale and range of affordable housing on their own. It will also decrease the risk of affordable units going outside of the partnership or not being delivered at all with a smaller number of RPs, as developers may exhaust the cascade mechanism options. A partnership approach enables the Council to exercise control and influence over the quality and management of affordable units, as well as the cost of shared ownership, through our own, unique model. The nine RP partners being selected all bring different strengths to the partnership.

It is recommended that the RP Partnership run from 1st April 2023 until 31st March 2026, with the option of extending for a further two years, subject to satisfactory performance (performance during the initial partnership period to be assessed by Overview and Scrutiny Committee at the end of the three year period). It is also recommended that the Council and the nine RPs enter into a Partnership Agreement. The agreement will detail the expectations and responsibilities and will outline the basis for regular performance monitoring.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	N/A	
Next Financial Year (Year 2)	£0	N/A	
Following Financial Year (Year 3)	£0	N/A	

Other Financial Information

Delivery of affordable housing will help the Council's budgets on associated areas such as the provision of temporary accommodation, providing homes for care leavers and other vulnerable young people as well those using Adult Social Care services. Any financial benefits on the Council's budget will be considered as part of the ongoing financial monitoring and setting of the medium term financial plan.

Stakeholder Considerations and Consultation

No stakeholder consultation is required in this instance.

Public Sector Equality Duty
No EqIA is required. The delivery of new affordable housing will positively impact customers of other Council services, including Housing Needs, Adult Social Care and Children Services. The Partnership seeks to provide good quality homes and effective ongoing management.

Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>
All new affordable housing delivery in the Borough is delivered to EPC rating C or above.

Reasons for considering the report in Part 2
None

List of Background Papers
None

Contact Frances Haywood	Service Place Commissioning
Telephone Tel: 0118 974 6859	Email frances.haywood@wokingham.gov.uk

Summary of the Preferred RP selection process assessment

Stage 1 – Formal Application

Stockholding RPs in the Borough were invited to apply. Those interested submitted a formal application form, with weighting applied to the different areas. A summary of the questions asked included:

Introductory Questions:

- Equalities and how these are met.
- Number of properties including tenure breakdown for Wokingham and nationally.
- Meeting the council's priorities for housing, e.g. meeting housing need, providing specialist housing for vulnerable groups, working in partnership with other RPs or specialist providers.
- Information regarding their Tenancy Policy

Development:

- Units completed in the last five years in this Homes England region.
- Ability to deliver against the Councils planning policy in relation to affordable housing.
- Range of site sizes (in units) that they would consider providing as affordable housing.
- New development opportunities, will this meet housing need and contribute positively to the local community?
- Number of sites land-banked in the past 5 years

Management:

- Locations where current Wokingham sites would be or are currently managed from.
- Policy relating to how schemes should be managed in the future
- How they address anti-social behaviour
- Information on customer satisfaction surveys, number of tenant representatives, how are these representatives involved in decision making with Wokingham Borough Council.
- How they engage hard to reach groups such as BAME and older people.
- Initiatives relating to communities and neighbourhoods including partnership working with other organisations including local authorities/voluntary sector.
- Cost of living/fuel poverty – how to minimise the impact to customers.
- Statistics covering the past 5 years for:
 - Financial spend on Housing Management Services and Rent Arrears.
 - Number of evictions
 - Number of ABCs, ASBOs and Injunctions
 - Void turnaround
 - Financial spend on tenant participation.

Maintenance

- Health and Safety policies, Fire Risk Assessments, Energy Efficiency policies.
- Are there appointment systems in place for repairs.
- Statistics covering the past 5 years for:
 - Number of repairs, number of responsive repairs, repairs completed on time.
 - Percentage of boiler servicing completed.
 - Percentage of homes that meet the decent homes standard.
 - What % of homes are post inspected.

Sustainable Communities

- How are you working to achieve sustainable communities?

- Participation in schemes to encourage the training and/or employment of local residents
- Request the most recent copy of the following documents:
 - Business Plan/Strategy
 - Regulatory and Statistical Return (RSR)/NROSH+
 - Continuous Recording (CORE)
 - Key Performance Indicators

Stage 2 - Pre-interview Questions

Prior to the formal interview, the shortlisted RPs were asked to submit responses to the following questions. No scoring criteria were given to these questions, however the responses were used for follow up questions during the formal interviews.

1. Many new developments use management companies to look after communal area, roads and green spaces. How does your organisation assess whether the charges are fair, that the companies are fulfilling their obligations and what power do you have to hold the companies to account? Please can you advise the average service charge per dwelling; the cheapest and most expensive in the borough in each of the following categories social rent, affordable, shared ownership?
2. Do you undertake affordability and pre-tenancy checks? If so, can you outline how many nominations you have refused from WBC in the last 5 years, and the reasons why?
3. Do you have a carbon reduction strategy? What percentage of your properties have an EPC rating below C? What plans do you have to bring these properties up to a C rating? And what is your timeframe?
4. What are your current satisfaction levels on responsive repairs, neighbourhood management and ASB?
5. How satisfied are your tenants that repairs are carried out in a timely manner?
6. What percentage of your annual gas safety services are completed within timescales?
7. In the last 5 years how many cases have you had which have been referred to the Ombudsman and what was the outcome of the adjudications?

Stage 2 - Preferred RP Partner Interviews

The following questions were asked during the interview panel, with each question being scored out of a maximum 10 points:

1. How can your organisation work with us to address housing need in Wokingham Borough?
2. What experience does your organisation have of large strategic developments? What steps do you take to add value to these developments and to engender and build a sense of community? What resources do you allocate to this work?

3. The cost of living is having a real impact on households. How will you ensure ongoing support especially for vulnerable residents?
4. We have a huge demand for temporary accommodation, providing accommodation for care leavers and as well as providing more specialist accommodation for our most vulnerable residents. How can we work with your organisation to address these issues? What do you foresee as the barriers? Would you be willing a number of homes each year for these categories especially care leavers and temporary accommodation?
5. We have an ageing population. How do you support older residents? For example, do you make minor adjustments for older tenants to enable them to remain in their own homes if they begin to experience mobility issues?
6. How often do you survey your tenants to ascertain satisfaction levels?
7. Are KPI's on repairs, safety and tenant satisfaction published and are they easily accessible for tenants and WBC to scrutinise?
8. Who delivers your repair service in tenants' homes? Your own DLO or sub-contractors?
9. We have shortlisted 9 high performing RPs. Why should we choose your organisation to be a partner in Wokingham?

Stage 2 - Formal Presentation to the Affordable Housing Member/Officer Group

The RPs were asked to present on the following topic. Each were scored out of a maximum 10 points.

“With the Government bringing in new tenant satisfaction measures, how will your organisation ensure that all tenants (whether Council or RP) are treated fairly and equally and receive excellent levels of service? Historically, how have you ensured that residents receive an excellent service and what evidence do you have to demonstrate this?”

Wokingham Borough Council has brought in a Tenant's Charter. How does your organisation meet the priorities of the Charter?”

This page is intentionally left blank

Preferred Partner Agreement

The provision of affordable housing by Registered Providers in Wokingham
Borough

April 2023 – March 2026

Wokingham Borough Council

&

Metropolitan Thames Valley Housing

Sovereign Housing Association

Silva Homes Limited

Vivid Housing Limited

Housing Solutions

Loddon Homes Limited

Aster Group

A2 Dominion Group

Places For People Group Limited

Contents

	Page
Preferred Partner Agreement.....	1
April 2023 – March 2026.....	1
1. Introduction.....	3
2. Objectives and parameters	3
3. The Parties	4
4. Duration and review of the Agreement.....	4
5. Summary of Roles.....	5
6. Allocation of development sites.....	8
7. Development Standards.....	9
8. Rents	9
9. Lettings and Nominations.....	10
10. Tenant Involvement/Community Consultation	11
11. Supported Housing	11
13. Community Development and Regeneration	12
13. Existing Stock	13
14. Discrimination/Joint working with the Police	13
15. Reporting, Monitoring and Review.....	14
16. Arbitration.....	15
17. Variations to this Agreement.....	15
18. Signatories	15
ANNEX A – Nominations SLA – Heads of Terms	17
ANNEX B - RP Partnership Action Plan 2019 - 21.....	20

1. Introduction

- 1.1 The purpose of this agreement is to set out the nature of the Preferred Registered Provider arrangement between Wokingham Borough Council and selected RP Partners.
- 1.2 Preferred Partnering in the context of this Agreement comprises a number of elements whose broad purpose is to ensure a strategic, integrated, sustainable and cost-effective approach to the activities of selected Registered Providers (RPs) in Wokingham.
- 1.3 This Agreement is not intended to be a legally binding document. It is a statement of intent by the parties to it, who undertake to use all reasonable endeavours to meet the Agreement principles through a partnership approach.

2. Objectives and parameters

- 2.1 The main objectives of the parties to this Agreement are:
 - To develop, manage and maintain a range of general needs, supported housing, temporary accommodation, housing for customers with complex needs and other affordable housing options to meet identified needs within Wokingham, in order to contribute to the continued development of Wokingham as a prosperous and thriving community, with a safe and sustainable environment.
 - To work together with local communities and other agencies to promote equality, social inclusion, and a safe and healthy environment for all.
 - To maximise the investment of public and private funding in order to achieve this.
- 2.2 Preferred Partnering will therefore include the following key features:
 - Selection of a limited number of RPs to deliver the bulk of the programme provided they perform effectively as outlined in the Agreement

- Consistency of approach to new development, in line with local policies and strategies
- Joint development of strategies to meet both identified housing needs and broader economic and community regeneration objectives
- Agreement of overall parameters such as development standards and management performance to be achieved by the partner RPs
- Delivery of high-quality services to all stakeholders
- Promotion of active participation by tenants and residents in the management of their homes and in activities which develop and sustain the local community

3. The Parties

3.1 Parties to this Agreement are:

- Wokingham Borough Council
- Metropolitan Thames Valley Housing
- Silva Homes Limited
- Vivid Housing Limited
- Housing Solutions
- Loddon Homes Limited
- Aster Group
- A2 Dominion Group
- Places for People Group Limited

4. Duration and review of the Agreement

- 4.1 This Agreement will come into effect in April 2023, or as soon as ratified by the parties. It will last for an initial period until March 2026, when a review of the partnership and each RP will take place, as set out later in this Agreement. Subject to the results of the review, it will last for a further two-year period until March 2028. The parties are expected to remain the same, subject to the outcome of the review.

- 4.2 The partnership will meet quarterly to take forward this Agreement. There will also be quarterly regular meetings individually with each selected RP as well as a 6 monthly and annual assessment of RP performance.

5. Summary of Roles

5.1 Wokingham Borough Council will:

- Be the lead agency in identifying local housing needs and developing an overall housing strategy. It will ensure that both needs and strategy are regularly consulted upon and reviewed.
- Ensure that RPs are involved in strategy development.
- Explore opportunities for joint funding of schemes or provision of other resources, such as land (subject to available resources)
- Facilitate cooperative working to ensure the effective delivery of Preferred Partnering objectives.
- Monitor and review the performance of RP partners.
- Review the effectiveness of the Preferred Partnering arrangement.
- Co-ordinate partnership meetings and the dissemination of information

5.2 The RPs will:

- Contribute actively to the development, implementation and review of Wokingham's Housing Strategy and other related strategic agendas.
- Ensure effective governance arrangements that will deliver their aims, objectives and intended outcomes for tenants in a transparent and accountable manner.
- Work within the context of Wokingham Borough Council's Housing Strategy, Affordable Housing Delivery Strategy, Allocations Policy, Affordable Housing SPD including any planning policies, Climate Change Emergency Action Plan and/or other policies or strategies relating to affordable housing.

- Work with Wokingham Borough Council, and Homes England, to bring forward bids for funding from the Affordable Homes Programme (where appropriate) and/or other funding opportunities which meet local priorities, offer value for money and are deliverable.
- Offer advice, expertise and assistance in developing and delivering new policies and exploring opportunities (such as, feasibility work)
- Ensure that public funding allocated is taken up effectively and to timetables agreed with Homes England and the local authority. Effective controls and procedures should be put in place to guarantee the security of assets and the proper use of public funds, as well as systems to monitor and accurately report the delivery of these plans.
- Seek to maximise the input to housing investment in Wokingham from private finance and other sources. This includes preparedness to land bank, and forward fund schemes when required.
- Seek to invest RCGF proceeds from the sale of Wokingham properties within the Borough.
- Work with Wokingham Borough Council to prevent homelessness, address local housing needs and tackle wider issues such as the impacts of welfare reform, cost of living and fuel poverty.
- Provide Wokingham Borough Council with nomination rights to all newly developed properties in line with the principles set out in Annex A
- Build new, and improve existing homes to agreed standards set out in Section 5 of the Government's Decent Homes Guidance, to be made available to Wokingham residents at agreed affordable housing rental levels and prices.
- Decarbonise new build homes and retrofit existing homes to make them cheaper to live in, minimise carbon emissions and assist with reducing fuel poverty.
- Provide a cost-effective repairs and maintenance service to homes and communal areas that respond to the needs of, and offers choices to, tenants.

- Maximise value for money in the design, procurement and development of new homes, endeavouring to achieve continuous improvement in the construction industry.
- Manage accommodation to at least any minimum standards set out by Homes England, and those required by the local authority.
- Provide the information necessary for the local authority to evaluate their performance within the Agreement.
- Promote social inclusion, economic well-being and sustainable communities through participation in activities to benefit RP tenants, and the communities they live in.
- Work in partnership with other agencies to prevent and tackle anti-social behaviour in the neighbourhoods where they own homes, representing strong leadership, commitment and accountability.
- Work in partnership to provide accommodation and support for those fleeing domestic violence and access funding where available in partnership with Wokingham Borough Council
- Promote local labour opportunities, and work with Wokingham Borough Council to develop new initiatives to promote local training and employment
- Help to raise the profile of affordable housing in Wokingham Borough by working jointly with the Council to produce a Communication Plan to provide at least one positive good news story relating to Wokingham Borough residents every 12 months and to make use of social media to raise the profile of affordable housing and highlight important events/news.
- Promote tenant involvement in decision making, for example how housing related services are delivered and in the formulation of their landlord's housing related policies and strategic priorities. Should consult tenants at least once every three years on the best way of involving tenants in the governance of the organisation's housing management service
- Implement and meet the Governments Tenant Satisfaction Measures which have been set by the Regulator of Social Housing. Ten of the

measures will be collected by landlords directly, and 12 will be measured by landlords carrying out tenant perception surveys. These will allow tenants to scrutinise their landlords performance, giving insights on where they might look to improve their services.

- Work with residents to produce and publish a Tenants Charter
- Keep the Council informed of housing management contacts and any changes to personnel. At a minimum these need to include personnel dealing with leasehold development and homelessness reduction.
- Comply with duties under the Equalities Act 2010

5.3 All parties will

- Endeavour to agree openly, and in keeping with Best Value principles the best use of resources to meet partnership aims.
- Work to achieve the targets set out in the partnership action plan contained in Annex B.
- Contribute to the monitoring and review of the Preferred Partner process.
- Seek ways to meaningfully involve residents and potential residents in the monitoring and review of the partnership, providing opportunities for involvement and empowerment.
- Be openly accountable to other relevant bodies not involved in the partnership directly.

6. Allocation of development sites

- 6.1 Whilst Wokingham Borough Council will endeavour to secure that Section 106 sites are transferred to RP Partners; in most instances it will not be possible to allocate sites to one partner RP. Wokingham Borough Council will ensure that all partner RPs are aware of the basis upon which offers should be made to developers (in line with Planning Policy) to ensure that there is a 'level playing field'.
- 6.2 Special initiatives, such as stock transfer, major regeneration or special needs housing will be dealt with outside of this Agreement.

- 6.3 Some partner RPs may be more proactive or successful than others in seeking out potential development opportunities regarding property owned by private or other public sector bodies within Wokingham. It is recognised that particular efforts ought to be reflected in support for public funding (where necessary), provided that performance standards and priority housing needs would be met.
- 6.4 Council owned sites will be dealt with through the Council's Corporate Capital Strategy, and Asset Management Plan. Where opportunities arise to develop Council-owned sites for affordable housing, Loddon Housing will be the default provider for the Council, however where capacity is limited or opportunities for joint working are available partner selection will be discussed at Preferred Partner meetings, to ensure a fair and transparent process.

7. Development Standards

- 7.1 It is agreed that RPs undertaking developments under this Agreement will meet or exceed Design and Quality Standards set out from time to time by Homes England
- 7.2 Wokingham Borough Council reserves the right to propose additional standards, and to seek agreement from the parties to this Agreement to implement them. This might relate, for example, to the provision of homes designed for wheelchair users or other residents with special needs; to the achievement of space standards acceptable for long-term usage, or to minimise harmful environmental impact.

8. Rents

- 8.1 The parties to this Agreement acknowledge the importance of achieving and maintaining rent levels which are affordable to tenants on low incomes and which not do form a barrier to employment.
- 8.2 RP partners are expected to have due regard to the Council's Allocations Policy.

- 8.3 RP partners are expected to develop new homes within Homes England rent guidelines.
- 8.4 RP partners are expected to keep abreast of welfare reforms and the impacts on the tenants within the borough.
- 8.5 Parties to this Agreement will maximise social rent properties wherever possible. This will help address the cost of living crisis for future residents in Wokingham Borough. RP partners are expected to liaise with the local authority in respect of the level of social rented properties on new developments where there are financial viability concerns. RPs are expected to pay due regard to the local authority's relevant affordable housing policies.

9. Lettings and Nominations

- 9.1 It is expected that 100% of initial and at least 75% of subsequent nominations to properties developed by Preferred Partner RPs during the period of this agreement be offered to Wokingham Borough Council in line with the Heads of Terms set out in Annex A of this Agreement.
- 9.2 All parties are mindful of the need to create balanced communities in affordable housing developments and will work together to develop local lettings plans or allocation policies, particularly for first lettings, and management policies which address a variety of needs and also seek to build a stable and sustainable community.
- 9.3 RP partners are expected to have due regard to Wokingham's adopted Tenancy Strategy.
- 9.4 It is expected that the RPs will adhere to the requirements including timescales set out in the Nominations Agreement (Appendix A)

10. Tenant Involvement/Community Consultation

- 10.1 All parties to this Agreement recognise the importance and value of effective consultation with tenants and residents, and will seek to

promote active tenant participation in the provision and management of social housing, and in wider community-based regeneration initiatives. Particular attention should be given to ensuring that the views of BME tenants are sought.

- 10.2 Where required, RPs will hold or participate in events, or local steering groups to consult on, and oversee new developments.
- 10.3 Meet Wokingham Borough Council's Tenants' Charter aims, wherever possible.
- 10.4 Meet the Governments Tenant Satisfaction Measures once published against the Regulator of Social Housing timelines.
- 10.5 Work with residents to produce and publish a Tenants Charter. In the meantime, work towards the new Charter for Social Housing Residents as set out in 'The Charter for Social Housing Residents - Social Housing White Paper'

11. Supported Housing

- 11.1 Due to an increase in supported housing need in the borough it is expected that the RPs will assist the council in providing a pipeline of supported housing which will be included in the development programme related to this Agreement, as specified by the local authority. This may involve the RPs repurposing stock, identifying suitable land and any other viable opportunities.
- 11.2 Supported Housing is required for care leavers, vulnerable adults transitioning from adult social care, homeless and/or rough sleepers and other vulnerable adults.
- 11.3 Processes for identifying specialist RP providers will be dealt with separately.
- 11.4 In addition, RP parties to this Agreement may be asked to work in partnership with identified specialist providers, on occasion to facilitate new provision.

12. Community Development and Regeneration

- 12.1 The parties to this Agreement appreciate the need to relate the development and management of affordable housing to the broader context of the needs of the communities within which it is located.
- 12.2 The parties recognise the added value of developing a collaborative approach to developing policies and practices which improve the quality of life of all local residents. They will work with each other and with residents and a range of other partners to this end, paying particular attention to employment, training, life skills, and broader community development issues.
- 12.3 The RPs will seek to play a constructive role, with Wokingham Borough Council in regeneration strategies and initiatives which develop in Wokingham, as well as ensuring that the management of their own homes takes full account of the need to build sustainable communities.
- 12.4 The parties to this Agreement acknowledge the importance of ensuring RPs input positively into community development on new large-scale developments. They will work collaboratively and with other relevant parties to ensure the integration and development of communities within these new developments.
- 12.5 The parties recognise the importance of measuring social value to establish the positive benefits the RPs have on individuals and communities (new and existing). This will assist all parties to make informed decisions about how to improve services and therefore improve positive results.

13. Existing Stock

- 13.1 The parties recognise the importance of the RPs maintaining the quality of their existing stock as well as developing new homes. The achievement of this will be one of the factors considered in the annual and mid-term reviews of performance.

- 13.2 It is acknowledged that there will be occasions when it is appropriate for an RP to dispose of some of its existing stock, for example, when it is uneconomic to renovate it to the standards required. It is agreed that the partner RP's will consult the local authority prior to any disposals within the borough, and that as far as possible the proceeds of any sales will be reinvested in affordable housing within Wokingham.
- 13.3 All RPs are committed to improving the energy efficiency of their existing homes and are encouraged to access funding streams such as the Social Housing Decarbonisation Fund and the Warm Homes Fund grant.
- 13.4 All RPs are committed to building new homes that use modern methods of construction and new technologies to meet future residents needs. This will reduce fuel costs and assist with the current cost of living crisis.

14. Discrimination/Joint working with the Police

- 14.1 RPs will ensure that they are abiding by protocols developed by the Community Safety Partnership, when dealing with, reporting, and recording racial or other discriminatory incidents that are brought to their attention.
- 14.2 Partner RPs should all participate when required in the Community Safety Partnership, and attend case monitoring meetings, as convened by the Community Safety Partnership.
- 14.3 Partner RPs should work with Thames Valley Police, and Wokingham Borough Council to maintain a Joint Protocol on information exchange between affordable housing providers and the Police.

15. Reporting, Monitoring and Review

- 15.1 RPs will provide Wokingham Borough Council with an annual delivery plan relating to the development of new homes. This will be provided in the format requested by the local authority, and will include quarterly milestones relating to site acquisition, planning, development and completion of new homes, as well as community initiatives. Wokingham

Borough Council will liaise with RPs on a quarterly basis to keep these plans up to date.

- 15.2 RPs will meet with Wokingham Borough Council quarterly to report and discuss progress against all the delivery plan targets and actions relating to new development, tenant engagement, nominations, specialist housing schemes, community based projects, climate emergency/sustainability, repairs, employment skills and opportunities, domestic abuse and antisocial behaviour as well as to discuss new development opportunities and any other matters.
- 15.3 Progress against all delivery plan targets (see action plan) will be reviewed at each Preferred Partner meeting, and will form of an annual assessment of each RPs performance by Wokingham Borough Council. It will also be used to inform the mid-term review of the Preferred RP Partnership, and each RP.
- 15.4 Performance data gathered and published by Homes England and any other requirements identified through this Agreement will inform the annual and mid-term review of the RPs and the Partnership.
- 15.5 If at any time Wokingham Borough Council comes to the view that a particular RP is not performing to a standard consistent with the status of the Preferred RP partner, they will bring this promptly to the attention of the RP and actively seek agreement to a positive resolution of the matter.
- 15.6 If satisfactory progress cannot be achieved within a reasonable timescale, it will be open to the local authority to suspend, or if necessary, exclude an RP from participation as a preferred partner to this Agreement.

16. Arbitration

- 16.1 Any dispute that cannot be resolved within two months will be referred to an arbiter, jointly agreement. The President of the Institute of Arbitrators will be asked to nominate an arbiter where the partnership is unable to agree, and the costs of this process will be shared between the Council and the RP.

17. Variations to this Agreement

- 17.1 Variations will only be carried out following consultation and agreement of all members of the partnership.

18. Signatories

- 18.1 This Agreement is signed on behalf of the Parties as follows:

Wokingham Borough Council

Metropolitan Thames Valley Housing

Vivid Housing Limited

Sovereign Housing Association

Housing Solutions

Silva Homes

Loddon Homes Limited

Aster Group

A2 Dominion Group

Places for People Group Limited

DRAFT

ANNEX A

Nominations Service Level Agreement

Heads of Terms

1. The SLA will be an agreement between Wokingham Borough Council and its Preferred RP Partners
2. The SLA will apply to all affordable housing dwellings secured through Section 106 agreements within the Borough of Wokingham during the term of the Preferred Partner Agreement. The SLA will be applied retrospectively to cover re-lets and re-sales of affordable housing completed before the Preferred RP Partnership was established (except where specific nomination rights agreements are already in place)
3. Nominations rights will be sought for an eighty-year period
4. For both rental and shared ownership dwellings, the Council will have 100% nominations rights to initial lettings and/or sales and 75% (3 out of every 4) for all subsequent vacancies
5. All reference to 'days' is assumed to refer to calendar days except where otherwise specified

Shared Ownership – To be amended following national changes to shared ownership

6. For initial disposals, the RP will initially seek referrals from the Help to Buy Agent (currently Radian Housing Group) covering Wokingham. Upon receipt of referrals, the RP will issue a written notice listing the referrals ('Release Notice') to the Council as soon as possible and at least six weeks before setting out details of the dwellings, including its proposed sale price, equity share, rent on unsold equity and service charge and seeking for referrals to be nominated to the scheme in priority order.

7. Within 14 days of receipt of a Release Notice or Resale Notice, the Council will supply to the RP the names and addresses of up to three Nominees per dwelling in priority order.
8. The RP will interview and/or carry out affordability checks on the Nominees within 21 days and notify the Nominee and the Council of their decision within 7 days of the interview.
9. If after the initial nominations, there remain unsold dwellings, the RP will request further nominations from the referrals list and the Council will have a further 7 days from receipt of the notification to put forward the names and addresses of further Nominees.
10. If after Point 9, all Council prioritised nominations are exhausted after an 8 week period, the RP will be free to advertise on the open market (assuming appropriate advertising, marketing and promotion has been undertaken) and offers can be made to any applicant in social housing need.
11. For subsequent sales of shared ownership dwellings, the RP will issue written notice ('Resale Notice') of the re-sale to the Council as soon as is reasonably practicable and points 6-10 will apply.

Rented Lettings

12. For initial lets, the RP will request a nomination from the Council in writing specifying size, type and location of the dwelling at least 28 days prior to completion. For every additional nominee required by the RP for a property, a new nomination form is required to be sent to the Council at the same time the RP will provide confirmation as to why the initial applicant was not suitable (no contact; didn't pass affordability assessment). This is for the Councils audit trail.
13. The Council will identify one nominee and details of the applicant/applicants will be sent to the RP within 7 days.
14. The RP will confirm receipt of the council nomination to the Nominee within 10 working days, followed by an offer of the dwelling to the Nominee in writing, or by phone, text or email, and the Nominee will

have 5 days upon receipt of the offer to either accept or reject the dwelling in writing. Formal offers will be made in writing. The RP will copy the Council's Allocations Team into all offers sent to the Nominee.

15. If the Nominee rejects the dwelling or the RP rejects the Nominee, the Council will be asked for a further Nominees within 5 days. Points 13, 14 and 15 will be repeated until a Nominee accepts the dwellings.
16. For subsequent lets, the RP will endeavour to issue at least 14 days written notice of the re-let to the Council and points 13 -17 will apply.
17. The RP will confirm in writing, to the Council's Allocations Team, the new tenancy start date within 10 working days of the Tenancy Agreement being signed.

ANNEX B

RP Partnership Action Plan 2023 – 2026

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
1	Ensure high quality and well-managed affordable housing is delivered	95% of all affordable housing is delivered by the RP Partnership	<ul style="list-style-type: none"> WBC to negotiate for partner RPs in all Section 106 agreements. All RPs to ensure that they remain competitive. 	<ul style="list-style-type: none"> Control over number of RP's operating in borough Good quality housing and management Compliance with planning policy i.e. grant-free 	Alison Smithen Housing Partnerships and Projects Officer
	Maximise development of affordable housing	A minimum of 150 affordable units completed per annum.	<ul style="list-style-type: none"> All RPs to look to maximise affordable housing opportunities. WBC to ensure planning policy maximises affordable housing via the Affordable Housing Supplementary Planning Document 	<ul style="list-style-type: none"> Ongoing supply of affordable housing to meet local needs (demand for affordable housing currently exceeds supply) Continued reduction in the reliance by WBC on temporary accommodation and B&B 	Alison Smithen Housing Partnerships and Projects Officer

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
3	Make best use of existing and homes to help address housing need as well as over-crowding and under-occupation.	RPs to work with the Allocations Team to ensure that both new and existing homes are allocated to people with a local connection to the borough	<ul style="list-style-type: none"> 100% of new build properties are allocated to customers on Wokingham Borough Councils Housing Register 75% of re-let properties are allocated to customers on Wokingham Borough Councils Housing Register 	<ul style="list-style-type: none"> Reducing housing need in the borough. Improves social and community cohesion. Residents living in suitable housing for their needs. 	Alison Smithen (Housing Partnerships and Projects Officer)

337

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
4	Maximise development of affordable housing and integrated communities increasing social cohesion.	<p>All RPs to work collaboratively towards new or continued community development on existing and ongoing strategic development sites as well as any new developments to improve social and community cohesion.</p> <p>RPs will measure social value to quantify how different interventions have impacted residents' well-being and quality of life in the borough</p>	<ul style="list-style-type: none"> • WBC to ensure affordable housing is maximised through Section 106 process and planning policy. • Each RP to deliver in partnership with WBC, or contribute to one or more arts-based community project. • Each RP to liaise with WBC on proposed projects prior to commencement. • Measure social value on all areas of the business and provide information to the council on a quarterly basis 	<ul style="list-style-type: none"> • Ongoing supply of affordable housing to meet local needs. • Socially integrated communities on large scale developments • Effective housing management • promote greater engagement within communities and encourage better health and prosperity 	All RP's

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
5	Work together with local communities and other agencies to promote awareness of cost of living and fuel poverty concerns to tenants within the borough	Each partner RP to have demonstrated specific activity that addressed cost of living concerns, fuel poverty, tenant engagement how to communicate with local communities issues.	<ul style="list-style-type: none"> All RP's and WBC to seek opportunities for joint-working to ensure uniformity of information being disseminated to tenants. To hold at least one joint event annually to promote awareness of support available to address concerns around the cost of living / fuel poverty, affordable housing, home swap opportunities and employment skills. 	<ul style="list-style-type: none"> Tenants aware of support and assistance available and how to access this to mitigate the impacts. Tenants receive consistent messages. 	All RP's

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
6	Contribute to the wider strategic housing agenda	Each partner RP to contribute to an annual partnership project to provide apprenticeships, practical qualifications or business training skills.	<ul style="list-style-type: none"> • RP's to influence design of affordable housing to promote health and wellbeing and help to create sustainable communities and social cohesion. • Each partner RP to contribute to an annual project along the lines of the 'Strive' project, or the City-deal funded 'Skills and Employment Hub', focussing on providing individuals living in social housing accommodation with employment skills. Promotion of such programmes within the LEP. 	<ul style="list-style-type: none"> • Links to WBC Health and Wellbeing Strategy • Strategic employment and skills projects will provide social housing tenants with the skills to improve their employment prospects, thereby reducing their need for welfare and social benefits. 	<p>Alison Smithen Housing (Partnerships and Projects Officer)</p> <p>All RPs</p>

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
7	Contribute to the wider strategic housing agenda (including specialist housing)	<p>Each partner RP to have some involvement in contributing to specialist housing projects and supported housing in the borough for people based on housing need.</p> <p>Each partner RP to feed into housing panel (particularly in considering vulnerable and older people and young people).</p>	<ul style="list-style-type: none"> WBC to continue to work closely with the People Commissioning Team on specialist housing projects for vulnerable residents, (including children in care/care leavers, people fleeing domestic violence, rough sleepers /homeless/risk of homeless and those supported by WBC adult social care team) Opportunities to develop specialist housing to be embraced by RPs. Each RP to provide/in the process of providing one specialist housing scheme over the next three years. 	<ul style="list-style-type: none"> Maximisation of the wider benefits of partnership working Maximisation of opportunities to develop specialist housing and meet key housing needs. Improve the lives of those most in need. 	<p>Alison Smithen (Housing Partnerships and Projects Officer)</p> <p>All RP's</p>

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
8	That RPs commit to meeting the requirements of the Social Housing Charter	<p>All RPs provide a meaningful and effective way of engaging with tenants within the borough. That concerns are addressed and that tenants are included in decision making.</p> <p>RPs will work in partnership with WBC to enable them both to share and promote information to borough residents including residents engagement survey.</p>	<ul style="list-style-type: none"> • Use the Governments Tenancy Management Standards to measure tenants' satisfaction and provide this to the council on a quarterly basis from April 2023. • All RPs to meet or exceed their own repairs targets annually. • All RPs to provide a contact list of staff who can assist the council in communicating with the RP tenants via the RPs website or other means where possible. 	<ul style="list-style-type: none"> • Tenants feel involved in decision making and feel that their landlord is listening and providing them with an excellent service. • Increase in standards across RPs services. 	<p>Alison Smithen (Housing Projects and Partnerships Officer)</p> <p>All RPs</p>

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
9	Contribute to the wider strategic housing agenda relating to improving energy efficiency and reducing fuel poverty	<p>Each partner RP to assist with reducing carbon use in new build developments and build homes to the highest energy efficiency standards.</p> <p>Each partner to assist with reducing carbon use by using sustainable products to retrofit existing properties.</p>	<ul style="list-style-type: none"> • All RPs to aim to provide EV charging points for all new build affordable homes (rented/shared ownership & First Homes). • All RPs to complete a stock survey of all existing Wokingham properties by January 2024, share this with us. • All RPs to bring all existing stock to an EPC C rating by 2030. • All RPs to measure and report back on the SAP and EPC rating of all your new developments in Wokingham”. 	<ul style="list-style-type: none"> • Maximise fuel efficiency for new and current residents. • Assist with meeting the Climate Change Emergency Plan targets. 	<p>Alison Smithen (Housing Partnerships and Projects Officer)</p> <p>All RP's</p>

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
10	To tackle anti-social behaviour at its root causes	Each partner RP to have some involvement in a community project to tackle anti-social behaviour.	<ul style="list-style-type: none"> All RP's to think of any ideas relating to their involvement in a local community project to tackle anti-social behaviour, e.g. community artwork within housing developments to prevent vandalism, housing partnership community meetings with police services/community support and arts based community projects with target groups in partnership with WBC. 	<ul style="list-style-type: none"> Reduction in concerns relating to anti-social behaviour An increase in feelings of safety and well-being for residents 	<p>Alison Smithen (Housing Partnerships and Projects Officer)</p> <p>All RP's</p>
11	To support and assist those living with domestic violence to enable them to feel safe either in their current home or by moving to alternative permanent accommodation	Each partner RP	<ul style="list-style-type: none"> All RPs to provide accessible information on their websites offering advice and assistance regarding domestic violence. The Council and RPs to liaise with the Domestic Abuse Co-ordinator to provide of at least 3 new refuge accommodations within Wokingham Borough. 	<ul style="list-style-type: none"> Provide transitional accommodation and support for those who are fleeing domestic abuse. 	<p>Alison Smithen (Housing Partnerships and Projects Officer)</p>

No.	Activity	Commitment 2023-2026	Actions	Impacts	Lead Party
12	Help to raise the profile of affordable housing in Wokingham	RPs to work jointly with the Council to promote good news stories relating to Wokingham Borough.	<ul style="list-style-type: none"> • RPs and Council work together to produce a Communication Plan to promote at least one good news story per annum. • All RP's to think ahead to forthcoming schemes within Wokingham Borough and possible PR opportunities, including where Wokingham Borough residents have been involved in any specific projects. • RP's and WBC to make use of social media to raise the profile of affordable housing and highlight important events/news. 	<ul style="list-style-type: none"> • Positivity around affordable housing and tenants • Households aware of opportunities such as shared ownership, First Homes, OPSO and HOLD which may reduce some pressure on the housing waiting list for affordable rented properties 	<p>Alison Smithen (Housing Partnerships and Projects Officer)</p> <p>All RP's</p>

This page is intentionally left blank

TITLE	Contract for Legal Advice for Adults & Children's Services
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None specific
LEAD OFFICER	Director, Children's Services - Helen Watson, Director, Adult Social Care and Health - Matt Pope
LEAD MEMBER	Executive Member for Children's Services - Prue Bray, Executive Member for Health, Wellbeing and Adult Services - David Hare

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The purpose of this report is to seek approval from Executive of the “Heads of Terms” (attached as Appendix 1) which will inform the new 5 year Shared Agreement for the Joint Legal Team (JLT) serving Adults’ and Children’s Services which will involve expenditure of approximately £4.6 million over 5 years.

RECOMMENDATION

That the Executive:

- i) approves the continuation of provision of adults and children’s legal services by the Joint Legal Team based in Reading Borough Council on the basis of the “Heads of Terms” (appendix 1); and
- ii) delegates to the Director of Children’s Services and Director of Adults’ Services, in consultation with the relevant officers in legal, finance and service areas, authority to enter into a contract for joint services with Reading Borough Council.

EXECUTIVE SUMMARY

The Joint Legal Team (JLT), established in 1998, is a shared service comprising a partnership of six Berkshire local authorities which delivers legal services to Wokingham’s Children’s and Adults’ directorates. The JLT is hosted by Reading Borough Council.

The most recent Shared Service Agreement for the Joint Legal Team was signed in 2013.

A review by the Berkshire Chief Executives in 2019 found charging anomalies between the authorities, and in 2020 the newly formed Joint Legal Governance Board, chaired by Susan Parsonage, concluded that the 2013 agreement was no longer serving the needs of the partnership.

As a result a year-long piece of work was initiated to review the Shared Service Agreement to ensure that all partners could realise the benefits of operating as a joint service.

This piece of work has led to the drafting of a “Heads of Terms” on the basis of which the new Shared Service agreement will be created. These Heads of Terms have been approved by the Joint Legal Governance Board for partners to take through their respective local governance processes for approval.

It is recommended that Executive approves these “Heads of Terms”.

BACKGROUND

The Joint Legal Team (JLT) was established on 1st April 1998 to provide shared legal services to the Children's Social Care Directorates of the six Berkshire Unitary Authorities: Wokingham Borough Council; Bracknell Forest Council; Royal Borough of Windsor and Maidenhead; Slough Borough Council; Reading Borough Council; and West Berkshire Council.

The JLT is hosted by Reading Borough Council.

Today the JLT has expanded to provide the following legal services to Wokingham Borough Council:

1. Children's Services advice including pre-proceedings and adoption;
2. Advice on Judicial Review, principally concerning unaccompanied minors, asylum seekers, and the "child" status of refugees;
3. Adults Services and Special Education Needs; and
4. Training related to the above.

The above services all relate to 'proceedings' where the Council is a party. Currently there is a view that in addition to the above, corporate advice related to Adults & Children's Services is required. This will be addressed in a revised specification of services.

The most recent shared services agreement for the JLT, signed by all six councils was put in place in 2013, and was considered in a review of the JLT by the Berkshire Chief Executives in October 2019.

The 2019 review noted that a mixture of charging mechanisms had developed over time as well as recognising that some councils had taken a procurement approach to purchasing JLT services outside the 2013 shared services agreement. This had resulted in some councils being charged more per hour for services than others for the same work.

In 2020, the newly established quarterly Joint Legal Governance Board, chaired by Susan Parsonage and with senior attendance from each partner authority's Children's Services, concluded that this arrangement was not sustainable or desirable.

As a result of the Board's conclusions, a new "Heads of Terms" for the Joint Service has been drawn up following extensive consultation with the six partner authorities which, once approved by all partners at Executive level, will inform a new Shared Service Agreement.

The "Heads of Terms" was approved by the Joint Legal Governance Board for submission through each partner authority's local Executive governance process for sign-off in October 2022.

BUSINESS CASE

The provision of a shared legal service offers a number of benefits including:

- Economies of scale
- Pooling of expertise and specialisms
- Resilience and business continuity

The aim of the new Shared Service Agreement will be to provide assurance to all partners that these benefits will be realised.

The “Heads of Terms” which will inform new Shared Service Agreement:

- Clears away all the previous contractual agreements and replaces them with clear mutual commitments, re-establishing JLT as a fully shared service, not a contracted service with all Berkshire authorities;
- Commits partners to a pooling of resource in JLT to ensure efficiency and effectiveness of delivery of legal services through the peaks and troughs that a single council might encounter; and
- Commits partners to sharing the skills and experience accumulated in the JLT centre of excellence to achieve better performance of social care and education functions and demonstrable cost reductions.

The objectives of the new Shared Service Agreement are that:

- The JLT will be run on a cost recovery basis for all partners and all work types;
- The Joint Legal Governance Board will oversee any future service developments and any resulting changes to the financial model;
- The JLT will consider ways to move away from billable hours to more certain fixed costs to facilitate better budget planning for partners. Moving towards more certainty of cost for partners might mean, in any one year, that the JLT could over or under recover. This would be handled through JLT aiming to break even over a rolling three-year period.
- A value for money service is provided with a focus on continuous improvement in the efficiency of the team, and transparency of costs.
- The JLT will be accountable for its work and provide the necessary information to allow partners to track their expenditure and manage their operations effectively.
- Complex and high cost cases are monitored closely to ensure these are delivered efficiently, effectively and economically;
- Value added services are provided such as general advice and training which allow all partner Councils to take advantage of the expertise of the JLT.
- JLT participates in the improvement of social care and education services in Berkshire, raising standards across the partnership.

There are no financial consequences arising from the new Shared Service Agreement itself. Although the partner councils are not required to procure services from the Shared Service, they are still required to assure themselves of the best value duties of efficiency, effectiveness and economy. If however, the Shared Service did not continue there would be a one off cost of unravelling the service (or Wokingham’s part of the service) with a likely cost for possible redundancies.

It is proposed that best value duties are achieved through scrutiny of the JLT at the quarterly Joint Legal Governance Board in accordance with the governance structures set up after the 2019 review and developed since then.

The Board is currently seeking a Director of Adults Social Services (DASS) from each partner to join the Board in recognition of the growth in legal work in this area.

In summary, the 2019 review by Berkshire Chief Executives noted that JLT provides a good quality service that is held in high regard. The majority of the concerns raised by Partners within the Shared Service were driven by increasing costs resulting from increased demand or more complex demand, and anomalies in charging structures between partners.

The “Heads of Terms” document is attached as appendix 1 to this report.

Alternatives to the Recommendation

The review of the service also considered (i) provision of the services by a private sector legal provider (ii) seeking alternative shared services with other Councils and (iii) repatriation of services to Wokingham.

A private legal provider is not recommended due to the lack of providers who would be able to offer a service tailored to Wokingham’s needs at the same costs. It is considered that costs would be inflated beyond those currently paid.

An alternative shared service is also not recommended due to the lack of services ready and willing to offer this. It is likely that the cost would be at best no better than that of the JLT and such a service would not be proximate to Berkshire or its courts leading to increased costs.

Repatriation of services to Wokingham would deliver service at a comparable unit cost. However, there would be a serious reduction in capacity which would require any peaks in services to be outsourced which in turn increases the costs above that offered by the JLT. Having direct control and influence over the service has benefits but these are not considered to outweigh the financial cost. Further, influence is now being asserted through the Joint Legal Governance Board and the increased emphasis on reporting back to partner councils and transparency.

Recommendation

The “Heads of Terms” informing a new JLT Shared Service Agreement builds on improvements and allows the JLT and Partners to work effectively in the future to realise the benefits offered by delivering services through a joint arrangement.

As such it is recommended:

That the Executive approves:

- i) the continuation of provision of adults and children’s legal services by the Joint Legal Team based in Reading Borough Council on the basis of the “Heads of Terms”; and
- ii) Delegates to the Director of Children’s Services and Director of Adults’ Services, in consultation with the relevant officers in legal, finance and service areas, authority to enter into a contract for services with Reading Borough Council.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	n/a	n/a	n/a
Next Financial Year (Year 2)	n/a	Yes – see below	Revenue
Following Financial Year (Year 3)	n/a	Yes – see below	Revenue

Other Financial Information

Legal costs incurred through the JLT arrangement are budgeted for within Children's Services and Adult Social Care. Services are demand led and therefore budgets are set through the MTFP.

There are no direct financial implications arising from the new Heads of Terms, however these do provide for a more robust, transparent approach to financial monitoring and reporting of legal costs. This approach ensures that the delivery of efficient, cost effective services is at the heart of the agreement, demonstrating value for money for all partner local authorities.

Savings deliverable through improved management information and a more transparent approach to costs and cost drivers that the Heads of Terms supports, have already been included in MTFP figures for Children's Services.

Stakeholder Considerations and Consultation

N/A

Public Sector Equality Duty

The report relates to the continuation of a joint service which is already operating. There are no equality implications of the new joint services "Heads of Terms".

Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030

The decision will have no impact, positive or negative, on achieving a carbon neutral Wokingham by 2030, although the benefits of a shared service through pooled accommodation and energy consumption will continue to support regional and national climate change goals.

Reasons for considering the report in Part 2

Not applicable.

List of Background Papers

Appendix 1: JLT Heads of Terms.

Contact Viki Elliot-King	Service Children's Services
Telephone Tel: 0118 908 8226	Email viki.elliott-king@wokingham.gov.uk

Appendix 1

Joint Legal Team

Heads of Terms - New Shared Service Agreement - subject to contract

Draft dated: 1 November 2021

Version 3 : 181122

Proposed Start Date: 01 April 2023

Context - these Heads of Terms signifies the main objectives of the partners in the Joint Legal Team. It is not a legal document. It is prepared to cover the main points to be later included in a shared service agreement. It is expected that the final document will include standard clauses to deal with such matters as:

- Indemnity and insurance
- Assignment and sub-contracting
- Intellectual property
- Duty to co-operate with any complaint
- Disagreement and disputes
- Public body/local government statutory requirements such as FOI Etc

Strategic Intent

- 1) The six councils in Berkshire intend to operate a shared service for the provision of a specialist adult and children's social care and education legal service ('the JLT'). The JLT is hosted and managed by Reading BC for the mutual benefit of all councils in Berkshire. The current take up of services is shown at Appendix 1 as not all councils take all of the services.
- 2) The councils intend to pool resource in the team to ensure that overall the legal services are delivered through the peaks and troughs that a single council might encounter.
- 3) The councils intend to share in the skills and experience accumulated in the JLT for the better performance of their social care functions.
- 4) Reading BC is the host council of the JLT and is also a customer of the JLT as the costs of the legal services used by Brighter Futures for Children are defrayed by the Reading BC alongside its own Adult cases. Reading BC will run the JLT for itself and the other councils under a contract for shared services taking into account the Best Value duty of economy, efficiency and effectiveness.
- 5) The most efficient, effective and economical use of resources in the JLT allows the six councils to deploy resources in circumstances when and where they are most needed in adult and children's social care and education. JLT is a key partner in the delivery of best value in these functions. All parties will work to a preventative presumption that keeping cases out of litigation is better for families and this is the underlying ethos of JLT.

Objectives

- 6) The objectives of the JLT are as follows:
 - a) To support the social care and education teams in Berkshire so that they can deliver an excellent service to their clients.

- b) To provide a centre of excellence for social care and education legal work which is recognised by the councils, the Courts and other stakeholders across Berkshire and nationally.
- c) To provide a quality legal service making the best use of people, information and technology and which meets the needs of the councils and the partners with whom they work.
- d) To provide a value for money service with a focus on continuous improvement in the efficiency of the team and transparency of costs.
- e) To be accountable for its work and provide the necessary information to allow the councils to track their expenditure and manage their operations effectively.
- f) To monitor the complex and high cost cases to ensure these are delivered efficiently, effectively and economically.
- g) To provide value added services such as general advice and training which allow all councils to take advantage of the expertise of the JLT.
- h) To participate in the improvement of social care and education services generally in Berkshire in accordance with the preventative presumption.

The Service

- 7) The work of the shared service is as shown below and in Appendix 1 for the individual Councils (for illustration):
 - a) To provide legal advice and support in respect of all Childcare legal matters
 - b) To provide legal advice and support in respect of all Adoption matters
 - c) To provide legal advice and support in respect of Adult Social Care matters to those councils who wish to buy this service
 - d) To provide legal advice and support in respect of Education matters to those councils who wish to buy this service
 - e) To provide legal advice and support in respect of third-party police disclosure matters
 - f) To provide legal advice and support in respect of any other matters that comes under the remit of children, adult and education services as requested by the councils
 - g) To proactively engage with the councils to ensure that the learning & advice provided by the JLT is available to assist with service improvement and development in the wider Berkshire social care and education functions.

The full specification of services delivered by the JLT will be set out in full in shared services agreement. The specification will list the exact services provided to each Council.

The Parties to the Agreement

- 8) All six councils in Berkshire will ensure that their respective companies responsible for service delivery of different social care or education functions are aware of the agreement. All councils to ensure that their respective company / trust partners are fully sighted on this Heads of Terms.

Representatives

- 9) Each Council will nominate a representative for the purposes of negotiating this Agreement. The role of the representative is to consult 360 degrees in their own organisation (any associated company or trust) to ensure that all relevant issues

which pertain to the JLT have been brought into this Heads of Terms negotiation and agreed with the other partners.

Organisation	Representative
Bracknell Forest Council	Manjit Hogston
Reading BC (including Brighter Futures for Children)	Deborah Glassbrook
Royal Borough of Windsor and Maidenhead (including AFC and Optalis)	Kevin McDaniel
Slough BC (including Slough Children's Services Trust)	Carol Douch
West Berkshire Council	Pete Campbell
Wokingham BC (including Optalis)	Viki Elliot-King

- 10) For JLT - Michael Graham, Assistant Director of Legal and Democratic Services, Reading BC.

Assumptions underpinning this Agreement

- 11) There is a partnership approach to this Agreement which means that Reading BC as the host council will engage with all councils through various pathways. This includes:
 - a) the JLT Joint Agreement Board (JJAB) consisting of named representatives from each Council to overview the operation of this shared service to ensure all partners are consulted on significant new developments and have the opportunity to hold the JLT accountable for the operation of the Agreement;
 - b) the commissioning/contract manager in respect to the deliver of services and performance indicators under this agreement; and
 - c) The finance departments in respect to budgets, fees and payments and accounting for this. .
- 12) JLT is a mature team having existed for over 20 years. The stability of the team means that in the ordinary course of events, investment from the councils is not expected nor are guarantees to underwrite the JLT costs appropriate. In exceptional circumstances where service redesign with financial consequences is considered necessary this will require prior agreement of each Council impacted under recommendation from the JJAB.
- 13) The Agreement will make provision for exceptional circumstances whereby the parties seek to dissolve the Agreement and provide the legal service for themselves, via a third party provider or in partnership with another organisation. In these instances, it is reasonable to expect that as a mutual service all councils would pick up their share of one off project/transition costs to leave the Reading BC in a neutral position.
- 14) Where one party seeks to leave the agreement, it is expected that they will be responsible for meeting any one off costs.
- 15) Where Reading BC seeks to make exceptional changes requiring investment in the team or redundancies, it will consult with the Councils via the JJAB to inform them if there is any risk to the relevant clauses in this Agreement being invoked. Reading

BC will only proceed with the change when the consent of all those Council's impacted by the change has been received. In the absence of consent then Reading BC bear the costs.

- 16) In the ordinary course of events, Reading BC will work within this Agreement to manage service volumes, the quality of the service, achievement of stated objectives and the management of costs. The Agreement will be reviewed annually at the JJAB to see if any changes are required.

Status of this Agreement

- 17) This Agreement supersedes all others (*to be listed for completeness*):
- a) Previous Joint Agreement
 - b) [Relevant parts of the] Reading SLA with Brighter Futures for Children
 - c) RBW&M Agreement
 - d) SLA with Slough Children's Services Trust

The term of this Agreement shall be 5 years from the 01 April 2023 date of completion of the Agreement.

Accountability

- 18) Reading BC will ensure that a relevant council will have complete visibility of their cases, progress, costs and disbursements on a monthly basis and (in anonymised/general terms) the same detail for all parties receiving services from Reading BC. Reading BC will develop a range of reports with the parties to provide the necessary performance data to allow for tracking the key performance indicators for the operation of the Service and financial information. These will be sent in week one of each month.
- 19) The JJAB will agree a mechanism upon recommendation from Reading BC for the projection of financial commitments for cases and disbursements. To be monitored through the JJAB.
- 20) The JJAB will develop an approach to the project management of high cost cases which will allow for detailed analysis of projected costs and disbursements upon recommendation from Reading BC.
- 21) The sufficiency of performance data will be agreed by all parties as part of the JJAB and reviewed on an annual basis. Where changes are required the reports will be updated for all parties. All parties to agree the performance data requirements of the Service together via the JJAB.
- 22) Where any party has a particular need for a bespoke report for any particular function, then this can be provided by JLT, but this may be a charged for service payable by the Council requesting the change if it requires support from the software supplier to implement.

Service volumes

- 23) The parties will work together to allow for the reasonable mutual planning of caseload. This includes the attendance of council/company/trust personnel with JLT staff to meet at monthly client liaison meetings.
- 24) The JLT is a demand led service and does not turn work away. To manage the workload the JLT will work with the partners through the tracking route and regular meetings, no less than monthly, between the JLT Team Leader and a nominated person from the client authority to:
 - a) Review caseloads
 - b) Review decision making for cases (where necessary)
 - c) Set realistic deadlines
 - d) Mutually agree the priority of matters according to urgency
 - e) Identify opportunities for all parties to work in accordance with the preventative presumption
 - f) Mutually agree any external spend on disbursements prior to expenditure including but not limited to counsel, independent experts and independent social workers

Partner responsibilities

- 25) The nature of JLT's reactive and demand led service means that partners are incentivised to help JLT reduce demand. This means, working with the PLO in the pre-proceedings team as effectively as possible, accepting standardised processes and ways of working, passing instructions in accordance with best practice. The partners and JLT need to work together to reduce demand and identify the least interventionist process that meets the needs of the vulnerable child or adult and always in accordance with the preventative presumption mentioned at paragraph 5 above

- 26) The responsibilities of partners will be itemised in Service Level Agreements which will be negotiated with JJAB to ensure that all partners can work as efficiently and effectively as possible and make the best use of resources.
- 27) Performance measures - will be agreed in the shared service agreement and modified by agreement of the JJAB. Performance measures and regularly reported, monitored and acted upon. All bespoke reporting required of the JLT which hasn't been agreed by the JJAB, may incur a cost to the Council requesting the report.

Current costs - hourly rates

- 28) In advance of each financial year there will be a Budget Setting process. The JLT will produce a draft Budget based upon previous use. This budget will be received by the JJAB to approve. It will be up to each council to ensure that their individual approvals for the budget are made and that the JJAB representative can agree the Budget. Changes requested as part of the Budget setting process will be considered to be a variation to the agreement and the costs associated will be borne by the Council(s) requesting the change.
- 29) At the End of each Financial Year there will be calculation of actual costs incurred. The method of calculation will be agreed by the JJAB but will be based upon the actual utilisation of the services (ordinarily using number of hours as measure of activity). Disbursements will be the sole cost of the Council incurring the cost.
- 30) At present, and for the immediate future, costs are apportioned on the basis of an hourly utilisation. The initial estimate hourly rate is based to ensure that the work can be charged on the matter according to the resource which is required to deal with it. The hourly rates system allows for the fair distribution of additional overheads as part of lawyers' time. In this way, all councils will contribute to the Service overheads according to the basis that they are used.
- 31) The hourly rate will be built up from direct staffing costs, direct costs and overhead costs. No VAT is charged between councils on these supplies.
- 32) Overhead costs includes all associated apportioned costs typical for any council service such as staffing costs (such as pensions, insurance and oncosts), management costs (to Assistant Director level), support services (HR, procurement, and finance) and property costs but includes costs associated to the management of a legal service including registration fees, insurance, legal software and library resources.
- 33) To allow for peaks and troughs in work and the possibility that the JLT may under or over recover, the Service will aim to break even over a rolling three-year period.
- 34) Hourly rates will be charged on a graduated basis to encourage work to be undertaken at the most appropriate and cost-effective level to be agreed between Reading BC and the relevant council. These levels will be:
 - a) Unqualified or administrative staff
 - b) Trainees or paralegals
 - c) Newly qualified lawyers
 - d) Senior lawyers
 - e) Principal lawyers or Team Leaders
 - f) Dept Heads
 - g) Assistant Director
- 35) Overheads from a proportion of administrative staff time and managerial time will be built into the hourly rates. These proportions will be reviewed annually to ensure there is no element of double counting of time that is overhead and time which is directly charged.

- 36) Reading BC will issue invoices monthly after reports have been sent to allow for necessary enquiries to be made on cases and time spent etc.

Disbursements

- 37) Reading BC does not manage client funds on their behalf. Reading BC will incur a range of disbursements on matters which the parties will reimburse within 28 days of receiving an invoice from the Council. Invoices to recover disbursements will be issued monthly.
- 38) Disbursements are charged by the third parties to Reading BC and Reading BC will recover the VAT. Disbursement invoices issued [Mention how VAT treated on this]
- 39) Host council to procure the following according to principles of Best Value and Social Value:
- a) Experts (note that these have mainly Court stipulated rates)
 - b) Independent social workers - query if this is a JLT function - we think it should be with the client authority.
 - c) Counsel
- 40) The host council may enter into a Dynamic Purchasing System or Framework Agreement on behalf of the councils/ companies/trust. The cost of doing so is a proper overhead on JLT as it will produce longer-run savings for all partners.

Costs & Forecasting

- 41) In week 1 of each month the Reading BC will run a report for the parties which shows their legal costs against each case for the proceeding period. The report is not an invoice. In addition, headline reports for spend for entire service across all councils. Both instances, spend for cases and service level should be forecasted.
- 42) The purpose of the report is to allow for prompt enquiry and scrutiny of costs and enable each council to manage overspend and in year changes to costs. It is expected that all parties will endeavour to raise queries on cases promptly and definitely before the next reporting cycle.
- 43) JLT will meet with each client in week 2 of the month to review cases and to pick up any queries, relating to costs and disbursements etc.
- 44) JLT will issue invoices in week 3 of the month to each client department in
- 45) The final outturn for the preceding financial year will be delivered to JJAB by end May in each year.

High Costs cases

- 46) Where high cost complex cases arise, JLT will implement a system to agree and control costs which will involve:
 - a) Project management of the matter
 - b) Agreed gateways and costs estimates
 - c) Best use of internal and external lawyers and experts

Future costs

- 47) JLT will seek to move from a position of charging by hourly rates to a system of planned fixed budgets. This will utilise experience from predicting costs on routine matters (para 19 above) and the project management of High Cost cases ().
- 48) This objective will be overseen by JJAB to ensure that all councils agree the assumptions behind the future charging model.

Governance JJAB

- 49) This partnership agreement will be monitored through JJAB. Each party to nominate at least one officer to attend JJAB and to ensure attendance by a deputy or alternate if the first choice is not available. The JJAB will agree the number of officer representative from each Council.
- 50) The objectives of JJAB are to monitor the achievement of JLT objectives under this Agreement and to agree a yearly Service Development Plan (SDP) which outlines further detailed service standards, objectives and milestones for the JLT.
- 51) The Terms of Reference of JJAB will be agreed by consensus by JJAB and kept under review to ensure flexibility. The ToR can only be amended with the consent of all the parties.
- 52) The Terms of Reference includes
 - a) membership,
 - b) representation
 - c) roles and responsibilities
 - d) meeting frequency
 - e) preparation and agreement of the SDP
 - f) , performance measures and reporting.
 - g) Disputes resolution role ?
 - h) Budget setting & service recommendations
 - i) Contract & performance management & review

- 53) The intention is for JJAB to have the ability to ask for more information and meetings when required, but to reduce contact where things are working as anticipated.
- 54) Reading BC will prepare the Service Development Plan for JJAB to agree. Reading BC will service the JJAB and provide a range of management information as envisaged by the SDP.
- 55) Nothing in the SDP can require Reading BC to incur expenditure which is not agreed in the Council's JLT budget.

Change control

- 56) Where a party wishes to add to the services it is seeking from JLT the party concerned and the host council will agree terms in line with the Joint Agreement providing that such change does not impact on the service provided to the other parties. JJAB will be consulted and will be entitled to satisfy itself that this will have no adverse effect on the delivery of services to other parties.
- 57) Where a party wishes to alter the service it receives from JLT, removing part of a service but not removing all of the services, then that party should give at least 12 months' notice. JJAB shall be consulted in advance of the notice being given to satisfy itself that there will be no adverse effect on the delivery of services to the other parties. Where the host Council and JJAB agree that a shorter notice period will have no negative effect on service a shorter notice period may be negotiated.

Termination clauses

- 58) To exit the shared service agreement (i.e. removing all of the services from JLT) a party must give at least 12 months' notice.
- 59) Where JLT consistently defaults on the service standards as set out in the SDP, and the matter has been referred to JJAB for resolution, and there has been no improvement from JLT then the aggrieved party may give two months' notice to expire at any time to exit the shared service agreement.
- 60) The costs of exit in terms of staff redundancy and other direct costs are to be paid by the exiting Council to Reading BC. Where these costs are not agreed the matter shall be referred to the JJAB for mediation. Where there remains disagreement, this is to be resolved by the Berkshire Chief Executives.
- 61) In either case, there will be an Exit plan agreed by the exiting party and the host council to cover matters such as handover of cases, TUPE, etc. All parties will endeavour to redeploy staff so as to ensure exposure to redundancy is eliminated where possible or otherwise limited.

October 2020 - Services Provided by JLT

Council	Pre-Proceed.	Care	Adoption	Police Disclosure	Adults	Education
Bracknell Forest	✓	✓	✓	✓		
Reading BC					✓	✓
• BfC	✓	✓	✓	✓		✓
Slough						
• SCST	✓	✓	✓	✓		✓
Windsor and Maidenhead						
• AFC	✓	✓	✓	✓		✓
• Optalis					✓	
West Berks	✓	✓	✓	✓		
Wokingham	✓	✓	✓	✓	✓	✓
• Optalis					✓	

This page is intentionally left blank

TITLE	Contracted Bus Services
FOR CONSIDERATION BY	The Executive on Thursday, 16 February 2023
WARD	None specific
LEAD OFFICER	Director, Place and Growth - Steve Moore
LEAD MEMBER	Executive Member for Active Travel, Transport and Highways - Paul Fishwick

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

Existing local bus contracts came to their natural end on 30th June 2022. The contract term was modified until 31st March 2023 under procurement Regulation 72 (1)(c) and approved via an Individual Executive Member Decision. The contracts were retendered in Winter 2022 for the same level of service at the same cost. No successful bids were received. The Executive is now asked to agree to the extension of the services for a further five months until the end of August 2023, and the retender of the services for a further three years. The Executive Committee is also asked to agree to further budget and the release of S106 funding to allow the continuation of the services for a further 5 months until the end of August 2023, and the retender and delivery of the services for a further 3 years.

Local bus services have an important role in the community and as such were mentioned in The Levelling-Up white paper (February 2022). The key benefits of local bus services are:

- access to jobs, retail, and services,
- business to business connectivity
- positive health outcomes,
- reduced carbon emissions
- improved air quality and
- reduced congestion

RECOMMENDATION

That the Executive:

- 1) agrees to a further extension of the existing contracts between 1st April 2023 and 31st August 2023 for the following services:
 - a) local bus services for Wokingham Town and the surrounding areas (Norreys Estate, Mulberry Grove, Woosehill, Emmbrook, Wokingham Without and Crowthorne, Winnersh, Hurst, Twyford, Charvil, Sonning and Woodley)
 - b) local bus services for the villages which lie south of the M4 (Shinfield, Spencerswood, Swallowfield and Riseley)
 - c) Services on the A327 corridor,
 - d) the 19a/b/c services between Lower Earley, Maiden Erlegh, Woodley, the Royal Berkshire Hospital and Reading Town Centre

- 2) agrees to the retender of local bus services and agrees to make the increased budget available for the above services, as detailed in Part 2.
- 3) agrees to the release of any appropriate S106 funding to support any such decision in recommendation 2.
- 4) notes that S106 funding will only be sufficient to fund the services for a three-year period. A growth bid will need to be submitted if services are to continue beyond September 2026.
- 5) agrees to delegate the authority to award contracts for the above bus service to the Director of Place & Growth in consultation with the Executive Member for Active Travel, Transport and Highways.

EXECUTIVE SUMMARY

Local Bus Service contracts which are currently operated by Thames Valley Buses and Reading Buses were retendered in Winter 2022 for the same level of service within the existing budget. No valid bids were received. Agreement is now sought to extend the existing services for five months (1st April 23 to 31st August 23), at an uplifted rate, whilst a further tender process takes place.

The services affected are:

- a) local bus services for Wokingham Town and the surrounding areas (Norreys Estate, Mulberry Grove, Woosehill, Emmbrook, Wokingham Without and Crowthorne, Winnersh, Hurst, Twyford, Charvil, Sonning and Woodley)
- b) local bus services for the villages which lie south of the M4 (Shinfield, Spencerswood, Swallowfield and Riseley)
- c) Services on the A327 corridor,
- d) the 19a/b/c services between Lower Earley, Maiden Erlegh, Woodley, the Royal Berkshire Hospital and Reading Town Centre

Based on the bids which were received, further budget is required. The Executive Committee are requested to agree to the recommendations above.

The Council has secured S106 funding from developer contributions. Sufficient S106 funding is available to cover the additional pressure from uplifted costs for a three-year period plus the five-month extension, subject to permission from Reading University. It should be noted that S106 is finite and will not currently extend beyond the above tender period. A growth bid will need to be submitted and approved if services are to be continued beyond September 2026.

Following a further retender of the above local bus services it is requested that the authority to award the contracts is delegated to the Director of Place & Growth in consultation with the Executive Member for Active Travel, Transport and Highways.

The next steps are:

- February 2023 – Draft tender documents
- March 2023 – Tenders out for bidding by operators
- April 2023 – Evaluation of tender bids
- May 2023 – Tender awards and start of mobilisation period
- June & July 2023 – Mobilisation period
- September 2023 – Start of new services

BACKGROUND

Local bus services which need to be procured and their existing service levels and annual passenger numbers are set out in the Table below.

Local Bus Service	Service Level					Annual Passengers*
	M-F	Sat	Sun	First	Last	
Wokingham Town and the surrounding areas						
Norreys Estate & Mulberry Grove (121),	30 mins	120 mins	-	06:30	19:15	21,697
Woosehill & Emmbrook (122/3),	40/80 mins	2 per day	-	06:51	19:05	9,602
Wokingham to Waterloo Road (124)	2 per day	-	-	11:17	13:22	484
Wokingham Without & Crowthorne (125)	7 per day	2 per day**	-	07:19	18:21	6,896
Winnersh, Hurst, Twyford, Charvil, Sonning & Woodley (128/129/127)***	60 mins	60/120 mins	-	06:05	18:26	73,368
Villages to the south of the M4						
Shinfield & Spencerswood (600),	60 mins	60 mins	-	06:50	23:32	28,000
Swallowfield & Riseley (600)	60 mins	60 mins	-	06:21	23:06	20,000
Services on the A327 corridor						
Shinfield & Arborfield (3)#	-	-	30 mins	-	23:43	3,150
Woodley, Earley & Maiden Erlegh						
Maiden Erlegh & Woodley (19a/c)	30/60 mins	30/60 mins	-	06:43	19:09	72,500
Lower Earley (19b)	60 mins	60 mins	-	05:47	19:11	31,800

September 2021 to August 2022

**Saturday service serves The Meadows Camberley

*** Saturday Service serves Maidenhead every 2 hours, with Twyford to Reading every 60 mins

#Evening and Sunday journeys only between Shinfield and Arborfield

Under the Section 63(1) Transport Act 1985 local transport authorities have a duty to:

“...secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose”.

The Council's current budget for providing the above services is £745,500 pa. No valid bids were received for the same level of service within the existing budget. A growth bid in the 2023/24 Medium Term Financial Plan (MTFP) is being considered for £350,000 pa for local bus services. Based on the bids received, this growth bid alone is now likely to be insufficient to support the current level of service.

The bus industry is experiencing significant inflationary pressures. The main pressures relate to fuel prices, driver shortages and wage increases, the cost of parts and general operational costs. Furthermore, 19% of passengers have not returned to bus travel post-

pandemic. Revenues were being supplemented by central government during the pandemic and recovery period, this funding will end on 31st March 2023. There is no further appropriate funding available from central government to support local bus services. Wokingham Borough Council will now need to fund the full increased cost of local bus services if they are to be maintained and improved for the future.

BUSINESS CASE

The Executive are being asked to consider decisions in the following areas:

1. Existing Contracts

The current contracts with Reading Buses and Thames Valley Buses are due to end on 31st March 2023. The Executive are being asked to agree to:

- a) Extend the existing contracts for a period of to five months between 1st April and 31st August 2023 whilst a further retender takes place. The cost of this recommendation is detailed in Part 2.
- b) To release S106 funding, as per Part 2.

The Executive should note that there would be no impact on residents during the tender period if the Executive agree to this recommendation. If the Executive do not agree to this recommendation, a full Equalities Impact Assessment will need to be undertaken along with a public consultation and then a further report brought back to Executive.

2. Retendered Services

It is proposed the contracts are retendered for a three-year period. The start date would be 1st September 2023, once allowance is made for the retender process, registration with the traffic commissioner and contract mobilisation period. The Executive are being asked to agree to:

- a) Retain all services at their existing level. The cost of this recommendation is detailed in Part 2. There will be no impact on residents if this recommendation is approved.
- b) Release the appropriate S106 funding, as per part 2.

The Executive should note that there would be no impact on residents if the Executive agree to this recommendation. If the Executive do not agree to this recommendation, a full Equalities Impact Assessment will need to be undertaken along with a public consultation and then a further report brought back to Executive.

3. Funding

Funding for the recommendations in this report are detailed in Part 2. The £350,000 pa budget growth requested in the 2023/24 MTFP is required, along with agreement to release additional S106 funding as appropriate.

The Executive should note that S106 funding is finite and will only sustain local bus services for the three-year contract period plus the five-month extension period. If the services are to continue beyond September 2026 a further growth bid will be required, or

the services will risk of being reduced or withdrawn if they are not commercially sustainable.

Next Steps

The next steps are:

- February 2023 – Draft tender documents
- March 2023 – Tenders out for bidding by operators
- April 2023 – Evaluation of tender bids
- May 2023 – Tender awards and start of mobilisation period
- June & July 2023 – Mobilisation period
- September 2023 – Start of new services.

Expected Outcomes

Should the above recommendations be approved, the expected outcomes would be:

- enabling over 250,000 passenger trips per year to continue on local bus services
- continued access to key services and amenities,
- continued access to employment and education opportunities for residents
- greater choice for residents in the way that they travel,
- a continued contribution from bus travel to meeting targets for the climate change emergency and the potential to grow this contribution
- a continued contribution to improve air quality and the potential to grow this contribution
- a contribution to reducing congestion on local roads and the potential to grow this contribution

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer-term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	n/a	n/a
Next Financial Year (Year 2)	Additional Cost £476,947 (Cost £826,947 without MTFP growth)	Yes, with MTFP 23/24 growth bid and S106 funding	Revenue
Following Financial Year (Year 3)	Additional Cost £476,947 (Cost £826,947 without MTFP growth)	Yes, with MTFP 23/24 growth bid and S106 funding	Revenue

Other Financial Information

The Executive must note that S106 funding is finite, and a growth bid will be required if services are to continue beyond September 2026. If bus services are reduced or withdrawn, this risk financial impacts on other Council budgets such as Home to School Transport budgets and Adult Social Care budgets.

Stakeholder Considerations and Consultation

Further engagement will be undertaken with the relevant Town and Parish Councils, during the mobilisation period.

Public Sector Equality Duty

A Stage 1 Equalities Assessment has been carried out. If the Executive Committee do not agree to the recommendation a Stage 2 Equalities Assessment will be required along with a consultation and further report to the Council's Executive Committee.

Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030

By agreeing to the recommendations, the continued provision of bus services will help encourage bus use and fewer journeys by private car. Fewer private car trips would help the Council achieve the objective of being a carbon neutral Borough by 2030

Reasons for considering the report in Part 2

Part 2 – Commercially Sensitive Information. Also the release of financial information could influence forthcoming tender.

List of Background Papers

Part 2 – Financial Information

Contact Rebecca Brooks	Service Place
Telephone Tel: 0118 908 8302	Email rebecca.brooks@wokingham.gov.uk

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank