



WOKINGHAM BOROUGH COUNCIL

A Meeting of the **COUNCIL** will be held in Council Chamber
- Civic Offices, Shute End, Wokingham RG40 1BN on
THURSDAY 22 FEBRUARY 2024 AT 7.30 PM

A handwritten signature in black ink, appearing to read 'Susan Parsonage', written in a cursive style.

Susan Parsonage
Chief Executive
Published on 14 February 2024

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: Democratic.services@wokingham.gov.uk

The meeting can also be watched live using the following link:
<https://youtube.com/live/JsqLUjQhgM8?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.

To: The Members of Wokingham Borough Council

ITEM NO.	WARD	SUBJECT	PAGE NO.
108.		APOLOGIES To receive any apologies for absence.	
109.		MINUTES OF PREVIOUS MEETING To confirm the Minutes of the Meeting held on 18 January 2024.	11 - 46
110.		DECLARATIONS OF INTEREST 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.	
111.		MAYOR'S ANNOUNCEMENTS To receive any announcements by the Mayor.	
112.		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 Council. 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	
112.1	None Specific	Paul Stevens has asked the Executive Member for Planning and Local Plan the following question: Question: Residents are struggling to understand why the LPU (Local Plan Update) has still not been released, given that the public consultation on this proposal ended on the 24th January 2022, over two years ago. It has more recently been timetabled, by the Executive Member for Planning and Local Plan, for publication in November 2023, yet we still have not seen it, nor do we have a new timetable for publication. When will	

see the updated LPU?

112.2 Norreys

Peter Humphreys has asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

The Coppid Beech P&R has been open for more than two months, I've passed it on at least two dozen occasions and am yet to see a single user. That's great in respect of carbon net zero but not so good for council finances. In fairness my wife did see a car in there, but it was a remote-controlled toy operated by a six-year-old – I suspect he didn't pay the parking fee.

Clearly the millions spent building the car park are lost but I'd like to know the full operating loss to date taking account of the budgeted income, actual income (if any) and running costs?

112.3 None Specific

John Sephton has asked the Executive Member for Environment, Sport and Leisure the following question:

Question:

Why can't the preliminary schedule for road cleaning be posted on the web site, which would enable the public to provide feedback? The routes and frequency should all be in accordance with both the consultation results from last year and the 2024-2025 budget. Aspirations are hard to monitor.

113.

PETITIONS

To receive any petitions which Members or members of the public wish to present.

114. None Specific

MEDIUM TERM FINANCIAL PLAN AND ASSOCIATED REPORTS:

The following budget reports will be taken as one Agenda Item and a period of 1½ hours will be allowed to debate the item.

114.1 None Specific

HOUSING REVENUE ACCOUNT BUDGET 2024/25

That Council consider the recommendations of the Executive in respect of the Housing Revenue Account Budget for 2024/25.

47 - 56

RECOMMENDATION: That Council approve:

- 1) The Housing Revenue Account budget for 2024/25 (Appendix A);
- 2) Council house dwelling rents be increased by up to 7.7% effective from 1st April 2024 in line with the council's Rent Setting Policy that was approved by Executive on 26th October 2023.
- 3) Garage rents to be increased by 8.33% effective from April 2024;
- 4) Shared Equity Rents to be increased by 7.7% effective from April 2024;
- 5) Tenant Service Charges to be increased over the next three year to achieve full cost recovery effective from April 2024;
- 6) The Housing Major Repairs (capital) programme for 2024/25 as set out in Appendix B;
- 7) Sheltered room guest charges for 2024/25 remain unchanged at £9.50 per night per room.

114.2 None Specific

CAPITAL PROGRAMME AND STRATEGY 2024-2027

57 - 96

That Council consider the recommendations of the Executive in respect of the Capital Programme and Strategy 2024-2027.

RECOMMENDATION: That Council consider the recommendations of the Executive in respect of the Capital Programme and Strategy 2024-2027 and approve.

- 1) the Capital Strategy for 2024 - 2027 - Appendix A;
- 2) the three-year capital programme for 2024 - 2027 – Appendix B noting that approval is sought for 2024/25 schemes only.
- 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.

- 5) the Deputy Chief Executive (S151 Officer) will exercise, where possible the flexible use of capital receipts policy, as issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003.
- 6) approve delegation for the delivery (including awarding and signing of the contract) of the South Wokingham Distributor Road to the Deputy Chief Executive and Director of Place & Growth in agreement with Lead member for Finance and Lead Member for Highways subject to the scheme being fully funded from Homes England Grant and Developer Contributions.

114.3 None Specific **TREASURY MANAGEMENT STRATEGY 2024-2027** **97 - 150**

That Council consider the recommendations of the Executive in respect of the Treasury Management Strategy 2024-2027.

RECOMMENDATION: Council is recommended to approve:

- 1) The Treasury Management Strategy as set out in Appendix A including the following additional appendices;
 - Prudential Indicators (Appendix B)
 - Annual Investment Strategy 2024/25 (Appendix C)
 - Minimum Revenue Provision (MRP) policy (Appendix D)

114.4 None Specific **MEDIUM TERM FINANCIAL PLAN 2024-2027 INCLUDING REVENUE BUDGET SUBMISSION 2024/25** **151 - 294**

To receive the Medium Term Financial Plan 2024-2027 including Revenue Budget Submissions 2024/25.

RECOMMENDATION: That Council:

- 1) Approve the Medium Term Financial Plan (MTFP) 2024/27, including the budget submission for 2024/25 and the Summary of Budget Movements (SOBM);

2) Approve the statutory resolution that sets out the 2024/25 council tax levels (as set out in Appendix A to the report)

3) Approve that in the event that there are any changes to the provisional precept of the Fire Authority or parishes, arising from their precept setting meetings being held before the end of February, the Deputy Chief Executive (S151 Officer) is delegated authority to enact all relevant changes to the MTFP, Statutory Resolution and council tax levels.

115. None Specific **COUNCIL PLAN EXTENSION 2024-25** **295 - 324**
To approve the Council Plan Extension 2024-25.

RECOMMENDATION

That Council approve the Council Plan Extension 2024-25.

116. None Specific **ESTABLISHMENT OF A JOINT COMMITTEE - THE BERKSHIRE PROSPERITY BOARD** **325 - 334**
To establish a Joint Committee – The Berkshire Prosperity Board.

RECOMMENDATION

That Council approves:

1. the establishment of a fully constituted Joint Committee (to be known as the Berkshire Prosperity Board) from May 2024 to deliver a Berkshire-wide vision for inclusive green and sustainable economic prosperity.
2. that the proposed constitution for the Joint Committee as set out in Appendix A -Functions and Procedure Rules for a Joint Committee, Appendix B - Responsibilities of the accountable body and Appendix C - Governance structure is approved subject to review by each member Council within 6 months.
3. that the Chief Executive be delegated to reach a legally binding Agreement between the member Authorities setting out the supporting arrangements and responsibilities between the Authorities, particularly that between the Lead Authority, known as the Accountable Body and the other member Authorities and go through the relevant democratic process if required. Such Agreement also to be

approved by the s151 Officer.

4. that Wokingham Borough Council act as the Accountable Body for the Prosperity Board.

117. None Specific **APPROVAL OF A PERIOD OF ABSENCE FROM MEETINGS BY COUNCILLOR GARY COWAN** **335 - 336**

To consider a proposal to approve a period of absence on the grounds of ill health for Councillor Gary Cowan.

RECOMMENDATION: Council is recommended to:

- 1) note that Councillor Gary Cowan has not been able to attend meetings in-person of the Council due to ill-health since his attendance at Council on 21 September 2023;
- 2) approve Councillor Gary Cowan's non-attendance at meetings of the Council due to ill-health until his current term of office ends in May 2024, pursuant to Section 85 of the Local Government Act 1972.

118. None Specific **RE-DESIGNATION OF POLLING PLACES** **337 - 346**

To consider proposals from the Returning Officer to re-designate two polling places for the elections on 2 May.

RECOMMENDATION: That Council agree that the following Polling Places are designated for the elections to be held on 2 May 2024:

- 1) St John's Church, Woodley be designated as the polling place for polling district KCEb and KDEb in Bulmershe & Coronation Ward instead of St John's Ambulance, HQ, Woodley;
- 2) Shinfield Players Theatre be designated as the polling place for polling district SAE2a in Shinfield Ward instead of White Knights Primary School
- 3) The Assistant Director Governance be delegated authority, in consultation with the relevant Ward Member(s), to re-designate any polling place in the Borough which becomes unavailable.

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**MINUTES OF A MEETING OF
THE COUNCIL
HELD ON THURSDAY, 18 JANUARY 2024 FROM 7.30 PM TO 10.30 PM**

Members Present

Councillors: Beth Rowland (Mayor), Adrian Mather (Deputy Mayor), Jane Ainslie, Sam Akhtar, Keith Baker, Rachel Bishop-Firth, Laura Blumenthal, Prue Bray, Rachel Burgess, Anne Chadwick, Stephen Conway, David Cornish, Andy Croy, Phil Cunnington, David Davies, Peter Dennis, Lindsay Ferris, Michael Firmager, Paul Fishwick, Catherine Glover, Andrew Gray, David Hare, Peter Harper, Pauline Helliard-Symons, Chris Johnson, Clive Jones, Norman Jorgensen, Pauline Jorgensen, Sarah Kerr, Abdul Loyes, Morag Malvern, Charles Margetts, Rebecca Margetts, Andrew Mickleburgh, Jordan Montgomery, Stuart Munro, Alistair Neal, Stephen Newton, Ian Pittock, Jackie Rance, Ian Shenton, Imogen Shepherd-DuBey, Rachelle Shepherd-DuBey, Caroline Smith, Mike Smith, Wayne Smith, Bill Soane, Alison Swaddle, Marie-Louise Weighill and Shahid Younis

84. Apologies

Apologies for absence were submitted from Councillors Gary Cowan, John Halsall, Graham Howe, and Tony Skuse.

85. Minutes of Previous Meeting

The Minutes of the meeting of the Council held on 16 November 2023 were confirmed as a correct record and signed by the Mayor.

86. Declarations of Interest

Councillor Stephen Conway declared a personal interest in Item 105 (Statement from Council-owned companies) as a Non-Executive Director of Loddon Homes and WBC Holdings Ltd.

Councillor Prue Bray declared a personal interest in Item 105 (Statement from Council-owned companies) as a Non-Executive Director of Berry Brook Homes, Wokingham Housing Ltd. and WBC Holdings Ltd.

Councillor Michael Firmager declared a prejudicial interest in Item 96 Council Tax Base 2024/25 on the basis that he had a half share in his late parents' property in the Borough. He would withdraw from the Chamber during the discussion and not vote on this item.

Councillor David Cornish declared a personal interest in Item 105 (Statement from Council-owned companies) as a Non-Executive Director of Loddon Homes and WBC Holdings Ltd.

Councillor David Hare declared a personal interest in Item 105 (Statement from Council-owned companies) as a Non-Executive Director of Optalis.

87. Mayor's Announcements

The Mayor thanked those who had contributed to the Christmas collection for the Woodley Food Bank and the children from local schools who had participated in the

Mayor's Concert.

88. Public Question Time

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

88.1 Paul Stevens asked the Executive Member for Environment, Sport and Leisure the following question:

Question

During recent heavy rainfall the sewage pumping station at Arborfield has been discharging untreated sewage directly into Barkham Brook.

Earlier this year, Thames Water was fined £3.3million after it discharged millions of litres of untreated sewage into two rivers near Gatwick in 2017, killing more than 1,400 fish.

Can the Executive Member for Environment, Sport and Leisure explain how it is proposed to stop Thames Water from dumping untreated sewage into local waterways?

Answer

Whilst the Council shares your concerns over the discharge of raw sewage into our local rivers, unfortunately we do not have any powers to undertake any enforcement action over these incidents. The regulation of sewage discharges is a matter for the Environment Agency (EA), who are the body with legal powers of enforcement.

However, the Council continues to engage locally with both the EA and Thames Water and indeed Thames Water very recently attended a Council Overview and Scrutiny meeting where they were questioned on a wide range of issues.

I may add that to change the current discharge situation would require massive capital investment, and Thames Water's ability to borrow was compromised by the level of debt accrued under the previous ownership of Macquarie. While paying out billions in dividends and bonuses, they simultaneously racked up billions in debt, to the point where 28 pence out of every pound that you pay to Thames Water goes to service their debt.

This ultimately arises from the ideological privatisation of a monopoly essential service, and while the Lords attempted to address discharges via Amendment 45 during the passage through Parliament of the Environment Act, the Government chose to defeat the Amendment to maintain the status quo. John Redwood, James Sunderland and Theresa May all voted against the Lords Amendment. They are clearly happy with sewage in our rivers.

Supplementary Question:

Sewage outfall into rivers is likely to be compounded by the increased flood risk due to climate change, and the flood plain of Barkham Brook for example, on the River Loddon, are also just below a Category A dam at Bearwood Lake. Can Wokingham offer any reassurance to potential occupiers of any new homes to be built on any

current or future flood risk areas, that they will be able to insure them? In proposing for example to develop the Loddon Valley garden village Strategic Development Location with up to 4,500 additional houses, are we not in great danger of building tomorrow's problems today?

Supplementary Answer:

I think that is a question which is better addressed to the Environment Agency. Ultimately, they are the enforcement body, and they are the ones that have the powers.

88.2 Moses Iyengunmwena asked the Executive Member for Environment, Sport and Leisure the following question:

Question

With the planned change to bi-weekly bin collection, I am concerned about whether the Council now has more realistic figures of the cost-effectiveness of the change and want to ask if the Council has considered the likely environmental impact due to increased rodent infestation and the associated costs of dealing with and managing the health implications on the residents?

Answer

The costs and savings for this project have been detailed in the full report which was considered by Overview and Scrutiny in February 2023 and subsequently Executive in March 2023. The finances were calculated through two independent waste management consultancies, the Waste and Resources Action Programme (WRAP) and Eunomia. There is a robust financial monitoring process in place to ensure spending is to budget and the actual costs and savings will be known by the end of March 2025.

There are no substantial health effects as a result of this change, and this has been confirmed in a 2007 review by Cranfield University and Enviro. Both organisations found "no evidence that alternate week waste collection will cause any significant health impacts for residents, or that any health impacts are likely to be significantly greater than those associated with weekly collections". It also found that "common-sense steps", I quote, such as closing bin lids, can easily prevent odours or vermin from being a problem. The use of the food waste bins will also reduce any impacts, and these will continue to be collected on a weekly basis.

Supplementary Question:

General waste does not include food, but it includes other items that attract rodents such as used nappies, tissues, sanitary products, and pet waste. How does the Council intend to address this?

Supplementary Answer:

As I said in my answer, an independent review confirmed in 2007, by Cranfield University and Enviro, that there was no evidence that alternate waste collections will cause any significant health impacts for residents, and they would have looked at all of those aspects in coming to that conclusion.

88.3 John Sephton asked the Executive Member for Environment, Sport

and Leisure the following question:

Question

Road cleaning, footpath cleaning, verge cutting ETC for 2021-2022 and 2022-2023 was not carried out in accordance with the schedule stated in the consultation document issued 2023, this would have resulted in savings for those years. What was the saving over these two years?

Answer

The street cleansing and grounds maintenance contracts contain expected output standards that equate to indicative frequencies, which were provided for the purpose of the consultation. There was no saving made during those years as the contracted work was undertaken. Furthermore, the contracts allow us to easily review performance and issue a penalty if the output standards are not met.

Supplementary Question:

When can we expect the schedule for 2024/25 to be published?

Supplementary Answer:

That is detail I do not have. We can provide you with a written answer.

88.4 James Wyper asked the Executive Member for Environment, Sport and Leisure the following question, which was answered by the Executive Member for Finance:

Question

My question is on behalf of Ashridge Park, a grassroots football club that hires facilities at Montague Park and Cantley Park. Prior to March 2023 WBC charged VAT on all Sports Pitch bookings, but an exemption (VATLP19200) on bookings in blocks of 10 or more meant that we did not pay (and WBC did not collect) VAT on most bookings. In March 2023 HMRC ruled that bookings were not liable for VAT. WBC has continued to charge users at the VAT-inclusive rate, keeping the benefit of the tax cut for themselves. However, because the exemption that we used to take advantage of now longer applies, we are paying thousands more (20%) than last year for the same facilities. The SLA for Cantley that both parties signed in 2021 caps annual price rises at 3% until 2026. We first queried this with WBC in June 2023 and have yet to receive a substantive response.

I would like to ask the Executive Member if they accept that by retaining the VAT savings for themselves, and greatly increasing the costs that the club is paying, the Council is in breach of the SLA and what their plans are to remediate this?

Answer

As you correctly suggest, in March 2023 the HMRC made a public statement agreeing to change their stance in respect to charging VAT on sports pitch bookings. Despite this statement, we were aware that a further review was being undertaken and that further guidance would be issued once that was complete.

At the time when this was highlighted, Wokingham Borough Council took external advice on the position, and we were advised to hold off from making any changes to

our VAT requirement on sports pitches until the full and longer term position was clarified.

Sadly, our experience shows that sometimes government bodies issue statements on policies that are not ready to be implemented yet and things often change before we are actually get to see the details and are required to act on them.

The good news is, that sports pitches have now appeared in HMRC advice very late in 2023, and we are currently working through all of the detailed changes required in order to align how our fees are classified for VAT purposes.

I can assure you and Ashridge Park FC, that the Council has at no point increased its own element of the fees that are being charged - and that the VAT part of our fees was only ever expected to be passed on to HMRC. Now that we finally have the full and confirmed understanding, we are working to review how much VAT has been paid to HMRC and we will recover any overcharge payments. These overpayments claimed will be used to repay any organisations that were overcharged. We are working to do this as quickly as possible and will be in touch with all organisations affected in due course, so it is good news.

Supplementary Question:

Would you care to put more detail as to what 'in due course' actually means please, are we talking weeks, months?

Supplementary Answer:

Sadly, I cannot as we are dependent on what HMRC does and what they will allow us to do. I did ask the question as well when it came through, but unfortunately, we cannot put a date on it, but it will be in a reasonable time, I hope.

88.5 Guy Grandison asked the Executive Member for Environment, Sport and Leisure the following question:

Question

Can the Executive Member please give me an update as to the progress of the Playing Pitch Strategy that was committed to come in January of 2023?

Answer

Thank you for your question.

At the January 2023 Executive meeting it was agreed to reassess the needs of the Earley and Lower Earley area within the strategic review of all playing pitches. This review is being undertaken in parallel with the work progressing on the Local Plan Update as there are obvious interdependencies.

Supplementary Question:

It is dependent on the Local Plan Update – so when will the Local Plan Update come because right now, we are being left behind, and 40% of matches being abandoned due to pitch issues, due to waterlogging etc. That is not very good for grass roots sports. Can we get a move on please?

Supplementary Answer:

The Local Plan Update is not within my portfolio, and I cannot comment on any timescale for that.

88.6 Philip Meadowcroft asked the Executive Member for Finance the following question:**Question**

During the first nine months of 2023 WBC made £75 million worth of loans to cash-strapped local authorities.

WBC Councillors and Officials have repeatedly emphasised to me that these loans, including the £10million lent last June to the bankrupt Woking Borough Council, were underwritten or guaranteed by the Treasury.

They have referred me to sections 6 to 13 initially (then just Sections 6 and 13 only) in the Local Government Act 2003 in support of their entrenched belief that Treasury guarantees for these loans actually existed.

Nowhere, however, in Section 6 or 13 do the words "guarantee" or "underwritten" or "Treasury" or "Government" appear.

Councillors and Officials appear to be persisting in misleading and deceiving Full Council, and the Wokingham residents and council taxpayers they represent, with false and misleading statements justifying their actions which they cannot actually show and prove to be true.

This is tantamount to a material and significant deception.

When and how, please, will the truth be told, together with an apology?

Answer

Thank-you Mr Meadowcroft.

Inter-Authority borrowing and lending has been common practice nationally over many decades and it is used as a standard and common mechanism by Councils to address peaks and troughs in cash flows. I can confirm, that all of the £75million in loans that you reference and that have reached their maturity date - have been repaid, on time with full interest and no issues. No Council anywhere has ever defaulted on these loans.

Your question is similar to the question that you asked at our Executive on the 30th November, which is where it was explained to you that our loans to Councils have backing from the Treasury in the Local Government Finance Act, and it is mentioned in our CIPFA guidelines. In the case of Woking, it is also mentioned in their publicly available S114 notice that all existing contracts will be honoured by borrowing from the PWLB or Treasury, if necessary.

The reference to the Local Government Act 2003 was provided directly to you by our Chief Finance Officer. It was not to demonstrate the guarantee of any specific loan,

but to point to an aspect of the Legal Framework under which inter-authority loans take place.

The specific guarantee to repay specific loans is put in place through individual contracts, using Treasury Management brokers who are approved by the Finance Conduct Authority. I stress that this does not mean the Financial Conduct Authority approves every individual transaction. All of our loans have the required agreements in place which includes Lender Protection as set out in section 2 of the Local Government Act 2003. Our strategies and processes to borrowing and lending, include the individual transactions are regularly subjected to Audit.

Due to Commercial sensitivities, we can only refer you to the legal documents that are publicly available, and I am suspecting that is not going to be detailed enough for you.

I am sure you honestly believe that there is something in what you are saying, but I am afraid it is not correct. I can assure you that we are acting within the law. Unfortunately, your question attacks the integrity of our officers– who manage these funds and the contracts – and they are the ones who have many years of experience in doing so.

The best approach I can suggest is coming back after 8 March, I believe it is that the money comes back, and come back to our next meeting and ask us then, how things went with this loan.

Supplementary Question:

Despite my repeated attempts over the past six weeks, the Executive Member for Finance together with the Council’s financial officers, have not come anywhere near answering my straightforward question about central government guarantees for loans that Wokingham makes to other local authorities. At the beginning of your reply, you said that all £75million loans had been repaid, and then at the end you told me that one of them had not yet been paid because it is not yet due, and that is the Woking one on 8 March. Your answers have been evasive, and this to me is deeply worrying, and it is ominous. Others in the Chamber might share my pessimism. But let’s try to move on shall we. My supplementary question is, what is the real truth please, and why are you so determined to hide it from me and everybody else?

Supplementary Answer:

I am sorry Mr Meadowcroft, but I am afraid you have got that wrong because we are not hiding anything from anybody. This information is public information. It is in our Treasury Management Strategy and is practice that we have been doing for more than anyone can remember, more than 20 years. You seem to think that there is something wrong, but I am afraid that is not the case. Everything is within the law, and officers have been doing it for years, so I do not understand why you are pursuing this route. All I can suggest is to come back after the loan has been repaid. I might add that I did not say that all the loans had been repaid, but this one is obviously due to come back in March, early March, so come back and we can tell you how it went.

88.7 Jim Frewin asked the Executive Member for Finance the following question:

Question

For the £10million loan made to Woking Council after it had declared itself bankrupt by issuing an S114 notice, please will you state both the gross as well as the net earnings from this loan - after arrangement fees, legal costs and any related borrowing costs - and whether there is a hypothecated use for the net earnings?

Answer

The £10million loan was made with an interest rate of 4.75%, meaning there is an expected return of £357,000. This is for the 274 days, or 9 months, that was agreed for this investment.

Wokingham Borough Council paid no arrangement or legal fees on this transaction. Only the Borrower pays arrangement and legal costs, which are covered by the brokers.

Every council in this country use loans and borrowing to manage their cashflow, which can fluctuate significantly pending on the receipt of incomes, grants and the profile of expenditure which includes larger capital schemes as well as ongoing revenue costs - such as salaries and contract payments. A good example is CIL money from a developer which is ringfenced for infrastructure. We do not get all the money from the developer at once, as it comes in slowly as properties are sold. While we may not have the money to begin working on a project, we can lend it to another council for a short while where it is left to generate interest. All of the income generated through the interest payments on these loans is revenue and it is fed into the overall financial position of the Council, which obviously, revenue is the thing we are desperate for.

Supplementary Question:

This is obviously a complex and sensitive topic so to help my supplementary is quite a simple one.

Can you please provide detail of the process applied to these loans within Wokingham – who defines the need – who authorises and who then signs off the loans and what scrutiny process is applied?

Supplementary Answer:

Basically, it is in the Treasury Management Strategy which I think you were part of this Council last February, when we agreed it, and a lot of this information is in there. It delegates the position to our officers, which is headed up by our Chief Financial Officer, and the individual decisions are made by that group of people. The reason why we delegate it to the officers, and it is safe to do so, and I think we are limited up to £10million per transaction, per Council, is because councils are safer places to put your money than banks. It is a really safe way to generate income and manage cash flow, so it is a decision that is delegated to our officers. I hope that helps.

89. Petitions

There were no petitions submitted at the meeting.

90. Adult Social Care's Social Care Future Vision and Charter

Council received a presentation on Social Care Futures from service users Gregg Burgess, Yvonne Thrower, Callum Bell, and Jay Dudakia. A report was also contained within the agenda, set out at Agenda pages 53 to 76.

Gregg, Yvonne, Callum, and Jay spoke about their personal experiences with social care and introduced the Social Care Futures vision. Members were requested to sign up to the Social Care Futures Charter.

Councillor Stephen Conway thanked the service users for their presentation and indicated that the Council was committed to the work behind Social Care futures and would do all it could to facilitate the objectives of the Charter.

Councillor Shahid Younis asked what was one thing that the Council could do which would make a big difference. Gregg commented that the Council should dare to be different and think bigger, as everyone had different care needs and requirements.

Councillor Pauline Jorgensen thanked carers for all the work that they put into caring, and also thanked officers for recognising that service users were the experts about what they wanted and needed, and being open to listen.

Councillor Keith Baker proposed that a recommendation be added that the service users be invited back to Council in 12 months' time for a progress update, to establish what changes had been made. This was seconded by Councillor Andy Croy.

Councillor Prue Bray stated that they would do what they could do to bring the voice of the child into the process for children's social care.

Councillor Andrew Mickleburgh commented that the goal should be about moving from surviving to thriving, and that there were strong analogies between the corporate parent responsibilities and the responsibilities to all residents who may need support. He asked that consideration be given to how service users could be empowered to ensure that the Charter was not just a paper document but led to meaningful changes.

It was proposed by Councillor David Hare and seconded by Councillor Phil Cunningham, that the recommendations set out in the report be approved.

Upon being put to the vote it was:

RESOLVED: That

- 1) our commitment to the SCF vision be noted;
- 2) how we can best deliver the SCF vision and work with people who use adult social care and family carers to achieve positive outcomes for our community, be considered;

- 3) Members attend briefings (dates TBC)
- 4) the principles included within Wokingham Borough Council's SCF Charter, be noted.
- 5) the service users be invited back in 12 months time for a progress update.

91. Council Tax Base - 2024/2025

(At this point in the meeting Councillor Michael Firmager left the meeting and did not take part in discussions relating to, or vote on the item)

Council considered the Council Tax Base 2024/25, set out in Agenda pages 77 to 82.

It was proposed by Councillor Imogen Shepherd-Dubey and seconded by Councillor Stephen Conway, that the recommendations set out in the report be approved.

Councillor Peter Harper requested that the recommendations be voted on separately.

Councillor Imogen Sheperd-Dubey outlined proposals contained within the report.

Councillor Laura Blumenthal expressed concerns around potential unintended consequences to the vulnerable. She felt that the exemptions were unclear. With regards to properties that were empty for over a year, she was concerned that those who were grieving or suffering economic abuse could be negatively impacted. The purpose of the Levelling Up Bill was to assist areas with high levels of second homes for holiday lets, which did not apply to Wokingham Borough. She went on to question what was meant by properties that were occupied 'periodically'.

Councillor Peter Harper stated that the issue of second homes in the Borough was not so great as other areas, such as the Lake District or Padstow. Over half of the properties which would be impacted by the proposed change were in Bands A-D, modest family homes. He questioned how the additional tax would be enforced.

Councillor Stephen Conway commented that there was a housing crisis, and to bring empty homes into use so that people could live in them, was sensible. He indicated that the exemptions were established by the Government and addressed the situations highlighted by Councillor Blumenthal.

Upon being put to the vote it was:

RESOLVED: That

- 1) the proposed Council Tax Base, for the whole area and by Parish, as set out in the report be agreed.
- 2) an additional 100% Council Tax long term empty property premium from 1 April 2024 for long 77 - 82 term empty properties which have been empty and unfurnished for a period of one year (currently applied after two years) be agreed.
- 3) an additional premium of 100% for properties occupied periodically (Second Homes) which are unoccupied but furnished from 1st April 2025, be agreed.

(At this point in the meeting, Councillor Michael Firmager returned to the meeting.)

92. Council Tax Support Scheme 2024/25

Council considered the Council Tax Support Scheme 2024/25, set out in Agenda pages 83 to 88.

It was proposed by Councillor Imogen Shepherd-Dubey and seconded by Councillor Rachel Bishop Firth, that the recommendations set out in the report be approved.

Councillor Sheperd Dubey indicated that the scheme was required to be reviewed annually, and this year a growth of approximately £100,000 had been added to bring the scheme in line with the increases with the Government's welfare payments, which had increased by 6.7%. She thanked the officers who had been involved in reviewing the scheme. Councillor Shepherd-Dubey went on to highlight that Disability Living Allowance/Personal Independence Payments, Armed Forces Independence Payments and War Disablement Payments were disregarded in the income calculation for an individual. It was noted that 70 emergency payments had been made from the Hardship Fund.

Upon being put to the vote it was:

RESOLVED: That the Council agree the proposed Council Tax Reduction (CTR) Scheme for 2024/25:

- 1) a local CTR scheme for 2024/25 be adopted on the same basis as the 2023/24 with a growth of £100k included in the proposed Medium Term Financial Plan (MTFP) in order to maintain support in line with Council Tax increases and to reflect increases in central government welfare payments (6.7%).
- 2) that the full disregard currently allowed for War Widows and War Disability Pensions be continued from 1st April 2024 in respect of the Prescribed and Local Council Tax Reduction Scheme and Housing Benefit schemes.
- 3) that funds be made available to the hardship fund, known as Section 13a (S13a) scheme, for those who cannot pay their council tax liabilities.
- 4) the linkages to the broader Tackling Poverty Strategy of both the Council Tax Reduction Scheme and the S13a scheme, be noted.

93. Treasury Management Mid-Year Report 2023-24

Council considered the Treasury Management Mid Year Report 2023-24, set out in Agenda pages 89 to 98.

It was proposed by Councillor Imogen Shepherd-Dubey and seconded by Councillor Stephen Newton, that the recommendation set out in the report be approved.

Councillor Imogen Sheperd-Dubey indicated that the report provided a retrospective update on the status of the Council's loans and investments, and the overall management of treasury funds within the first six months of the year. She highlighted the Council's net indebtedness, which was helping with funding

pressures. More internal funds were being used instead of external borrowing and high interest rates. The average interest rate on the Council's external debt was forecast to be 3.68% across the year and was expected to rise in the next financial year. The expiration of loans and the refinancing at higher rates was being monitored, however, it was expected that current debt finance would be sufficient to absorb the impact. She indicated that the treasury investment returns were forecast to be £3million over this year, an improvement of £1.4million. Councillor Shepherd-Dubey emphasised that all in all debt was being managed.

Councillor Pauline Jorgensen was of the view that the local authorities that the Council was borrowing money from or lending money to, should be specifically named within the report.

Councillor Croy asked how the Council's debt profile had changed. Councillor Imogen Sheperd-Dubey responded that there had been reprofiling. In addition, some projects had not been progressed and others had become less ambitious.

Councillor Stephen Newton referred to the impact of changing interest rates on residents and services in the Borough. The Council was in good shape compared to many. For example, as of last September, Woking Council's debt per resident was £18,706, Thurrock was £8,049, and Reading, £2,100, whilst Wokingham was £713. Councillor Newton outlined the criteria followed when lending.

Councillor Imogen Sheperd-Dubey commented that local authorities were not listed due to commercial sensitivities and this method of recording had been used for a number of years.

Upon being put to the vote it was:

RESOLVED: That it be noted that

- 1) that the Treasury Management Mid-Year report was considered and agreed by the Executive at their meeting on Thursday 30 November 2023;
- 2) that all approved indicators set out in the Treasury Management Strategy have been adhered to; with the exceptions of; • Ratio of financing costs to net revenue stream – General Fund. • Capital financing requirement – Housing Revenue Account (HRA). • External borrowing – HRA;
- 3) As at the end of September 2023, the forecast for the total external general fund debt is £129million at March'24, which reduces to £110million after taking into account cash balances (net indebtedness) reducing interests costs in the current economic climate.

94. Polling Places Review 2023-24

Council considered the Polling Places Review report, set out in Agenda pages 99 to 130.

It was proposed by Councillor Prue Bray and seconded by Councillor Stephen Conway, that the recommendation set out in the report be approved.

Councillor Bray highlighted the supplementary information provided which helped to

clarify the responses to the consultation. In addition, the new ward boundaries and the changes to parliamentary boundaries had been taken into account. She detailed specific areas where voters would see a change in the polling station that they used. It was noted that additional work would be undertaken around some of the internal and external parish boundaries as a result of changes to Borough wards and largescale developments.

Councillor Pauline Helliard-Symons commented that she had worked for many years to help facilitate the move of the Wokingham Without polling station out of Oaklands Schools. She commented that 51% of those who had responded to the consultation had been in favour of moving to St Sebastian's Memorial Hall, but that many of those who had not been in favour of this specific site had referred to the lack of car parking and the busy road on which it was located. However, assurances had been provided by officers that additional car parking would be provided and a temporary pedestrian crossing, and additional signage considered. Staff would be on site on polling day to assist with parking and access. Councillor Helliard-Symons emphasised that the issues with the site had to be addressed before May.

Councillor Stephen Conway was pleased to note that voters in south Twyford would no longer have to travel to Hurst in order to vote.

Councillor Bray emphasised that the proposals were not perfect, but any anomalies could be revisited in future.

Upon being put to the vote it was:

RESOLVED: That

- 1) the consultation responses made in respect of the review of polling districts and polling places as provided at Appendix 1, be noted.
- 2) the adoption of the polling district boundaries and final proposals for polling places as detailed in Appendix 2 be approved.
- 3) it be requested that the Electoral Registration Officer makes the necessary amendments to the polling districts to take effect from publication of the revised register on 1 February 2024.
- 4) the continuing delegation to the Returning Officer to designate polling places in accordance with section 18B of the Representation of the People Act 1983, be noted.

95. Timetable of Meetings 2024/25

Council considered the Timetable of Meetings 2024/25, set out at Agenda pages 131 to 136.

It was proposed by Councillor Stephen Conway and seconded by Councillor Prue Bray, that the recommendation set out in the report be approved.

Upon being put to the vote, it was:

RESOLVED: that the 2024/2025 Timetable of Meetings be agreed.

96. Ruscombe Neighbourhood Plan

Council considered a report regarding the Ruscombe Neighbourhood Plan, set out at Agenda pages 137 to 150.

It was proposed by Councillor Lindsay Ferris and seconded by Councillor Stephen Conway, that the recommendations set out in the report be approved.

Councillor Ferris commented that it was the third Neighbourhood Plan that had progressed to this stage in the Council year. The referendum had been held on 7 December 2023. Turnout had been 29% and 96% had voted 'yes, suggesting it had considerable support in Ruscombe.'

Upon being put to the vote, it was:

RESOLVED: that Council agrees to

- 1) Make (adopt) the Ruscombe Neighbourhood Plan so that it forms part of the statutory Development Plan, pursuant to Section 38A(4) of The Planning and Compulsory Purchase Act 2004;
- 2) Publish the Decision Statement pursuant to Regulation 19 of The Neighbourhood Planning (General) Regulations 2012 (as amended) ("the Regulations") in order to give effect to the above recommendation; and
- 3) Delegates to the Director of Place & Growth, in consultation with the Executive Member for Planning and Local Plan, and in agreement with the Qualifying Body, to make any spelling, grammatical, typographical or factual corrections to the Ruscombe Neighbourhood Plan and supporting documents.

97. Member Question Time

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

97.1 Keith Baker asked the Executive Member for Active Travel, Transport and Highways the following question:

Question

Can I first say thank you for providing free parking for the Winter events held in Wokingham and Woodley. The Wokingham event required the closure of several roads in order to provide space for stalls and rides. Clearly closure of these roads required advertising and time commitment from Officers in carrying out the legal process to close these roads.

What was the total cost of these highways actions and who paid for those costs – the Borough Council or Wokingham Town Council?

Answer

Thank you, Keith, for your question.

Established events such as the Winter Carnival in Wokingham and Woodley require temporary traffic restrictions and are for the benefit of the community or charities and

have been included in a permanent Traffic Regulation Order for over 10 years. This allows the required restrictions to be enacted when required and without further advertisement or legal costs. This saves planned, regular event organisers significant costs that can be focused on key events and traffic management. Whilst there is an officer time outlay to enact the restrictions and assess the event plans, this is generally minimal because of the positive relationship maintained with the event organisers. With such events, the checking of the details can equate to approximately 1 hour of officer time.

Supplementary Question:

Thank you very much for that information, and I am very pleased that Wokingham Town Council benefits from, in essence, the costs of the Order from ten years ago. Unfortunately, in Woodley, it is not the case. Historically the charge for removing or temporarily suspending the 8, I think, disabled car park spaces, in the middle of the precinct, has always been waived, never any cost. This year WBC decided or tried to charge £686 for doing it. After a lot of toing and froing that was waived, but they were told in no uncertain terms that next year they will have to pay the £686. This is not Woodley Town Council, it is the Town Centre Partnership, who will have to pay that, and I think that is unfair. So, can I ask you as the Executive Member responsible, to take that away and give Woodley Town the same benefit that Wokingham Town has? For all the reasons that you mentioned about the benefits of Wokingham Town, they are the same in Woodley Town.

Supplementary Answer:

The benefits that Wokingham have had for the last ten years, you were actually the Executive Member for Highways when all of that was put together, and none of that has changed at all. During some period before this administration took over, a new change was made for Woodley, to charge for suspension of those bays. In the winter of 2022 I got that waived and for this year 2023, it came from the Economic Development Fund, the £600 odd that you mentioned. This authority does not have a bottomless pit of money, and we would need to work on, together, how that would be funded for 2024.

97.2 Jackie Rance asked the Executive Member for Finance the following question:

Question

In October, as part of an interview with the Executive Member for Finance, the Bracknell News said that the Council needed to “find savings or extra income of £15million for its budget next year”. In Wokingham Today, she gave the figures of £11.7million and £13.1million, totalling £24.8m. Yet the MTFP reports presented to Community and Corporate O&S as recently as December say the Council needs to find £20m over 3 years. Which of these figures is correct?

Answer

Thank you, Jackie, for your question.

The answer is that all of the figures you mention are correct but relate to different years and different points in time. The £11.7million is the savings target that was agreed in the 2023/24 budget. The £15million, or more precisely £15.5million is the

total savings challenge for the year 2024/25 as reported to Community and Corporate O&S since the end of September. The latest paper despatched to the Community and Corporate Overview and Scrutiny Committee this week now states a total of £17.3million for 2024/25, so you can clearly see that future savings targets do change and will continue to do so as we live in a world where much of our future is unknown.

If we take the year 2023/24, it had a savings budget of £11.7million and add the full savings challenge of £17.3million for 2024/25 - we actually have a 2 year total of £29million to find, however some of this will need to be met initially from our reserves. The Overview and Scrutiny report goes on to show a further £7.3million savings needed in the year 2025/26, making a staggering £36.3million savings challenge for the 3 years between 2023-26.

As the future is not cast in stone and we cannot predict every event that might affect us, it is still an educated guess that we can plan against, and I would expect these future numbers to fluctuate.

However, these required savings are a huge increase on any previous savings requirement levels, and they reflect the extreme financial challenges this Council has faced since 2023. This is the key issue that this Council should be focused on, not the marginal movements in the calculations, as the stark overall financial situation faced by this Council and many others does not change.

Supplementary Question:

Despite what the Executive Member for Finance said in Wokingham Today, the Council's core spending power is increasing by £12.4million, 7%, which is more than any other Berkshire authority and more than the average for England. Will she now admit that she has more money to work with than previous Conservative administrations who managed to balance the books and invest in services, where she cannot?

Supplementary Answer:

I am afraid that is rather a ridiculous situation. The core funding has gone up by 7% I will agree, but that amounts to £667,000. We have to find £17.3million next year. The £667,000 is like a drop in the ocean. It is a ridiculous statement to say that we have got more than we had in previous years.

97.3 Shahid Younis asked the Executive Member for Environment, Sport and Leisure the following question:

Question

Why was 8am to 9am, Tuesdays and Wednesdays, during term time only chosen by Wokingham Borough Council as the time to offer women's only swimming?

Answer

Thank you for your question, Shahid. I am assuming you are referring to Forest School and am sure you will appreciate that the school must consider their own curriculum and their safeguarding procedures in offering women only swimming. Furthermore, this school provides a swimming facility for 9 local primary schools as

well as local swim schools. I understand that it is not financially viable to maintain and manage this pool outside of term time. It is therefore not a Wokingham Borough Council decision as to the availability of this pool.

We have however managed to get an agreement with the school to provide women's only swimming at the times you reference in your question, we are also in discussions for the potential to enhance the offering, but this is dependent on availability and that a community group can be found to utilise a session in line with the school policies.

Supplementary Question:

Thank you for the response. I suppose 8-9, it does not take much ingenuity to conclude that the response from the females is going to be very minimal, because that is the most busiest time when they are doing the school rounds. Also, as a councillor who actually initiated this 2 years ago to relaunch this session, neither I nor were the females who are likely to be impacted by this, why were we not consulted on this before the programme was launched?

Supplementary Answer:

I said that we are looking to continue to work with the school for additional times, because we are aware that 8-9am is not an ideal time, but none of this would have been necessary, had your administration not terminated existing established women only swimming at Bulmershe pool, before moving it and relocating it and rebuilding it in a way that meant that women only swimming would never be possible again. This is yet another example of an area of running the Council where we are trying to have to rescue something from the shambles that your administration left behind.

97.4 Laura Blumenthal asked the Executive Member for Equalities, Inclusion and Fighting Poverty the following question:

Question

There is anxiety among local charities and residents about Wokingham Borough Council's plan to stop funding the One Front Door service this summer. The funding pays for Citizens Advice Bureau Wokingham staff and services to help residents who find themselves in financial difficulty. The service costs £90,000 a year to run and the Council ringfenced £250,000 a year ago to support financial hardship projects, of which not a penny is planned to help continue One Front Door. With the Administration not supporting this service who will be helping these struggling residents?

Answer

Wokingham Borough Council is absolutely committed to ensuring our residents have sources of help and support and the Citizens Advice will continue to be an important part of this. We are still providing funding so that they can support residents on issues including benefits, debt, employment, and housing, as well as family and legal issues.

One Front Door was set up to provide a triage service to meet the huge additional surge in calls for help during the Covid pandemic. It has provided a valuable service to residents, and this Executive extended funding into 2024 because of the Cost of

Living Crisis.

It was created as a temporary enhancement to the normal core Citizens Advice service. You yourself, Laura, in your previous role as Executive Member for Anti Poverty, signed off the strategic direction for One Front Door to transition to a longer term, sustainable arrangement. I am not clear why you now oppose this.

The £250,000 Hardship Fund is a Liberal Democrat initiative. It is earmarked for a number of projects which will provide longer term benefits to our residents by fighting the root causes of poverty. This includes boosting access to a full education through poverty proofing the school day, and by funding a Community Pantry which will help residents on low incomes access affordable healthy food.

You were included, Laura, in the cross-party consultation on the use of this money and you spoke in this Chamber opposing its use to support residents in need.

This Executive will continue to support the Citizens Advice service, will provide other sources of help and advice for our residents, and will work to fight the root causes of poverty.

One Front Door was funded by central government grants which the Conservative Government has unfortunately ended. As a financially responsible Executive we have to move forward with sustainable ways to support residents.

We are working as a council, with the Citizens Advice and with other members of the Voluntary and Community Sector to achieve this. This includes improving our processes for signposting and referrals, and a partnership with the BOOM credit union to support residents with finances.

Supplementary Question:

I think you will agree that we had hoped that demand would have fallen for the service after Covid, after cost of living, and unfortunately the demand is just at the same level. It is not decreasing. So, with the service closing with it being embedded in local charities across this Borough more vulnerable people will not get the support that they need. So, I do hope that you will go away and seriously have a good look at this to help prevent disaster, especially as much of the £250,000 still has not been spent. I did not speak against helping people in need, that is a matter of record.

My question is will you let charities know before the end of this month, what is going to replace One Front Door? I do not mean the name of it, how is it going to work, nuts and bolts, what is the infrastructure, that at the moment they do not know, and they are very worried about people falling through the cracks?

Supplementary Answer:

Thank you for your question, Laura. I agree with you that it is very sad the number of people who are in desperate need, and continue to be at a very high level, but due to extreme economic turbulence that we are seeing in this country. The Officers are talking to the Hardship Alliance and to the Citizens Advice Bureau. They are going through the process of transitioning the service, and they will keep them fully informed. I need to stress that Citizens Advice Wokingham is not stopping the

services that they provide in this area. What will be ending in the summer is the temporary triage service, so all of the core services are going to continue – the welfare benefits, the money and debt, the employment, the housing, the advice in all of these areas, will be continuing.

I need to stress as well that Citizens Advice is just one way that residents can get help with the cost of living support. The Council has an extensive cost of living support hub and directory, both were refreshed and relaunched in autumn 2022, and these are helping residents get immediate online help and support. Just to give an example of how successful this is, there have been more than 78,000 visits to the Council's cost of living help website. One in four of every of those visits, that is 18,000 in total, ends in a successful signpost to support. This is thanks to a campaign to raise awareness of this. We have had 42 partner campaigns, and the site has been added to 700 referral points with local partners. We have put leaflets through doors for residents to signpost them to help. There has been ongoing communications and campaigning, online adverts, social media posts, emails to those most likely to be affected, there have been cost of living surveys.

97.5 Charles Margetts asked the Executive Member for Active Travel, Transport and Highways the following question:

Question

I wanted to raise a question about future parking provision in the Arborfield Garrison development in the area around the sports facilities. Residents have shown me figures that before development there were 232 spaces and the current plan has 65 being maintained after development. This lack of parking will see gridlock in the area and visitors using the sports facilities parking all over neighbouring roads rather than in off road car parks. Will the Executive Member commit to meet me and members of the Arborfield community to develop a plan to increase the amount of car parking and avoid this problem?

Answer

As you are aware, the current proposal for improved sports provision including parking in Arborfield is currently being assessed by the local planning authority. Officers are aware of both local residents' and the local clubs' concerns, and these will be considered as part of the determination process. Clearly parking is a key consideration for any enhanced facilities, and I understand officers are meeting with local stakeholders to listen to their concerns and help inform them of their assessment.

I would also be happy to meet with local Members and the local community to discuss these issues.

Supplementary Question:

Thank you for agreeing to meet with the local people involved. A particular concern is the car park around the Sports Pavilion, where 26 spaces are currently allowed. Now the initial response that was got from officers when this was pressed with them was, this is above the 20 per pitch guidance of the Council, which is correct for the one cricket pitch that is there, but not for the 4 football pitches for the rest of the year, which will see with a football club with close to 200 playing members and 7 games

every Saturday, could see significant problems. I welcome your comment and I will encourage them to arrange that meeting ASAP, and would just ask if officers come back with this kind of response, that it is just not going to work, there is some intervention to make sure that a problem is avoided before it starts?

Supplementary Answer:

What I can say is that I met Crest before Christmas, and I asked for meeting to be set up, that local Members and officers could discuss the issues with Crest. We are looking at putting together a meeting on 31 January, prior to the Community Liaison Group, and that will give all parties an opportunity to discuss.

97.6 Andrew Gray asked the Executive Member for Children's Services the following question:

Question

Earlier in the year it was confirmed that the leaving care allowance was being increased from £2,000 to £3,000. Can the Executive Member clarify how care leavers receive the £3,000 they are entitled to?

Answer

How care leavers receive the allowance really depends on what is appropriate for the individual concerned. As a corporate parent our main priority is to assist our care experienced young people to become fully independent before they turn 25, when our formal duty ends. Care Leavers with a 'former relevant' status have an allocated Personal Advisor (also known as PA) who work with them from the age of 16 up to age 25.

As a corporate parent a key offer and duty is preparing and supporting our care leavers when they move to their own tenancy. This includes the offer of a 'setting up home allowance' (SUHA) which are funds up to the value of £3,000. This increased from £2,000 in 2023.

Care Leavers can use this money for specific items at any time following a move. However, the main function is to help care leavers set up their home, when moving into their first independent accommodation. This can be to purchase essential items. Essential items can include white goods for example a washing machine, kitchenware, and furniture. Their 'setting up home allowance' may also be used to purchase flooring when they move into independent social housing.

The 'setting up home allowance' is a one-off allowance. How it is accessed will vary depending on the care leavers support needs. This could include transferring the funds into the care leavers bank account for them to administer and obtain the items they require, or Personal Advisors can order items on behalf of the care leaver where they are not yet able to manage this independently, or where they don't have access to payment methods. Young people can also buy necessary items as agreed with their PA, keep the receipts, and be reimbursed.

Supplementary Question:

Thank you for the response. You mentioned that the amount was up to the value of £3,000 from the Department of Education to the local authorities. In March 2023 it was mentioned that the grant was a minimum of £3,000, which I think is an important

distinction to make. Are you confident that all care leavers are getting the full entitlement of a minimum of £3,000?

Supplementary Answer:

That is not quite right, in that it is our discretion as to how much we give them. We make a policy decision ourselves, and I cannot answer for each individual care leaver, because each individual care leaver is different. Some people will not need that amount of money, others will. I am sure you would want us to just give them money which they do not need either. I will have to look into this a bit more and give you more of a written answer. Maybe we can discuss it after this meeting, exactly what you would like to know, and I am sure we can arrange for that to happen, but I would not like you to think, and I do not think that it would be true, that some care leavers are not getting the amount of money that they need to actually be able to set up their home.

98. Minutes of Committee Meetings and Ward Matters

98.1 Stephen Newton asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

The bridge that spans the railway by Earley Station is a vital link between my ward and Woodley, in addition to being used by many rail passengers. Some residents have told me that they have been advised that the Lib Dems have planned to close the bridge. I believe that we were seeking to repair the bridge, which was feasible and affordable, unlike the previous administration's proposals, that can continue to be used for many years to come. This will presumably require a temporary closure whilst the work is carried out. What is the truth please? Is it closing or were people simply mischief making and misleading residents, can you also provide an update on what is planned, and the timescales that my residents can truly rely on?

Answer:

The bridge has been assessed. The span across the A3290 is going to be just repaired. The ramps will be demolished, and they will be replaced by a similar type of structure but made of steel. The Council is currently exploring the detail design options for a design and build contract. That will hopefully be completed by 2024, and in 2025/26, subject to Network Rail possessions, the works will be undertaken. Of course, during that period, whilst those works are being undertaken the bridge will be closed temporarily. On completion the bridge will be reopened as it is at the present time with ramps, which is a stepped ramp, and the span across the A3290.

98.2 Charles Margetts asked the Executive Member for Environment, Sport and Leisure the following question:

Question:

April 2023 I contacted you over two byways in my ward, Tintagel Road and Range Road, and you sent me a long and detailed response saying that work would be carried out there, which it was, and that would use up basically all of the capital fund available. You said at the time that ultimately it would be a corporate decision on whether there will be another bid for future works for byways.

My question was simply this – I was contacted literally this morning by two of the residents on Range Road, who said that the recent bad weather has caused the repair work to deteriorate, and I was just looking for some guidance on whether a budget is in place or what kind of response I should be giving in terms of repairs etc?

Answer:

We have not entirely finalised things for next year, but this might look optimistic, but there will be a budget to do what we have previously been doing, such as on Tintagel. It is not for want of my trying, I would rather like to have one, but for this moment in time I cannot promise you anything.

98.3 Peter Dennis asked the Leader of the Council the following question:

Question:

We have received reports of poor performance and bad management agents of estates and blocks of flats, especially within Montague Park. What movement has the Council made with regards to flat management and estate management companies?

Answer:

Thank you for your question, Pete. The Council, as I think I have reported in the past, has been trying to explore ways in which we can use our own Local Plan policies, emerging Local Plan policies to try and address this issue, but it is in truth a national issue. I know it is affecting residents in Montague Park, but is affecting leaseholders across Wokingham and the country, so I think it is properly addressed, or most effectively addressed by changes to national legislation. I recall reporting in a previous Council meeting on a helpful response from Theresa May MP. I have recently had a very constructive meeting with Matt Rodda, the MP for Reading East, which was facilitated, and I am grateful for this, by the Leader of the Labour Group. That was a really interesting conversation. It was a face-to-face meeting, and it gave me some insights into the kind of legislative changes that may be in the offing, either through the current legislation that has been making its way through parliamentary processes, or more likely in the more wide ranging measures introduced by a new administration after the General Election. So, we continue to raise this issue with the Borough's MPs, and we are continuing to try to ensure that we lobby for changes that will benefit leaseholders.

98.4 Alison Swaddle asked the Executive Member for Environment, Sport and Leisure the following question:

Question:

My question relates to the Minutes of the Overview and Scrutiny Management Committee on November 15th, as this is the Full Council since they were published. Item 50 looked at proposals for changes to waste collection, refers to super recyclers, those that create very little landfill waste, and who could possibly share a wheelie bin with a likeminded keen recycling neighbour. This idea is very attractive to some residents in my ward who are very concerned about where they would put a wheelie bin, because they do not have a garden, they do not have side access, they do not have a garage, they could share with a neighbour. The Minutes record that

officers will look at the collection of redundant bins, i.e for those who would happily share one. I would like to ask why could we not ask residents to apply if they want to share a bin, and this would avoid the cost to the Council of delivering and then returning to collect an unwanted, unneeded bin? Has this been looked at?

Answer:

I will certainly raise that as a question with officers. That is an approach that we should have a quick look at, rather than collecting after the event. There is I suppose one caveat, if the property changes hands and the incoming resident finds that there is no bin, because we have to think what that might entail as well.

98.5 Rachelle Sheperd-Dubey asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

When will Lenham Close get the double yellows so that they can more safely exit on to Old Forest Road?

Answer:

Thank you, Rachelle, for your question. Today I signed off the IEMD Amendment 1, which includes four roads within Winnersh. The next stage is for the legal order to be sealed and then the order will be placed with a contractor to undertake the works. These are anticipated to be completed by the end of March 2024 for the yellow lines, and where appropriate, any particular signs.

98.6 Laura Blumenthal asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

On Woodlands Avenue there is a service road called Port Close. The garages, the green area, the streetlights, they all belong to Reading Borough Council. One of the streetlights has not worked for a very long time, and a lot of the garages are not being let out and they are in a state of disrepair, the green area, one of the barriers has been broken down and there are cars parking all over it. Wokingham Borough Council officers have done as much as they can, so please could you help if I send you more details, to get in touch with your counterpart at Reading Borough Council, to try and get it sorted once and for all.

Answer:

Thank you, Laura, for your question and for raising those issues. Yes, please send me the details, and I will speak to my counterpart of Reading Borough Council.

98.7 Ian Pittock asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

Some months ago, you gave an answer to a resident's question about a pedestrian crossing at Biggs Lane to assist the children attending the recently built Farley Hill Primary School in Barkham. The answer was that no crossing was justified given the volume of traffic and lack of pedestrians. This answer ignored the fact that the

school is currently largely populated by pupils from distant locations who travel by car since relocation from the Farley Hill hamlet, but which is in the process of being enlarged to triple the number of pupils who in the future will come from the northern part of Arborfield Green and the surrounding area. A more recent study has been undertaken and this still does not recognise the changes in pupil numbers that are underway. The cost of providing a signal controlled crossing at Biggs Lane for the primary aged school children attending Farley Hill Primary School is somewhere between £100,000 and £120,000. Barkham Parish Council has considered the use of a lollipop person but that would mean a permanent raise of the parish precept. It is likely to be Barkham Parish Council's CIL fund that will pay for this signal-controlled crossing. Given this, could I ask you to please look at moving this matter forwards to the next stage?

Answer:

Thank you, Ian, for your question. Yes, Biggs Lane, an assessment has actually been undertaken, and it is noted that the school is not full, the number of children will expand as the years go by. I think that they are up to Year 3 at the moment, so there is an additional two years still to come in, and that will increase the number of students crossing the road with parents. With that increasing number it is going to be on the priority list to undertake work on site, however, the funding is likely not to reach that using Borough Council funding, so CIL money would be welcome to actually allow this to go in much quicker than it would normally do so. So, I will take this forward thank you very much.

98.8 Sam Akhtar asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

I have a resident who lives in Charvil and both his children go to the local Charvil Piggott Primary School. He has brought to my attention that the flashing 20mph sign outside the primary school has stopped working. The resident has written twice to the Council, and it still has not been fixed. I have also been chasing this up for months. The traffic on this road is increasing and since the road has been resurfaced, the speed bumps there have actually been less effective. Last month I was shown a dashcam footage of a high-speed dangerous driver doing an illegal opposite lane overtake on this very road. Can I please request that the flashing 20mph sign is fixed and new speed bumps are installed before an accident occurs or worse?

Answer:

Thank you for your question. I will certainly look into getting the advisory 20mp flashing sign fixed. I do not know why they have not been fixed, it has not been brought to my attention. I will look into the speed data that we have because we use GIS systems so we can pick it up at any particular time, and see if it is speed compliant before we take it forward with anything else.

98.9 Catherine Glover asked the Executive Member for Planning and the Local Plan the following question:

Question:

In light of the recent news that a landowner has entered into a promotion agreement to bring a residential scheme for up to 500 new homes on a 95 acre parcel of land in Spencers Wood, I would like to ask the Executive Member if we can rely on the AWE Burghfield detailed emergency planning zone, as grounds for planning permission being refused for this and other developments within the zone?

Answer:

You will be aware that I cannot talk about individual planning applications, but what I can report is that the planning appeal that was in Burghfield, there was a High Court challenge, and that High Court has now approved a consent order to squash the allowed appeal at The Hollies, Reading Road, Burghfield Common. The matter has now passed back to the Planning Inspectorate who will appoint a new inspector who will hold a new public inquiry, so that means that the original proposal if people are not aware, there have been two planning appeals in the DPZ area, one which was in Wokingham which was 49 social housing which went through on appeal, we lost that and the AWE did not do too much at that particular junction. On this occasion for the one in Burghfield Common, the AWE put up a big defence against it and it went on appeal, and it now went to court, and I have just given the High Court response, so it sounds like the AWE are taking the DPZ much more seriously than about 12 months ago.

98.10 Shahid Younis asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

My question is regarding the recent flooding which we all know has taken place, but particularly in my ward a number of residents have been complaining about this, and just a few roads which are highlighted - Delamere Road, Whitegates, houses actually got flooded because of the blockage of drains. Byron Road, again in Whitegates, Loddon Bridge Road, where in front of the dentists, there was actually such a big lake where people had to wear large shoes to go to the dental practice. Another issue which has also been highlighted is the end of Culver Lane as well. This is a bit of a tricky one. Actually, this one caused some injuries as well because of the ice so a few people ended up in hospital. This may be a trickier one I say because you may actually need some help from Reading Borough Council because it is right on the border, and it is a long-standing issue. Whenever it rains, it floods and causes havoc because that is the only place that you can go across. My general question is what is Wokingham Borough Council's general drainage cleaning strategy and how often are they cleaned?

Answer:

Thank you for your question. Yes, there was an awful lot of rain after one of the wettest Decembers that we have had for a long, long time. There was some flooding that occurred and of course some of our systems go into the local river, known as the Loddon and when that backs up some of drainage does not work as efficiently as it would normally do.

Reference to Culver Lane, there is an issue with the drainage under that bridge. That is currently an ongoing repair that the team are looking at. They hope to get it completed by the end of March. There are some other higher priorities in front of

that where houses are at risk of flooding, which is the ones that they are currently working on. What I have arranged through officers is during the winter period, under Culver Lane, it is on the secondary salting route, so it does not get it done every night, it only gets done when there is severe weather around, that will be presalted at the same time as the primary route network. That will protect that particular road and since last Saturday.

Reference to gully cleansing, it depends on what particular road you are on, the number of times they are cleansed, and some locations are more vulnerable than others in collecting debris. We do have some of our gulleys that have sensors in them and when that sensor indicates it needs cleaning, that is when it will be cleaned.

98.11 David Davis asked the Executive Member for Active Travel, Transport and Highways the following question:

Question:

Parents, headteachers, governors, Pauline Helliard Symons, and myself, as ward members, have all been working to address the serious risk to pupils as the result of traffic at drop off and pick up for Oaklands School Ellis Road entrance in Crowthorne. I am grateful to my recent response to the email regarding the approval of the TRO to add further lines, which I believe has been approved, or I hope it has. But as I requested in that email, will you commit to urgently meet with myself and the school leadership at one of these times to see the chaos for yourself, because those familiar with the matter do not believe that the proposed changes will bring the situation to a satisfactory resolution?

Answer:

Thank you for your question. I wanted to make sure and not step ahead of myself by agreeing to meet you until such time as I had signed off the IEMD. I hope you understand that. Now that I have made that decision, I am quite happy to come out and meet you and other ward members and parents or governors or headteachers of the school. I will liaise with you for a date and time.

**99. Statements by the Leader of the Council and Executive Members
Councillor Prue Bray, Executive Member for Children's Services:**

I have two short announcements. The first is that we have successfully concluded the appointment of a new permanent Director of Children's Services, who will be starting on 8 April. Her name is Emma Cockerell and I look forward to welcoming her to the Council. My delight at this appointment is tinged with a little sadness because it means in a few months we will be saying goodbye to Helen Watson, our interim Director, and I will be very sad to see her go.

The other announcement is to draw everyone's attention to the fact that government statistics show that 95% of the 2-2 ½ year olds in Wokingham Borough, reach all of their development targets, the highest percentage in England by some margin. This featured in a story in The Guardian last week. Now, I am not claiming that the Council is responsible for this, but our Early Years Team certainly deserve some credit for it and I congratulate them. Thank you.

Councillor Lindsay Ferris, Executive Member for Planning and Local Plan:

After waiting for many months, the Government eventually issued their new planning document known as the National Planning Policy Framework (NPPF for short), just before last Christmas. Despite the noise it was very disappointing, and I believe a missed opportunity. What I would like to know is why the Government has decided to penalise an area like ours where we have more than met, overprovided is the word, its housing targets, when other parts of the country have not. Despite this bad news the Council has been working on how to improve the current draft Local Plan update. This includes policies to ensure that future homes are better able to meet climate change, are better designed and insulated, so that it would be less expensive to heat and to live in. Two, we have identified 13 valued landscapes in the Borough where we plan to protect these important and valued views for the future. Three, we have increased the number of green open spaces from the original 8 sites in the current draft Local Plan update to around 100 such sites. Areas designated and proved in the new Local Plan would be protected for the future and have the same status and protection as the Green Belt.

Councillor Stephen Conway, Leader of the Council and Executive Member for Housing:

The Council has now received a formal variation offer from SSEN for connection to the Grid in summer 2026. The variation offer has been accepted and the paperwork has been signed and returned to SSEN. This is an extremely positive step for the project in terms of delivery and leaves us in a very enviable position when compared with other solar farm projects across the country which have experienced really quite significant delays. Having been told in March of last year, that the solar farm could not connect to the Grid until 2037, this revised offer of 2026 is testament to the ongoing engagement and relationship building with both National Grid and SSEN that has occurred over recent months. It should be remembered that the solar farm is not only a key priority of the Council's Climate Emergency Action Plan, it will also generate a considerable income for the Council, which will in time help to fund other Council projects and services. I should like to take this opportunity Madam Mayor, to thank Sarah Kerr, the former Executive Member and all the Council officers involved in producing this successful and very welcome outcome.

100. Statement from Council Owned Companies

There were no Statements from Council Owned Companies.

101. Motions

101.1 Motion 511 submitted by Prue Bray

Council considered the following Motion, proposed by Councillor Prue Bray and seconded by Councillor Phil Cunnington.

'This Council notes the key conclusions from the Marmot Review "Fair Society, Healthy Lives" that

- Reducing health inequalities is a matter of fairness and social justice
- There is a social gradient in health – the lower a person's social position, the worse their health
- Health inequalities result from social inequalities. Action on health inequalities

requires action across all the building blocks of health and wellbeing.

- Focusing solely on the most disadvantaged will not reduce health inequalities sufficiently. To reduce the steepness of the social gradient in health, actions must be universal (for all), but with a scale and intensity that is proportionate to the level of disadvantage.
- Action taken to reduce health inequalities will benefit society in many ways, including economic benefits
- The fair distribution of health, well-being and sustainability are important social goals. Tackling social inequalities in health and tackling climate change must go together

and the 6 policy objectives, known as the “Marmot principles”, which are

- Give every child the best start in life
- Enable all children, young people and adults to maximise their capabilities and have control over their lives
- Create fair employment and good work for all
- Ensure healthy standard of living for all
- Create and develop healthy and sustainable places and communities
- Strengthen the role and impact of ill-health prevention

Wokingham Borough Council is an affluent borough but not everyone in the borough is thriving, overall wealth can obscure the pockets of deprivation and relative inequalities that persist in the Borough.

Many of these principles are reflected in the work of the Council and building an approach based on drawing together what already exists will begin the journey to becoming a “Marmot Borough”.

Council asks the Director of Public Health to proceed with the work to shape this approach with the aim of becoming a Marmot Borough focused on the principles outlined above, reporting on progress to the Health and Wellbeing Board. Council asks that during the course of this approach, where there are any financial implications for the Council, these are to be reported to the Executive and the Corporate Leadership Team for consideration.’

Councillor Andy Croy emphasised the impact of austerity on the Marmot principles.

A number of Members spoke in support of the approach set out in the Motion.

Upon being put to the vote it was:

RESOLVED: That this Council notes the key conclusions from the Marmot Review “Fair Society, Healthy Lives” that

- Reducing health inequalities is a matter of fairness and social justice
- There is a social gradient in health – the lower a person’s social position, the worse their health
- Health inequalities result from social inequalities. Action on health inequalities

requires action across all the building blocks of health and wellbeing.

- Focusing solely on the most disadvantaged will not reduce health inequalities sufficiently. To reduce the steepness of the social gradient in health, actions must be universal (for all), but with a scale and intensity that is proportionate to the level of disadvantage.
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Council asks the Director of Public Health to proceed with the work to shape this approach with the aim of becoming a Marmot Borough focused on the principles outlined above, reporting on progress to the Health and Wellbeing Board. Council asks that during the course of this approach, where there are any financial implications for the Council, these are to be reported to the Executive and the Corporate Leadership Team for consideration.

101.2 Motion 512 submitted by Rebecca Margetts

Council considered the following Motion, proposed by Councillor Rebecca Margetts and seconded by Councillor Lindsay Ferris, which had been amended by the proposer following the publication of the Agenda.

‘This Council believes that residents should receive the infrastructure and amenities they are promised when they buy a new home and that developers and this council should be held accountable for their legal obligations within major S106 agreements. For clarity, the major sites refer to SDL sites and other large sites only.

This Council will produce a biannual report detailing performance against financial, programme and other obligations of all parties within major S106 agreements of which this Council is a party. The report will be issued to all members of this council

and relevant community groups.

Increasing transparency on performance against commitments will provide confidence to communities that promises will be delivered on. This Council will learn the lessons from delays in the delivery of the Arborfield Green Village Centre and other facilities and amenities across the SDL.’

Upon being put to the vote it was

RESOLVED: That this Council believes that residents should receive the infrastructure and amenities they are promised when they buy a new home and that developers and this council should be held accountable for their legal obligations within major S106 agreements. For clarity, the major sites refer to SDL sites and other large sites only.

This Council will produce a biannual report detailing performance against financial, programme and other obligations of all parties within major S106 agreements of which this Council is a party. The report will be issued to all members of this council and relevant community groups.

Increasing transparency on performance against commitments will provide confidence to communities that promises will be delivered on. This Council will learn the lessons from delays in the delivery of the Arborfield Green Village Centre and other facilities and amenities across the SDL.

101.3 Motion 513 submitted by Ian Shenton

Council considered the following Motion, proposed by Councillor Ian Shenton and seconded by Councillor Sarah Kerr.

‘Climate change, intensive agriculture, and unsustainable use of resources are causing significant pressures on nature’s biodiversity locally and nationally. The result is a risk to local wildlife and longstanding habitats; simply put it is the decline of nature all around us.

In response, this Council formally declares an Ecological Emergency and will:

1. Address ecological issues alongside climate emergency actions to ensure that opportunities to gain co-benefits from addressing both together are maximised.
2. Add ecological implications to those for climate in committee and Council reports.
3. Ensure the delivery of biodiversity and environmental enhancements through our planning policy and development control functions by
 - a. Adopting robust biodiversity policies
 - b. Incorporating biodiversity measures into the Borough Design Code.

- c. Ensuring that all our planning guidance documents reflect the importance of biodiversity.
 - d. Striving to enable the development of a 20% mandatory biodiversity net gain policy for Wokingham through the new local plan.
4. Re-establish the Wokingham Biodiversity Forum to allow the Council to collaborate effectively with local partners and the wider community.
 5. Retain and update the Wokingham Biodiversity Action Plan including an audit of habitats and condition across the Borough with a highlight report each year and a progress report presented to full Council every 5 years.
 6. Work with local, county, regional and national partners to produce a County wide Local Nature Recovery Strategy, and to increase wildlife habitats, green infrastructure and natural capital in Wokingham Borough.
 7. Promote habitat creation and restoration in the right places and with the right species, ensuring robust connectivity between them and guided by the County Local Nature Recovery Strategy and the Wokingham Biodiversity Action Plan.
 8. Manage Council services, buildings and land where appropriate in a biodiversity-friendly manner, taking opportunities to create new wildlife habitats and corridors.
 9. Provide advice for local communities and businesses on how to incorporate biodiversity, green infrastructure and natural capital into Neighbourhood Plans and other initiatives.
 10. Seek funding sources for any of the above actions that cannot be accommodated within the existing budget envelope.'

Upon being put to the vote it was:

RESOLVED: That Climate change, intensive agriculture, and unsustainable use of resources are causing significant pressures on nature's biodiversity locally and nationally. The result is a risk to local wildlife and longstanding habitats; simply put it is the decline of nature all around us.

In response, this Council formally declares an Ecological Emergency and will:

1. Address ecological issues alongside climate emergency actions to ensure that opportunities to gain co-benefits from addressing both together are maximised.
2. Add ecological implications to those for climate in committee and Council reports.
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- a. Adopting robust biodiversity policies
 - b. Incorporating biodiversity measures into the Borough Design Code.
 - c. Ensuring that all our planning guidance documents reflect the importance of biodiversity.
 - d. Striving to enable the development of a 20% mandatory biodiversity net gain policy for Wokingham through the new local plan.
4. Re-establish the Wokingham Biodiversity Forum to allow the Council to collaborate effectively with local partners and the wider community.
 5. Retain and update the Wokingham Biodiversity Action Plan including an audit of habitats and condition across the Borough with a highlight report each year and a progress report presented to full Council every 5 years.
 6. Work with local, county, regional and national partners to produce a County wide Local Nature Recovery Strategy, and to increase wildlife habitats, green infrastructure and natural capital in Wokingham Borough.
 7. Promote habitat creation and restoration in the right places and with the right species, ensuring robust connectivity between them and guided by the County Local Nature Recovery Strategy and the Wokingham Biodiversity Action Plan.
 8. Manage Council services, buildings and land where appropriate in a biodiversity-friendly manner, taking opportunities to create new wildlife habitats and corridors.
 9. Provide advice for local communities and businesses on how to incorporate biodiversity, green infrastructure and natural capital into Neighbourhood Plans and other initiatives.
 10. Seek funding sources for any of the above actions that cannot be accommodated within the existing budget envelope.

101.4 Motion 514 submitted by Andrew Mickleburgh

Council considered the following Motion, proposed by Councillor Andrew Mickleburgh, and seconded by Councillor Jane Ainslie.

‘This Council notes:

- Care experienced people can face significant barriers that impact them throughout their lives;
- Despite the resilience of many care experienced people, society too often does not take their needs into account;
- Care experienced people often face discrimination and stigma across housing,

health, education, relationships, employment, and in the criminal justice system;

- Care experienced people may encounter inconsistent support;
- As corporate parents, councillors have a collective responsibility to provide the best possible care and safeguarding for children looked after by us as an authority;
- All corporate parents should act as mentors, hearing the voices of looked after children and young people, and consider their needs in any aspect of council work;
- Councillors should be champions of the children in our care and challenge the negative attitudes and prejudice that exists in all aspects of society;
- The Public Sector Equality Duty requires public bodies to eliminate unlawful discrimination, harassment, and victimisation of people with protected characteristics.

This Council therefore resolves that:

- It recognises that care experienced people are a group who are likely to face discrimination;
- It recognises the Council's duty to put the needs of disadvantaged people at the heart of decision-making through co-production and collaboration;
- Future Council's decisions, services and policies be assessed through Equality Impact Assessments to determine the impact of changes on people with care experience, alongside those who formally share a protected characteristic;
- In the delivery of the Public Sector Equality Duty, the Council includes care experience in the publication and review of Equality Objectives and annual publication of information relating to people who share a protected characteristic in services and employment;
- This Council will treat care experience as if it were a Protected Characteristic;
- It calls upon other bodies to treat care experience as a protected characteristic, until such time as it may be introduced by legislation;
- The Council will continue to proactively seek out, listen and respond to the voices of care experienced people when developing policies, incorporating their views.'

It was moved by Councillor Marie-Louise Weighill and seconded by Councillor Andy Croy that the Motion be amended as follows (in bold).

This Council notes:

- Care experienced people can face significant barriers that impact them throughout their lives;
- Despite the resilience of many care experienced people, society ~~too~~ often does not take their needs into account;
- Care experienced people often face discrimination and stigma across housing, health, education, relationships, employment, and in the criminal justice system;

Care experienced people may encounter inconsistent support;

- As corporate parents, councillors have a collective responsibility to provide the best possible care and safeguarding for children looked after by us as an authority;
- All corporate parents should act as mentors, hearing the voices of looked after children and young people, and consider their needs in any aspect of council work;
- Councillors should be champions of the children in our care and challenge the negative attitudes and prejudice that exists in all aspects of society;
- The Public Sector Equality Duty requires public bodies to eliminate unlawful discrimination, harassment, and victimisation of people with protected characteristics.

This Council therefore resolves that:

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- It recognises the Council's duty to put the needs of disadvantaged people at the heart of decision-making through co-production and collaboration;
- Future Council's decisions, services and policies be assessed through Equality Impact Assessments to determine the impact of changes on people with care experience, alongside those who formally share a protected characteristic;
- In the delivery of the Public Sector Equality Duty, the Council includes care experience in the publication and review of Equality Objectives and annual publication of information relating to people who share a protected characteristic in services and employment;
- This Council will treat care experience as if it were a Protected Characteristic;
- It calls upon other bodies to treat care experience as a protected characteristic, until such time as it may be introduced by legislation;
- The Council will continue to proactively seek out, listen and respond to the voices of care experienced people when developing policies, incorporating their views ***AND act on the expressed priorities of Care Leavers and their organisations by ensuring that Care Leavers' access to their records is made more meaningful and complete.***

Councillor Mickleburgh indicated that the proposed amendment was acceptable. The amended Motion became the substantive Motion.

Upon being put to the vote it was:

RESOLVED: That Council notes:

- Care experienced people can face significant barriers that impact them throughout their lives;
- Despite the resilience of many care experienced people, society ~~too~~ often does not take their needs into account;
- Care experienced people often face discrimination and stigma across housing, health, education, relationships, employment, and in the criminal justice system;

Care experienced people may encounter inconsistent support;

- As corporate parents, councillors have a collective responsibility to provide the best possible care and safeguarding for children looked after by us as an authority;
- All corporate parents should act as mentors, hearing the voices of looked after children and young people, and consider their needs in any aspect of council work;
- Councillors should be champions of the children in our care and challenge the negative attitudes and prejudice that exists in all aspects of society;
- The Public Sector Equality Duty requires public bodies to eliminate unlawful discrimination, harassment, and victimisation of people with protected characteristics.

Council resolves:

- It recognises that care experienced people are a group who are likely to face discrimination;
- It recognises the Council's duty to put the needs of disadvantaged people at the heart of decision-making through co-production and collaboration;
- Future Council's decisions, services and policies be assessed through Equality Impact Assessments to determine the impact of changes on people with care experience, alongside those who formally share a protected characteristic;
- In the delivery of the Public Sector Equality Duty, the Council includes care experience in the publication and review of Equality Objectives and annual publication of information relating to people who share a protected characteristic in services and employment;
- This Council will treat care experience as if it were a Protected Characteristic;
- It calls upon other bodies to treat care experience as a protected characteristic, until such time as it may be introduced by legislation;
- The Council will continue to proactively seek out, listen and respond to the voices of care experienced people when developing policies, incorporating their views AND act on the expressed priorities of Care Leavers and their organisations by ensuring that Care Leavers' access to their records is made more meaningful and complete.'

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TITLE	Housing Revenue Account Budget 2024/25
FOR CONSIDERATION BY	Council on Thursday, 22 February 2024
WARD	None Specific;

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The revenue and capital budgets for 2024/25 are set and tenants rent levels are set for 2024/25 to ensure sound finances and value for money in providing housing services for council tenants.

RECOMMENDATION

That Council consider the recommendations of the Executive in respect of the Housing Revenue Account Budget for 2024/25. That Council approve:

- 1) The Housing Revenue Account budget for 2024/25 (Appendix A);
- 2) Council house dwelling rents be increased by up to 7.7% effective from 1st April 2024 in line with the council’s Rent Setting Policy that was approved by Executive on 26th October 2023.
- 3) Garage rents to be increased by 8.33% effective from April 2024;
- 4) Shared Equity Rents to be increased by 7.7% effective from April 2024;
- 5) Tenant Service Charges to be increased over the next three year to achieve full cost recovery effective from April 2024;
- 6) The Housing Major Repairs (capital) programme for 2024/25 as set out in Appendix B;
- 7) Sheltered room guest charges for 2024/25 remain unchanged at £9.50 per night per room.

EXECUTIVE SUMMARY

The proposed Housing Revenue Account (HRA) for 2024/25 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 2025/26 and 2026/27 is provided for information. Proposed 2024/25 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 2024/25

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 however restricted the rent increase for 2023/24 to a maximum of 7%, while the council decided to apply 5.99% for 2023/24.
3. For 2024/25 rental increases of CPI + 1% is to be reinstated, resulting in a rent increase of 7.7%. 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.
4. 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 £5.8m of debt is to be repaid. The estimated debt as at the 31st March 2027 is £111m. 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.
5. 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 2024/25 will be £10.6m plus any carry forwards from 2023/24, followed by indicative budgets of £20.5m in 2025/26 and £19.0m in 2026/27. 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 government requirements for increase of 1% + Consumer Price Inflation (CPI) as at the end of September 2023.

Garage Rents

6. It is proposed to increase garage rents by 8.33% for 2024/25 (5.99% for 2023/24) in line with council wide fees and charges increases. Charges will be rounded to the nearest £0.10p.

Shared Equity Rents

7. It is proposed to increase shared equity rents by 7.7% for 2024/25 (5.99% for 2023/24) effective from April 2024.

Service Charges

8. Costs are continuing to be above inflation which combined with previous years decisions to not increase service charges has left a gap between cost and recovery. The proposed three-year budget looks to put these back in line by 2026/27 with the percentage varying a little between properties and across the three years in order to achieve this.

2024/25 Budget Assumptions & Risks

9. The Housing Revenue Account budget for 2024/25 is shown at Appendix A. The budget has been drawn up on a self-financing basis and reflects interest charges of £3.0m, depreciation of £5.0m as determined by the Council's 30-year business plan under the self-financing system. The 2024/25 budget also includes expenditure of £4.6m 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)

10. 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

11. 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, and staying around £1.1m in 2024/25 through to 2026/27.

Further details are included in Appendix C.

Consultation

12. The draft budget submission will be considered by the Tenants & Landlord Improvement Panel (TLIP) on 25th January 2024.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources 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 will be reported to the Tenants and Landlord Improvement Panel on 25th January 2024.

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 – *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*

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.

List of Background Papers

Appendix A – HRA Revenue Budget
Appendix B – HRA Capital Budget
Appendix C – HRA Reserves

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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.

		2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000
INCOME				
Rents				
Dwelling Rents		(18,182)	(19,091)	(19,664)
Garage Rents		(216)	(227)	(233)
Commercial Rents		(2)	(2)	(2)
Total Rents		(18,400)	(19,320)	(19,899)
Fees & Charges				
Service Charges		(509)	(577)	(645)
Leasehold Charges		(100)	(105)	(108)
Other Charges for Services & Facilities		(117)	(123)	(121)
Interest on balances		(20)	(20)	(20)
Total Income		(19,146)	(20,145)	(20,793)
EXPENDITURE				
Housing Repairs		4,647	4,879	5,025
General Management		3,765	4,052	4,173
Sheltered Accommodation		500	525	541
Depreciation	Note 1	5,045	5,045	5,045
Capital Finance Interest Charge	Note 2	3,000	3,000	3,000
Voluntary Revenue Provision	Note 3	1,629	2,069	2,103
Revenue Contribution to Capital	Note 4	560	575	906
Total Expenditure		19,146	20,145	20,793
Net Expenditure / (Income)		0	0	0
HRA Revenue Reserve				
Balance at Beginning of Year		(1,083)	(1,083)	(1,082)
Net Expenditure / (Income) - from above		0	0	0
Balances at Year End	Note 5	(1,083)	(1,082)	(1,082)

Note 1. The contribution from HRA revenue to Major Repairs

Note 2. Based on current and forecast loan portfolio

Note 3. Repayment of HRA loans taken during self financing

Note 4. Additional revenue contribution to fund capital programme

Note 5. Reserve balances guided by assessments of financial risks

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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.

		2024/25 Budget £.000	2025/26 Budget £.000	2026/27 Budget £.000
EXPENDITURE				
Estate Improvements		10	10	10
Capitalised Staffing Costs		725	750	750
Adaptations for the Disabled		600	600	600
Voids		800	800	800
Housing Purchase & New Builds		1,000	1,000	1,000
Planned & Improvements Works		3,365	3,377	3,606
Gorse Ride Redevelopment	Note 1	4,132	13,979	12,256
Total Capital Expenditure		10,632	20,516	19,022
FUNDED BY				
Major Repairs Reserve		(5,140)	(5,099)	(5,060)
Revenue Contributions	Note 2	(560)	(575)	(906)
Right to Buy Receipts - Housing Purchase & New Builds	Note 3	(784)	(784)	(784)
Borrowing - Housing Purchase & New Builds	Note 4	(216)	(216)	(216)
Capital Receipts - Gorse Ride		(1,815)	(2,545)	(7,243)
HRA Borrowing - Gorse Ride		(1,867)	(6,398)	(4,563)
S106 - Gorse Ride		0	(4,649)	0
RTB - Gorse Ride		(250)	(250)	(250)
Total Capital Funding		(10,632)	(20,516)	(19,022)
Balances at Year End		0	0	0

Note 1. Part of redevelopment scheme agreed by Executive in February 2022

Note 2. Revenue contribution to fund capital programme

Note 3. Estimated receipts from right to buy sales

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

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HOUSING REVENUE ACCOUNT RESERVES

APPENDIX C

Reserve	Policy	Estimated Level at 31 March	Benefits	Opportunity Costs
55 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>2025 £1.1m 2026 £1.1m 2027 £1.1m</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 @ 5.0% = £50k</p>	<p>Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £50k per £1m for example at 5% 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>2025 £0.1m 2026 £0.1m 2027 £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>

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TITLE	Capital Programme and Strategy 2024-2027
FOR CONSIDERATION BY	Council on Thursday, 22 February 2024
WARD	None Specific
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The capital programme and strategy 2024 – 2027 sets out the capital investment for the benefit of the community and how this is funded.

RECOMMENDATION

That Council consider the recommendations of the Executive in respect of the Capital Programme and Strategy 2024-2027 and approve.

- 1) the Capital Strategy for 2024 - 2027 - Appendix A;
- 2) the three-year capital programme for 2024 - 2027 – Appendix B noting that approval is sought for 2024/25 schemes only.
- 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.
- 5) the Deputy Chief Executive (S151 Officer) will exercise, where possible the flexible use of capital receipts policy, as issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003.
- 6) approve delegation for the delivery (including awarding and signing of the contract) of the South Wokingham Distributor Road to the Deputy Chief Executive and Director of Place & Growth in agreement with Lead member for Finance and Lead Member for Highways subject to the scheme being fully funded from Homes England Grant and Developer Contributions.

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 2024 – 2027 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£520m over the next three years across (including carry forwards):

- Housing, Local Economy and Regeneration - c£215m
- Children Services and Schools - c£74m
- Roads and Transport - c£108m
- Environment - c£68m
- Internal Services - c£30m
- Adult Social Care - c£25m

Recommendation Five

The Executive are asked to note the Deputy Chief Executive (S151 Officer) will exercise, where possible the flexible use of capital receipts policy, as issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003.

Further details of the flexible use of capital receipts policy are set out in section 11 of Appendix A.

The Guidance issued by the Secretary of State under section 16(2)(b) of the Local Government Act 2003 specified that; local authorities treat as capital expenditure, expenditure which:

- i) is incurred by the Authorities that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners; and
- ii) is properly incurred by the Authorities for the financial years that begin on 1 April 2022, 1 April 2023 and 1 April 2024.
- iii) is not incurred with respect to redundancy payments, except where such redundancy costs are necessarily incurred and limited to the amounts available as statutory redundancy payments.

In further exercise of the Secretary of State's powers under section 20 of the Act, it is a condition of this direction that expenditure treated as capital expenditure in accordance with it only be met from capital receipts, within the meaning of section 9 of the Act and regulations made under that section (for current provisions see Part 4 of S.I. 2003/3146, as amended), which have been received in the years to which this direction and the previous direction.

In using the flexibility, the Council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.

The Guidance provides a definition of expenditure which qualifies to be funded from the capital receipts flexibility. Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.

There are a wide range of projects that could generate qualifying expenditure. The key determining criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure. Within the above definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.

Recommendation Six

The Executive are asked to approve delegation for the delivery of the South Wokingham Distributor Road (SWDR) subject to successful funding from Homes England and the estimated costs remaining within current budget approvals to Deputy Chief Executive and Director of Place & Growth in agreement with Lead member for Finance and Lead Member for Highways. The delegated authority will include awarding and signing of the contract and any funding agreement with Homes England.

The budget allocation is included in the current capital programme and planned to be carried forward from 2023/24 into future years to align with the latest delivery estimates.

The Council are working with Homes England to secure funding support to enable the delivery of the SWDR.

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.

The overall 2024/25 programme will be made up of new schemes identified in this report and schemes carried forward from 2023/24. The carry forwards identified from the 2023/24 capital budget are included for completeness. These are based on the amounts agreed in the quarter three capital monitoring report presented to the Executive and are therefore subject to change. Carry forwards are likely to be spent across a number of years.

	Carry Forwards 2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,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.	140,035	20,709	27,691	26,098	214,534
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential.	11,701	28,320	26,563	7,652	74,235

Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network.	76,342	10,952	11,969	9,158	108,420
Environment Investment and enhancement of facilities across the borough benefiting communities and resident's wellbeing.	40,591	3,570	13,309	10,509	67,979
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities.	6,485	6,165	8,340	8,790	29,780
Adult Social Care An effective, high-quality care and support service to providing a better quality of life for residents.	18,336	3,831	1,987	995	25,149
Total Capital Programme 2024/25 to 2026/27	293,492	73,547	89,859	63,202	520,099

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. Budget estimates for years four and five are notably indicative and will be refreshed and amended in future MTFP submissions.

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 2024 to March 2027.

	Carry Forwards (Q3)				
	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
Supported borrowing	(208.7)	(19.5)	(29.0)	(21.8)	(279.0)
Developer contributions (S106 / CIL)	(41.0)	(2.5)	(8.6)	(0.6)	(52.7)
Capital grants	(18.4)	(29.0)	(29.1)	(15.0)	(91.5)
Other contributions	(0.3)	(6.2)	(7.7)	(5.9)	(20.1)
Capital receipts	(12.3)	(8.4)	(6.1)	(13.5)	(40.2)

General fund borrowing	(12.8)	(8.0)	(5.2)	(2.1)	(28.1)
Total	(293.5)	(73.5)	(85.7)	(58.9)	(511.6)

The capital programme currently has a budget shortfall of c£8.5m over three years which includes a fully funded year 1 programme. 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 22 February 2024), 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.

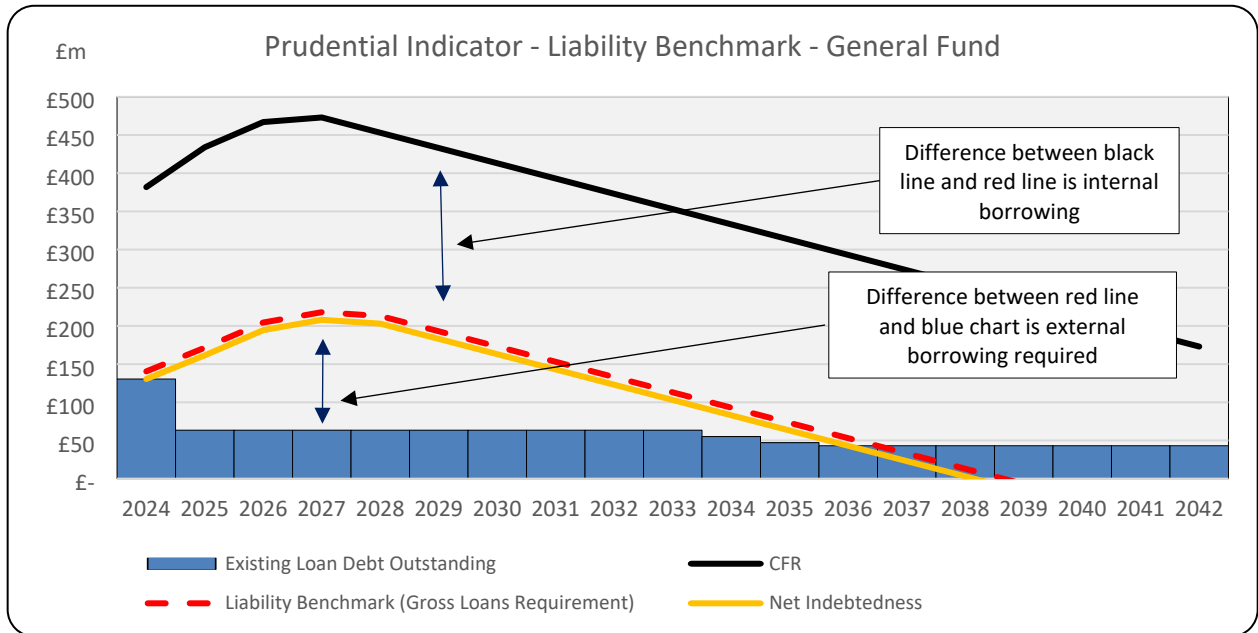
The Capital financing requirement (CFR) is a technical calculation of historic capital expenditure less that already paid for, plus estimated prudential borrowing over the medium term financial plan.

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.

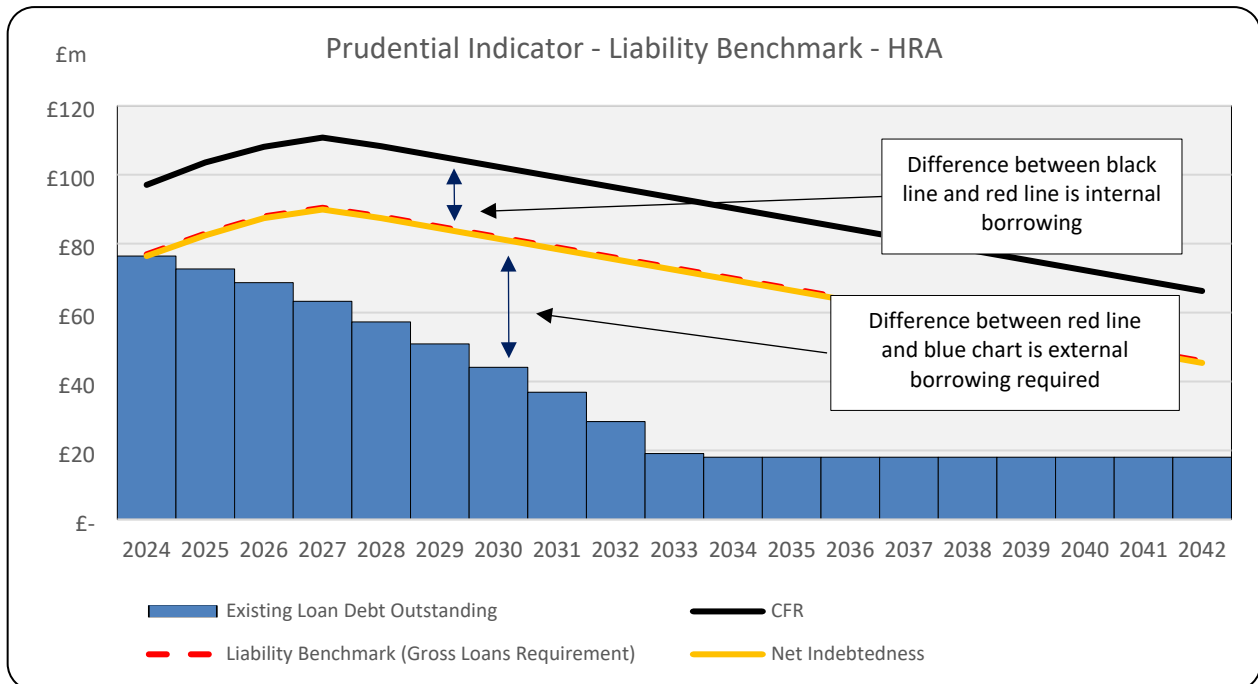
The CFR will reduce as borrowings are repaid through income and will reach a point in time when debt is fully repaid, and the ongoing income will be transferred to benefit the general fund.

The general fund 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 Liability Benchmark for the General Fund Account is shown below;



The Liability Benchmark for the Housing Revenue Account is shown below;



The graphs represent our best estimate of spend and borrowing over the period of the three year Capital Programme and does not take into account any other capital expenditure beyond the 3 years.

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)	£74m (excluding Carry Forwards)	Yes	Capital
Next Financial Year (Year 2)	£90m	No	Capital
Following Financial Year (Year 3)	£63m	No	Capital

Other Financial Information
<p>The capital programme currently has a budget shortfall in years 2 and 3 totalling c£8.5m. This will be balanced through a combination of reducing or reprofiling capital expenditure and maximising capital funding opportunities such as bidding for capital grants.</p> <p>The year 1 budget of £74m does not include any carry forwards from the 2023/24 capital programme. These are approved by Executive as part of the Capital monitoring outturn reports.</p> <p>All financing costs up to the point of the shortfall are provided for in the Medium Term Financial Plan.</p> <p>Please see the attached appendices for full details of the capital strategy.</p>

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 – 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
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.

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Capital Strategy 2024-27





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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 2024 – 2027 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 2024/25 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 known 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 affordable 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).

New SEND Schools – Provision of two new special educational needs school at Rooks Nest Farm. The new schools will help the Council meet its statutory duties to Children and Young People with Special Education Needs. It will provide high quality, local special school places at a lower cost than alternative out of borough independent and non-maintained special schools (INMSS) and with reduced transport costs.

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. Capital Loans

The Council will make loans for two main reasons. These can be treasury management loans (i.e. investments) or capital loans. All treasury management loans are made within the guidelines set out in the treasury management strategy.

The Council has discretion to make capital loans for a number of reasons, primarily for housing or economic development. Under the accounting code of practice, these loans are required to be 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 will form part of the capital programme and are agreed by Executive. All loans will be subject to close, regular monitoring.

8. Capital Expenditure 2024-2027

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

The carry forwards identified from the 2023/24 capital budget are included for completeness. These are based on the amounts agreed in the quarter three capital monitoring report presented to the Executive. Carry forwards are likely to be spent across a number of years.

Table 1 Capital Programme 2024-2027

	Carry Forwards 2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,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.	140,035	20,709	27,691	26,098	214,534
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential.	11,701	28,320	26,563	7,652	74,235
Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network.	76,342	10,952	11,969	9,158	108,420
Environment Investment and enhancement of facilities across the borough benefiting communities and resident's wellbeing.	40,591	3,570	13,309	10,509	67,979
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities.	6,485	6,165	8,340	8,790	29,780
Adult Social Care An effective, high-quality care and support service to providing a better quality of life for residents.	18,336	3,831	1,987	995	25,149
Total Capital Programme 2024/25 to 2026/27	293,492	73,547	89,859	63,202	520,099

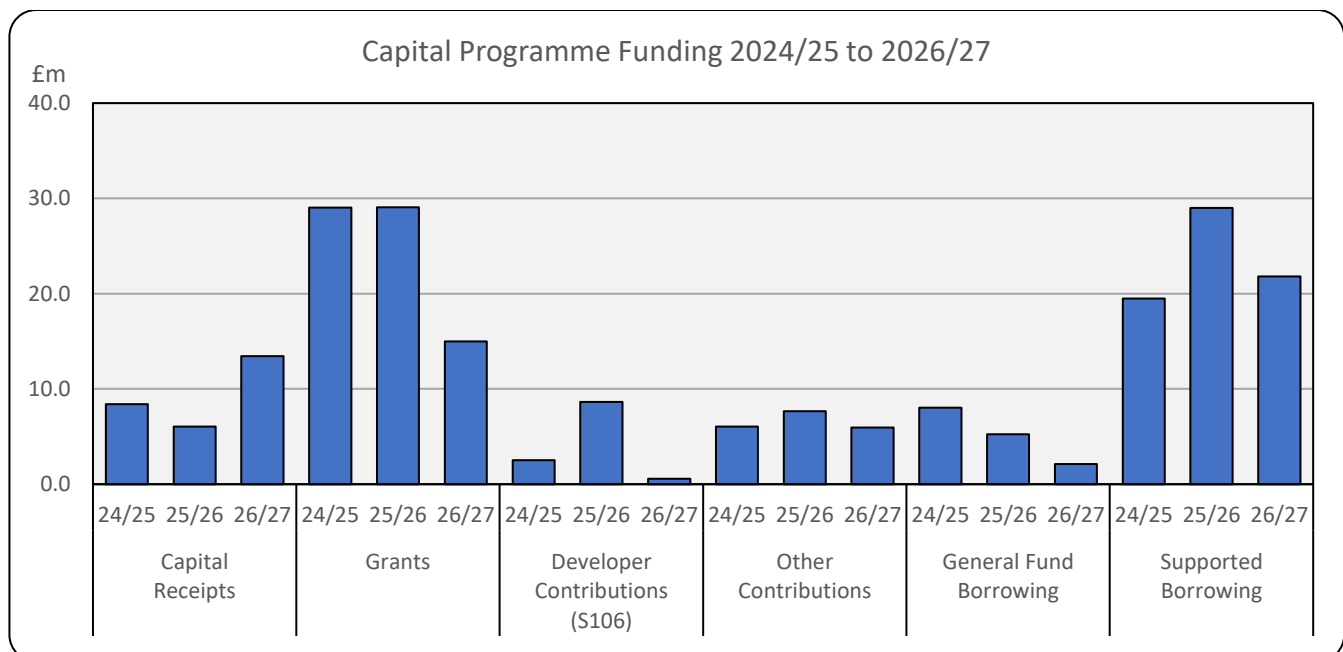
9. Capital Funding and Capital Reserves

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.

	Carry Forwards (Q3)	2023/24	2024/25	2025/26	2026/27	Total
		£m	£m	£m	£m	£m
Supported borrowing		(208.7)	(19.5)	(29.0)	(21.8)	(279.0)
Developer contributions (S106 / CIL)		(41.0)	(2.5)	(8.6)	(0.6)	(52.7)
Capital grants		(18.4)	(29.0)	(29.1)	(15.0)	(91.5)
Other contributions		(0.3)	(6.2)	(7.7)	(5.9)	(20.1)
Capital receipts		(12.3)	(8.4)	(6.1)	(13.5)	(40.2)
General fund borrowing		(12.8)	(8.0)	(5.2)	(2.1)	(28.1)
Total		(293.5)	(73.5)	(85.7)	(58.9)	(511.6)

The capital programme currently has a budget shortfall of c£8.5m over three years which includes a fully funded year 1 programme. 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 know 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 shows the CFR balance for supported borrowing and general fund borrowing.

Table 3 Capital Finance Requirement (CFR)

	Supported Borrowing				General Fund Borrowing			
	23/24	24/25	25/26	26/27	23/24	24/25	25/26	26/27
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	270	276	311	334	98	106	123	133
Expenditure in year	25	43	54	23	17	21	14	4
Repayments in year (MRP + Fund Swaps)	(19)	(8)	(31)	(17)	(9)	(4)	(4)	(4)
Closing balance	276	311	334	340	106	123	133	133

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			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	82	97	104	108
Expenditure in year	16	8	7	5
Repayments in year	(1)	(2)	(2)	(2)
Closing balance	97	104	108	111

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. A key driver for the increase in the prudential borrowing relate 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.

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 22 February 2024.

11. Flexible Use of Capital Receipts Strategy

Introduction

As part of the November 2015 Spending Review, the Government announced that it would introduce flexibility for the period of the Spending Review for local authorities to use capital receipts from the sale of non- Right to Buy housing stock assets to fund the revenue costs of service reform and transformation.

Guidance on the use of this flexibility was issued in March 2016 which applies to the financial years 2016/17 through to 2019/20. In the Provisional Local Government Settlement 2018/19 (announced 19 December 2017) the Government confirmed that the flexibility to use capital receipts to help meet the revenue costs of transformation will be extended to 31st March 2022. This has since been extended by a further 3 years from April 2022. The Guidance requires local authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy.

This document constitutes the Flexible Use of Capital Receipts Strategy for Wokingham Borough Council and requests approval where available to use capital receipts from sale of assets to fund qualifying expenditure.

The Guidance

The Guidance issued by the Secretary of State under section 16(2)(b) of the Local Government Act 2003 specified that; local authorities treat as capital expenditure, expenditure which:

- i) is incurred by the Authorities that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners; and
- ii) is properly incurred by the Authorities for the financial years that begin on 1 April 2022, 1 April 2023 and 1 April 2024.
- iii) is not incurred with respect to redundancy payments, except where such redundancy costs are necessarily incurred and limited to the amounts available as statutory redundancy payments.

In further exercise of the Secretary of State's powers under section 20 of the Act, it is a condition of this direction that expenditure treated as capital expenditure in accordance with it only be met from capital receipts, within the meaning of section 9 of the Act and regulations made under that section (for current provisions see Part 4 of S.I. 2003/3146, as amended), which have been received in the years to which this direction and the previous direction.

In using the flexibility, the Council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.

The Guidance provides a definition of expenditure which qualifies to be funded from the capital receipts flexibility. Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.

There are a wide range of projects that could generate qualifying expenditure. The key determining criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure. Within the above definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.

The Council's Proposals

The Council intends to use the capital receipts flexibility to fund or part fund the following projects. Included in the table are expected annual savings generated from this investment and form part of the saving plans associated with the medium term financial plan.

Project	Qualifying Expenditure Estimate £m	Expected Annual Savings £m
Adult Social Care – Demand Management	£0.8m	
Childrens Services – Transformation Programme	£2.2m	
Chief Executive – Digital / Change Programme	£1.0m	
Resources & Assets – Commercial & Procurement	£0.3m	
Place & Growth – Procurement	£0.2m	
Total	£4.5m	£3.5m - £5.5m

The Prudential Code

The Council will have due regard to the requirements of the Prudential Code and the impact on its prudential indicators from implementing the proposed project. The capital expenditure prudential indicators will be amended and approved as appropriate.

The Council will also have due regard to the Local Authority Accounting Code of Practice when determining and including the entries required from undertaking and funding this project within the Council's Statement of Accounts.

Monitoring the Strategy

The strategy will be monitored throughout the financial year and may be updated and replaced as proposals are developed and expenditure is incurred.

12. 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.

13. 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.

14. 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.

15. 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.

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CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24 £,000	Year 1 2024/25 £,000	Year 2 2025/26 £,000	Year 3 2026/27 £,000	Total £,000	
Children Services and Schools								
83	SEND Sufficiency (Two New Schools)	Extension / new build projects to provide additional places throughout the borough to meet demand	0	13,400	13,300	6,000	32,700	
	Short Breaks and Longer Term Care for Children with Disabilities TOM	Cost effective short breaks and longer term care provision in Wokingham for Children with Disabilities. Increasing overnight short break stay provision to help families to continue to provide the majority of care for their child at home	0	3,500	3,500	0	7,000	
	SEND resource units, SEND post 16 provision and specialist early years	Extension / new build projects to provide additional places throughout the borough to meet demand	4,470	3,171	0	0	7,641	
	Basic Needs Secondary Places	Extension / new build projects to provide additional places throughout the borough to meet demand <i>(Note - budget requirements for year 3 onwards currently under review to understand need and delivering within funding envelope)</i>	0	2,894	3,962	0	6,857	
	Local Care Leaver Accommodation	To provide a setting to meet the needs of vulnerable children.	0	2,000	0	0	2,000	
	Basic Needs Primary Programme	Extension / new build projects to provide additional places throughout the borough to meet demand	242	500	1,500	0	2,242	
	New Facilities	Arborfield / Barkham Primary School	Furniture, fittings & equipment to meet need of additional places throughout the borough	256	30	30	30	346
		Shinfield West Primary School		96	30	30	0	156
		Matthews Green Primary School		0	25	15	15	55
		Spencers Wood Primary		248	0	53	15	315
Alder Grove Primary School		62		0	0	0	62	
Sixth Form Expansion	Extension / new build projects to provide additional places throughout the borough to meet demand	3,499	0	1,151	100	4,750		
Care Leaver accommodation	To provide a setting to meet the needs of vulnerable children	1,199	0	0	0	1,199		
Primary strategy - Spencer's Wood Primary School	Extension / new build projects to provide additional places throughout the borough to meet demand. <i>(Note - there is additional developer funding in relation to Spencers Wood Primary School)</i>	462	0	0	0	462		
Matthews Green (St. Cecilia CofE Primary School)		299	0	0	0	299		
Arborfield Primary		80	0	0	0	80		

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
		New Facilities Total	10,912	25,550	23,541	6,160	66,163

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Housing Delivery	Care Leaver Supported Accommodation: Seaford Court	To provide a setting to meet the needs of vulnerable children.	730	1,470	1,530	0	3,730
		Housing Delivery Total	730	1,470	1,530	0	3,730
85 Improvement to Existing Facilities	Schools Maintenance	Capital improvements and suitability issues	0	630	630	630	1,890
	Schools Devolved Formula	Specific government grant to carry out capital works, controlled by schools	0	250	250	250	750
	Equipment for Disabled Children	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	0	200	200	200	600
	School Kitchens	Improve various school meals kitchens including delivery of the universal free school meal programme	0	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	0	32	32	32	96
	Schools Access	To improve access provision to schools	38	0	0	0	38
		Improvement to Existing Facilities Total	38	1,162	1,162	1,162	3,524
Service Improvements	Capitalisation of Analysts and Report Developers	Investment in business analysts part of continued change programme	0	138	138	138	414
	Capita IT System	Children's Services IT system	0	0	192	192	384
	Children in Care Website Upgrade	Improvement to children in care website	21	0	0	0	21
		Service Improvements Total	21	138	330	330	819
Children Services and Schools Total			11,701	28,320	26,563	7,652	74,235

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Housing, Local Economy and Regeneration							
88 Housing Delivery	Housing Tenants Services (HRA)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)	0	5,500	5,537	5,766	16,803
	Gorse Ride Regeneration Project	Redevelopment of Gorse Ride housing estate to provide new affordable housing	9,867	4,132	13,979	12,256	40,234
	Wellington Road Affordable Housing	To deliver homes for our most vulnerable residents and key workers	3,800	2,600	0	0	6,400
	Mandatory Disabled Facility Grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home	0	1,076	1,076	1,076	3,227
	Purchase of Council Houses (HRA)	To replace HRA housing stock using the 1 for 1 right to buy receipts	944	1,000	1,000	1,000	3,944
	Refurbishment and Extension - 48 Oxford Road (Non HRA Asset)	Extension to increase the provision of temporary accommodation	0	220	0	0	220
	Refurbishment of shower blocks at Carters Hill (Non HRA assets)	Upgrade of facilities to provide statutory level health and safety for residents of site	0	182	0	0	182
	Bulldog Garage - Temporary Accommodation	Build temporary accommodation to meet increase demand in the borough	4,800	0	0	0	4,800
	Gypsy, Roma & Traveller (GRT) Additional Pitches	Provision of additional GRT pitches as required in the Borough	1,590	0	0	0	1,590
	Self-Build Project	Delivery of affordable self-build schemes	1,224	0	0	0	1,224
Housing Delivery Total			22,226	14,709	21,591	20,098	78,624
Service Improvements	Commercial Portfolio - Improvement to WBC commercial properties	To ensure commercial properties are suitable for letting	0	0	100	0	100
Service Improvements Total			0	0	100	0	100
Regeneration of Towns	Carnival Pool Area Redevelopment	Part of town centre regeneration scheme	12,600	0	0	0	12,600
Regeneration of Town Centre Total			12,600	0	0	0	12,600

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
New Facilities	Infrastructure to enable Toutley East development	Infrastructure (including roads) to enable Toutley East development	3,004	0	0	0	3,004
	Strategic Property and Commercial Assets / Community Investment	Investment in strategic property and commercial assets - 14-28 Denmark St, Mulberry Business Park, Waitrose 108-114 Crockamwell Road, etc	9,746	0	0	0	9,746
New Facilities Total			12,750	0	0	0	12,750
Housing, Local Economy and Regeneration Total			47,576	14,709	21,691	20,098	104,075
Roads and Transport							
87	Local Cycling and Walking Infrastructure Plans	Improvements for walking and cycling in borough	2,389	2,800	2,000	2,000	9,189
	Active Travel and Bus Priority	Improvement to traffic flow and the encouragement of alternative sustainable modes of transport	0	400	400	400	1,200
	Gypsy Lane Footbridge	New non highway crossing (new foot and cycle structures in borough)	0	280	0	0	280
	Bus Stop Infrastructure Works to Support North Arborfield SDL	Transport infrastructure enhancement	22	30	30	0	82
	A327 Cycleway	Investment in cycle networks in the borough	848	0	2,550	0	3,398
	Greenways	A network of quiet commuting and leisure routes for pedestrians and cyclists	1,472	0	0	0	1,472
	Wokingham Borough Cycle Network	Investment in cycle networks in the borough (<i>including Bader Way cycle route</i>)	1,265	0	0	0	1,265
	Public Rights of Way Network (Loddon Long Distance Path)	Investment in all public rights of way and other non-motorised routes to support the needs of all types of users	749	0	0	0	749
	Kentwood Development - Cycle & Pedestrian Improvements	Improvements for walking and cycling in borough	177	0	0	0	177
	Hilltop Road Area Walking & Cycling Improvements		35	0	0	0	35
Alternative Transport Total			6,956	3,510	4,980	2,400	17,846

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Improvement to Existing Facilities	Highways Carriageways Structural Maintenance	Rolling programme to resurfacing carriageways (roads) to repair damage and extend the life of the asset	0	2,280	2,280	2,280	6,840
	Safety / Crash Barriers	Improving safety / crash barriers on the highways in the borough	0	325	500	750	1,575
	Commonfield lane passing bays	Improvements to road	0	252	0	0	252
	Bridge Strengthening	Continued enhancement to highway structures	0	225	225	225	675
	Highway Drainage Schemes	To reduce the overall degradation of the highway drainage network	333	200	200	200	933
	Highways Footway Structural Maintenance Programme	Enhancement to footways within the borough	0	100	100	100	300
	Strengthening Approach Embankments to Bridges	Continued enhancement to highway structures	0	20	20	20	60
	Street Lighting Column Structural Testing	Structural testing of lighting assets	0	0	20	0	20
	California Crossroads	Investment in enhancement across WBC road network	4,032	0	0	0	4,032
	Street Lighting - LED	Installing LED lighting in street lights	29	0	0	0	29
		Improvement to Existing Facilities Total	4,393	3,402	3,345	3,575	14,715
Service Improvements	Wokingham Highways Investment Strategy (WHIS)	A "Needs Based" approach to maintaining Wokingham's highways network, aligned to the Council's and stakeholder priorities	0	2,126	2,126	2,313	6,565
	Integrated Transport Schemes	Enhancement of the integrated transport schemes <i>(Note - Carry forward includes A327 Finchampstead Pedestrian Crossing, Threes Tuns Vulnerable Road User Scheme, Denmark Street - 2 Way Cycling and Winnersh Crossroads Scheme)</i>	356	500	400	400	1,656
	Traffic Signal Upgrade Programme	Investment in highways signals <i>(Note - Carry forward includes traffic signal works at Nine Mile Ride / Heathlands Road, Easthampstead Road Wigwags and Showcase Roundabout)</i>	195	250	250	250	945
	Safer Routes to Schools	Infrastructure changes to make school journey's by most sustainable mode <i>(Note - Carry forward includes Headley Road Crossing, Radstock Lane Path near school and Toucan Crossing - A329 Reading Road, Woosehill)</i>	150	150	150	150	600
	Tan House crossing ramps	Feasibility and design works	0	100	650	0	750
	Toutley Highways Depot Modernisation	Enhancement of environmental services facility	5,788	0	0	0	5,788
	Bridge Strengthening - Earley Station Footbridge	New footbridge over railway	2,000	0	0	0	2,000
		Service Improvements Total	8,489	3,126	3,576	3,113	18,304

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Income Generation	Residential Parking Zones	Introduction of paying for use of on street parking spaces in town centres and locations near to rail stations	0	848	0	0	848
Income Generation Total			0	848	0	0	848
New Roads	Completed Road Schemes Retention	Meet any retention costs from completed road schemes	23	66	68	70	226
	SCAPE - Strategic Road Infrastructure	Investment in future road building / enhancement across WBC road network (including new relief roads)	56,481	0	0	0	56,481
New Roads Total			56,504	66	68	70	56,707
Roads and Transport Total			76,342	10,952	11,969	9,158	108,420
Internal Services							
Service Improvements	Energy Reduction Projects	Energy efficiency projects at existing properties including, installing LED lighting, cavity wall & loft insulation, boiler controls, etc	2,811	1,750	1,750	1,750	8,061
	Central Contingency	Held to meet unforeseen cost pressures across the capital programme	0	1,500	1,500	1,500	4,500
	IT - Microsoft Licences	Continued enhancement in IT network	126	890	890	890	2,796
	IT - Enhancements		51	300	300	300	951
	IT - Hardware		933	200	0	0	1,133
	Improvement to existing Property Management Software	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)	0	125	125	0	250
	New CRM system		0	50	0	0	50
	Community Hub	Provision of Community Hubs throughout the Borough, for Council and partners to co-locate, enabling enhanced and better connected local services for residents	0	0	1,000	1,000	2,000
	IT - Infrastructure	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)	1,105	0	350	0	1,455
	Planning & Public Protection Partnership - system replacement	New software system with mobile functionality required to support PPP service planning	448	0	0	0	448
	IT - Security		428	0	0	0	428
	IT - Applications	Continued enhancement in IT network	102	0	0	0	102
	Service Improvements Total			6,003	4,815	5,915	5,440

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
New Facilities	Future HQ Provision	Feasibility and capital works budget for future Head Quarters provision	0	1,000	2,075	3,000	6,075
		New Facilities Total	0	1,000	2,075	3,000	6,075
Improvement to Existing Facilities	Property Maintenance and Compliance	The continued development and upkeep of the Councils customer digital assets and infrastructure	0	350	350	350	1,050
	Berkshire Record Office	Extension to the Berkshire Record Office building	436	0	0	0	436
	Library Offer	Improvements to the boroughs library offer	46	0	0	0	46
		Improvement to Existing Facilities Total	482	350	350	350	1,532
Internal Services Total			6,485	6,165	8,340	8,790	29,780
Adult Social Care							
New Facilities	Accommodation Transformation	Additional supported living accommodation	3,773	1,500	1,000	0	6,273
	Replacement of Day Services for Adults	Investment in provision of day services	121	800	0	0	921
	Older People's Dementia Home	Manage the future demand by investing in dementia care accommodation	13,139	0	0	0	13,139
		New Facilities Total	17,033	2,300	1,000	0	20,333
Service Improvements	Community Equipment	Support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of equipment.	0	731	737	745	2,213
	Facilitation better health for residents of new development	Facilitate health for residents living and impacted by new developments. Address areas of health-related needs of residents including disease prevention, mental health support and healthcare access across the life course	0	400	200	200	800
	ASC Nursing Home - Nurse Call Bell System	Installation of a modern call bell system	0	350	0	0	350
		Service Improvements Total	0	1,481	937	945	3,363

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
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	0	50	50	50	150
	WBC Nursing Home Refurbishment	Manage the future demand by investing in dementia care accommodation	1,250	0	0	0	1,250
	Suffolk Lodge - Fire Alarm replacement	Replacement fire alarm at Suffolk Lodge	53	0	0	0	53
Improvement to Existing Facilities Total			1,303	50	50	50	1,453
Adult Social Care Total			18,336	3,831	1,987	995	25,149
Environment							
61 New Facilities	Solar PV site 2	The delivery of solar farms will allow the council to offset its carbon emissions from electricity and gas usage	0	2,300	9,700	6,800	18,800
	Renewable Energy Infrastructure	Feasibility and delivery of renewable energy infrastructure (Photovoltaic - solar canopies schemes) to WBC assets	8,873	1,000	2,000	3,500	15,373
	Rooks Nest Wood SANG Extension	To deliver a strategic Sustainable Alternative Natural Greenspace (SANG) to mitigate impacts arising from smaller scale development proposals within the local plan update	0	150	1,400	0	1,550
	Barkham Solar Farm	The delivery of solar farms will allow the council to offset its carbon emissions from electricity and gas usage	24,603	0	0	0	24,603
	Sports Provision to Serve North & South SDL's (Grays Farm)	Delivery of an outdoor sports hub at Grays Farm, to facilitate the delivery of North and South Wokingham SDLs	6,352	0	0	0	6,352
	Montague Park Community Facility	To provide a new facility serving the SDL site	222	0	0	0	222
	Covid Memorial Wood	To deliver Covid memorial, and plant new wood	134	0	0	0	134
	California Country Park - Scout Hut	New scout hut at California Country Park	12	0	0	0	12
New Facilities Total			40,196	3,450	13,100	10,300	67,046

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Improving existing facilities	Leisure Centre Refurbishments & upgrades	The enhancement of existing leisure facilities	0	100	100	100	300
	Food Waste Collection	To provide food waste containers	0	20	20	20	60
	Waste Schemes - Recycling	Purchase of waste receptacles to enable the borough to enhance their waste / recycling	0	0	89	89	178
	California Lakeside Refurbishment	Refurbishment and upgrading of the lakeside area and associated paths at California Country Park.	380	0	0	0	380
	Biodiversity Capital Projects	A rolling programme aimed at enhancing the biodiversity value of various sites and other assets	15	0	0	0	15
Improvements to existing facilities Total			395	120	209	209	933
Environment Total			40,591	3,570	13,309	10,509	67,979
Total			201,032	67,547	83,858	57,202	409,639

The following budgets are capital budget approvals without planned expenditure and will be subject to detailed viable business cases:-

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24 £,000	Year 1 2024/25 £,000	Year 2 2025/26 £,000	Year 3 2026/27 £,000	Total £,000
Housing, Local Economy and Regeneration							
Housing Delivery	WBC Holdings Ltd Loan	Capital loans to support delivery of affordable housing via our companies	0	6,000	6,000	6,000	18,000
New Facilities	Community Investment	To build on the commercial property portfolio in line with the Council's socio-economic and sustainability agendas	92,459	0	0	0	92,459
Total capital budget approvals without planned expenditure			92,459	6,000	6,000	6,000	110,459
Total Capital Programme Budget			293,492	73,547	89,858	63,202	520,099

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

	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	2028/29 £,000	Total £,000
Children Services and Schools						
New facilities	25,550	23,541	6,160	60	60	55,371
Housing Delivery	1,470	1,530	0	0	0	3,000
Improvement to existing facilities	1,162	1,162	1,162	1,162	1,162	5,810
Service improvements	138	330	330	330	330	1,458
Children Services and Schools Total	28,320	26,563	7,652	1,552	1,552	65,639
Housing, Local Economy and Regeneration						
Housing delivery	20,709	27,591	26,098	25,860	25,558	125,817
Service Improvements	0	100	0	100	0	200
Regeneration of Town Centre	0	0	0	500	0	500
Housing, Local Economy and Regeneration Total	20,709	27,691	26,098	26,460	25,558	126,517
Roads and Transport						
Alternative Transport	3,510	4,980	2,400	2,400	2,400	15,690
Improvement to existing facilities	3,402	3,345	3,575	3,325	3,575	17,222
Service Improvements	3,126	3,576	3,113	3,317	3,538	16,670
Income Generation	848	0	0	0	0	848
New Roads	66	68	70	2,732	74	3,009
Roads and Transport Total	10,952	11,969	9,158	11,774	9,587	53,439
Internal Services						
Service improvements	4,815	5,915	5,440	4,990	4,490	25,650
New facilities	1,000	2,075	3,000	0	0	6,075
Improvement to existing facilities	350	350	350	350	350	1,750
Internal Services Total	6,165	8,340	8,790	5,340	4,840	33,475
Adult Social Care						
New facilities	2,300	1,000	0	0	0	3,300
Service improvements	1,481	937	945	870	950	5,183
Improvement to existing facilities	50	50	50	50	50	250
Adult Social Care Total	3,831	1,987	995	920	1,000	8,733
Environment						
New Facilities	3,450	13,100	10,300	0	0	26,850
Improvements to existing facilities	120	209	209	209	209	956
Environment Total	3,570	13,309	10,509	209	209	27,806
Total Capital Programme 2023/24 to 2027/28	73,547	89,858	63,202	46,255	42,746	315,608

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Approval of S106 and CIL Funding 2024/27

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.

Project Description	Total Budget 2024-25 to 2026-27	2024/25 Budget	2025/26 Budget	2026/27 Budget	Total Estimated Developer Contributions Funding	Total Estimated Other Funding
	£,000	£,000	£,000	£,000	£,000	£,000
Gorse Ride Regeneration Project	30,367	4,132	13,979	12,256	(4,649)	(25,718)
Basic Needs Secondary - Additional Places	6,857	2,894	3,962	0	(2,298)	(4,559)
Local Cycling and Walking Infrastructure Plans	6,800	2,800	2,000	2,000	(585)	(6,216)
Care Leaver Supported Accommodation: Seaford Court	3,000	1,470	1,530	0	(3,000)	0
A327 Cycleway	2,550	0	2,550	0	(1,950)	(600)
Facilitation better health for residents of new development	800	400	200	200	(800)	0
Gypsy Lane Footbridge - New non highway crossing	280	280	0	0	(280)	0
Commonfield lane passing bays	252	252	0	0	(252)	0
Primary strategy - Spencer's Wood Primary School Feasibility	68	0	53	15	(68)	0
Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy	60	30	30	0	(60)	0
Furniture, fittings & Equipment for Additional places	60	30	30	0	(20)	(40)
Primary strategy - Matthews Green FFE	55	25	15	15	(55)	0
Total	51,148	12,313	24,349	14,486	(18,355)	(32,793)

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TITLE	Treasury Management Strategy 2024-2027
FOR CONSIDERATION BY	Council on Thursday, 22 February 2024
WARD	None Specific
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

Agree the treasury management procedures, limits, and objectives for 2024/25.

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

That Council consider the recommendations of the Executive in respect of the Treasury Management Strategy 2024-2027 and approve:

- 1) The Treasury Management Strategy as set out in Appendix A including the following additional appendices;
 - Prudential Indicators (Appendix B)
 - Annual Investment Strategy 2024/25 (Appendix C)
 - Minimum Revenue Provision (MRP) policy (Appendix D)

EXECUTIVE SUMMARY

The Local Government Act 2003 and supporting regulations require the Council to ‘have regard to’ the Chartered Institute of Public Finance & Accountancy (CIPFA) Prudential Code and Treasury Management Code of Practice, and to set out indicators to ensure that the Council’s capital investment plans are affordable, prudent and sustainable. The Prudential Code focuses on capital finance, while the Treasury Management Code provides guidance on treasury management in the public services

The objectives of the Prudential Code are to provide a framework for local authority capital finance that will ensure for individual local authorities that:

- capital expenditure and investment plans are affordable and proportionate
- all external borrowing and other long-term liabilities are within prudent and sustainable levels
- the risks associated with investments for service and commercial purposes are proportionate to their financial capacity
- treasury management and other investment decisions are taken in accordance with professional good practice

Treasury Management Activities are defined as ‘The management of the organisation’s borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks’.

The CIPFA Prudential Code and CIPFA Treasury Management Code of Practice are both referred to by regulations, set out good practice and are complementary to one another.

The 2021 CIPFA Treasury Management Code of Practice sets out the requirements for all local authorities to set an annual Treasury Management Strategy.

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 Treasury Code and 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.

Under the minimum reporting requirements under the treasury management code, the Council will receive the strategy, mid-year and annual reports as part of this annual reporting cycle.

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. The indicators are a series of actuals, estimates, limits and a liability benchmark.

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

Prudential Indicators	2023/24 Forecast £m	2024/25 Forecast £m	2025/26 Forecast £m	2026/27 Forecast £m
<u>Limits</u>				
Authorised Limit (Note: Total CFR*120%)	575	646	690	701
Operational Boundary (Note: Total CFR*110%)	527	592	632	642
Maturity structure of borrowing	See Appendix B			
<u>Performance Indicators</u>				
Capital financing requirement – General Fund (GF)	382	434	467	473
Capital financing requirement – HRA	97	104	108	111
Gross external borrowing – General Fund (GF)	127	171	204	218
Gross external borrowing - HRA	76	87	97	105
Ratio of financing costs to net revenue stream – General Fund (GF)	(0.56%)	0.71%	2.19%	2.44%
Ratio of financing costs to net revenue stream - HRA	19.87%	23.30%	24.33%	24.53%
Net income from commercial & service investments to net revenue stream - GF	8.36%	10.17%	9.53%	9.25%
Liability benchmark	See Section 5			

- Annual Investment Strategy 2024/25 (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 capital spend also known as the capital financing requirement. The current approach which is inline 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;

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Housing, Local Economy & Regeneration – Non HRA	10.1	7.2	7.1	24.4
Children Services and Schools	28.3	26.6	7.7	62.6
Roads and Transport	11.0	12.0	9.2	32.2
Adult Social Care	3.8	2.0	1.0	6.8
Internal Services	6.2	8.3	8.8	23.3
Environment	3.6	13.3	10.5	27.4
Total General Fund Capital Programme	63.0	69.4	44.3	176.7
Housing, Local Economy & Regeneration – Housing Revenue Account (HRA)	10.6	20.5	19.0	50.1
Total Capital Programme 2024/25 to 2026/27	73.6	89.9	63.3	226.8

Note – the figures above do not include any carry forward budgets from the current approved 2023/24 capital programme.

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

General Fund

	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Supported borrowing	(17.4)	(22.4)	(17.0)	(56.8)
Developer contributions (S106)	(2.5)	(4.0)	(0.6)	(7.1)
Capital grants	(29.0)	(29.1)	(15.0)	(73.1)
Other contributions	(0.5)	(2.0)	0.0	(2.5)
Capital receipts	(5.6)	(2.5)	(5.2)	(13.2)
General fund borrowing	(8.0)	(5.2)	(2.1)	(15.4)
Total	(63.0)	(65.2)	(39.9)	(168.1)

Housing Revenue Account

	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Supported borrowing	(2.1)	(6.6)	(4.8)	(13.5)
Developer contributions (S106)	(0.0)	(4.6)	(0.0)	(4.6)
Other contributions	(5.7)	(5.7)	(5.9)	(17.3)
Capital receipts	(2.8)	(3.6)	(8.3)	(14.7)
Total	(10.6)	(20.5)	(19.0)	(50.1)

The capital programme currently has a budget shortfall of c£8.5m over three years which includes a fully funded year 1 programme. 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 a measure of the authority's level of indebtedness which represents capital expenditure that has been incurred but not yet paid for.

The table below shows estimated capital financing requirement over the MTFP period. Expenditure is driven from the delivery of the capital programme and repayments are expected through capital receipts, minimum revenue provision repayment and developer contributions. There are a number of capital budgets which are considered as 'approval to spend' however are still subject to approval of detailed business cases. If these capital budgets were excluded, the revised CFR is also shown in the table below.

	Capital Financing Requirement (General Fund)			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	368	382	449	493
Expenditure in year	42	80	79	113
Repayments in year;				
- Capital Receipts / Developer Contributions	(21)	(2)	(23)	(6)
- MRP	(7)	(9)	(13)	(15)
Closing Balance - CFR	382	449	493	584
Excluding capital budget approvals without planned expenditure (cumulative effect)		(16)	(26)	(111)
Closing Balance	382	434	467	473

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			
	23/24	24/25	25/26	26/27	23/24	24/25	25/26	26/27
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	270	276	311	334	98	106	123	133
Expenditure in year	25	43	54	23	17	21	14	4
Repayments in year (MRP + Fund Swaps)	(19)	(8)	(31)	(17)	(9)	(4)	(4)	(4)
Closing balance	276	311	334	340	106	123	133	133

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 and information about the delivery of projects. 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 external debt the Council holds. Where the Council hold 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. The level of internal borrowing will impact on the level of treasury investments held and therefore impact on the investment returns or savings from avoiding the need to borrow externally. Reserves are held for specific reasons and to mitigate against risk. Reserves are not available to fund ongoing service costs. Further information on the Councils reserves are set out in the Medium Term Financial Plan.

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 mainly from tenant’s rental income and right to buy receipts.

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

	Housing Revenue Account			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	82	97	104	108
Expenditure in year	16	8	7	5
Repayments in year				
VRP	(1)	(2)	(2)	(2)
Capital Receipts	0	0	0	0
Closing balance	97	104	108	111

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. A key driver for the increase in the prudential borrowing relate 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.

Liability Benchmark Prudential Indicator (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;

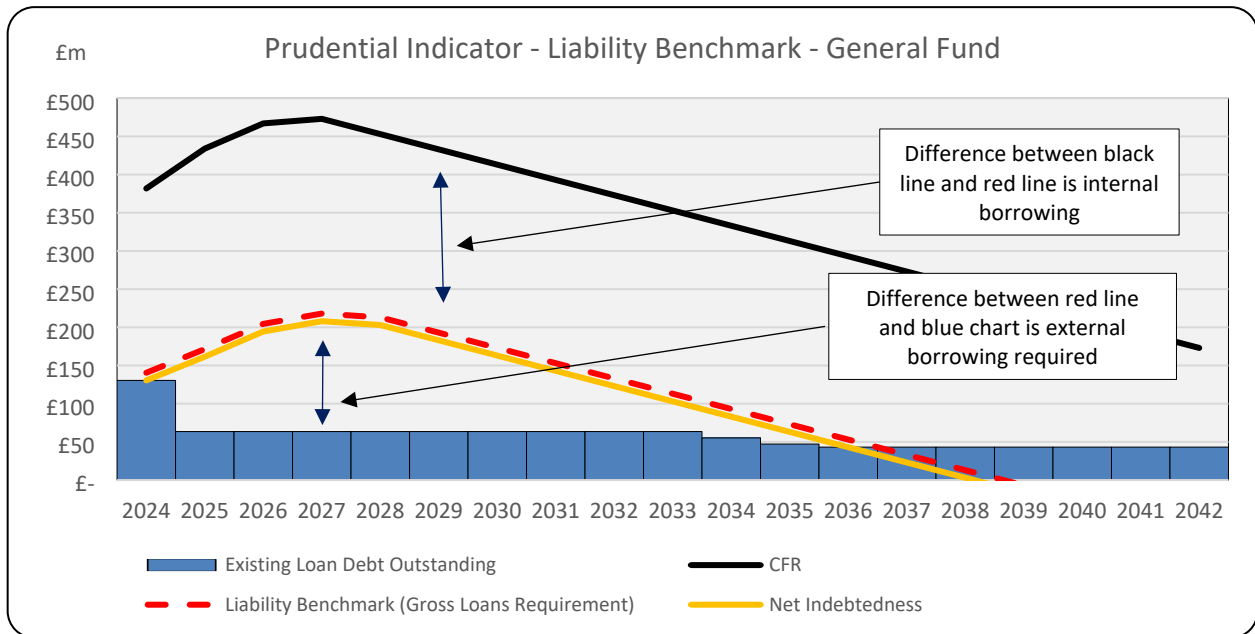
- CFR (Capital financing requirement) - a measure of the Authority's level of indebtedness, calculated from the capital assets the Authority has on its balance sheet and how they have been resourced – either through funding such as capital receipts, grants, revenue or through prudential borrowing. CFR will reduce over time through either MRP or through the application of other resources such as Capital Receipts.
- 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.

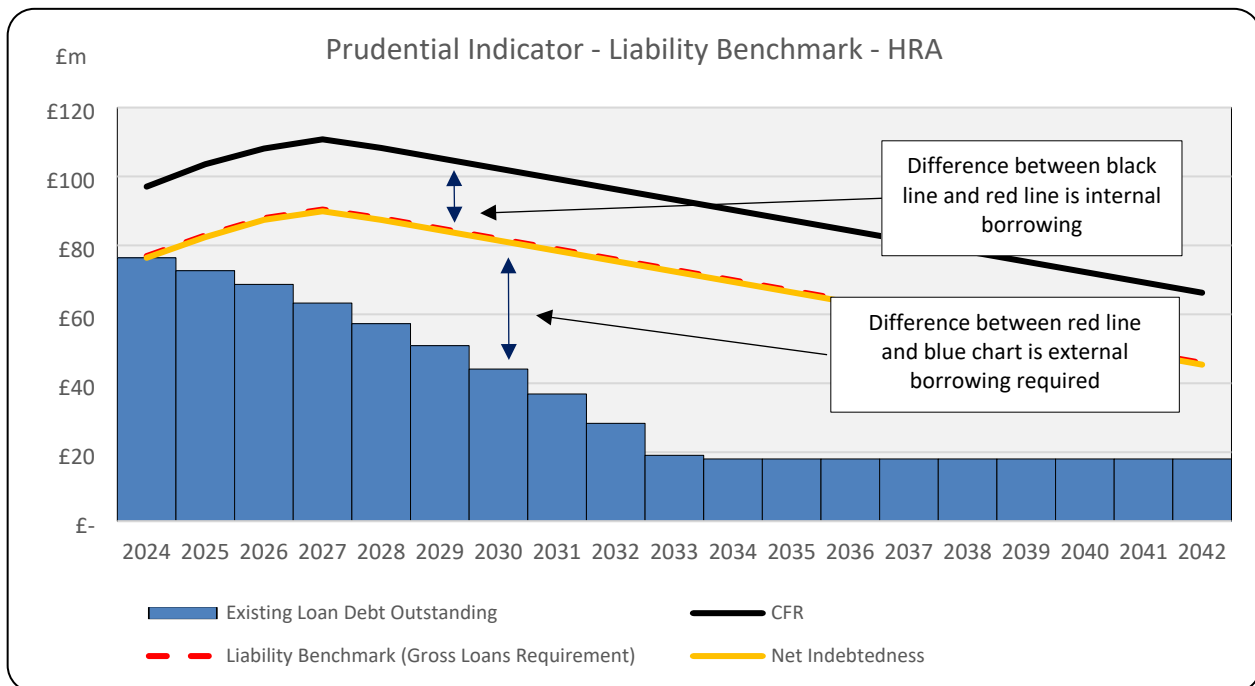
CFR and external debt will reduce as borrowings are repaid through income and will reach a point in time when debt is fully repaid and the ongoing income will be transferred to benefit the general fund.

The graph below is the Liability Benchmark for the General Fund. This is based on the CFR excluding the capital budgets that are currently 'approvals to spend' and still subject to detailed viable business cases.

The graph below is the Liability Benchmark for the General Fund Account



The graph below is the Liability Benchmark for the Housing Revenue Account



Key Changes to the Strategy

For 2024/25, the Council have enhanced their minimum revenue provision (MRP) policy which is set out in detail in Appendix D. Whilst the Council have applied the MRP policy in previous years within the guidance set out by Government, during the past year,

Government has consulted on the MRP Statutory Guidance and revised the guidance around areas such as commercial investments, future capital receipts (from asset sales) to repay debt and loans to companies. This has resulted in an increase in MRP provision which will in turn repay the capital financing requirement at an earlier date.

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 other financial information	N/A	N/A
Next Financial Year (Year 2)	See other financial information	N/A	N/A
Following Financial Year (Year 3)	See other financial information	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 22 February 2024 Executive meeting and will be available on the Council's website once approved.

The cost of borrowing and interest received from investments are provided for in the medium term financial plan

Stakeholder Considerations and Consultation

None

Public Sector Equality Duty

An Equality Impact Assessment is not required for this report.

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

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 2024/25 to 2026/27

Appendix C - Annual Investment Strategy

Appendix D - MRP policy

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Treasury Management Strategy 2024-27



WOKINGHAM
BOROUGH COUNCIL

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1. Introduction

The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the Chartered Institute of Public Finance & Accountancy (CIPFA) Prudential Code and Treasury Management Code of Practice, and to set out indicators to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Prudential Code focuses on capital finance, while the Treasury Management Code provides guidance on treasury management in the public services

The objectives of the Prudential Code are to provide a framework for local authority capital finance that will ensure for individual local authorities that:

- capital expenditure and investment plans are affordable and proportionate
- all external borrowing and other long-term liabilities are within prudent and sustainable levels
- the risks associated with investments for service and commercial purposes are proportionate to their financial capacity
- treasury management and other investment decisions are taken in accordance with professional good practice

Treasury Management Activities are defined as 'The management of the organisation's borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks'.

The CIPFA Prudential Code and CIPFA Treasury Management Code of Practice are both referred to by regulations, set out good practice and are complementary to one another.

The 2021 CIPFA Treasury Management Code of Practice sets out the requirements for all local authorities to set an annual Treasury Management Strategy.

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, the capital programme and expenditure are a key driver for treasury management activity. They 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 2024/25 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

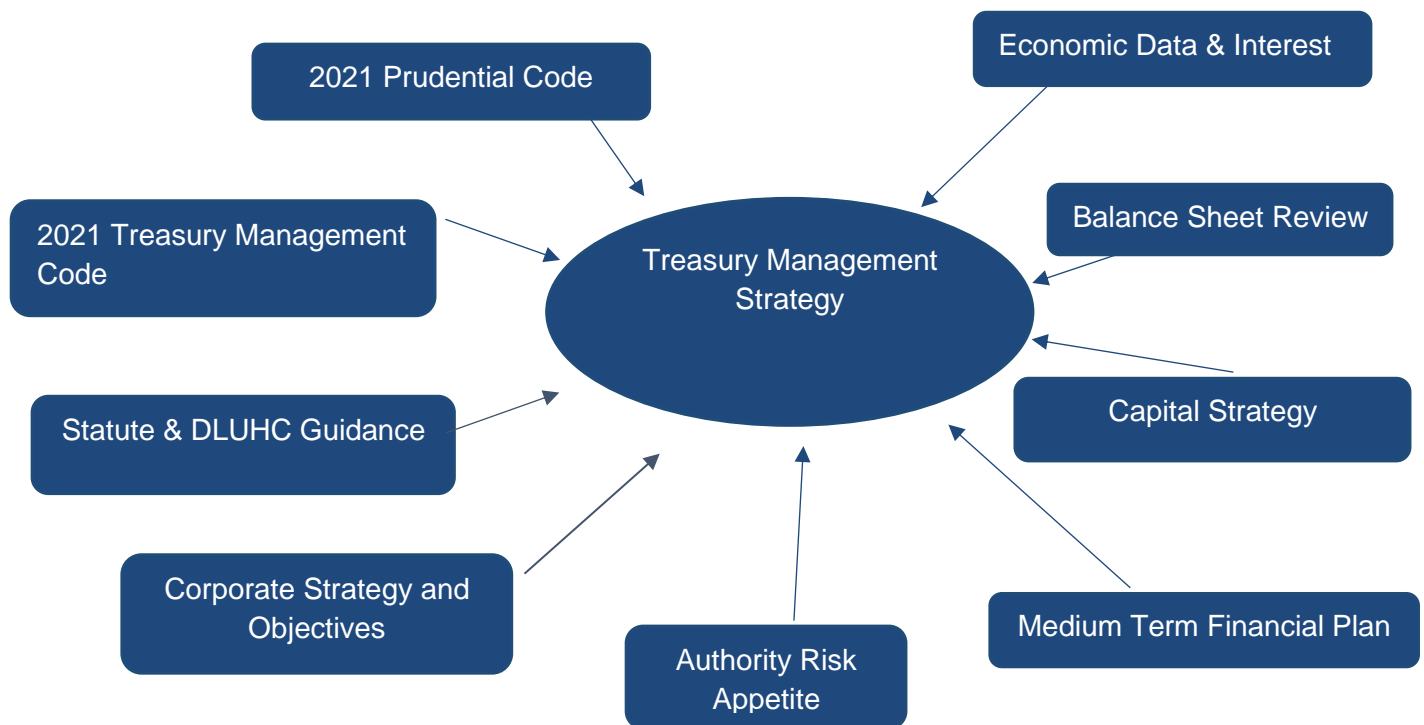
- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

2. Treasury Management Policy Statement

Wokingham Borough Council Treasury Management Policy Statement for 2024/25 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 Executive and Council 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.
- Quarterly monitoring of the prudential indicators.
- 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 2024/25.

For 2024/25, the Council have enhanced their minimum revenue provision (MRP) policy which is set out in detail in Appendix D. Whilst the Council have applied the MRP policy in previous years within the guidance set out by Government, during the past year, Government has consulted on the MRP Statutory Guidance and revised the guidance around areas such as commercial investments, future capital receipts (from asset sales) to repay debt and loans to companies. This has resulted in an increase in MRP provision which will in turn repay the capital financing requirement at an earlier date.

5. The Council's Capital Expenditure and Financing 2024/25

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.

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Housing, Local Economy & Regeneration – Non HRA	10.1	7.2	7.1	24.4
Children Services and Schools	28.3	26.6	7.7	62.6
Roads and Transport	11.0	12.0	9.2	32.2
Adult Social Care	3.8	2.0	1.0	6.8
Internal Services	6.2	8.3	8.8	23.3
Environment	3.6	13.3	10.5	27.4
Total General Fund Capital Programme	63.0	69.4	44.3	176.7
Housing, Local Economy & Regeneration – Housing Revenue Account (HRA)	10.6	20.5	19.0	50.1
Total Capital Programme 2024/25 to 2026/27	73.6	89.9	63.3	226.8

The capital programme proposed for 2024/25 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

	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Supported borrowing	(17.4)	(22.3)	(16.9)	(56.6)
Developer contributions (S106)	(2.5)	(4.0)	(0.6)	(7.1)
Capital grants	(29.0)	(29.1)	(15.0)	(73.1)
Other contributions	(0.3)	(1.9)	0.0	(2.2)
Capital receipts	(5.8)	(2.7)	(5.3)	(13.8)
General fund borrowing	(8.0)	(5.2)	(2.1)	(15.3)
Total	(63.0)	(65.2)	(39.9)	(168.1)

Housing Revenue Account

	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Supported borrowing	(2.1)	(6.6)	(4.8)	(13.5)
Developer contributions (S106)	(0.0)	(4.6)	(0.0)	(4.6)
Other contributions	(5.9)	(6.0)	(6.2)	(18.1)
Capital receipts	(2.6)	(3.3)	(8.0)	(13.9)
Total	(10.6)	(20.5)	(19.0)	(50.1)

The capital programme currently has a budget shortfall of c£8.5m over three years which includes a fully funded year 1 programme. 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 a measure of the Authority’s level of indebtedness, calculated from the capital assets the Authority has on its balance sheet and how they have been resourced – either through funding such as capital receipts, grants, revenue or through prudential borrowing. CFR will reduce over time through either MRP or through the application of other resources such as Capital Receipts.

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			
	23/24	24/25	25/26	26/27	23/24	24/25	25/26	26/27
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	270	276	311	334	98	106	123	133
Expenditure in year	25	43	54	23	17	21	14	4
Repayments in year (MRP + Fund Swaps)	(19)	(8)	(31)	(17)	(9)	(4)	(4)	(4)
Closing balance	276	311	334	340	106	123	133	133

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		
	24/25	25/26	26/27
	£m	£m	£m
Invest to save	71	123	136
Town centre regeneration	102	85	82
Wokingham housing companies	18	18	17
Developer contributions forward funded	21	12	11
Housing, economy & regeneration	99	96	94
Closing balance	311	334	340

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. These activities are inline with Council objectives and the capital strategy (e.g. affordable housing & regeneration) and not where return is the primary purpose.

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 is the liability benchmark prudential indicator and sets out the expected repayment of this borrowing alongside the currently levels of external loan debt.

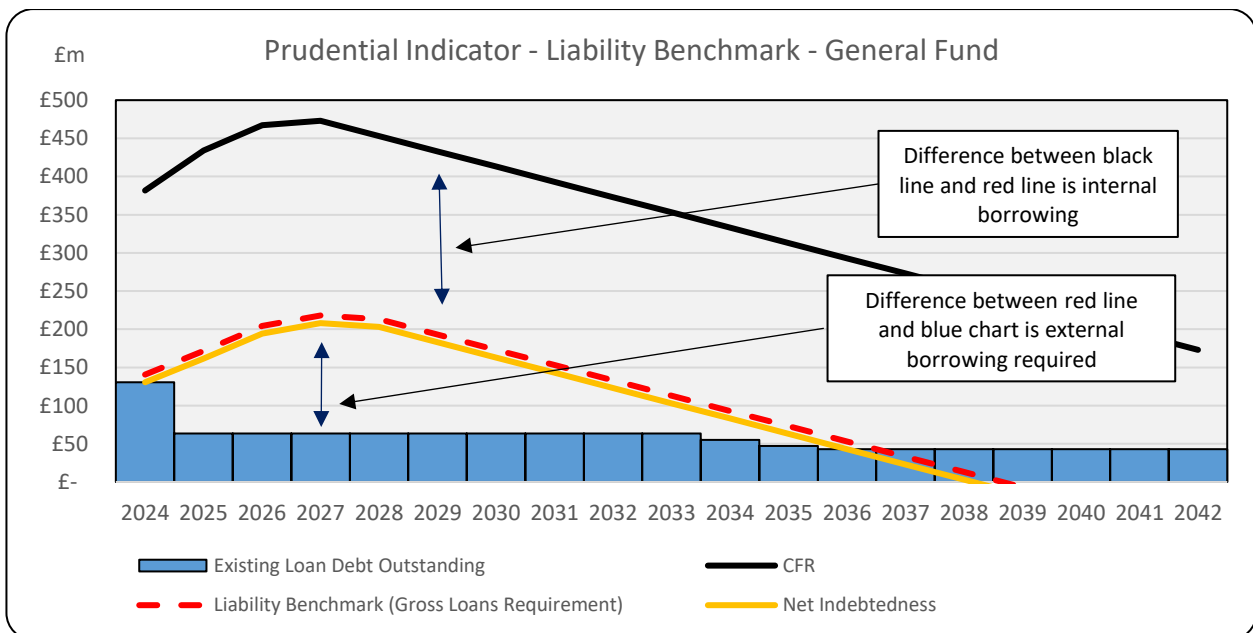
The graph includes four key parts in reference to debt;

- CFR (Capital financing requirement) - a measure of the Authority’s level of indebtedness, calculated from the capital assets the Authority has on its balance sheet and how they have been resourced – either through funding such as capital receipts, grants, revenue or through prudential borrowing. CFR will reduce over time through either MRP or through the application of other resources such as Capital Receipts.
- 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 below is the Liability Benchmark for the General Fund. This is based on the CFR excluding the capital budgets that are currently ‘approvals to spend’ and still subject to detailed viable business cases.



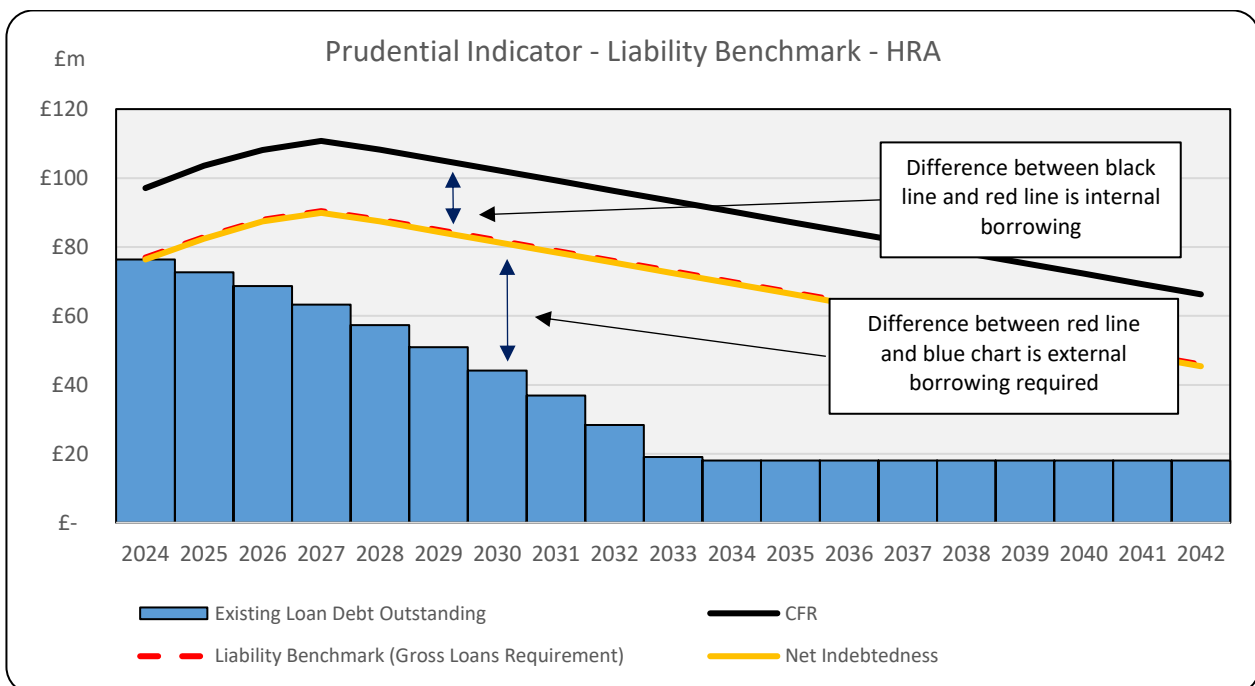
The original CFR levels before commercialisation, forward funding and regeneration projects were approximately £100m.

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			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	82	97	104	108
Expenditure in year	16	8	7	5
Repayments in year				
VRP	(1)	(2)	(2)	(2)
Capital Receipts	0	0	0	0
Closing balance	97	104	108	111

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. A key driver for the increase in the prudential borrowing relate 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.



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.**

For 2024/25 Wokingham Borough Council's MRP policy will follow the main DLUHC principles. The table below summarises areas where WBC will apply different MRP policies.

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	maximum 50 years using asset life as a guide
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	25 years or the period of the loan if longer. MRP will be reduced by an amount up to the amount of the capital receipts (loan repayments) received in respect of that loan during that financial year Additional MRP will be required if the expected credit loss of the loans exceed the regular MRP amount.
Forward Funding Schemes (Developer funded) a) S106 Funded	a) maximum 50 years using asset life as a guide. Where S106 receipts are received and applied to pay off the CFR in year, MRP will reduce from the year after applying S106 receipts. In the event, S106 receipts are applied and historic MRP has been over provided, this over provision will be considered when providing future MRP repayments

b) Community Infrastructure Levy (CIL Funded)	b) maximum 50 years using asset life as a guide. Where CIL receipts are received and applied to pay off the CFR in year, MRP will reduce from the year after applying CIL receipts.
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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 responses highlighted concerns raised by a number of authorities that the changes, as revised, could have unintended consequences that could adversely affect the delivery of priorities such as housing where councils were providing capital loans to finance delivery. In response to sector concerns, the proposals were amended to offer more flexibility regarding capital loans, balancing the need for MRP with the risk of non-repayment. The consultation on these changes ran from June to July 2022. The proposed changes to the Regulations remain substantively the same as previously consulted on in the June-July 2022 consultation, with some minor changes to reflect responses

The government issued a further consultation on 21st December (open until 16th February 2024). In light of the latest guidance, The Council will amend its MRP policy to enhance the provision of debt repayment with the changes set out in Appendix D.

7. 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 - a measure of the Authority's level of indebtedness, calculated from the capital assets the Authority has on its balance sheet and how they have been resourced – either through funding such as capital receipts, grants, revenue or through prudential borrowing. CFR will reduce over time through either MRP or through the application of other resources such as Capital Receipts.

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.

8. 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 Treasury Management Code and the DLUHC investment 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 years
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	F1 / A	£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 2024/25

There are no changes to the investment strategy for forthcoming financial year.

Estimated investment return rates for treasury investments

Although interest rates have settled recently compared to the previous year, there remains a lot of uncertainty in terms of the global and national economy and reducing inflation. Our treasury advisors provide us with regular updates on their interest rate forecast which helps guide our planning around returns / borrowing levels, etc. Investment returns are expected to remain at higher levels compared to previous years due to the higher interest rates however it is important to note, the Council invest for liquidity and security rather than yield and will consider the borrowing position alongside the investment position when making decisions.

Link Group - Latest Interest Forecasts (07.11.23)								
	Mar 2024	Jun 2024	Sep 2024	Dec 2024	Mar 2025	Jun 2025	Sep 2025	Dec 2025
Bank rate	5.25%	5.25%	5.00%	4.50%	4.00%	3.50%	3.25%	3.00%

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.

9. 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 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 forecast to be more stable over the next year with the base rate reducing slightly. 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.

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 2024/25

There are no changes proposed for the borrowing strategy for 2024/25.

10. Appendices

- Appendix B – Prudential & Treasury Management Indicators 2024/25 to 2026/27
- Appendix C - Annual Investment Strategy
- Appendix D - MRP Policy

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Prudential & Treasury Management Indicators 2024/25 to 2026/27

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.

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Housing, Local Economy & Regeneration – Non HRA	10.1	7.2	7.1	24.4
Children Services and Schools	28.3	26.6	7.7	62.6
Roads and Transport	11.0	12.0	9.2	32.2
Adult Social Care	3.8	2.0	1.0	6.8
Internal Services	6.2	8.3	8.8	23.3
Environment	3.6	13.3	10.5	27.4
Total General Fund Capital Programme	63.0	69.4	44.3	176.7
Housing, Local Economy & Regeneration – Housing Revenue Account (HRA)	10.6	20.5	19.0	50.1
Total Capital Programme 2024/25 to 2026/27	73.6	89.9	63.2	226.8

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

General Fund

	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Supported borrowing	(17.4)	(22.4)	(17.0)	(56.8)
Developer contributions (S106)	(2.5)	(4.0)	(0.6)	(7.1)
Capital grants	(29.0)	(29.1)	(15.0)	(73.1)
Other contributions	(0.5)	(2.0)	0.0	(2.5)
Capital receipts	(5.6)	(2.5)	(5.2)	(13.2)
General fund borrowing	(8.0)	(5.2)	(2.1)	(15.4)
Total	(63.0)	(65.2)	(39.9)	(168.1)

Housing Revenue Account

	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m
Supported borrowing	(2.1)	(6.6)	(4.8)	(13.5)
Developer contributions (S106)	(0.0)	(4.6)	(0.0)	(4.6)
Other contributions	(5.7)	(5.7)	(5.9)	(17.3)
Capital receipts	(2.8)	(3.6)	(8.3)	(14.7)
Total	(10.6)	(20.5)	(19.0)	(50.1)

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. The table below shows estimated capital financing requirement over the MTFP period. Expenditure is driven from the delivery of the capital programme and repayments are expected through capital receipts, minimum revenue provision repayment and developer contributions. There are a number of capital budgets which are considered as 'approval to spend' however are still subject to approval of detailed business cases. If these capital budgets were excluded, the revised CFR is also shown in the table below.

	Capital Financing Requirement (General Fund)			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	368	382	449	493
Expenditure in year	42	80	79	113
Repayments in year;				
- Capital Receipts / Developer Contributions	(21)	(2)	(23)	(6)
- MRP	(7)	(9)	(13)	(15)
Closing Balance - CFR	382	449	493	584
Excluding capital budget approvals without planned expenditure (cumulative effect)		(16)	(26)	(111)
Closing Balance	382	434	467	473

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

	Supported Borrowing				General Fund Borrowing			
	23/24	24/25	25/26	26/27	23/24	24/25	25/26	26/27
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	270	276	311	334	98	106	123	133
Expenditure in year	25	43	54	23	17	21	14	4
Repayments in year (MRP + Fund Swaps)	(19)	(8)	(31)	(17)	(9)	(4)	(4)	(4)
Closing balance	276	311	334	340	106	123	133	133

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		
	24/25	25/26	26/27
	£m	£m	£m
Invest to save	71	123	136
Town centre regeneration	102	85	82
Wokingham housing companies	18	18	17
Developer contributions forward funded	21	12	11
Housing, economy & regeneration	99	96	94
Closing balance	311	334	340

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			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	82	97	104	108
Expenditure in year	16	8	7	5
Repayments in year				
VRP	(1)	(2)	(2)	(2)
Capital Receipts	0	0	0	0
Closing balance	97	104	108	111

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.

	2024/25	2025/26	2026/27
	£m	£m	£m
Operational boundary for total debt	592	632	642

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.

	2024/25	2025/26	2026/27
	£m	£m	£m
Authorised limit for total debt	646	690	701

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

	2024/25	2025/26	2026/27
net cost / (income) of financing costs (£m)	£1.2m	£3.9m	£4.6m
Net revenue stream	£170.8m	£179.2m	£188.5m
Percentage of Financing Costs to Net Revenue Stream	0.71%	2.19%	2.44%

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

The increase in net financing costs over the three years is driven by higher interest costs and additional MRP to support the capital programme. The impact of these additional costs are estimated to be within current capital financing base budgets and will be monitored on a regular basis.

Increases in the CFR which are related to supported borrowing which have an identified repayment stream to offset the financing costs will have no impact on the ratio percentage above.

Housing Revenue Account (HRA)

	2024/25	2025/26	2026/27
net cost of financing costs (£m)	£4.5m	£4.9m	£5.1m
Net revenue stream	£19.1m	£20.1m	£20.8m
Percentage of Financing Costs to Net Revenue Stream	23.30%	24.33%	24.53%

The percentage remains fairly consistent over the three years with a gradual increase reflecting the additional borrowing for the HRA capital programme, additional costs from higher interest rates and increases in repayment of debt. 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.

	2024/25	2025/26	2026/27
Net income from commercial & service investments (£m)	£16.8m	£17.0m	£17.3m
Net revenue stream	£164.9m	£178.1m	£187.3m
Percentage of net income from commercial & service investments to net revenue stream	10.17%	9.53%	9.25%

Maturity structure of borrowing

The table below shows the current maturity structure of borrowing forecast as of 31 March 2024. The Council will aim to match the maturity structure of borrowing with the expected profile of when income will come in to repay borrowing.

The lower and upper limits are set at a range to aim to match actual loan maturities to the authority gross loans requirement (see liability benchmark graph in covering report). The aim of the limits are to ensure overall the Council do not borrow for longer than required.

As set out in the table below the majority of the Councils new borrowing for the year ahead should be keep short term. The limits are a guide to borrowing and the Council will always work with our external treasury management advisors when borrowing to ensure that all risks (interest rates and refinancing risks) are considered.

Long Term Borrowing	31st March 2024 £m	Current Limit	Lower Limit	Upper Limit
Less than 1 year	£90.7m	43%	0%	100%
Between 1 and 2 years	£4.0m	2%	0%	100%
Between 2 and 5 years	£17.8m	8%	0%	100%
Between 5 and 10 years	£35.2m	20%	0%	75%
Between 10 and 15 years	£18.0m	6%	0%	50%
Between 15 and 20 years	£0.0m	0%	0%	10%
Between 20 and 25 years	£1.5m	1%	0%	10%
Between 25 and 30 years	£8.7m	9%	0%	10%
More than 30 years	£34.0m	11%	0%	10%
Total	£209.9m			

Note: Less than a year borrowing will be replaced with a mixture of new external debt and internal borrowing if possible. Due to current uncertainty with interest rates and expectations rates will reduce towards the end of 2024, new borrowing may 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 will have in place at 31st March 2024, including maturity dates and interest rates.

Loan Number	Counterparty	Start Date	Maturity Date	Loan Principal	Interest Rate
L1172	Non Government Institution (Local Authorities, Police & Crime Commissioner, Pension Funds)	07/06/2023	05/06/2024	10,000,000	4.20%
L1189		19/06/2023	17/06/2024	2,000,000	5.00%
L1190		19/06/2023	17/06/2024	3,000,000	5.00%
L1191		26/03/2024	25/03/2025	10,000,000	5.60%
L1192		21/03/2024	20/03/2025	10,000,000	5.60%
L1193		03/07/2023	01/07/2024	10,000,000	5.45%
L1194		02/10/2023	30/09/2024	5,000,000	5.85%
L1199		05/10/2023	30/08/2024	15,000,000	5.55%
L1201		28/12/2023	28/06/2024	5,000,000	5.75%
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%
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%
Additional loans expected to be taken out before 31 st March 24		tbc	tbc	17,000,000	tbc

Long-term treasury management investments

Where a local authority invests, or plans to invest, for treasury management purposes in fixed interest instruments for periods longer than a year, or in other instruments only appropriate for longer-term investment, the local authority will set an upper limit for each forward financial year period for the maturing of such investments. These prudential indicators will be referred to as prudential limits for long-term treasury management investments. The intention is for this indicator to capture all the investments of a longer-term nature that are being made for treasury management purposes.

It is important to note that any long term treasury management investment will be considered along with the overall requirement to borrow to ensure cashflow requirements are met and borrowing costs are minimised.

At present, the Council does not have any treasury management investments greater than 1 year.

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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		Money Limit	Time Limit
	Short Term Rating	Long Term Rating	Short Term Rating	Long Term Rating	Short Term Rating	Long Term Rating		
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	£5m	1 year
Building Societies	-	-	-	-	-	-	£5m	1 year
Debt Management Office Account (DMADF)	-	-	-	-	-	-	£20m	6 Months
Guaranteed Organisations	-	-	-	-	-	-	£5m	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.

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 2018, 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 with a minimum of F1 / A credit rating), 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:

An investment is a specified investment if all of the following apply:

- The investment is denominated in sterling and any payments or repayments in the respect of the investment are payable only in sterling.
- The investment is not a long term investment. This means that the local authority has contractual right to repayment within 12 months, either because that is the expiry term of the investment or through a nonconditional option.
- The making of the investment is not defined as capital expenditure by virtue of Regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [as amended].
- The investment is made with a body or in an investment scheme described as high quality (see paragraph 33 or with one of the following bodies:
 - i. The United Kingdom Government;
 - ii. A local authority in England or Wales (as defined in section 23 of the 2003 Act) or a similar body in Scotland or Northern Ireland; or
 - iii. A parish council or community council

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 F1 / A. These investments will be restricted to a maximum period of 1 year and £5m 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 £5m 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.

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.

2024/25 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. Guidance was issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

Under Regulation 27 of the 2003 Regulations, local authorities are required to charge MRP to their revenue account in each financial year. Before 2008, the 2003 Regulations contained details of the method that local authorities were required to use when calculating MRP. This has been replaced by the current Regulation 28 of the 2003 Regulations, which gives local authorities flexibility in how they calculate MRP, providing the calculation is 'prudent'. In calculating a prudent provision, local authorities are required to have regard to this guidance.

The decision on the level of MRP lies with the Council. 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.

Under the guidance, when borrowing to provide an asset, the authority may treat the asset life as commencing in the year in which the asset first becomes operational. Therefore, it may postpone beginning to make MRP until the financial year following the one in which the asset becomes operational. 'Operational' here means when an asset transfers from Assets under Construction to an Assets in Use category under normal accounting rules.

Wokingham continues to ensure it is fully consistent with the statutory duty to make prudent revenue provision. It also follows the statutory guidance, details of the MRP arrangements are disclosed below.

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	maximum 50 years using asset life as a guide
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	25 years or the period of the loan if longer. MRP will be reduced by an amount up to the amount of the capital receipts (loan repayments) received in respect of that loan during that financial year Additional MRP will be required if the expected credit loss of the loans exceed the regular MRP amount.
Forward Funding Schemes (Developer funded) a) S106 Funded b) Community Infrastructure Levy (CIL Funded)	a) maximum 50 years using asset life as a guide. Where S106 receipts are received and applied to pay off the CFR in year, MRP will reduce from the year after applying S106 receipts. In the event, S106 receipts are applied and historic MRP has been over provided, this over provision will be considered when providing future MRP repayments b) maximum 50 years using asset life as a guide. Where CIL receipts are received and applied to pay off the CFR in year, MRP will reduce from the year after applying CIL receipts.

Based on the Council' latest estimates of its Capital financing of its CFR on 31st March 2024 the budget for MRP and voluntary overpayments (VRP) has been set as follows:

Estimated MRP/VRP	2024/25 £m	2025/26 £m	2026/27 £m
MRP (minimum repayment provision)	£9.5m	£12.9m	£15.8m
PFI principal charge	£0.4m	£0.4m	£0.4m
HRA VRP	£1.6m	£2.1m	£2.1m
Contribution from invest to save schemes	(£1.4m)	(£3.2m)	(£5.7m)
Contribution from housing, economy & regeneration	(£4.6m)	(£5.7m)	(£5.8m)

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 change will be for material operating leases being restated as finance leases which will affect the CFR balance and the estimated MRP payments. The MRP requirement would be regarded as met by a charge equal to the element of the rent / charge that goes to write down the balance sheet liability. Where a lease (or part of a lease) or PFI contract is brought onto the balance sheet, having previously been accounted for off-balance sheet, the MRP requirement would be regarded as having been met by the inclusion in the charge for the year in which the restatement occurs, of an amount equal to the write-down for that year plus retrospective writing down of the balance sheet liability that arises from the restatement.

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 responses highlighted concerns raised by a number of authorities that the changes, as revised, could have unintended consequences that could adversely affect the delivery of priorities such as housing where councils were providing capital loans to finance delivery. In response to sector concerns, the proposals were amended to offer more flexibility regarding capital loans, balancing the need for MRP with the risk of non-repayment. The consultation on these changes ran from June to July 2022. The proposed changes to the Regulations remain substantively the same as previously consulted on in the June-July 2022 consultation, with some minor changes to reflect responses

The government issued a further consultation on 21st December (open until 16th February 2024). In light of the latest guidance, The Council will amend its MRP policy to enhance the provision of debt repayment with the changes set out below.

Changes to 2024-2025 Policy

The following changes have been made for the 2024/25 MRP policies to further enhance the financial provision for the repayment of debt. These include;

- Housing, Local Economy and Regeneration - a) assets that can be disposed of for appreciation

2023/24 Policy	10% of maximum 15 years asset life
2024/25 Policy	maximum 50 years using asset life as a guide

- Loan Capital in WBC holdings

2023/24 Policy	no charge – loan secured by company asset
2024/25 Policy	25 years or the period of the loan if longer. MRP will be reduced by an amount up to the amount of the capital receipts (loan repayments) received in respect of that loan during that financial year Additional MRP will be required if the expected credit loss of the loans exceed the regular MRP amount.

- Forward Funding Schemes (Developer funded)
 - a) S106 Funded
 - b) Community Infrastructure Levy (CIL Funded)

2023/24 Policy	no charge – developer contributions are used to repay principle
2024/25 Policy	a) maximum 50 years using asset life as a guide. Where S106 receipts are received and applied to pay off the CFR in year, MRP will reduce from the year after applying S106 receipts. In the event, S106 receipts are applied and historic MRP has been over provided, this over provision will be considered when providing future MRP repayments b) maximum 50 years using asset life as a guide. Where CIL receipts are received and applied to pay off the CFR in year, MRP will reduce from the year after applying CIL receipts.

TITLE	Medium Term Financial Plan 2024-2027 Including Revenue Budget Submission 2024/25
FOR CONSIDERATION BY	Council on Thursday, 22 February 2024
WARD	None Specific

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

To provide the key revenue budget extract for 2024/25 of the Medium Term Financial Plan (MTFP) 2024-2027 for submission to Council.

RECOMMENDATION

That Council is asked to consider the recommendations of the Executive.

That Council:

- 1) Approve the Medium Term Financial Plan (MTFP) 2024/27, including the budget submission for 2024/25 and the Summary of Budget Movements (SOBM);
- 2) Approve the statutory resolution that sets out the 2024/25 council tax levels (as set out in Appendix A to the report)
- 3) Approve that in the event that there are any changes to the provisional precept of the Fire Authority or parishes, arising from their precept setting meetings being held before the end of February, the Deputy Chief Executive (S151 Officer) is delegated authority to enact all relevant changes to the MTFP, Statutory Resolution and council tax levels.

EXECUTIVE SUMMARY

Members are presented with the Medium Term Financial Plan for 2024-2027 including the proposed revenue budget submission for 2024/27 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).

BACKGROUND

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 2024/25 budget proposals. This was reported to January Executive and forms the first section of the MTFP.

The Medium-Term Financial Plan covers both the revenue and capital budgets required to deliver the priorities of the Council over the next three years.

The net revenue budget for 2024/25 is approximately £172m excluding capital and internal recharges. The Council needs to set a balanced budget in the context of this.

The budget requirements for 2025/26 and 2026/27 will be shown in the MTFP as indicative figures only.

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 online survey was available on the Council's engagement website from 2 October to 3 November 2023 and had 488 responses.

Public Sector Equality Duty

A cumulative equality impact assessment has been undertaken on the budget and is detailed in Appendix B. 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 – 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 MTFP includes budget allocation to deliver improvements in climate change.

Reasons for considering the report in Part 2

None

List of Background Papers

- Appendix A – Statutory Resolution
- Appendix B – Cumulative Equality Impact Assessment
- Medium Term Financial Plan 2024-2027

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Medium Term Financial Plan 2024/2025

Including Revenue Budget Forecast & Capital Budget
Forecast to 2026/2027



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 2024/25 (Inc. Revenue Budget Forecast & Capital Budget Forecast to 2026/27)

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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	5 – 33
Reserves and Balances	Lists the reserves and balances held – providing detail of their value, purpose and benefit	34 – 44
Grand Summary – General Fund Proposed Budget 2024/25	Summary of the budget at department level, income/grant streams and how that calculates against a Band D council tax charge	45 – 46
Grand Summary – General Fund Forecast Budgets 2025/26 and 2026/27	Current forecast of future revenue budgets	47
Gross Income and Expenditure	Summary position for all expenditure and income including Dedicated Schools Grant and Housing Revenue Account	48
Service Narratives (including Service Budgets)	Provides summary by department of the services key priorities, pressures, risks and transformation plans	49 – 69
Summary of Budget Movements 2024/25	Details the changes in budgets between 2023/24 and 2024/25 – their value and reason	70 – 73
Three Year Budget Forecast	Details the expected areas of growth for each department from 2024/25 to 2026/27	74 – 76
Budget Variables and Financial Risk Analysis	Lists the areas of risk identified and how they inform the level of general fund balance required	77 – 78
General Fund Reserves Policy Statement	Provides understanding of the purpose and need for the General Fund Balance	79
Housing Revenue Account Revenue and Capital Budget	Details for the accounts of the Councils Housing Stock including running costs, income / rents and capital investment	80 – 81

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	82
Housing Revenue Account Reserves Policy Statement	Provides detail and understanding to the purpose and need for the HRA Reserves	83
Schools Block Budget	Details of the statutory education budget – including expenditure, grants received and the surplus/deficit on the account	84
Capital Programme 2024-2027 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 2026/27	85 – 101
Capital Funding	Definition of capital expenditure and the policy for funding and ensuring affordability	102
Five Year Capital Vision	High level summary of the longer-term capital investment plans	103 – 104
Commercialisation and Value for Money	The Councils approach to commercialisation and VFM	105
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	106 – 109
Parish Precepts 2024/25	Lists the level of Council Tax precepts for each parish	110
Council Tax by Band and Parish	Details the Council tax due by Band and for each parish	111
Budget Management Protocol	The expectations of officers and managers responsibilities to manage budgets	112 – 113
Essential Practice for Budget Managers	Exemplar questions for budget managers to assist their management role	114
Glossary of Terms	Further detail to explain a number of technical and local government terms and references	115 - 117

CHIEF FINANCE OFFICER'S STATUTORY REPORT

1. Introduction

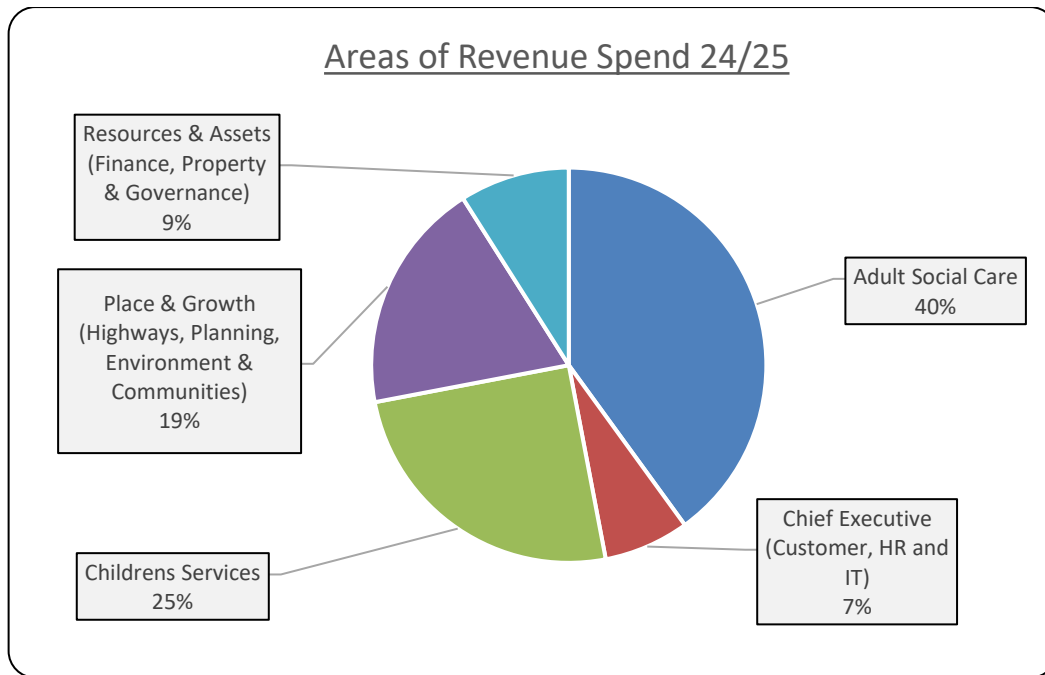
The Local Government Act 2003 requires the Chief Finance Officer (CFO) to report to Members (Councillors), when setting the council tax charges. The CFO must state if the budget is robust and if it has enough reserves. The report is intended to discharge this responsibility and provides an overview of the Council's financial position as a context before making specific recommendations on the 2024/25 budget.

The budget setting process started early in 2023/24 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 2024/25 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.

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 and other relevant benchmarking data; which shows the council in a strong position across a number of indicators
- 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)
 - Lowest core funding 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 increases in national living wage as well as those from specific services such as care leavers and 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 departmental transformation and efficiency programs to identify 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.

Add in response to the escalating financial pressures and national context of the number of local authorities issuing Section 114 notices the organisation has during 2023/24 introduced additional short-term controls which will be reviewed pending impact and the wider budget position;

- A number of “GOLD” project groups chaired by members of CLT to oversee and add focus to key areas of business including;
 - capital programmes
 - schools place planning
- Additional departmental sign-off for all significant expenditure items
- Additional departmental review and sign off for all recruitment

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 are Council services funded?

For 2024/25, the Council is planning to spend in excess of £500 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 2024/25, the Council will spend approximately £272m 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 £169m.

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. There is no current timescale for the fundamental funding review and 2024/25 has recently been published for only one year, with few indications for 2025/26. 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 2025/26 and 2026/27. 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 2024-2027 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.

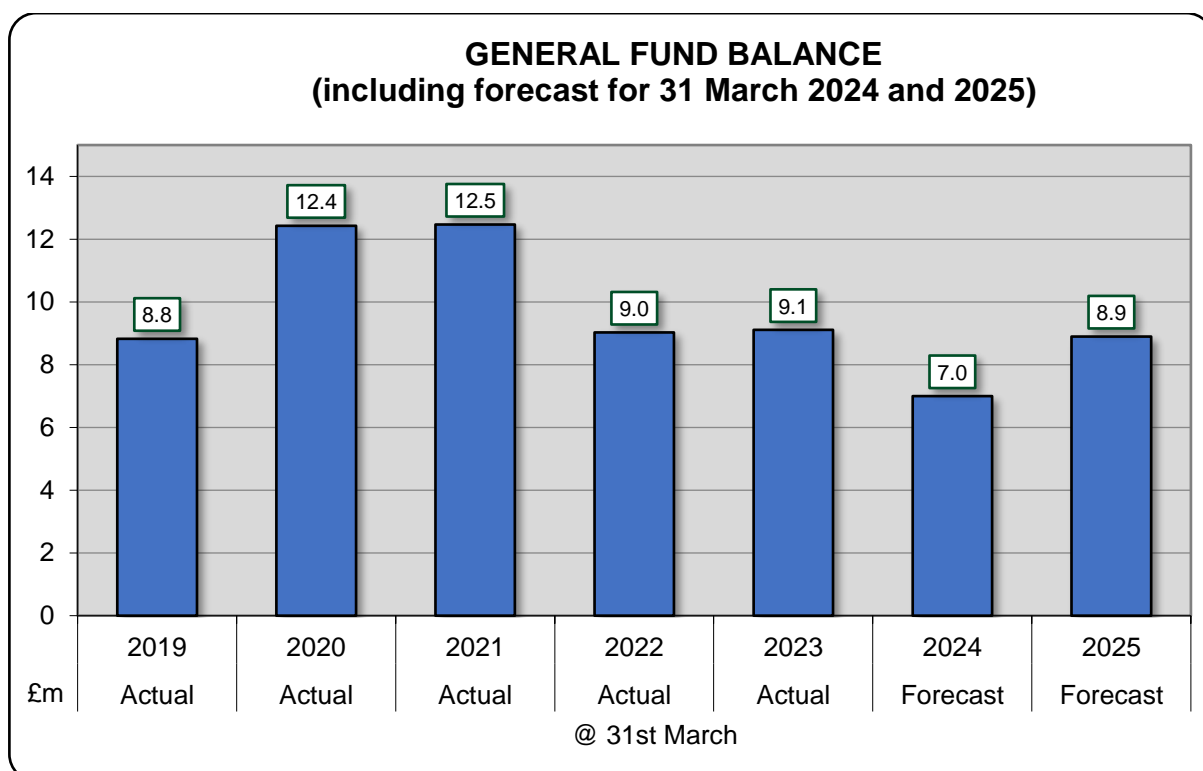
The Safety Valve agreement will last until 2028/29 and will see the council receive around £20m of funding to support improvement to ultimately bring the balance of the DSG back to nil by the end of the programme. The first 2 quarters returns have been signed off with initial payments received. Significant and senior project management arrangements are in place to support deliverables.

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.

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 2023/24 to reduce the in-year overspend of c£3.6m, as reported in the quarter three revenue monitoring, to restore reserves to higher levels.

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 2024 of £15.27m in this area (inclusive of Safety Valve payments and use of the Equalisation Fund). For 2023/24 the mitigations are largely due to be delivered from actions and provision already planned for in the budget. From 2024/25 onwards, successful delivery of the mitigations is 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. Accounting guidance published by CIPFA state that this deficit reserve should be held as an unusable reserve. A statutory override is currently in place to March 2026 that protects this fund falling on the council taxpayer. It is expected that this timeframe will be reviewed by the Government.

The Council also hold approximately c£6.6m in school reserves as at 31st March 2024 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 have been 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 seeking high 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**

Long-term Financial Viability – With a number of local authorities already having issued a section 114 notice and a significant further number issuing warnings that their financial position is extremely perilous and that a section 114 notice is a real possibility, it is critical that Wokingham is able to set a budget that does not rely on the use of significant reserves, that the efficiencies and savings identified are delivered in a timely and effective manner. Whilst longer-term funding arrangements are not clear, it is extremely likely that further funding pressures will be experienced, and the council will be required to review all expenditure and service delivery approaches. The level of efficiencies including significant staffing cost reduction included in the budget are higher than ever and will require considerable focus and management. Maintaining a healthy level of reserves will be critical to being able to manage cost spikes and to provide capacity to invest to deliver service changes.

Adult Social Care – Although the charging reform has been postponed, the risk of care reform measures and the impact on the care market remains. The further 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 and major contract renewals and remodelling will carry risk, some considerably higher than others.

Corporate – The impact of inflation, interest rates, 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.

From a strategic financial perspective, it will be extremely challenging to keep spending within budget in 2024/25 given the National and Local context and we must do all we can to minimise and prevent any unfunded financial burdens flowing into 2025/26. The 2024/25 budget proposals 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 2024/25 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 and the ASC charging reform.

6. Conclusion

This budget submission to Council is presented at a time that Local Government as a whole faces the severest of financial challenges and Wokingham Council is far from immune to this. The total Revenue Budget savings target for 2024/25 alone, is in excess of £16m which is more than three times that of historical annual savings requirements. Over £11m of this total has been identified in the submission as specific savings proposals, leaving just under £5m to be met from reserves (one off Revenue balances).

Although it is not ideal to fund ongoing expenditure from 'one off' resources, the Council's Revenue balances are relatively healthy and this approach is consistent with the Government's advice as part of the Local Government Finance Settlement, to use reserves where possible. I therefore consider the use of reserves put forward in this budget as an acceptable measure given the magnitude of the financial pressures it is currently facing. It enables a reasonable General Fund Balance close to £9m and provides time to assess and address the ongoing funding shortfall in later years.

The Housing Revenue Account is fairly delicately balanced as a result of increasing costs, including the servicing of debt, which is mitigated through setting rent levels at the highest permissible rates whilst also containing expenditure where possible. A modest forecast reserve of just over £1m is considered to be adequate.

Over recent years the DSG deficit has escalated to a level of considerable concern and the ongoing 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, under the Government sponsored Safety Valve programme.

The Capital Programme, although balanced in 2024/25, has a deficit across the 3-year MTFP of over £8m before any currently unknown requirements are identified (e.g. emergency expenditure). Considerable work has been successfully undertaken to manage down much higher 3-year deficits presented in previous years, nevertheless diligent cost control measures, the reviewing of schemes will need to continue, to curtail or rephase expenditure where possible.

The risks and challenges within this budget submission are significant particularly in terms of meeting unprecedented magnitude of Revenue savings targets (in 2024/25 and beyond), addressing the escalating DSG deficit and funding a Capital Programme over 3 years. It will inevitably require a clear focus on 'Value for Money', that starts with meeting a demonstrable need, and will also require difficult choices over the life of the MTFP. However, given the Council's overall relatively healthy reserves position and its continued focus on, and strengthening of financial management at the highest level, I consider this budget proposal to be sound.



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;

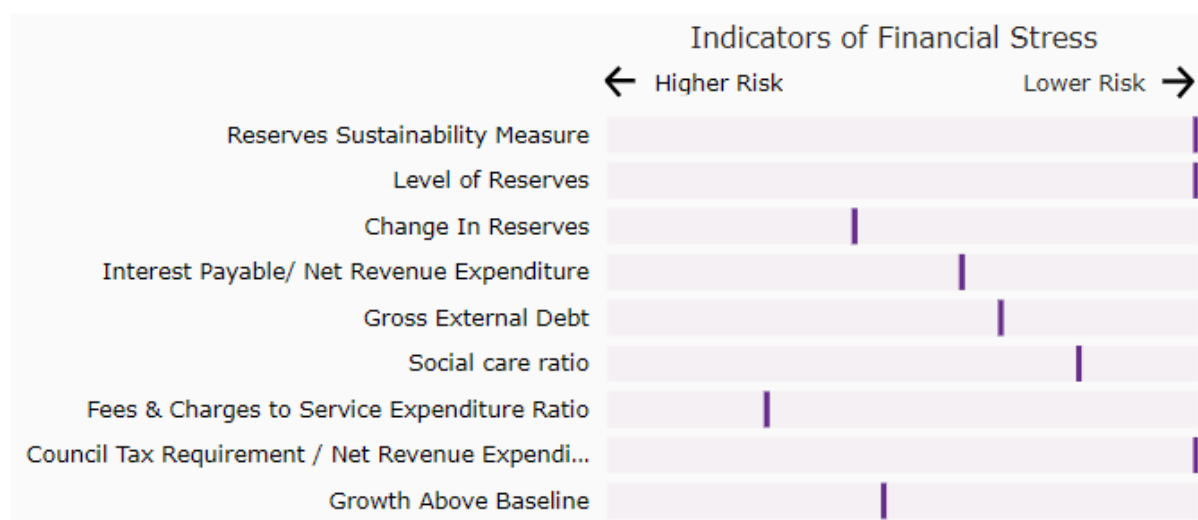
Key Financial Standing & Funding Context

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 no other risks or opportunities that have not been considered or understood.

CIPFA Resilience Index

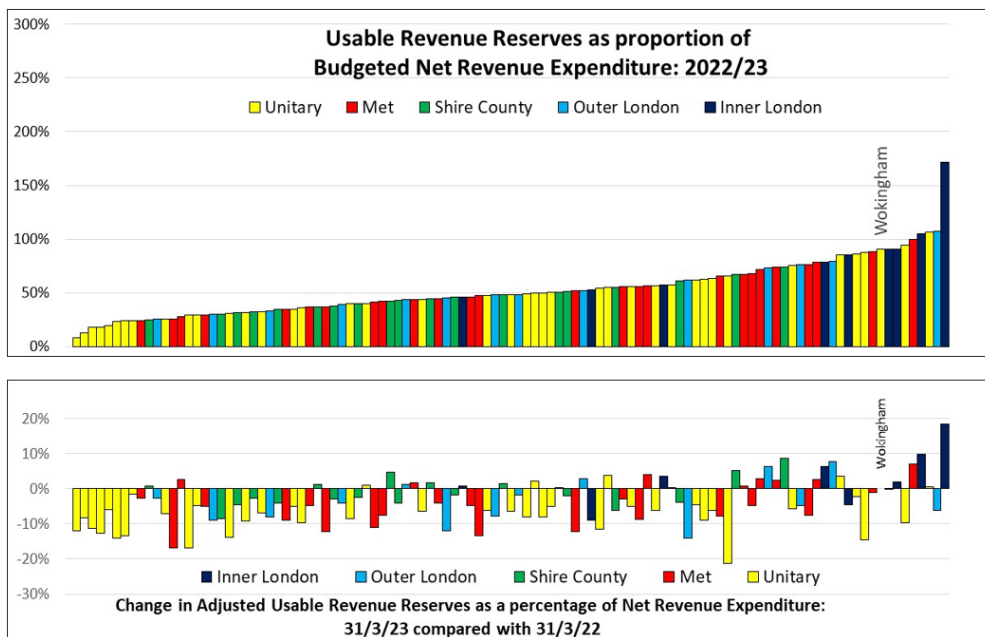
In December 2019, CIPFA published their first financial resilience tool which highlighted key financial indicators such as reserves sustainability, external debt and social care ratios based on the 2018/2019 financial year. The index shows a council's position on a range of measures associated with financial 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. Below table gives a summary of the position from the latest data (22/23), confirming a strong position across a number of indicators, particularly in respect to reserves. The position in reserves is especially relevant as a counter measure to the relatively higher risk position in interest payable/net revenue expenditure.

CIPFA Financial Resilience Index (2022/23)

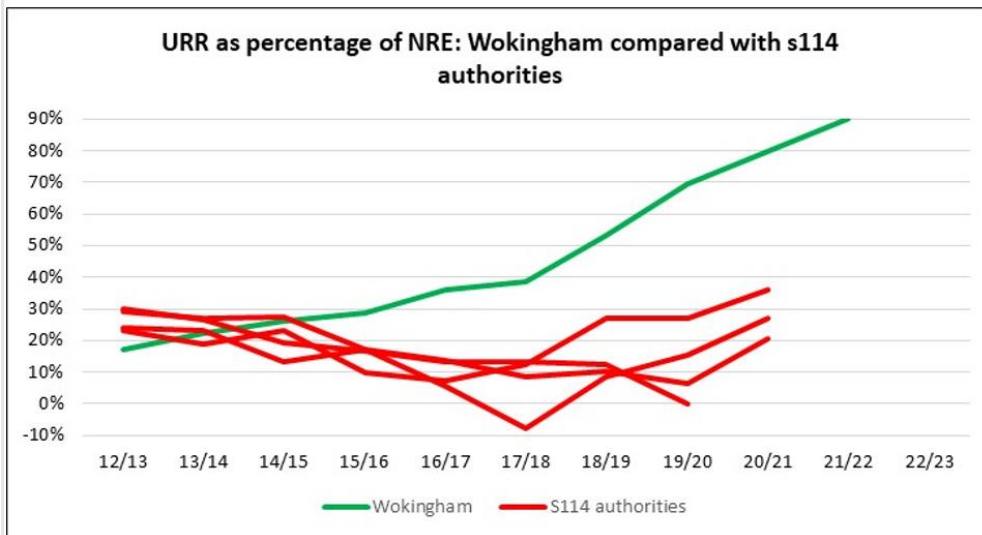


The index shows that Wokingham has slightly higher than average levels of external debt but relatively high levels of reserves which provides the Council with financial assurance. Although the Council have a slightly higher than average risk in interest payable compared to others, this is based on gross interest payable which excludes income received from capital assets which fund the capital financing costs. The Council have a lower risk in the cost of social care costs (adults and children's) as percentage of net revenue expenditure (Social care ratio) compared to others and therefore considered to be a lower level of risk. The percentage of our revenue expenditure funded through council tax also provides further confidence and resilience. The level is near the highest across all unitary authorities, it means a high dependency on local taxation and a lower risk in relation to cuts in government grants.

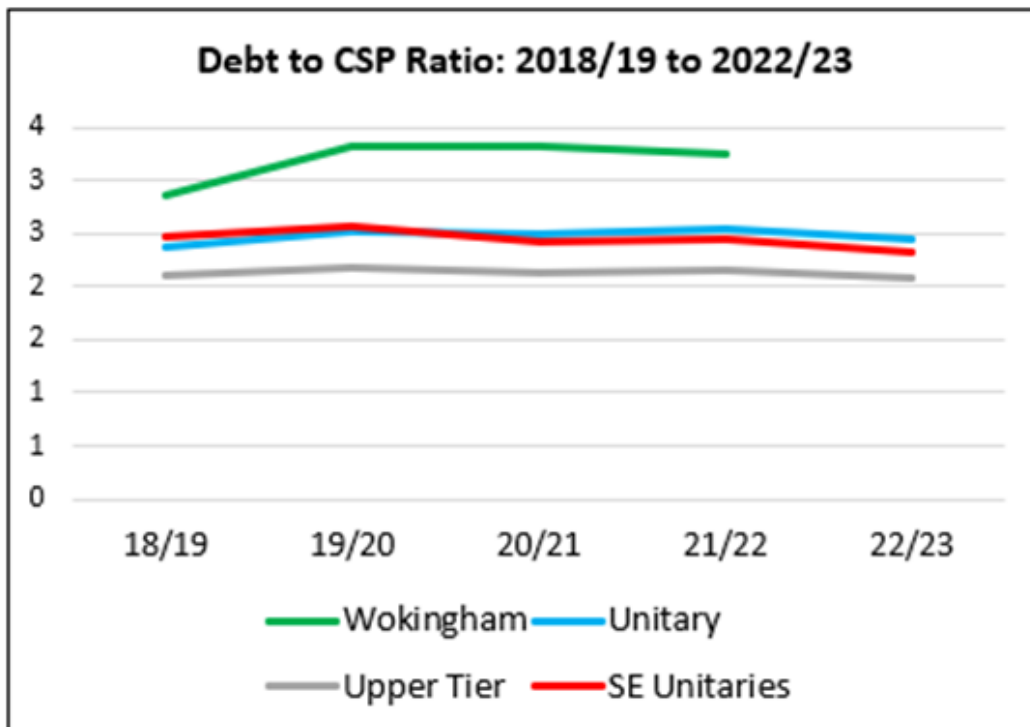
To further supplement the analysis from CIPFA the below table shows the level of usable Reserves as a proportion of budgeted net revenue expenditure (2022/23) and how that position has changed in the last year relative to other councils. Again supporting the position that our level of reserves are strong in comparison to most authorities and we have not had to reduce them in recent years, indicating a sound and well managed budget position.



To emphasize the importance of healthy reserves, the below graphs show Wokingham's (green line) usable reserves as a percentage of net revenue expenditure against those of a number of authorities who have issued a Section 114 notice (red lines). Whilst those section 114 authorities have not released accounts in last 2 years, all had low level of reserves and more importantly a consistent year on year depletion pointing to unresolved structural budget issues. Wokingham's position can be seen to be strong against the type of scenario that has seen those authorities fall into financial instability.



With regard to “Capital” health, the below table shows that the ratio of debt to CSP (core spending power) is slightly higher than relevant benchmarks, although the capital financing requirement has been stable over the past few years. The relatively high position of CSP is a result of the Councils ambition to invest in income generating investments in particular regeneration and housing. New statutory guidance in relation to the Minimum Revenue Provision (MRP) has been issued for final consultation and is expected to increase the Councils ongoing capital financing costs which has been reflected in the budget submission.



Wokingham Funding Context

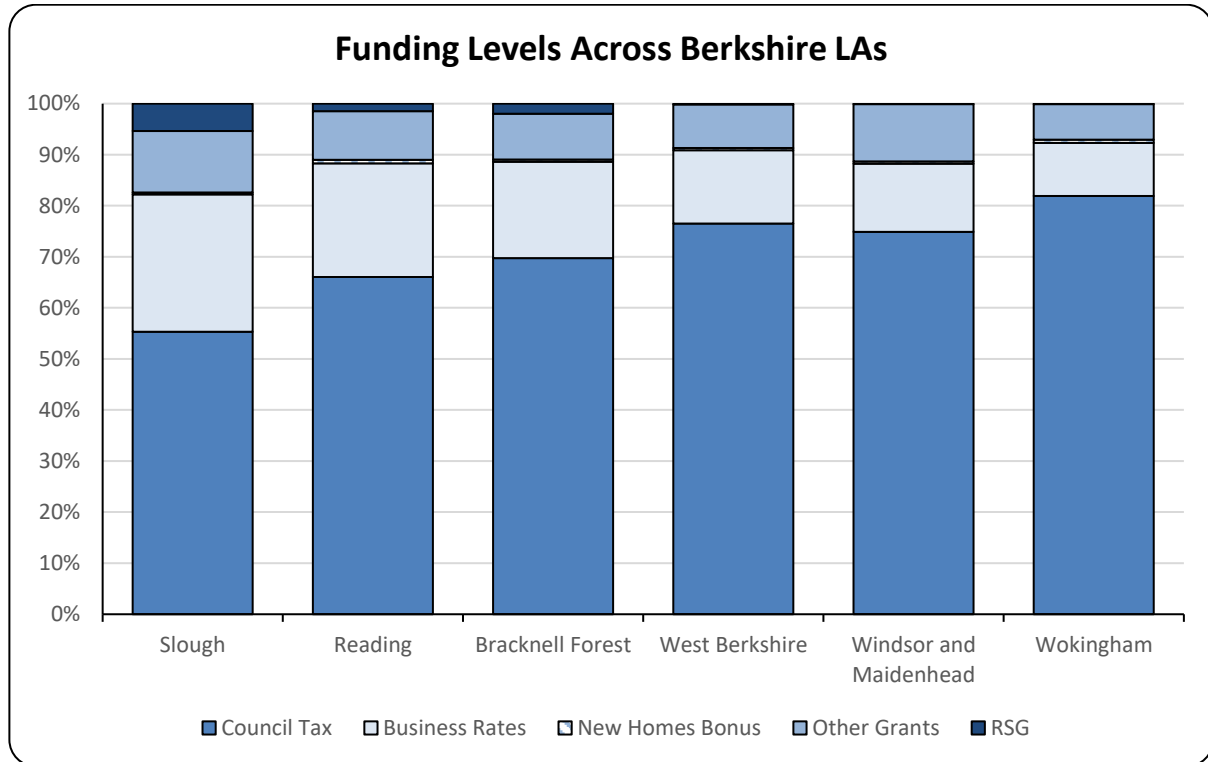
The reductions in Government grants have had a major impact on the Council's finances and budgets since 2010/11. The Council's net expenditure budget has been reduced each year since 2010/11 as shown in the table below, which indicates that the net expenditure budget has been reduced by £52.3m (50%) between 2010/11 and 2024/25 meaning the Council are delivering services more cost effectively.

	£m
WBC 2024/25 net expenditure budget	171.7
Less reduction in grants for services now part of formula grant	(12.5)
Less discount re inflation since 2010/11 (based on CPI)	(85.8)
Less discount re growth in council tax base since 2010/11	(22.6)
Net expenditure budget 2024/25 discounted to 2010/11 Prices (a)	50.7
WBC 2010/11 net expenditure budget (b)	105.2
Estimated reduction in expenditure since 2010/11 (b – a)	£52.3m (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%.

Revenue Funding Sources

The graph below highlights Wokingham’s funding dependency on council tax and shows the variation in funding sources across the 6 Berkshire authorities. Although the Council will continue to make representations for a higher level of government grant, the dependency on Council tax does to some extent reduce the risk of the impact of cuts in central funding.

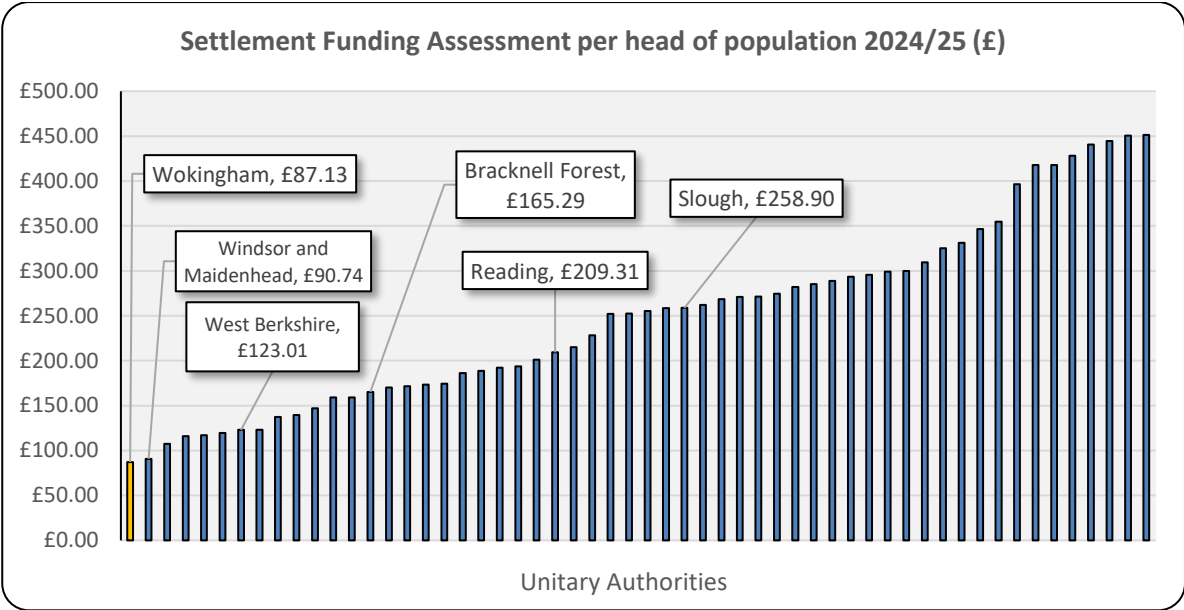


Settlement Funding Assessment (SFA)

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 (£15.39m) which is just over 20% of the total business rates collectable. It also includes the general grant (RSG) from government of £0.13m.

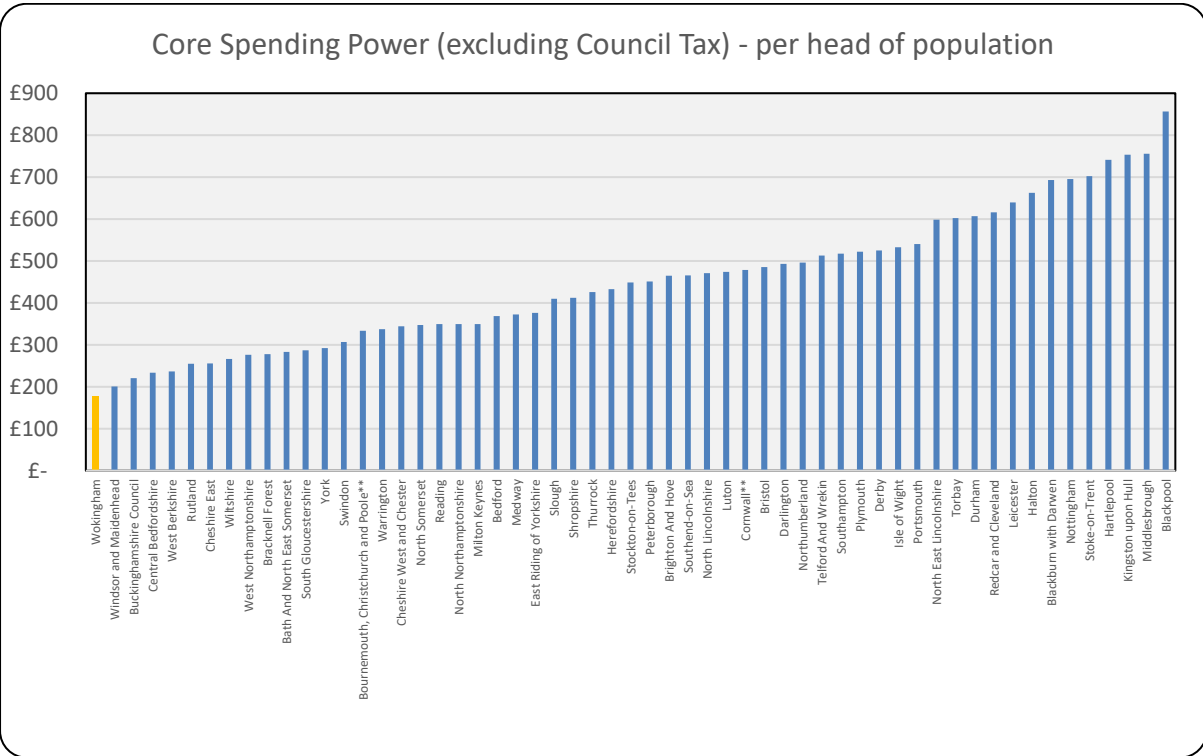
Wokingham’s total SFA will be £15.52m in 2024/25, compared to £19.07m in 2016/17, a reduction of 18.6%, or £3.55m. Wokingham’s SFA has remained close to £14.1m since 2017/18 after the reduction in 2016/17. 2023/24 was the first year the Council received an increase which has been increased again with inflation for 2024/25. This still means, over time, our baseline funding level and therefore retained business rates have not seen any inflationary increases.

The graph below shows the position for 2024/25 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 £87.13, 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 (approximate average), this would equate to an additional c£29m in funding.

The table below shows Wokingham has one of the lowest levels of core funding in England (i.e. Core Spending Power excluding Council Tax). Blackpool has the highest score on the Index of Multiple Deprivation (IMD) and receives five times the funding per head that Wokingham receives (£178 compared to £856 per head). If Wokingham received funding in line with Blackpool it would receive an additional c£121m per annum and if funded at the average funding level for a unitary it would receive an additional c£48m per annum.



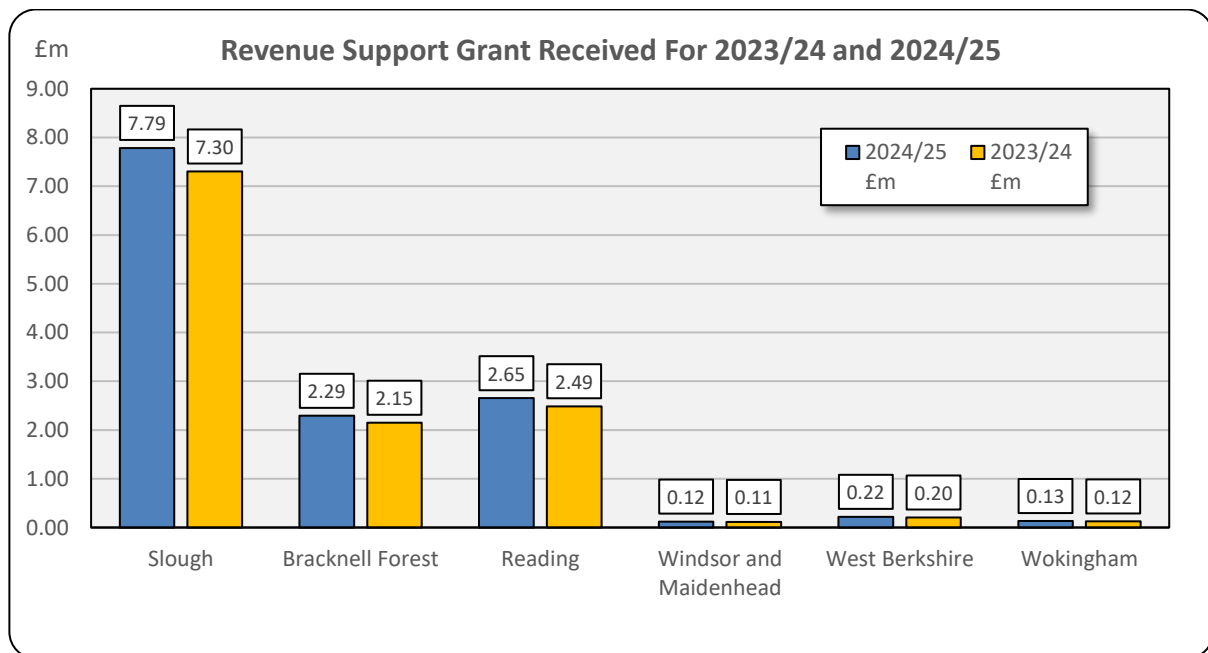
Revenue Support Grant (RSG)

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. From 2023/24, have Wokingham seen some RSG allocation, increasing from £0.124m to £0.132m, an increase of £8,000.

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 2024/25 (similar to 2023/24). The funding position is unclear from 2025/26 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. Although the increases are similar in % terms, the actual increases are different with Wokingham only receiving an additional £8k.

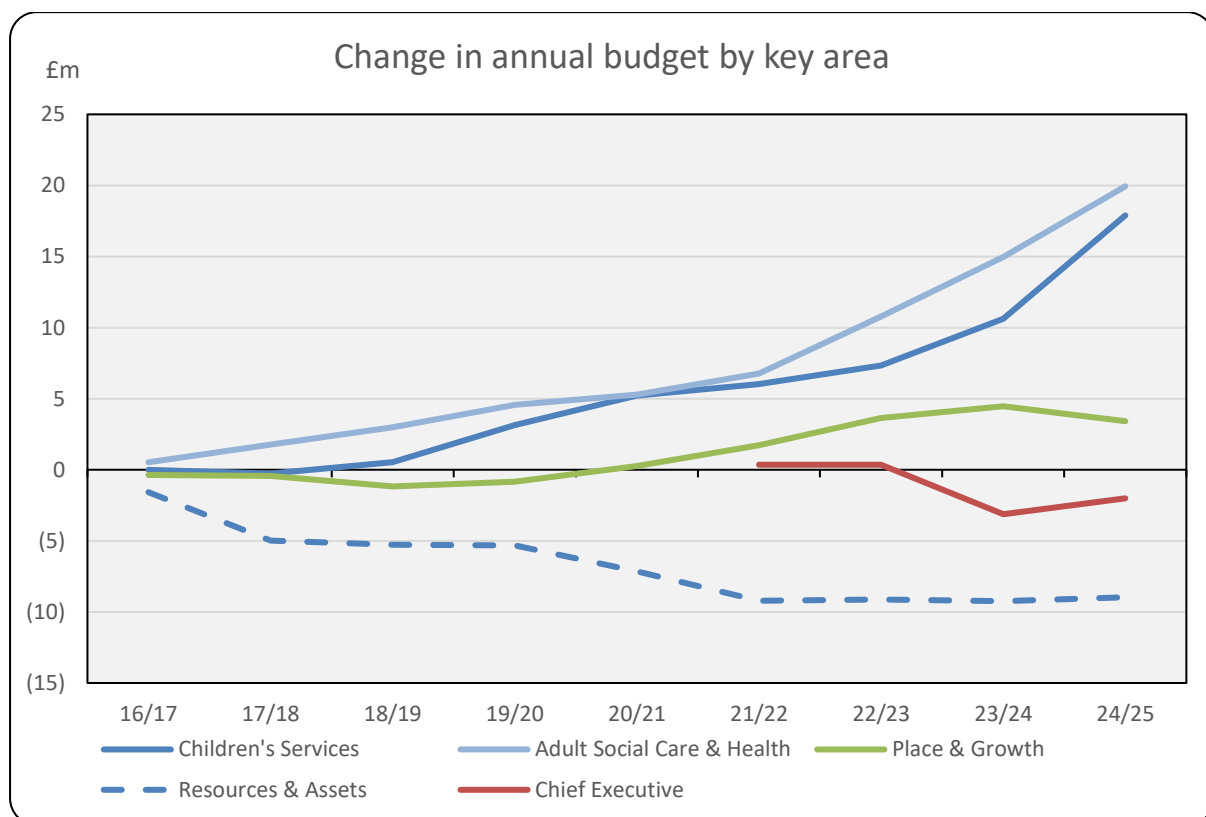


Appendix 2;

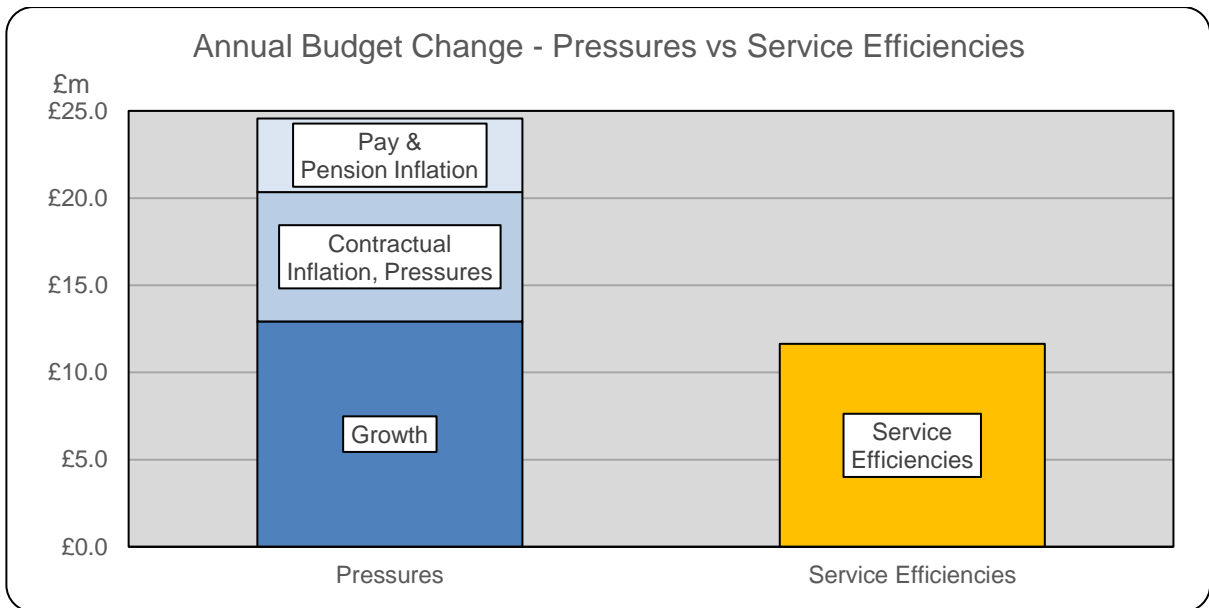
Delivering through financial governance and ongoing efficiency

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 impacted 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.



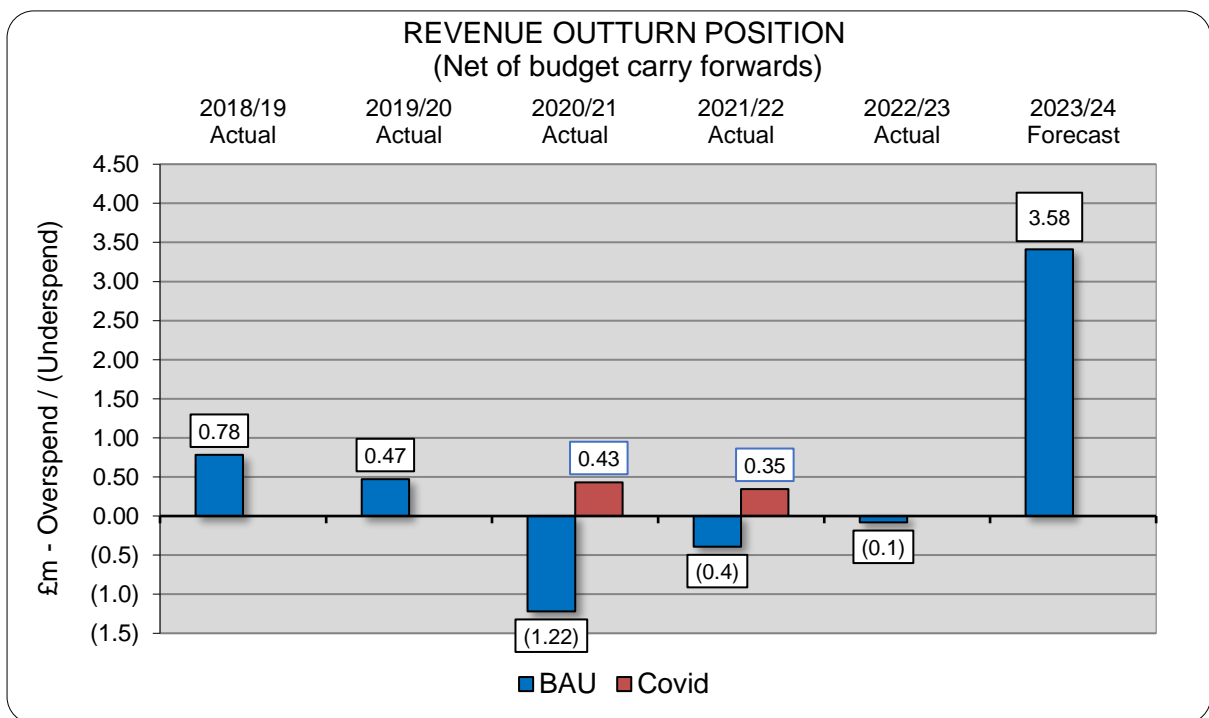
The annual change in budget is shown below. For 2024/25, the total pressures outweigh the service efficiencies. The difference will be required to be funded via council tax rises. The detail budget changes have formed part of the information provided to Community and Corporate Overview and Scrutiny Committee 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 inflation, temporary accommodation and demand in Childrens Services. These underlying pressures are considered as part of the budget process. The forecast budget variance in 2023/24 currently shows a combined overspend of £3.575m compared to the budget approved in February 2023, based on December 2023 monitoring.



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

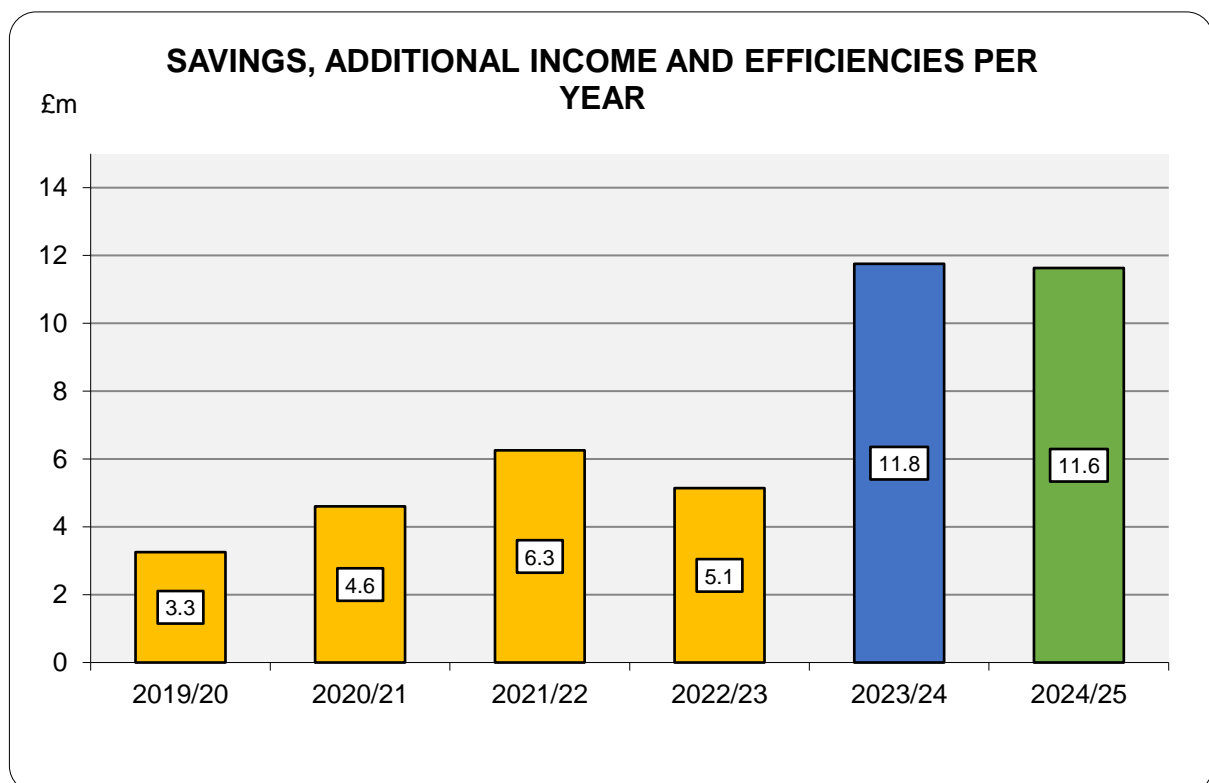
Extensive work is currently underway to manage the in-year 2023/24 position and to bring the current forecast back to a balanced position. This is critical in order to maintain appropriate reserves. Current activity includes;

- 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 2024/25 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.

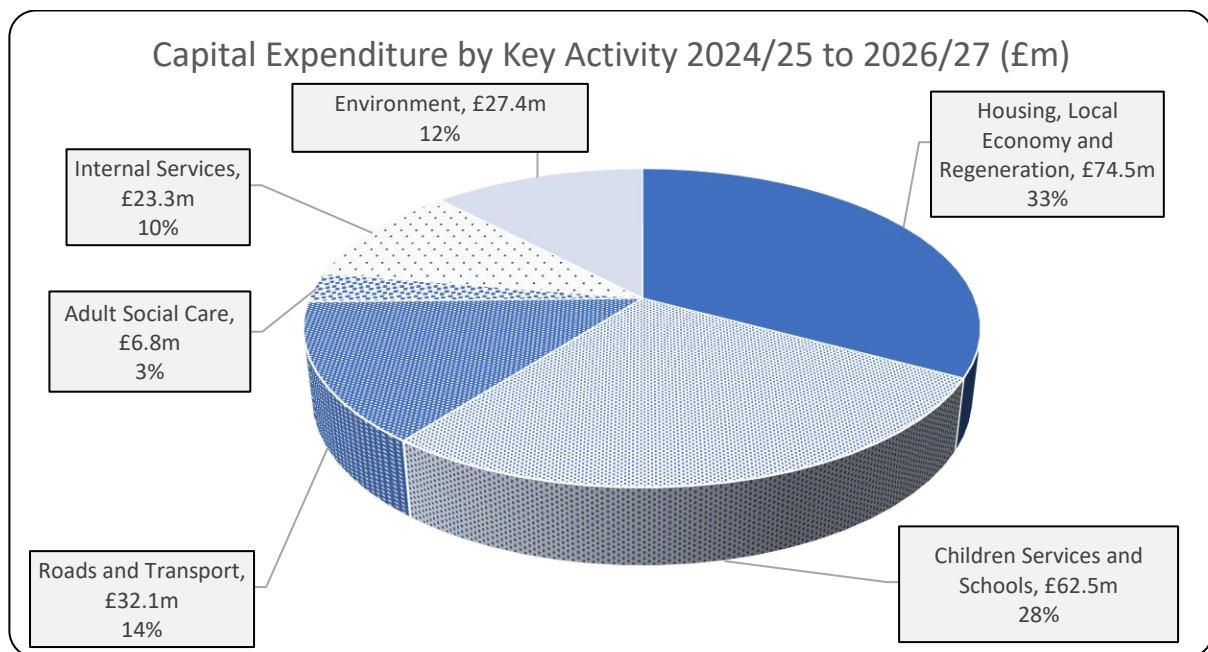
Appendix 3;

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 £227m (including HRA) over the next 3 years.



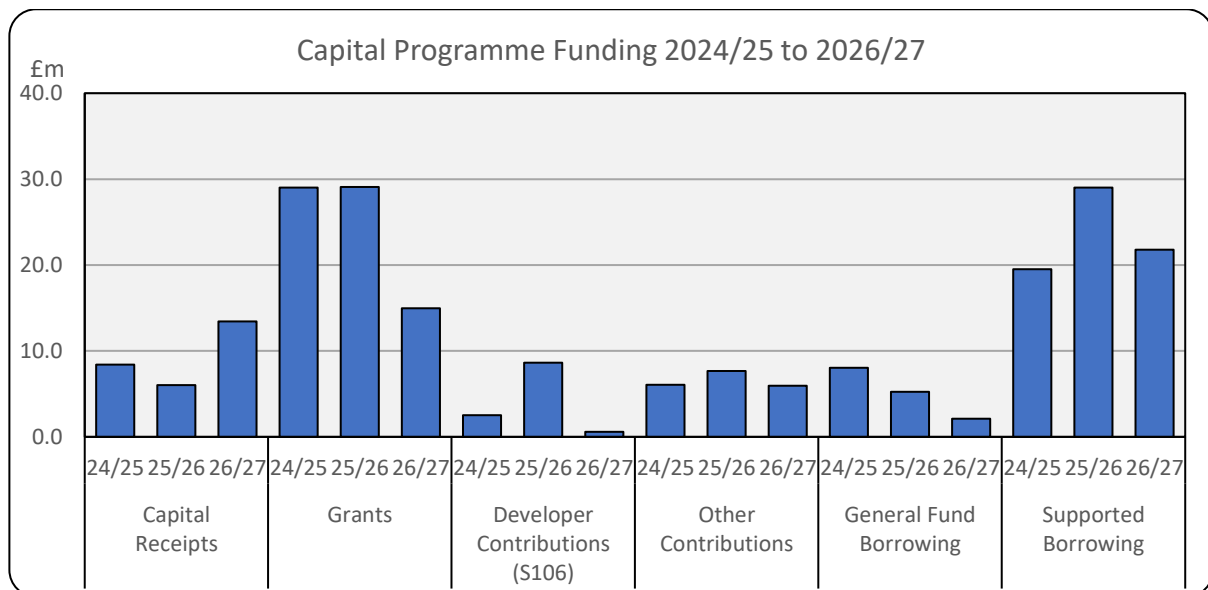
As highlighted above, significant investment is planned across schools, roads and transport, housing, local economy, and regeneration.

Funding Capital Investment

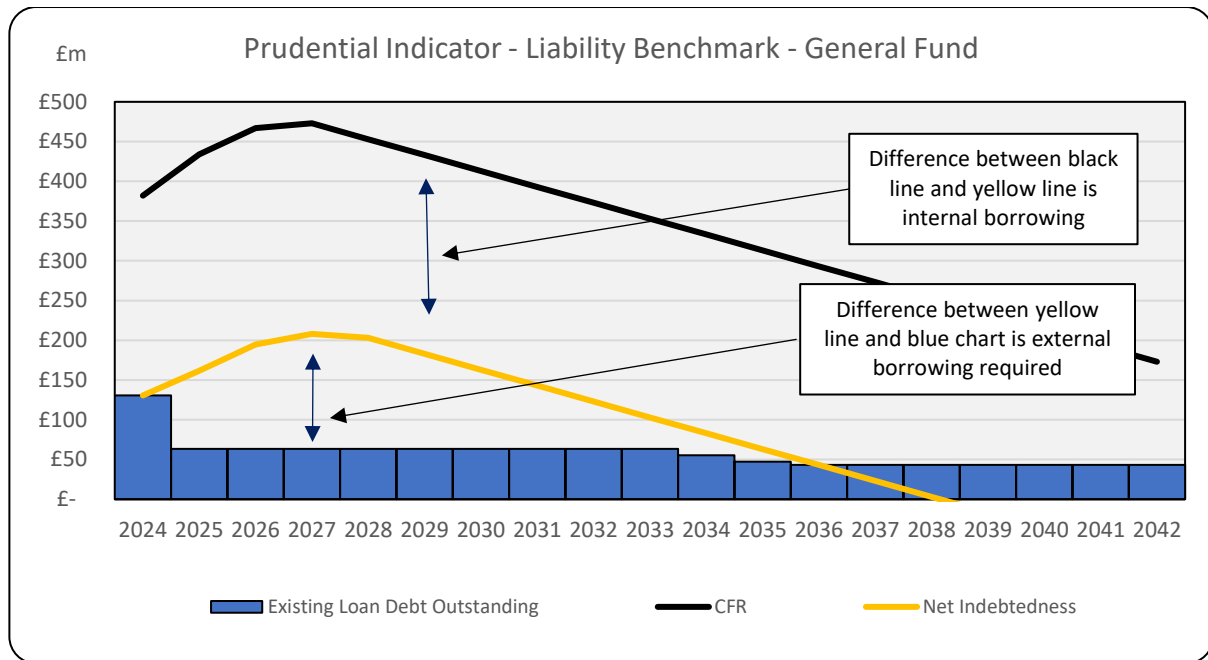
There is currently a gap in funding for the capital programme over the full MTFP period, however year 1 of the programme is fully funded. The longer-term budget gap will be addressed through a combination of expenditure reductions, reprofiling of projects and seeking to maximise funding resources.

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.



As the Council continues to borrow over the short to medium term period to support the investment through the capital programme, debt levels will increase as shown by the net indebtedness line in the graph below (liability benchmark - prudential indicator). 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 – the CFR line excludes capital budgets that are currently included in the capital programme as ‘permission to spend’ budgets which will be approved subject to viable business cases.

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.

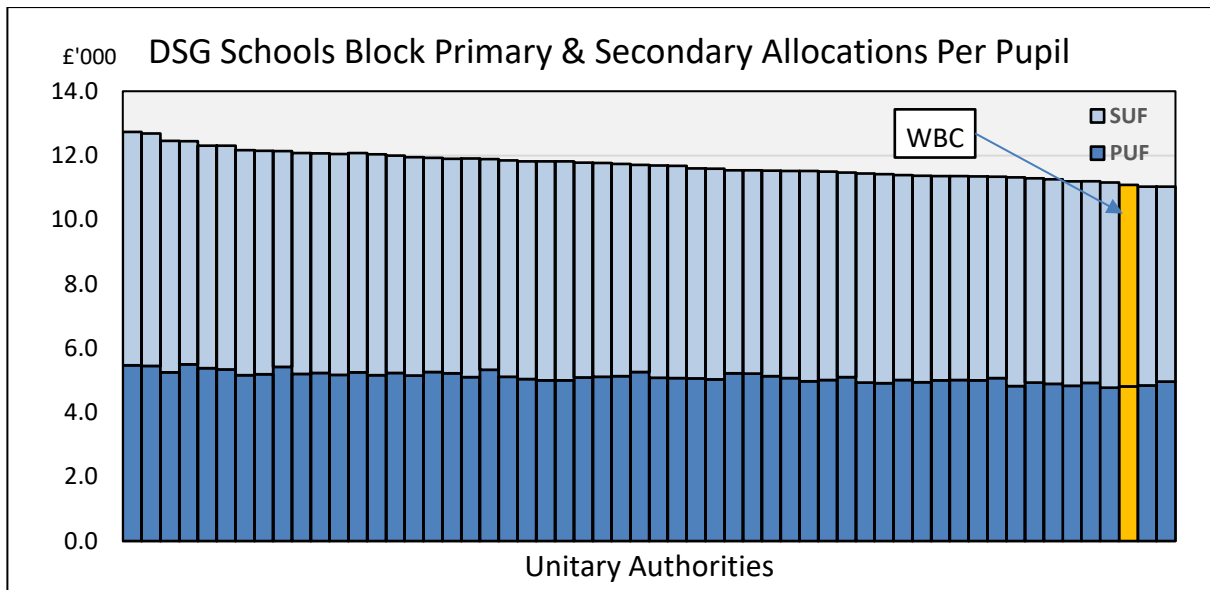
The following pages explain further how the grants are calculated and distributed. They also show Wokingham's grants in comparison to some other unitary authorities

The amount for 2024/25 was notified to the authority by the Department for Education (DfE) in December 2023. 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 2024/25 is £197.34m, compared to £180.59m in 2023/24. The increase to 2024/25 is accounted for by increased funding on both two-unit costs, one for primary unit cost (PUF) and one for secondary unit cost (SUF), as well as an increase in Early Years funding due to the extension of the age range of the free entitlement. 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 2024/25 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	2023/24 £,000	2024/25 £,000	Change £,000	Change %
Schools Block	138,780	146,763	7,983	5.8%
High Needs Block	28,160	29,544	1,384	4.9%
Early Years Block	12,608	19,953	7,345	58.3%
Central School Services Block	1,039	1,081	42	4.0%

The actual 2024/25 PUF is £4,813 and SUF is £6,272 per pupil compared to £4,579 (PUF) and £5,936 (SUF) in 2023/24. 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, and 9-month-olds from September 2024.
- Central Schools Services Block – expenditure in relation to statutory services such as school admissions and education support services.

Of the £146.7m in the Schools Block, £1.4m is proposed to be retained for the Growth Fund, funding new and growing schools. Schools Forum approved a 0.5% transfer from the Schools Block to the High Needs Block which equates to £734k. The remaining £144.6m is allocated to individual school budgets based on the local funding formula, which all schools have been consulted on, and was presented to Schools Forum for final approval on the 10th 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 2024/25 £,000
Maintained Schools	27	9,142	46,089
Academies	38	17,504	98,541
TOTAL	65	26,646	144,630

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 are a part of the government's Safety Valve Programme and are reporting to the ESFA against the agreed DSG Management Plan that will see The Council setting an in-year balanced budget by 2028/29.

Appendix 5;

Key Financial Risks with Mitigations and Controls

Risk	Mitigation and Controls
Adult Social Care placement costs, market sufficiency and inflation pressures	Rising demand, a struggling external market and cost pressures, including from Living Wage increases are adding to a position where the service is experiencing significant demand and increased complexity of cases. Various approaches are progressing to manage the position including additional in-house provision to manage cost and the external market.
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. Holding high levels of earmarked reserves supports the Council in minimising external debt costs through a greater level of internal borrowing.
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.
Dedicated Schools Grant deficit	Actively involved in Safety Valve potential opportunity. Continually review service models and efficiency opportunities. MTFP includes further annual funding.
Cost of living pressures	Ongoing engagement with community partners to provide support and wherever possible proactive interventions.
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: Risk assessments of budgets To enable stability in longer term financial planning 	2025 £8.9m 2026 £8.9m 2027 £8.9m	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: For example, interest on balances @ 4.5% = £45k 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 £45k per £1m Could be used instead of borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m
Insurance Fund (Earmarked Reserve)	This is used to fund claims below the excess limits in the policies	<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 	2025 £2.4m 2026 £2.0m 2027 £1.6m	<ul style="list-style-type: none"> Used to fund deductibles / excesses in order to minimise premiums Provides the Supply Teacher Scheme Helps maintain current rates charged to schools Interest earned builds up the reserves 	<ul style="list-style-type: none"> Fund could be used to fund one off General Fund expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Renewals Funds (Earmarked Reserves)	<p>These are reserves held in order to finance the renewal or maintenance of specific items of equipment or furnishings, including 3G pitches and tennis courts</p>	<ul style="list-style-type: none"> Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life and conditions of match funded grants 	2025 £1.2m 2026 £1.3m 2027 £1.5m	<ul style="list-style-type: none"> Reduces pressure on future maintenance / replacement budgets 	<ul style="list-style-type: none"> Could be used for alternative maintenance or other revenue expenditure
Equalisation Funds (Earmarked Reserves)	<p>smooth the annual impact on the revenue budget and avoid fluctuations each year on key areas which are subject to market. E.g. Solar Farm, Leisure Contract</p>	<ul style="list-style-type: none"> Reserves will incur deficits in early years. Once asset operational and generating income, deficits will be repaid. Estimated recovery period set out in individual business cases 	Deficit balances 2025 (£4.9m) 2026 (£6.0m) 2027 (£5.6m)	<ul style="list-style-type: none"> Once in surplus, annual contribution can be made to the revenue budget to support funding for services 	<ul style="list-style-type: none"> Interest income lost whilst reserves in deficit
Waste Equalisation Fund (Earmarked Reserve)	<p>Required to smooth the annual impact on the revenue budget and avoid fluctuation each year across all waste and recycling activities which are subject to external factors such as recycling rates, levels of waste, etc. The reserve is also held to mitigate risks from future implications of the waste PFI arrangement which expires in 2031/32.</p>	<ul style="list-style-type: none"> A 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 	2025 £1.9m 2026 £2.1m 2027 £2.2m	<ul style="list-style-type: none"> Provides stability of budgets in the medium to long-term for waste and recycling, including the end of the PFI arrangement 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Interest and Debt Repayment (Earmarked Reserve)	<p>Required to mitigate the impact where fluctuations in market conditions may have an adverse impact on interest costs on new borrowing and refinancing of existing borrowing. Reserve is also required to help offset any impact from changes in government policy around debt repayment.</p>	<ul style="list-style-type: none"> To build up reserves based on favourable investment returns over budget Monitor longer debt requirement against current loan maturities and estimated debt repayment profiles 	2025 £12.7m 2026 £12.0m 2027 £11.5m	<ul style="list-style-type: none"> Equals out market fluctuations in income due to volatile interest rates Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
190 Pension Contributions (Earmarked Reserve)	<p>Required to mitigate the annual impact when the pension contributions are set every three years by the Berkshire Pension Fund including an annual contribution to reduce the pension deficit.</p>	<ul style="list-style-type: none"> Contributions set by Berkshire Pension Fund every three years, currently agreed up to 31/03/26. 	2025 £6.3m 2026 £6.0m 2027 £5.6m	<ul style="list-style-type: none"> Provides stability against future pressures in pension fund payments Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Fairer Funding Review (Earmarked Reserve) 191	Required to mitigate unknown risks from future local government finance settlements including removal of new homes bonus, impact from levelling up agenda, reduction in core spending power, risk of negative revenue support grant, etc.	<ul style="list-style-type: none"> Monitor risk from fairer funding review and future local government finance settlement 	2025 £16.8m 2026 £16.8m 2027 £16.8m	<ul style="list-style-type: none"> Provides mitigation against unknown risks from fairer funding review 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
Town Centre Regeneration (Earmarked Reserve)	Required to mitigate the annual impact where fluctuations in market conditions may have an adverse impact on annual rental income (e.g. long term covid impact, national / local economy, etc). Reserve is also required to mitigate risks associated with the long-term capital financing costs of the regeneration (interest and debt repayments).	<ul style="list-style-type: none"> Ensure town centre income over longer term covers all costs of regeneration 	2025 £7.5m 2026 £6.5m 2027 £5.5m	<ul style="list-style-type: none"> Provides stability against impact market conditions can have on rent income and interest 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 (SANGs)	<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. 	2025 £24.0m 2026 £24.0m 2027 £24.0m	<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 @ 5.0% = £50k per £1m but loss of interest of £45k per £1m 	<ul style="list-style-type: none"> Money cannot be used for other purposes
Forward Funding (Earmarked Reserve)	Offset impact where infrastructure required ahead of developer contributions being received	<ul style="list-style-type: none"> Reserve held to offset annual differences between capital investment costs and receipt of developer contributions 	2025 £21.9m 2026 £20.4m 2027 £18.9m	<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
Children Services (Earmarked Reserve)	Held to support current and future risks around children services, demand management, transformation and efficiency programmes	<ul style="list-style-type: none"> Support one off investment to generate ongoing savings 	2025 £0.8m 2026 £0.6m 2027 £0.3m	<ul style="list-style-type: none"> Support resources to deliver savings 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Building Control (Earmarked Reserve)	Building control service is required to operate an independent trading account which is ringfenced. Reserve is held to support investment in building control service	<ul style="list-style-type: none"> trading account holds a rolling three-year break even position required under the CIPFA regulations 	2025 £0.3m 2026 £0.3m 2027 £0.3m	<ul style="list-style-type: none"> Supports building control trading account 	<ul style="list-style-type: none"> None, ringfenced for building control
Adult Social Care (Earmarked Reserve)	Held to support current and future risks around adult social care, supporting the market and providers, development of WBC care company, impact of national living wage, demand management.	<ul style="list-style-type: none"> Provide mitigation for service with future challenges and risks 	2025 £2.9m 2026 £2.3m 2027 £1.7m	<ul style="list-style-type: none"> Support resources to deliver savings 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
Property Portfolio (Earmarked Reserve)	Required to mitigate the annual impact on the revenue budget where fluctuations in market conditions may have an adverse impact on annual rental income (e.g. long term covid impact, national / local economy, etc)	<ul style="list-style-type: none"> Protect short term impact on revenue budget from market conditions on rental income 	2025 £1.0m 2026 £1.0m 2027 £1.0m	<ul style="list-style-type: none"> Smooth any impact from lost rental income 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Business Rates (Earmarked Reserves)	Mitigate number of risks associated with business rates from changes in collection rates, level of appeals and bad debt, changes in government policy on rates payable.	<ul style="list-style-type: none"> Offset annual fluctuations created from complex statutory collection fund accounting for business rates 	2025 £6.7m 2026 £6.7m 2027 £6.7m	<ul style="list-style-type: none"> Mitigates short term timing impacts from collection fund accounting for business rates 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
Revenue Grants (Earmarked Reserves)	Relate to a number of revenue grants received across all services which are planned to be spent in short / medium term in line with grant requirements. These includes areas such as Ukraine Funding, new burdens funding, homelessness, school improvements, council tax support schemes, etc.	<ul style="list-style-type: none"> Support improvements / projects within services 	2025 £4.4m 2026 £3.4m 2027 £2.3m	<ul style="list-style-type: none"> Mitigate short term increases in demand Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
Public Health Grant (Earmarked Reserve)	Ringfenced grant held to support public health objectives and initiatives in line with requirements of annual grant funding	<ul style="list-style-type: none"> Meet grant requirements for Public Health 	2025 £0.5m 2026 £0.4m 2027 £0.3m	<ul style="list-style-type: none"> Supports public health objectives 	<ul style="list-style-type: none"> None, ringfenced for public health

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Other (Earmarked Reserve)	Various smaller reserves held across departments to support ongoing projects, efficiency and improvement works over medium-term plan	<ul style="list-style-type: none"> Support ongoing projects to deliver service improvements and efficiencies 	2025 £1.3m 2026 £1.0m 2027 £0.7m	<ul style="list-style-type: none"> Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m 	<ul style="list-style-type: none"> Could be used to support revenue expenditure
195 Carry Forwards (Earmarked Reserves)	Support one off projects which are underway and span multiple financial years	<ul style="list-style-type: none"> Agreed by Executive as part of revenue monitoring outturn reports 	2025 £1.2m 2026 £0.9m 2027 £0.9m	<ul style="list-style-type: none"> Supports ongoing projects 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
DSG Equalisation (Earmarked Reserve)	Support resources to deliver on Safety Value Programme and DSG Deficit Recovery	<ul style="list-style-type: none"> 1% Council Tax contribution each year from 2023/24 to contribute to equalisation and fund safety value programmes 	2025 £0.6m 2026 £3.4m 2027 £8.0m	<ul style="list-style-type: none"> Requirement of safety value programme to support DSG deficit recovery 	<ul style="list-style-type: none"> Interest income lost whilst reserves in deficit
196 DSG Deficit (Unusable Reserve)	Statutory account required to account for the deficits created where ringfenced expenditure is greater than ringfenced income across maintained schools, early years, and high needs services	<ul style="list-style-type: none"> In agreement with the safety value recover programme agreed with the DfE 	Deficit Balances 2025 (£27.9m) 2026 (£31.4m) 2027 (£32.5m)	<ul style="list-style-type: none"> No benefit while reserve is in deficit 	<ul style="list-style-type: none"> Interest income lost whilst reserves in deficit

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) 	2025 £2m 2026 £2m 2027 £2m	<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 	2025 £1m 2026 £1m 2027 £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
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 	2025 £92.9m 2026 £88.9m 2027 £84.9m	<ul style="list-style-type: none"> Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k 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 	2025 £1.1m 2026 £1.1m 2027 £1.1m	<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. 5% Interest = £50k per £1m 	<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 £45k per £1m Could be used to fund HRA debt repayment
198					
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 	2025 £0.1m 2026 £0.1m 2027 £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

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2024/25

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

	2023/24 Restated Estimate £	2023/24 Local Tax Rate £	2024/25 Estimate £	2024/25 Local Tax Rate £
Adult Social Care	62,735,680	822.79	67,733,770	879.55
Chief Executive	9,482,150	124.36	11,034,350	143.28
Childrens Services	34,454,760	451.88	42,055,290	546.10
Place & Growth	33,552,390	440.05	31,700,910	411.65
Resources & Assets	16,667,150	218.59	19,134,810	248.47
Total Net Expenditure	156,892,130	2,057.68	171,659,130	2,229.05
Appropriation to / (from) Balances	6,272,420	82.26	695,076	9.03
Contribution to DSG Deficit Recovery	1,250,543	16.40	2,586,270	33.58
Borough Council Requirement	164,415,093	2,156.35	174,940,476	2,271.66
Income:				
Government Support / Business Rates	(27,976,943)	(366.92)	(30,674,483)	(398.32)
New Homes Bonus	(1,865,430)	(24.47)	(1,124,765)	(14.61)
Council Tax Collection Fund Surplus	(1,000,000)	(13.12)	(1,500,000)	(19.48)
Council Tax for Borough Council Purposes	133,572,720	1,751.84	141,641,228	1,839.26
General Fund Balance Estimates (Note 1)				
Brought Forward	9,109,000		6,998,000	
In Year Variation (note 1)	(3,575,000)		0	
Budgeted increase	1,464,000		1,902,000	
Carried Forward	6,998,000		8,900,000	
Council Tax Base	76,247.1		77,009.9	

Note 1 - 2023/24 estimate based the in year revenue monitoring position at quarter three

The local tax Band D rate of £1,839.26 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 2024/25

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

	2023/24 Restated Estimate £	2023/24 Local Tax Rate £	2024/25 Estimate £	2024/25 Local Tax Rate £
Adult Social Care	66,362,850	870.37	71,453,840	927.85
Chief Executive	10,253,970	134.48	11,888,280	154.37
Childrens Services	42,773,540	560.99	50,806,260	659.74
Place & Growth	53,769,220	705.20	47,261,940	613.71
Resources & Assets	6,923,430	90.80	8,918,970	115.82
Depreciation Charges	(23,190,880)	(304.15)	(18,670,160)	(242.44)
Total Net Expenditure	156,892,130	2,057.68	171,659,130	2,229.05
Appropriation to / (from) Balances	6,272,420	82.26	695,076	9.03
Contribution to DSG Deficit Recovery	1,250,543	16.40	2,586,270	33.58
Borough Council Requirement	164,415,093	2,156.35	174,940,476	2,271.66
Income:				
Government Support / Business Rates	(27,976,943)	(366.92)	(30,674,483)	(398.32)
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Council Tax Collection Fund Surplus	(1,000,000)	(13.12)	(1,500,000)	(19.48)
Council Tax for Borough Council Purposes	133,572,720	1,751.84	141,641,228	1,839.26
General Fund Balance Estimates				
Brought Forward	9,109,000		6,998,000	
In Year Variation	(3,575,000)		0	
Budgeted increase	1,464,000		1,902,000	
Carried Forward	6,998,000		8,900,000	
Council Tax Base	76,247.1		77,009.9	

GRAND SUMMARY - GENERAL FUND FORECAST BUDGETS 2025/26 & 2026/27

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.

	2025/26 Estimate £	2025/26 Local Tax Rate £	2026/27 Estimate £	2026/27 Local Tax Rate £
Adult Social Care	66,963,770	869.55	67,892,770	881.61
Chief Executive	10,782,350	140.01	10,730,350	139.34
Childrens Services	42,136,290	547.15	43,242,290	561.52
Place & Growth	30,732,910	399.08	30,423,910	395.06
Resources & Assets	28,621,810	371.66	36,167,810	469.65
Total Net Expenditure	179,237,130	2,327.46	188,457,130	2,447.18

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.

2023/24 Budget £'000		2024/25 Estimate £'000
Income		
General Fund		
34,569	Fees and Charges	36,033
34,973	Specific Grants	38,583
1,920	Other Income	3,952
5,385	Internal Income	3,614
76,846		82,182
Dedicated Schools Grant		
89,366	Specific Grants	97,975
0	Internal Income	0
0	Plus movements from reserves	0
89,366		97,975
Housing Revenue Account		
19,841	Fees and Charges	21,784
1	Specific Grants	17
33	Other Income	33
19,875		21,834
186,087	Total Income	201,991
Expenditure		
General Fund		
88,405	Adult Social Services	95,578
13,487	Chief Executive	13,288
45,884	Children's Services	54,954
72,250	Place & Growth	67,131
36,902	Resources & Assets	41,560
256,929		272,511
Dedicated Schools Grant		
58,755	Individual Schools Budget (ISB)	61,150
18,627	High Needs Block Budget excluding ISB	19,580
9,125	Education of children under 5s in private, voluntary & independent settings	14,466
1,820	Pupil premium allocated to schools	1,081
1,039	Centrally retained services	1,698
0	Contribution to reserves	0
89,366		97,975
Housing Revenue Account		
19,875	Housing Revenue Account	21,834
19,875		21,834
366,170	Sub Total Expenditure	392,320
180,084	Net Expenditure	190,329
23,191	Less: depreciation	18,670
5,339	Less: special items	5,074
28,530		23,744
151,554	Net Expenditure (excluding Special Items & Depreciation)	166,585

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 2024/27

1. SERVICE AIMS

The Adult Social Care Services Directorate aims to perform the care and support functions set out in the Care Act 2014, to promote wellbeing, help people to achieve the outcomes that matter to them in their life and enable them to be as independent as possible. This includes adults with needs that result from or are related to a physical or mental impairment or illness, including adults with physical, mental, sensory, learning or cognitive disabilities or illnesses, autism, substance misuse or brain injury. The directorate also performs statutory functions under the Mental Health Act 1983 and 2007 and Mental Capacity Act 2005.

2. SERVICE SCOPE

The work of Adult Social Care is driven by the Care Act 2014, which sets out the Duties and Powers of local authorities. The key emphasis of The Care Act (2014) is to promote wellbeing, with general responsibilities including preventing, reducing and delaying needs, providing information and advice, market shaping and commissioning of adult care and support to meet eligible needs, managing provider failure and other service interruptions. Delivery requires a collaborative approach, working particularly 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.
- **Contracts, Performance and Assurance:** Develops and maintains 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 **Public 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 public health services commissioning and contract management.

In 2022/23:

- 21.1% of working age people with a learning disability in Wokingham Borough are in paid employment (including supported employment) in 2022/23, compared to 4.8% for the England average in 2021/22. Our rank was number 2 from all local authorities.
- 492 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
- 87.7% of service users in Wokingham Borough with a learning disability in 2022/23 are living on their own or with their family compared to 78.8% England average in 2021/22.
- 1,084 people were assessed in 2022/23 (including strength-based assessments)
- 1,013 people were reviewed in 2022/23
- 2,458 people received long term services throughout 2022/23

3. SERVICE PRIORITIES

To support the delivery of the Council Plan and Community Vision the service priorities are focussed on Providing Safe and Strong Communities, and Enriching Lives, Delivering the Right Homes in the Right Places, and Being the Best we can be. 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.

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 36 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. This includes to: -

- review and implement the Carers Strategy
- develop and deliver the Autism Strategy
- review our day opportunities to provide greater choice and independence
- plan for accommodation for those with specialist needs

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

REVENUE SERVICE BUDGETS 2024/2025	Budget 2024/2025 £'000
Adult Social Care	
Adult Social Care	65,377
Strategy and Commissioning	4,085
Public Health and Better Care Fund	(1,729)
<i>Internal Recharges & Depreciation Charges</i>	<i>3,720</i>
Total Health & Wellbeing	71,454

CAPITAL

Capital schemes include the following:

- 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;
- Nursing call bell system; and,
- Facilitation of better health for residents of new developments: to oversee project design to enable this.

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, including growth in demand and complexity, placing increased pressure on the local authority finance and the sustainability of care providers. This has been exacerbated by increases in inflation and the National Living Wage. 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

Adults Services will build upon its successful transformation programme 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. This will include:

- The refurbishment of the local authority owned care home on Barkham Road (The Berkshire Care Home).
- Development of our approach to coproduction within care and support
- The development of our Care and Support Framework
- Preparation for Assurance to Inspection
- Working in Partnership
- Improvement work in Care & Support
- Improvement in Assessment & Care Planning
- Widening Access
- Improving Choice & Shaping Provision
- Safeguarding & Quality
- Mental Health & Autism

SERVICE NARRATIVES: CHIEF EXECUTIVE'S OFFICE

2024/27

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 and Digital services which are secure, effective and value for money.
- 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 focussed on the Council's priorities.

2. SERVICE SCOPE

Customer Excellence

- Manages frontline customer interactions with over 74,000 calls, 30,000 emails and 6,000 web chats 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 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. function supports approximately 2,000 IT users (WBC, Optalis and WHL), 20,400 IT Service calls and 51 software applications.
- Designs, develops, tests and manages the Council's digital customer interfaces to help manage demand, including the Council's corporate website, several service specific websites and the community directory (visited 5,341,013 times).
- Designs, develops, tests and manages the customer relationship management system (CRM) which enables customer shift to a more cost-effective channel.
- Runs a Digital Adoption and Inclusion Programme to act as a digital enabler for staff and customers.

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.
- Leads on organisational service planning, ensuring consistency and alignment with the MTFP planning process.
- 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.

Community and Partnerships

- 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 and support that lead to better health outcomes across communities.
- Collaborates as equals with various partners across communities, to inform strategies and approaches aligned to need.
- Engages our residents in community-based initiatives and volunteering to promote and enable community power.

Communications

- Drives the communication strategy and the forward plan of communication and engagement activity for the Council.
- Provides external and internal communications expertise to support service delivery outcomes, development of the Council brand and marketing of services.
- Consults and engages with residents through the Engage Wokingham platform to gather input and feedback into key initiatives and strategy development.

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, including Health & Safety.
- 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.
- Offers continuous development opportunities to ensure that we can retain staff and develop the talent of the future
- 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 focussed 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, increasing digital adoption and creation of community hubs.
- 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, 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 the development of 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

REVENUE SERVICE BUDGETS 2024/2025	Budget 2024/2025 £'000
Chief Executive	
Chief Executives Office	704
Strategy and Inclusion	509
Human Resources	1,716
Customer & Localities	2,303
Communications, Marketing & Exchange	476
Change Programme	602
Information Technology	3,831
Digital	894
<i>Internal Recharges & Depreciation Charges</i>	<i>854</i>
Total Chief Executive	11,888

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 Council's digital and technology assets from continued cyber threats;

- IT – Infrastructure: Project funding to ensure the Council’s core estate of servers and network is maintained and refreshed in line with their expected lifecycle (Server 2012, firewalls, wireless infrastructure);
- IT – Microsoft Licences: Funding of the Council’s Microsoft licensing;
- IT – Maintenance and Enhancement: Capital funding of core IT staff working on projects that are creating a capital asset for the Council; and
- Community Hubs: Provision throughout the Borough, enabling more local access for our residents to Council services and places for WBC staff and partners to work from.

5. SERVICE PRESSURES AND RISKS

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

- Managing expectations from residents, and the voluntary and community sector around what can be delivered.
- Managing increasing levels of demand.
- 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.
- External cyber threats to the Council. A Cyber incident would cause reputational and financial damage to the wider Council and would impact the delivery of services to the borough’s residents and customers.
- Managing the expectations and wellbeing of the workforce in line with financial efficiencies to be achieved.

6. TRANSFORMATION AND EFFICIENCIES

The Chief Executive’s Directorate is leading, enabling, and facilitating the change programmes, 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.
- Supporting services across the Council to rationalise services where needed while still ensuring that customer approach.
- Improving customer experiences and focussing 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.

SERVICE NARRATIVES: CHILDREN'S SERVICES 2024/27

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 October 2023:
 - 131 children and young people are subject to a Child Protection Plan;
 - 132 are children in care for whom WBC is a corporate parent;
 - 389 children are supported through child in need plans;
 - 132 young people are care leavers between the ages of 18 and 25; and
 - 383 children are in receipt of Early Help support.

Education and SEND:

Through a range of statutory and chargeable activity:

- Champions positive outcomes for all children and young people attending Wokingham schools and settings by facilitating and promoting strong education partnership;
- Supports Wokingham children for whom WBC has a legal responsibility including those in care and with additional needs 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;
- Works with the Council's Transport Unit to ensure effective and efficient delivery of home to school transport assistance

- Delivers specialist educational support through the Virtual School for Children in Care;
- Tracks young people who are NEET (Not in Employment, Education or Training) and facilitates the co-ordination of various services' Individual support from schools, Social Care and Early Help, Skills and SEND teams into positive destinations; and
- Delivers a range of adult learning opportunities.
- As at the end of October 2023:
 - 1909 children and young people are supported by WBC through an EHCP.
 - 94.6% 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.

3. SERVICE PRIORITIES

To support the delivery of the Council Plan and Community Vision the service priorities are focussed 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, such as for Children in Care and Care Leavers, Early Help, and Special Educational Needs and Disabilities.
- 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

REVENUE SERVICE BUDGETS 2024/2025	Budget 2024/2025 £'000
Children's Services	
Education & SEND	13,433
Social Work & Early Help	22,178
Quality Assurance & Safeguarding Standards	2,674
Directorate	3,382
Strategic & Operational Delivery	389
<i>Internal Recharges & Depreciation Charges</i>	<i>8,751</i>
Total Children's Services	50,806

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;
- Primary 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 including Care Leaver Target Operating Model, to provide cost-effective accommodation solutions in Wokingham for the growing number of care leavers, especially former Unaccompanied Asylum-Seeking Children;
- Schools' maintenance planned improvements and suitability issues;
- Schools Devolved Formula – to carry out specific capital works on schools
- Children in Care Equipment;
- Short Breaks and Longer Term Care for Children with Disabilities Target Operating Model - cost effective short breaks and longer term care provision in Wokingham for Children with Disabilities, through commissioning of a range of in borough provision.

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 and subsequently needing support as care leavers;
- 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 children and young people close to their home;
- Engagement in the Safety Valve programme for children with SEND;
- Providing an efficient and effective statutory Home to School Transport offer;
- Reducing the need for interim agency workers; and
- Realignment and redesign of services, including realising efficiencies through merging commissioning activity for children's and adults' services under a new Executive Director of Children, Adults and Health.

SERVICE NARRATIVES: PLACE & GROWTH SERVICE

2024/27

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 those residents most in need with their housing needs.

2. SERVICE SCOPE

Economy & Housing

- Works in partnership with our business community to support the vitality of the borough's towns and high streets in the face of current economic challenges.
- Implements employment skills plans in collaboration with local developers and businesses, such as Shinfield Studios.
- 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.
- Supports residents most in need 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
- Co-ordinates the development of the Berkshire Prosperity Board 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 supports 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.
- Delivery of key projects such as Waste Collection Changes and service re-procurement.
- 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 landscaping, built heritage, ecology, and green infrastructure; and delivers operational tree management, maintenance of the public rights of way and the 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.
- Provides domestic abuse services, giving support to victims of domestic abuse, those who recognise they are abusive in their relationship and want to change and support to children who witness domestic abuse.
- 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.
- Delivers and contributes to numerous Strategies such as Domestic Violence, White Ribbon, Community Safety Partnership, Environment Strategy.
- Leads on Anti-Social Behaviour response (Environmental Crime, Domestic Violence, Neighbourhood issues, Nuisance).

Highways and Transport

- Maintains approximately 450 miles of highway, 16,000 streetlights, 30,000 highway drains and 6,000 signs.
- Keeps the Borough moving through day to day Traffic Management of the network and effective coordination of roadworks, planned and emergency works.
- 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 infrastructure.
- Oversees parking enforcement and our contract with NSL and managing our off-street car parking assets.
- 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, and 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 the Council's statutory highways duties including the £58m Major Highway programme for the delivery of the South Wokingham Distributor Road, and reviews and delivers schemes in line with planning obligations and developer contributions.

- Manages and delivers Home to School Transport contracts for school and community transport and liaises with public transport service providers.

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.
- Processes new land charges and legal queries on all 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 focussed 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 financial savings required to support the Council's budget position.
- Secure new, affordable and service focused contracts in relation to key areas including highways, waste and street cleaning from 2026.
- Work cross directorate and with partners to secure affordable and suitable accommodation to meet Children and Adult Services' needs.
- Support further efficiencies and savings in relation to home to school transport costs.
- Develop and adopt the Housing Strategy and Homelessness and Rough Sleeping Strategy, including reducing the need for temporary accommodation and introducing more preventative measures to reduce homelessness.
- Deliver a capital programme on time and in budget and which supports the priorities of the Council and meets community needs.
- Contribute to the equalities and inclusion agenda.
- Progress the preparation and adoption of an updated Local Plan with new development allocation and planning policy for the period to 2040.
- Progress the preparation and adoption of a new Local Transport Plan (LTP4)
- Review the Community Infrastructure Levy (CIL) and in partnership with the Council's Finance team, help develop and review the Council's programme for spend of CIL and

S106 funding to ensure timely delivery of new infrastructure required in association with planned new development.

- Support victims of domestic abuse and seek Domestic Abuse Housing Alliance accreditation. Develop our action plans in relation to White Ribbon and violence against women and children.
- 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.'
- Develop and adopt the Economic Development Strategy.
- Introduce the new system for collecting household waste.
- Continue to deliver against the Climate Emergency Action Plan.
- Support vitality of the borough's towns and high streets.
- Work in partnership to support the development of the Berkshire Prosperity Board and on shared local economic priorities.
- Contribute to strengthening the relationship and effective partnership working with town and parish councils.

4. BUDGET SUMMARY

REVENUE

REVENUE SERVICE BUDGETS 2024/2025	Budget 2024/2025 £'000
Place & Growth	
Place and Growth Management	631
Environment and Safety	20,742
Highways and Transport	8,166
Housing Services	865
Planning	1,298
<i>Internal Recharges & Depreciation Charges</i>	<i>15,561</i>
Total Environment	47,262

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, and implementation of Local Cycling and Walking Infrastructure Plan;

- 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);
- Provide Affordable Housing, 1 and 2 bedrooms flats at Wellington Road;
- Continued investment in the waste collection arrangements including food waste service;
- Mandatory disabled facility grants;
- Implementation of residential parking zones (including on street parking), in towns and near stations;
- Refurbishment and Extension - 48 Oxford Road. Wokingham (Non HRA Asset); and
- Rooks Nest Wood (SANG) Extension - deliver a 33ha strategic SANG to mitigate impacts arising from smaller scale development proposals on WBC owned land.

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.
- Staff retention and recruitment particularly in key professions such as Building Control, Highways and Planning.
- Economic sustainability of public transport due to economic pressures.
- Impending future procurement of key contracts are likely to result in increased contract costs for the same level of service.
- Securing budgeted level of income from charged services to the public.

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.
- Improving contract management efficiency across all contracts – particularly in relation to Social Value, Apprenticeships and Decarbonisation.
- Enhancing and creating greater efficiencies with the Capital Programme
- Achieving external finance awards to enhance and support the Councils aims.
- Maximising the effectiveness of all partnerships to achieve strategic and practical outcomes to support communities.
- Embedding a new housing organisational structure.
- Delivering savings in accordance with the Medium-Term Financial Plan.
- Progressing the re-procurement of significant contracts including highways and waste services.
- Delivering more efficient and customer focussed highways and transport services.
- Developing a more enabling and facilitating role in relationships with partners, especially town and parish councils.

SERVICE NARRATIVE: RESOURCES & ASSETS 2024/27

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 complement 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 £269m 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£164 million from over 74000 homes, business rates of c£70 million and over £23 million per annum on sundry debtor accounts.
- Provides financial support to over 6,000 residents through housing benefit and council tax relief totalling c£4.3 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.
- Develops 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 Parliamentary and other national 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 74,000 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

- Provides 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
- Delivers 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, through

- 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's focus will be to:

- Implement a strategy for member induction and development.
- Prepare for and deliver all out local elections May 2024 on new ward boundaries; Parliamentary elections (likely in 2024) and Police and Crime Commissioner elections May 2024.
- Embed and communicate the Local Code of Corporate Governance.
- Complete review of the constitution
- Implement the recommendations arising from the review of overview & scrutiny
- Deliver organisational financial skills programme.
- Ensure strong financial management practices across the Council.
- Develop and agree 2025/26 revenue and capital budgets as part of MTFP 2025/28.
- Monitor and support delivery of balanced 2024/25 capital and revenue budgets.
- Support, inform and align with Cost of Living and Tackling Poverty projects.

- 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.
- Protect the Council's asset interests.
- Manage the commercial property estate to provide a commercial income stream.
- Review and rationalise the Council asset portfolio – to ensure aligned to Council needs including future headquarters.
- 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.
- Approve 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

REVENUE SERVICE BUDGETS 2024/2025	Budget 2024/2025 £'000
Resources & Assets	
Governance	2,930
Finance	19,189
Property	(538)
Leisure	(2,446)
<i>Internal Recharges & Depreciation Charges</i>	<i>(10,216)</i>
Total Finance & Resources	8,919

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; and
- Service provision, including future HQ 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;

- Setting a balanced budget and maintaining appropriate reserves in the face of significant additional demand, inflation and reducing/restricted levels of grant.
- Maintaining and increasing use of Leisure and Sport facilities following the impacts of Covid and pressures now from cost of living pressures
- Managing potential financial impacts of increasing interest rates, inflation and market pressure on the property portfolio
- Maintaining 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 Council's overall transformation and efficiency programme) and individual projects (including Safety Valve.)
- Leading on the rationalisation of corporate accommodation.
- Delivering additional income through improved collection processes.
- Continuing to develop and support internal governance and skills across the organisation; finance, procurement, commercialisation, constitutional.
- Improving financial return on Treasury Management activity.
- Implementing Program of process efficiency across finance support activity.
- Delivering Sport and Leisure Transformation Programme.

Summary of Budget Movements 2024/2025

The following table shows how the 2024/25 budget has been calculated starting from the 2023/24 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
2023/2024 Service Budget (excluding Capital & Internal recharges)	62,736	9,482	34,455	33,552	16,667	156,892
Adjustments/Additions						
Exclusive one off revenue items in 2023/24 (Special Items)	(800)	(1,407)	(1,395)	(1,367)	(370)	(5,339)
Inflation for non-pay activities	4,259	200	1,305	1,400	263	7,426
Pay Inflation (Note 1)	0	0	0	0	4,228	4,228
Adjustments between services (e.g. budget reallocations inc.)	(290)	2,464	400	(471)	(1,511)	590
Additional minimum revenue provision	0	0	0	0	1,500	1,500
Total	3,168	1,256	310	(438)	4,110	8,405

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

Funding to Maintain / Improve Services						
Care & support - manage increasing demand in numbers and complexity	3,160	0	0	0	0	3,160
Prevention - investment in preventative services	40	0	0	0	0	40
Budget required to deliver sustainable organisational change	0	490	0	0	0	490
Home to School Transport	0	0	4,018	0	0	4,018
Managing and Meeting demand in numbers and complexity	0	0	711	0	0	711
New Models of Support for Children with Disabilities	0	0	325	0	0	325
Placement Growth	0	0	2,086	0	0	2,086
Additional work to manage overhanging vegetation and maintain footpaths	0	0	0	95	0	95
Concessionary travel - reimbursement costs	0	0	0	70	0	70
Housing Benefit income for Bed & Breakfast	0	0	0	100	0	100
Income generation through commercialisation across the directorate	0	0	0	68	0	68
Making Climate Emergency Officer Posts Permanent	0	0	0	75	0	75
New Contract Manager role Environment and Safety	0	0	0	70	0	70
Routing Software - Home to School Transport	0	0	0	20	0	20
Street light electrical testing	0	0	0	50	0	50
To provide sufficient funding to support the Emergency Duty Officers	0	0	0	35	0	35
Demand pressures in Democratic & Electoral Services	0	0	0	0	50	50
Forecast external audit fees	0	0	0	0	100	100
Increased demand/support through Council Tax Relief Scheme	0	0	0	0	100	100
Laurel Park Pavilion running costs	0	0	0	0	25	25
Leisure Service reduced income/usage	0	0	0	0	500	500
Review of Commercial Property capitalisation	0	0	0	0	632	632
Wokingham Town Centre Regeneration Portfolio	0	0	0	0	100	100
Total	3,200	490	7,140	583	1,507	12,920

	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	700	0	0	0	0	700
Minimum Income Guarantee (MIG) Changes to Charging	150	0	0	0	0	150
Budget required to develop and deliver effective Digital Services	0	150	0	0	0	150
Customer Experience role to deliver CX Learning Programme	0	52	0	0	0	52
Inclusion Officer	0	52	0	0	0	52
Delay in Placement Delivery 2023/24	0	0	400	0	0	400
Education Management System	0	0	195	0	0	195
Transformation Programme	0	0	1,630	0	0	1,630
Car Parking Income	0	0	0	150	0	150
Consultancy Support for Residents Parking Zones Project	0	0	0	96	0	96
Planning and Enforcement Staffing Costs	0	0	0	169	0	169
Residents Parking Zones - including Parking Permits	0	0	0	300	0	300
Specialist service advice for procurement	0	0	0	200	0	200
Waste Collection Service Changes	0	0	0	550	0	550
Commercial Portfolio	0	0	0	0	100	100
Investment & Estates property pressures from depressed market	0	0	0	0	100	100
One off growth to support leisure income recovery	0	0	0	0	30	30
Review of Boxing Hub Model	0	0	0	0	50	50
Total	850	254	2,225	1,465	280	5,074
Funded by the following Service Efficiencies						
Demand management - review of existing packages and spend, utilisation of prevention services	(535)	0	0	0	0	(535)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	0	0	0	0	(100)
Maximising appropriate benefits for all clients	(35)	0	0	0	0	(35)
Maximising integration funding to support delivery of hospital discharge services	(600)	0	0	0	0	(600)
Minimum Income Guarantee (MIG) Changes to Charging	(250)	0	0	0	0	(250)
Optalis Efficiencies	(100)	0	0	0	0	(100)
Securing health income for residents	(500)	0	0	0	0	(500)
Change in application support arrangements	0	(28)	0	0	0	(28)
Customer Service efficiencies - Process Redesign	0	(160)	0	0	0	(160)
Data and Insight service efficiencies	0	(25)	0	0	0	(25)
Human Resource efficiencies	0	(75)	0	0	0	(75)
Implementation of Software defined wide area network	0	(25)	0	0	0	(25)
Review of Council policies	0	(100)	0	0	0	(100)
Building a Permanent Social Worker Workforce	0	0	(150)	0	0	(150)
Home to School Transport	0	0	(500)	0	0	(500)
Local care leaver accommodation	0	0	(416)	0	0	(416)

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Placements - Strategy & Sufficiency	0	0	(270)	0	0	(270)
Securing health income for residents	0	0	(100)	0	0	(100)
Transforming Children's Services	0	0	(400)	0	0	(400)
Annual draw from reserves	0	0	0	(475)	0	(475)
Changes to Highways Contract	0	0	0	(150)	0	(150)
Contract reviews and reductions/changes	0	0	0	(50)	0	(50)
Contract saving - Street Cleansing & Grounds Maintenance	0	0	0	(309)	0	(309)
Highways consultancy service contract saving	0	0	0	(70)	0	(70)
Housing - correct recharge to General Fund	0	0	0	(90)	0	(90)
Increase in Off Street Parking Charges	0	0	0	(65)	0	(65)
Innovative data use to improve gully emptying	0	0	0	(50)	0	(50)
Introduction of car parking charges at Aviation Museum	0	0	0	(40)	0	(40)
Introduction of Moving Traffic Offence Enforcement	0	0	0	(353)	0	(353)
Play Area Rationalisation	0	0	0	(15)	0	(15)
Reduce discount period for garden waste	0	0	0	(20)	0	(20)
Reduce Transport Planning Consultants	0	0	0	(35)	0	(35)
Residents Parking Zones - including Parking Permits	0	0	0	(342)	0	(342)
School Keep Clear Markings - roll out of parking enforcement scheme	0	0	0	(50)	0	(50)
Utility & works permits - fee increase and expansion	0	0	0	(80)	0	(80)
VAT exemption on Country Park parking charges	0	0	0	(130)	0	(130)
Waste Collection Service Changes	0	0	0	(1,050)	0	(1,050)
Assets directorate programme	0	0	0	0	(470)	(470)
Benefit realisation from Commercial activities	0	0	0	0	(80)	(80)
Casualty Insurance - Review excess levels	0	0	0	0	(30)	(30)
Contracts and Commissioning directorate programme	0	0	0	0	(500)	(500)
Council tax relief - move to digital notifications	0	0	0	0	(16)	(16)
Council wide vacancy factor increase	0	0	0	0	(1,400)	(1,400)
Governance efficiencies to meet growth pressures	0	0	0	0	(50)	(50)
Places Leisure efficiencies	0	0	0	0	(50)	(50)
Redelivery of Cantley café service model	0	0	0	0	(70)	(70)
Remodelling of Leisure	0	0	0	0	(120)	(120)
Remove budgets for additional DHP and LWP	0	0	0	0	(40)	(40)
Restructure of Sports development service delivery	0	0	0	0	(10)	(10)
Revenues and Benefits Automation	0	0	0	0	(50)	(50)
Review of Boxing hub delivery model	0	0	0	0	(150)	(150)
Review of Commercial Property resources	0	0	0	0	(632)	(632)
Review of councils income collection processes	0	0	0	0	(96)	(96)
Review of finance process and processes and automation opportunities	0	0	0	0	(125)	(125)
Total	(2,120)	(413)	(1,836)	(3,374)	(3,889)	(11,632)

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Revenue Implications of Capital						
Purchase of new care home	(100)	0	0	0	0	(100)
Rationalise document management systems	0	(35)	0	0	0	(35)
WBC Residential Children's Home Project (multiple sites)	0	0	(238)	0	0	(238)
Ashenbury Park & Covid Memorial Wood	0	0	0	(26)	0	(26)
Dinton Activity Centre Project	0	0	0	(3)	0	(3)
Moving Traffic Enforcement	0	0	0	(58)	0	(58)
Invest to Save capital schemes	0	0	0	0	685	685
Renewable energy projects	0	0	0	0	(220)	(220)
Renewable energy projects - Electric vehicle	0	0	0	0	(5)	(5)
Total	(100)	(35)	(238)	(87)	460	0

Service Budget 2024/2025 (excluding Capital & Internal recharges)	67,734	11,034	42,055	31,701	19,135	171,659
<i>Internal Recharges & Depreciation Charges</i>	3,720	854	8,751	15,561	(10,216)	18,670
Service Budget 2024/2025 (including Capital & Internal recharges)	71,454	11,888	50,806	47,262	8,919	190,329

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

Corporate Transfers						
Contribution to DSG deficit recovery						2,586
Drawdown from Fairer Funding Reserve to fund 24/25 budget gap						(3,269)

THREE YEAR BUDGET FORECAST

2024/2025
£'000

2025/2026
£'000

2026/2027
£'000

Growth

Adult Social Care			
Care & support - manage increasing demand in numbers and complexity	3,160	5,160	7,160
Prevention - investment in preventative services	40	140	240

Chief Executive			
Budget required to deliver sustainable organisational change	490	490	490

Children's Services			
Building a Permanent Social Worker Workforce	0	170	170
Home to School Transport	4,018	4,465	5,043
Managing and Meeting demand in numbers and complexity	711	877	997
New Models of Support for Children with Disabilities	325	510	720
Placement Growth	2,086	3,385	4,894

Place & Growth			
Additional work to manage overhanging vegetation and maintain footpaths	95	80	70
Concessionary travel - reimbursement costs	70	70	70
Highways and Transport staff based budget correction	0	191	191
Historic electricity saving	0	176	176
Housing Benefit income for Bed & Breakfast	100	300	300
Income generation through commercialisation across the directorate	68	68	68
Making Climate Emergency Officer Posts Permanent	75	103	103
New Contract Manager role Environment and Safety	70	70	70
Review access to free parking at Carnival multi-story Car Park	0	120	120
Routing Software - Home to School Transport	20	20	20
Street light electrical testing	50	50	50
To provide sufficient funding to support the Emergency Duty Officers	35	35	35

Resources & Assets			
Demand pressures in Democratic & Electoral Services	50	50	50
Forecast external audit fees	100	100	100
Increased demand/support through Council Tax Relief Scheme	100	100	100
Laurel Park Pavilion running costs	25	25	25
Leisure Service reduced income/usage	500	530	530
Review of Commercial Property capitalisation	632	632	632
Wokingham Town Centre Regeneration Portfolio	100	100	100

Total Growth	12,920	18,017	22,524
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Savings

Adult Social Care			
Demand management - review of existing packages and spend, utilisation of prevention services	(535)	(2,335)	(3,235)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	(200)	(200)
Maximising appropriate benefits for all clients	(35)	(35)	(35)
Maximising integration funding to support delivery of hospital discharge services	(600)	(800)	(1,000)
Minimum Income Guarantee (MIG) Changes to Charging	(250)	(250)	(250)
Optalis Efficiencies	(100)	(120)	(120)
Securing health income for residents	(500)	(700)	(700)

Chief Executive			
Change in application support arrangements	(28)	(28)	(28)
Consolidation of contact centres	0	(50)	(50)
Customer Service efficiencies - Process Redesign	(160)	(160)	(160)
Data and Insight service efficiencies	(25)	(25)	(25)
Human Resource efficiencies	(75)	(75)	(75)
Implementation of Software defined wide area network	(25)	(25)	(25)
Review of Council policies	(100)	(100)	(100)

THREE YEAR BUDGET FORECAST

	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000
Children's Services			
Building a Permanent Social Worker Workforce	(150)	(200)	(250)
Home to School Transport	(500)	(500)	(500)
Local care leaver accommodation	(416)	(572)	(728)
New Models of support for Children with Disabilities	0	(300)	(900)
Placements - Strategy & Sufficiency	(270)	(530)	(530)
Securing health income for residents	(100)	(200)	(200)
Transforming Children's Services	(400)	(800)	(800)
Place & Growth			
Annual draw from reserves	(475)	(475)	(475)
Best practice from other council Highways teams	0	(30)	(30)
Changes to Highways Contract	(150)	(150)	(150)
Contract reviews and reductions/changes	(50)	(30)	(30)
Contract saving - Street Cleansing & Grounds Maintenance	(309)	(325)	(325)
Highways consultancy service contract saving	(70)	(70)	(70)
Housing - correct recharge to General Fund	(90)	(90)	(90)
Increase in Off Street Parking Charges	(65)	(100)	(130)
Innovative data use to improve gully emptying	(50)	(50)	(50)
Introduction of car parking charges at Aviation Museum	(40)	(40)	(40)
Introduction of Moving Traffic Offence Enforcement	(353)	(505)	(505)
New road and footpath network treatment innovations	0	(100)	(100)
Play Area Rationalisation	(15)	(15)	(15)
Reduce discount period for garden waste	(20)	(20)	(20)
Reduce Transport Planning Consultants	(35)	(35)	(35)
Reducing delivery where more than statutory service provided	0	(30)	(30)
Residents Parking Zones - including Parking Permits	(342)	(342)	(342)
School Keep Clear Markings - roll out of parking enforcement scheme	(50)	(50)	(50)
Utility & works permits - fee increase and expansion	(80)	(80)	(80)
VAT exemption on Country Park parking charges	(130)	(130)	(130)
Waste Collection Service Changes	(1,050)	(1,050)	(1,050)
Resources & Assets			
Assets directorate programme	(470)	(470)	(470)
Benefit realisation from Commercial activities	(80)	(80)	(80)
Casualty Insurance - Review excess levels	(30)	(30)	(30)
Contracts and Commissioning directorate programme	(500)	(500)	(500)
Corporate Finance automation	0	(30)	(30)
Council tax relief - move to digital notifications	(16)	(19)	(19)
Council wide vacancy factor increase	(1,400)	(1,400)	(1,400)
Election cycle	0	0	(80)
Governance efficiencies to meet growth pressures	(50)	(50)	(50)
Income generation from Solar Farms	0	0	(300)
Internal Audit model options	0	(25)	(25)
Places Leisure efficiencies	(50)	(50)	(50)
Redelivery of Cantley café service model	(70)	(70)	(70)
Reduced costs of external audit - due to improved quality assurance	0	(30)	(30)
Remodelling of Leisure	(120)	(120)	(120)
Remove budgets for additional DHP and LWP	(40)	(40)	(40)
Restructure of Sports development service delivery	(10)	(10)	(10)
Revenues and Benefits Automation	(50)	(50)	(50)
Review of Boxing hub delivery model	(150)	(150)	(150)
Review of Commercial Property resources	(632)	(632)	(632)
Review of councils income collection processes	(96)	(96)	(96)
Review of finance process and processes and automation opportunities	(125)	(175)	(175)
Total Savings	(11,632)	(15,749)	(18,065)

THREE YEAR BUDGET FORECAST

	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000
Special Items			
Adult Social Care			
Demand Management - resource investment to deliver change	700	500	500
Minimum Income Guarantee (MIG) Changes to Charging	150	0	0
Chief Executive			
Budget required to develop and deliver effective Digital Services	150	0	0
Customer Experience role to deliver CX Learning Programme	52	0	0
Inclusion Officer	52	52	0
Children's Services			
Delay in Placement Delivery 2023/24	400	200	0
Education Management System	195	0	0
Transformation Programme	1,630	1,105	800
Place & Growth			
Car Parking Income	150	0	0
Consultancy Support for Residents Parking Zones Project	96	0	0
Planning and Enforcement Staffing Costs	169	69	0
Residents Parking Zones - including Parking Permits	300	0	0
Specialist service advice for procurement	200	200	0
Waste Collection Service Changes	550	0	0
Resources & Assets			
Commercial Portfolio	100	0	0
Investment & Estates property pressures from depressed market	100	0	0
One off growth to support leisure income recovery	30	0	0
Review of Boxing Hub Model	50	0	0
Total Special Items	5,074	2,126	1,300
Revenue Implications of Capital			
Adult Social Care			
Nursing call bell system	0	(50)	(50)
Purchase of new care home	(100)	(250)	(321)
Chief Executive			
Rationalise document management systems	(35)	(35)	(35)
Children's Services			
WBC Residential Children's Home Project (multiple sites)	(238)	(238)	(238)
Place & Growth			
Ashenbury Park & Covid Memorial Wood	(26)	(26)	(26)
Dinton Activity Centre Project	(3)	(3)	(3)
Moving Traffic Enforcement	(58)	(58)	(58)
Residents Parking Permits	0	(129)	(129)
Resources & Assets			
Invest to Save capital schemes	685	1,014	1,085
Renewable energy projects	(220)	(220)	(220)
Renewable energy projects - Electric vehicle	(5)	(5)	(5)
Total Revenue Implications of Capital	0	0	0

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2024/25 - TO INFORM THE LEVEL OF GENERAL FUND BALANCE

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

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Adult Social Care						
Learning disability - unknown high cost pressures	27,300	27,500	28,100	100	300	200
Mental health - unknown high cost pressures	2,300	2,400	2,700	100	150	50
Physical disability - unknown high cost pressures	5,500	5,600	6,000	100	200	100
Older people - increases above expected levels (including self funders with depleted funds)	16,800	17,100	17,600	100	200	200
Market pressures arising from inflation / cost of living	0	0	1,000	300	400	300
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	51,900	52,600	57,900	2,100	1,850	1,350
Chief Executive						
Supplier mandated hosting of Tier A software applications	160	160	360	50	50	100
Change to market value linked to infrastructure costs	460	460	550	20	30	40
Software contract inflation costs(IT)	1,560	1,560	2,000	100	140	200
Increased efficiency programmes within the Organisation requiring additional support i.e. Comms/HR/PM	1,000	1,000	1,200	50	50	100
Directorate Programme savings delivery	(50)	(50)	0	10	10	30
Total Adult Social Care	3,130	3,130	4,110	230	280	470
Children's Services						
Additional placements for children & young people above expected, including dispersal of UASC (demand led)	8,200	8,300	9,300	200	300	500
Direct payments and Community Support increased activity and costs (demand led)	870	900	1,000	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)	9,800	9,900	10,500	100	200	300
Legal costs through Joint Legal Team (demand led)	820	870	1,200	50	110	170
Adoption costs (demand led)	450	450	540	10	20	60
Emergency Duty Service (children's & adults) (demand led)	300	300	370	20	30	20
Unaccompanied asylum seeking children (demand led)	0	0	1,400	400	500	500
TOTAL Children's Services	20,990	21,350	25,240	910	1,310	1,670

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2024/25 - 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						
Waste disposal costs	11,000	11,000	11,500	300	100	100
Highways (roads and footways) urgent repairs following flooding and freezing and disposal of Tar bound material	1,800	1,920	2,100	50	100	30
Homelessness - greater than forecast usage of B&B accommodation	680	680	800	20	50	50
Winter maintenance (bad weather)	200	430	500	40	30	0
Planning appeals - risk of greater use of consultants and legal advice to defend planning appeals	200	270	500	80	100	50
Failure of an embankment/structure on the highway	0	0	1,000	800	200	0
Highway Order - ensuring the network is compliant	0	0	200	30	20	150
Planning income (inc. pre application and planning fees, land charges, etc) - underachievement of predicted fee income	(2,500)	(2,500)	(2,000)	150	200	150
Underachievement of MTFP additional income/savings target	(3,500)	(3,500)	(2,500)	100	250	650
Car Parking/Moving Traffic Enforcement/School Cross Patrols Income - Failure to achieve income target	(3,600)	(3,600)	(3,400)	0	100	100
TOTAL Place & Growth	4,280	4,700	8,700	1,570	1,150	1,280
Resources & Assets						
Rental income pressures from property portfolio due to external market factors	(4,180)	(4,180)	(3,900)	50	80	150
Non achievement of Commercialisation savings	(390)	(390)	(100)	50	50	190
Unachievable contract savings	(750)	(750)	0	50	400	300
Under achievement of efficiency savings through automation and process review	(175)	(175)	0	50	50	75
TOTAL Resources & Assets	(5,495)	(5,495)	(4,000)	200	580	715
Total Budget Variable - General fund	74,805	76,285	91,950	5,010	5,170	5,485

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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.

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 2024/25 indicates that balances of at least £10m would be required to provide for budget risks identified as high and medium. The recommended level of balances (below) is based on this.

It is important to also consider the reserves and balances set out in section 2 of the medium term financial plan which set out a number of reserves which are held to mitigate against financial risks in the short and medium term.

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): -

c£8.3m – crude minimum guide (5% ongoing net budget)

£9m to £11m – reasonable level (High/Medium risks)

£15.7m – 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.

		2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000
INCOME				
Rents				
Dwelling Rents		(18,182)	(19,091)	(19,664)
Garage Rents		(216)	(227)	(233)
Commercial Rents		(2)	(2)	(2)
Total Rents		(18,400)	(19,320)	(19,899)
Fees & Charges				
Service Charges		(509)	(577)	(645)
Leasehold Charges		(100)	(105)	(108)
Other Charges for Services & Facilities		(117)	(123)	(121)
Interest on balances		(20)	(20)	(20)
Total Income		(19,146)	(20,145)	(20,793)
EXPENDITURE				
Housing Repairs		4,647	4,879	5,025
General Management		3,765	4,052	4,173
Sheltered Accommodation		500	525	541
Depreciation	Note 1	5,045	5,045	5,045
Capital Finance Interest Charge	Note 2	3,000	3,000	3,000
Voluntary Revenue Provision	Note 3	1,629	2,069	2,103
Revenue Contribution to Capital	Note 4	560	575	906
Total Expenditure		19,146	20,145	20,793
Net Expenditure / (Income)		0	0	0
HRA Revenue Reserve				
Balance at Beginning of Year		(1,083)	(1,083)	(1,082)
Net Expenditure / (Income) - from above		0	0	0
Balances at Year End	Note 5	(1,083)	(1,082)	(1,082)

Note 1. The contribution from HRA revenue to Major Repairs

Note 2. Based on current and forecast loan portfolio

Note 3. Repayment of HRA loans taken during self financing

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.

		2024/25 Budget £.000	2025/26 Budget £.000	2026/27 Budget £.000
EXPENDITURE				
Estate Improvements		10	10	10
Capitalised Staffing Costs		725	750	750
Adaptations for the Disabled		600	600	600
Voids		800	800	800
Housing Purchase & New Builds		1,000	1,000	1,000
Planned & Improvements Works		3,365	3,377	3,606
Gorse Ride Redevelopment	Note 1	4,132	13,979	12,256
Total Capital Expenditure		10,632	20,516	19,022
FUNDED BY				
Major Repairs Reserve		(5,140)	(5,099)	(5,060)
Revenue Contributions	Note 2	(560)	(575)	(906)
Right to Buy Receipts - Housing Purchase & New Builds	Note 3	(784)	(784)	(784)
Borrowing - Housing Purchase & New Builds	Note 4	(216)	(216)	(216)
Capital Receipts - Gorse Ride		(1,815)	(2,545)	(7,243)
HRA Borrowing - Gorse Ride		(1,867)	(6,398)	(4,563)
S106 - Gorse Ride		0	(4,649)	0
RTB - Gorse Ride		(250)	(250)	(250)
Total Capital Funding		(10,632)	(20,516)	(19,022)
Balances at Year End		0	0	0

Note 1. Part of redevelopment scheme agreed by Executive in February 2022

Note 2. Revenue contribution to fund capital programme

Note 3. Estimated receipts from right to buy sales

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

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2024/25 - 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	3,500	3,500	4,000	200	200	100
Risk of contractor failure to capital budget	10,600	10,600	11,200	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	14,100	14,100	16,150	1,000	700	350

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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 2023	1.1
Estimated Balance 31st March 2024	1.1
Estimated Balance 31st March 2025	1.1
Estimated Balance 31st March 2026	1.1
Estimated Balance 31st March 2027	1.1

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.

The Council aim to have 5% of gross expenditure 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 and considered against a budget risk analysis to ensure that the current balance is above the minimum level as recommended by the policy.

The level of reserves are expected to remain constant throughout the medium term.

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 of Children and Young People with Education Health & Care Plans. Wokingham is part of the government's Safety Valve Programme, which is a significant programme of work to address sufficiency and demand issues. Our plans demonstrate that we can balance our DSG in-year within 5 to 6 years, we have secured funding from the Department for Education to address our cumulative deficit.

	2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000
INCOME				
Dedicated schools grant	(87,546)	(96,277)	(99,166)	(102,140)
Pupil premium	(1,820)	(1,698)	(1,188)	(832)
Total Income (Note 1)	(89,366)	(97,975)	(100,354)	(102,972)
EXPENDITURE				
Individual Schools Budget (ISB)	57,089	59,750	61,543	63,389
High Needs Block Budget excluding ISB	18,627	19,580	20,167	20,772
Education of children under 5s in private, voluntary & independent settings	8,952	14,167	14,592	15,029
Pupil premium allocated to schools	1,820	1,698	1,188	832
Centrally retained services	1,039	1,081	1,114	1,147
Growth Fund	1,666	1,400	1,442	1,485
Early Years Contingency	173	299	308	318
Total Expenditure	89,366	97,975	100,354	102,972
Net Expenditure / (Income)	0	0	0	0
Balance brought forward (Note 2)	9,167	15,270	20,560	23,700
Budgeted net expenditure / (income)	0	0	0	0
Forecast in-year over / (under) spend (Note 3)	6,103	5,290	3,140	1,480
Balance Carried Forward - (Surplus) / Deficit	15,270	20,560	23,700	25,180

Note 1 - 2023/24 figures reflect final budget allocations, excluding any final DfE adjustment for the Early Years Block.

Note 2 - Surplus or deficit balance at the end of each financial year carried forward into the following year

Note 3 - Expected overspend in the DSG for 2023/24 and reported to the Schools Forum on 10th January 2024, primarily relating to the High Needs Block. 0.5% transfer from Schools Block to High Needs Block for 2024/25 was approved by Schools Forum in November 2023. Significant challenge remains to balance available resource against increasing demand with future year's projected deficit informed by Safety Valve Programme modelling.

CAPITAL PROGRAMME 2024 to 2027 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
- Internal Services
- Environment
- Adult Social Care

2 Capital Programme

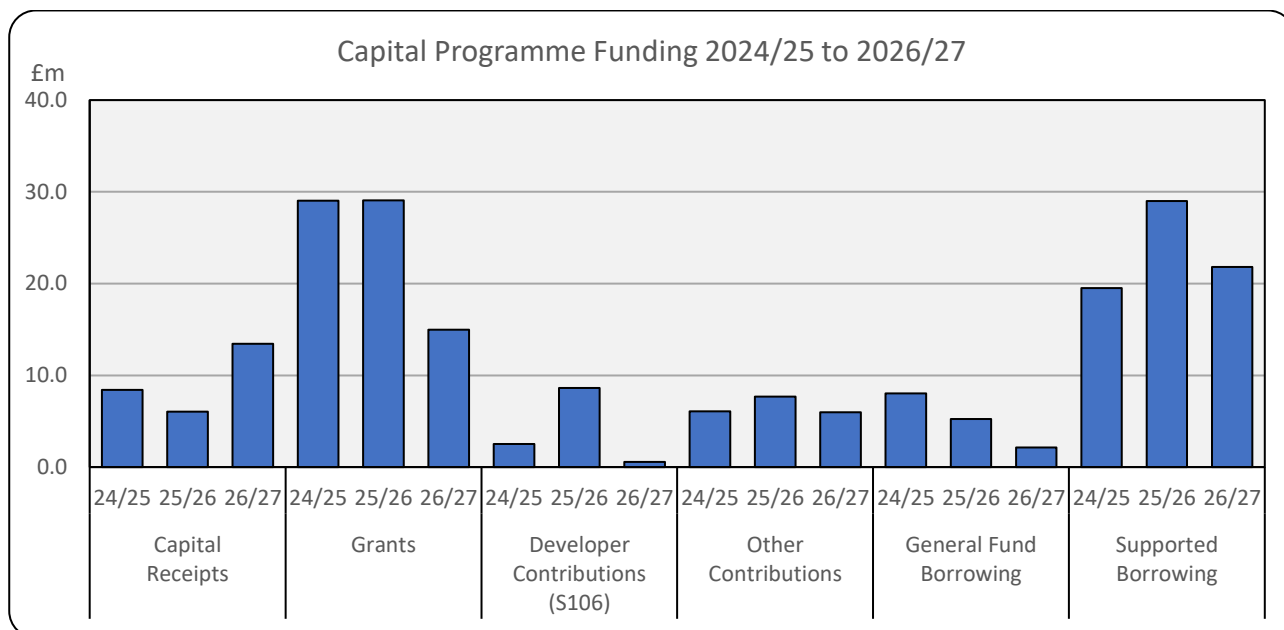
An overview of the proposed programme over the next three years is shown below. Further detail of the Capital Programme allocation of individual projects across key areas, and key area sub - categories is contained in the schedules further on in this section of the Medium Term Financial Plan and can be found in the Capital Programme and Strategy 2024/27.

Also included are the estimated 2023/24 budget carry forwards identified in the quarter three capital monitoring. These are presented for information only. It is important to note that the carry forwards may change further throughout the 2023/24 financial year and will be approved by the Executive as part of the capital monitoring outturn report.

	Carry Forwards (Q3)				Total
	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	£m
Housing, Local Economy and Regeneration	140.1	20.7	27.7	26.1	214.6
Children Services and Schools	11.7	28.3	26.6	7.6	74.2
Roads and Transport	76.3	11.0	12.0	9.2	108.5
Internal Services	6.5	6.2	8.3	8.8	29.8
Adult Social Care	18.3	3.8	2.0	1.0	25.1
Environment	40.6	3.5	13.3	10.5	67.9
Total Capital Programme 2023/24 to 2026/27	293.5	73.5	89.9	63.2	520.1

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.



	Carry Forwards (Q3)				Total
	2023/24	2024/25	2025/26	2026/27	
	£m	£m	£m	£m	£m
Supported borrowing	(208.7)	(19.5)	(29.0)	(21.8)	(279.0)
Developer contributions (S106 / CIL)	(41.0)	(2.5)	(8.6)	(0.6)	(52.7)
Capital grants	(18.4)	(29.0)	(29.1)	(15.0)	(91.5)
Other contributions	(0.3)	(6.2)	(7.7)	(5.9)	(20.1)
Capital receipts	(12.3)	(8.4)	(6.1)	(13.5)	(40.2)
General fund borrowing	(12.8)	(8.0)	(5.2)	(2.1)	(28.1)
Total	(293.5)	(73.5)	(85.7)	(58.9)	(511.6)

The capital programme currently has a budget shortfall of c£8.5m over the next three years which includes a fully funded year 1 (2024/25) programme. This shortfall is made up of a budget shortfall against the capital programme highlighted above (£520.1m less £511.6m). 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 2024/25 to 2026/27 are set as:

Prudential Indicators	2023/24 Forecast £m	2024/25 Forecast £m	2025/26 Forecast £m	2026/27 Forecast £m
<u>Limits</u>				
Authorised Limit (Note: Total CFR*120%)	575	646	690	701
Operational Boundary (Note: Total CFR*110%)	527	592	632	642
<u>Performance Indicators</u>				
Capital financing requirement – General Fund (GF)	382	434	467	473
Capital financing requirement – HRA	97	104	108	111
Gross external borrowing – General Fund (GF)	127	171	204	218
Gross external borrowing - HRA	76	87	97	105
Ratio of financing costs to net revenue stream – General Fund (GF)	(0.56%)	0.71%	2.19%	2.44%
Ratio of financing costs to net revenue stream - HRA	19.87%	23.30%	24.33%	24.53%
Net income from commercial & service investments to net revenue stream - GF	8.36%	10.17%	9.53%	9.25%

The ratios above are explained in more detail in the Treasury Management Strategy 2024/25 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 2024/25 to 2026/27 is demonstrated in the table below.

	Capital Financing Requirement (General Fund)			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	368	382	449	493
Expenditure in year	42	80	79	113
Repayments in year;				
- Capital Receipts / Developer Contributions	(21)	(2)	(23)	(6)
- MRP	(7)	(9)	(13)	(15)
Closing Balance - CFR	382	449	493	584
Excluding capital budget approvals without planned expenditure (cumulative effect)		(16)	(26)	(111)
Closing Balance	382	434	467	473

This can be broken down further into supported 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.

	Supported Borrowing				General Fund Borrowing			
	23/24	24/25	25/26	26/27	23/24	24/25	25/26	26/27
	£m	£m	£m	£m	£m	£m	£m	£m
Opening balance	270	276	311	334	98	106	123	133
Expenditure in year	25	43	54	23	17	21	14	4
Repayments in year (MRP + Fund Swaps)	(19)	(8)	(31)	(17)	(9)	(4)	(4)	(4)
Closing balance	276	311	334	340	106	123	133	133

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			
	23/24	24/25	25/26	26/27
	£m	£m	£m	£m
Opening balance	82	97	104	108
Expenditure in year	16	8	7	5
Repayments in year				
VRP	(1)	(2)	(2)	(2)
Capital Receipts	0	0	0	0
Closing balance	97	104	108	111

A full breakdown of the prudential indicators, investment strategy and borrowing strategy can be found in the Treasury Management Strategy 2024/25.

CAPITAL PROGRAMME 2024/25 to 2026/27

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.

The carry forwards identified from the 2023/24 capital budget are included for completeness. These are based on the amounts agreed in the quarter three capital monitoring report presented to the Executive. Carry forwards are likely to be spent across a number of years.

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	Carry Forwards 2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	Total £,000
Children Services and Schools Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential	11,701	28,320	26,563	7,652	74,235
Housing, Local Economy and Regeneration Delivering sustainability, a strong, robust and successful economy that stimulates opportunities for all who work and live in	140,035	20,709	27,691	26,098	214,534
Roads and Transport Continuous investment in highways infrastructure to meet the needs of current and future users of the network	76,342	10,952	11,969	9,158	108,420
Internal Services Investment in Council assets and technology to continue to support all Council services and priorities	6,485	6,165	8,340	8,790	29,780
Adult Social Care An effective, high-quality care and support service to providing a better quality of life for residents	18,336	3,831	1,987	995	25,149
Environment Investment and enhancement of facilities across the borough benefiting communities and residents wellbeing	40,591	3,570	13,309	10,509	67,979
Total Capital Programme 2024/25 to 2026/27	293,492	73,547	89,858	63,202	520,099

CAPITAL PROGRAMME 2024/25 to 2026/27 BY SUB CATEGORY

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

	Carry Forwards 2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	Total £,000
Children Services and Schools					
New facilities	10,912	25,550	23,541	6,160	66,163
Housing Delivery	730	1,470	1,530	0	3,730
Improvement to existing facilities	38	1,162	1,162	1,162	3,524
Service improvements	21	138	330	330	819
Children Services and Schools Total	11,701	28,320	26,563	7,652	74,235
Housing, Local Economy and Regeneration					
Housing delivery	22,226	20,709	27,591	26,098	96,624
Service Improvements	0	0	100	0	100
Town Centre Regeneration	12,600	0	0	0	12,600
New Facilities	105,210	0	0	0	105,210
Housing, Local Economy and Regeneration Total	140,035	20,709	27,691	26,098	214,534
Roads and Transport					
Alternative transport	6,956	3,510	4,980	2,400	17,846
Improvement to existing facilities	4,393	3,402	3,345	3,575	14,715
Service Improvements	8,489	3,126	3,576	3,113	18,304
Income Generation	0	848	0	0	848
New Roads	56,504	66	68	70	56,707
Roads and Transport Total	76,342	10,952	11,969	9,158	108,420
Internal Services					
Service improvements	6,003	4,815	5,915	5,440	22,173
New facilities	0	1,000	2,075	3,000	6,075
Improvement to existing facilities	482	350	350	350	1,532
Internal Services Total	6,485	6,165	8,340	8,790	29,780

CAPITAL PROGRAMME 2024/25 to 2026/27 BY SUB CATEGORY CONT..

	Carry Forwards 2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	Total £,000
Adult Social Care					
New facilities	17,033	2,300	1,000	0	20,333
Service improvements	0	1,481	937	945	3,363
Improvement to existing facilities	1,303	50	50	50	1,453
Internal Services Total	18,336	3,831	1,987	995	25,149
Environment					
New Facilities	40,196	3,450	13,100	10,300	67,046
Improvements to existing facilities	395	120	209	209	933
Environment Total	40,591	3,570	13,309	10,509	67,979
TOTAL	293,492	73,547	89,858	63,202	520,099

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24 £,000	Year 1 2024/25 £,000	Year 2 2025/26 £,000	Year 3 2026/27 £,000	Total £,000		
Children Services and Schools									
247	SEND Sufficiency (Two New Schools)	Extension / new build projects to provide additional places throughout the borough to meet demand	0	13,400	13,300	6,000	32,700		
	Short Breaks and Longer Term Care for Children with Disabilities TOM	Cost effective short breaks and longer term care provision in Wokingham for Children with Disabilities. Increasing overnight short break stay provision to help families to continue to provide the majority of care for their child at home	0	3,500	3,500	0	7,000		
	SEND resource units, SEND post 16 provision and specialist early years	Extension / new build projects to provide additional places throughout the borough to meet demand	4,470	3,171	0	0	7,641		
	Basic Needs Secondary Places	Extension / new build projects to provide additional places throughout the borough to meet demand <i>(Note - budget requirements for year 3 onwards currently under review to understand need and delivering within funding envelope)</i>	0	2,894	3,962	0	6,857		
	Local Care Leaver Accommodation	To provide a setting to meet the needs of vulnerable children.	0	2,000	0	0	2,000		
	Basic Needs Primary Programme	Extension / new build projects to provide additional places throughout the borough to meet demand	242	500	1,500	0	2,242		
	New Facilities	Arborfield / Barkham Primary School	Furniture, fittings & equipment to meet need of additional places throughout the borough	256	30	30	30	346	
		Shinfield West Primary School		96	30	30	0	156	
		Matthews Green Primary School		0	25	15	15	55	
		Spencers Wood Primary		248	0	53	15	315	
		Alder Grove Primary School		62	0	0	0	62	
		Sixth Form Expansion		Extension / new build projects to provide additional places throughout the borough to meet demand	3,499	0	1,151	100	4,750
		Care Leaver accommodation		To provide a setting to meet the needs of vulnerable children	1,199	0	0	0	1,199
	Primary strategy - Spencer's Wood Primary School	Extension / new build projects to provide additional places throughout the borough to meet demand. <i>(Note - there is additional developer funding in relation to Spencers Wood Primary School)</i>	462	0	0	0	462		
	Matthews Green (St. Cecilia CofE Primary School)		299	0	0	0	299		
	Arborfield Primary		80	0	0	0	80		
New Facilities Total			10,912	25,550	23,541	6,160	66,163		

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Housing Delivery	Care Leaver Supported Accommodation: Seaford Court	To provide a setting to meet the needs of vulnerable children.	730	1,470	1,530	0	3,730
		Housing Delivery Total	730	1,470	1,530	0	3,730
Improvement to Existing Facilities	Schools Maintenance	Capital improvements and suitability issues	0	630	630	630	1,890
	Schools Devolved Formula	Specific government grant to carry out capital works, controlled by schools	0	250	250	250	750
	Equipment for Disabled Children	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	0	200	200	200	600
	School Kitchens	Improve various school meals kitchens including delivery of the universal free school meal programme	0	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	0	32	32	32	96
	Schools Access	To improve access provision to schools	38	0	0	0	38
		Improvement to Existing Facilities Total	38	1,162	1,162	1,162	3,524
Service Improvements	Capitalisation of Analysts and Report Developers	Investment in business analysts part of continued change programme	0	138	138	138	414
	Capita IT System	Children's Services IT system	0	0	192	192	384
	Children in Care Website Upgrade	Improvement to children in care website	21	0	0	0	21
		Service Improvements Total	21	138	330	330	819
Children Services and Schools Total			11,701	28,320	26,563	7,652	74,235

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CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Housing, Local Economy and Regeneration							
249 Housing Delivery	Housing Tenants Services (HRA)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)	0	5,500	5,537	5,766	16,803
	Gorse Ride Regeneration Project	Redevelopment of Gorse Ride housing estate to provide new affordable housing	9,867	4,132	13,979	12,256	40,234
	Wellington Road Affordable Housing	To deliver homes for our most vulnerable residents and key workers	3,800	2,600	0	0	6,400
	Mandatory Disabled Facility Grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home	0	1,076	1,076	1,076	3,227
	Purchase of Council Houses (HRA)	To replace HRA housing stock using the 1 for 1 right to buy receipts	944	1,000	1,000	1,000	3,944
	Refurbishment and Extension - 48 Oxford Road (Non HRA Asset)	Extension to increase the provision of temporary accommodation	0	220	0	0	220
	Refurbishment of shower blocks at Carters Hill (Non HRA assets)	Upgrade of facilities to provide statutory level health and safety for residents of site	0	182	0	0	182
	Bulldog Garage - Temporary Accommodation	Build temporary accommodation to meet increase demand in the borough	4,800	0	0	0	4,800
	Gypsy, Roma & Traveller (GRT) Additional Pitches	Provision of additional GRT pitches as required in the Borough	1,590	0	0	0	1,590
	Self-Build Project	Delivery of affordable self-build schemes	1,224	0	0	0	1,224
Housing Delivery Total			22,226	14,709	21,591	20,098	78,624
Service Improvements	Commercial Portfolio - Improvement to WBC commercial properties	To ensure commercial properties are suitable for letting	0	0	100	0	100
Service Improvements Total			0	0	100	0	100
Regeneration of Towns	Carnival Pool Area Redevelopment	Part of town centre regeneration scheme	12,600	0	0	0	12,600
Regeneration of Town Centre Total			12,600	0	0	0	12,600

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
New Facilities	Infrastructure to enable Toutley East development	Infrastructure (including roads) to enable Toutley East development	3,004	0	0	0	3,004
	Strategic Property and Commercial Assets / Community Investment	Investment in strategic property and commercial assets - 14-28 Denmark St, Mulberry Business Park, Waitrose 108-114 Crockamwell Road, etc	9,746	0	0	0	9,746
New Facilities Total			12,750	0	0	0	12,750
Housing, Local Economy and Regeneration Total			47,576	14,709	21,691	20,098	104,075
Roads and Transport							
250 Alternative Transport	Local Cycling and Walking Infrastructure Plans	Improvements for walking and cycling in borough	2,389	2,800	2,000	2,000	9,189
	Active Travel and Bus Priority	Improvement to traffic flow and the encouragement of alternative sustainable modes of transport	0	400	400	400	1,200
	Gypsy Lane Footbridge	New non highway crossing (new foot and cycle structures in borough)	0	280	0	0	280
	Bus Stop Infrastructure Works to Support North Arborfield SDL	Transport infrastructure enhancement	22	30	30	0	82
	A327 Cycleway	Investment in cycle networks in the borough	848	0	2,550	0	3,398
	Greenways	A network of quiet commuting and leisure routes for pedestrians and cyclists	1,472	0	0	0	1,472
	Wokingham Borough Cycle Network	Investment in cycle networks in the borough (<i>including Bader Way cycle route</i>)	1,265	0	0	0	1,265
	Public Rights of Way Network (Loddon Long Distance Path)	Investment in all public rights of way and other non-motorised routes to support the needs of all types of users	749	0	0	0	749
	Kentwood Development - Cycle & Pedestrian Improvements	Improvements for walking and cycling in borough	177	0	0	0	177
Hilltop Road Area Walking & Cycling Improvements	35		0	0	0	35	
Alternative Transport Total			6,956	3,510	4,980	2,400	17,846

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
251	Highways Carriageways Structural Maintenance	Rolling programme to resurfacing carriageways (roads) to repair damage and extend the life of the asset	0	2,280	2,280	2,280	6,840
	Safety / Crash Barriers	Improving safety / crash barriers on the highways in the borough	0	325	500	750	1,575
	Commonfield lane passing bays	Improvements to road	0	252	0	0	252
	Bridge Strengthening	Continued enhancement to highway structures	0	225	225	225	675
	Highway Drainage Schemes	To reduce the overall degradation of the highway drainage network	333	200	200	200	933
	Highways Footway Structural Maintenance Programme	Enhancement to footways within the borough	0	100	100	100	300
	Strengthening Approach Embankments to Bridges	Continued enhancement to highway structures	0	20	20	20	60
	Street Lighting Column Structural Testing	Structural testing of lighting assets	0	0	20	0	20
	California Crossroads	Investment in enhancement across WBC road network	4,032	0	0	0	4,032
	Street Lighting - LED	Installing LED lighting in street lights	29	0	0	0	29
		Improvement to Existing Facilities Total	4,393	3,402	3,345	3,575	14,715
Service Improvements	Wokingham Highways Investment Strategy (WHIS)	A "Needs Based" approach to maintaining Wokingham's highways network, aligned to the Council's and stakeholder priorities	0	2,126	2,126	2,313	6,565
	Integrated Transport Schemes	Enhancement of the integrated transport schemes <i>(Note - Carry forward includes A327 Finchampstead Pedestrian Crossing, Threes Tuns Vulnerable Road User Scheme, Denmark Street - 2 Way Cycling and Winnersh Crossroads Scheme)</i>	356	500	400	400	1,656
	Traffic Signal Upgrade Programme	Investment in highways signals <i>(Note - Carry forward includes traffic signal works at Nine Mile Ride / Heathlands Road, Easthampstead Road Wigwags and Showcase Roundabout)</i>	195	250	250	250	945
	Safer Routes to Schools	Infrastructure changes to make school journey's by most sustainable mode <i>(Note - Carry forward includes Headley Road Crossing, Radstock Lane Path near school and Toucan Crossing - A329 Reading Road, Woosehill)</i>	150	150	150	150	600
	Tan House crossing ramps	Feasibility and design works	0	100	650	0	750
	Toutley Highways Depot Modernisation	Enhancement of environmental services facility	5,788	0	0	0	5,788
	Bridge Strengthening - Earley Station Footbridge	New footbridge over railway	2,000	0	0	0	2,000
		Service Improvements Total	8,489	3,126	3,576	3,113	18,304

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total	
Income Generation	Residential Parking Zones	Introduction of paying for use of on street parking spaces in town centres and locations near to rail stations	0	848	0	0	848	
Income Generation Total			0	848	0	0	848	
New Roads	Completed Road Schemes Retention	Meet any retention costs from completed road schemes	23	66	68	70	226	
	SCAPE - Strategic Road Infrastructure	Investment in future road building / enhancement across WBC road network (including new relief roads)	56,481	0	0	0	56,481	
New Roads Total			56,504	66	68	70	56,707	
Roads and Transport Total			76,342	10,952	11,969	9,158	108,420	
Internal Services								
252	Energy Reduction Projects	Energy efficiency projects at existing properties including, installing LED lighting, cavity wall & loft insulation, boiler controls, etc	2,811	1,750	1,750	1,750	8,061	
	Central Contingency	Held to meet unforeseen cost pressures across the capital programme	0	1,500	1,500	1,500	4,500	
	IT - Microsoft Licences	Continued enhancement in IT network	126	890	890	890	2,796	
	IT - Enhancements		51	300	300	300	951	
	IT - Hardware		933	200	0	0	1,133	
	Service Improvements	Improvement to existing Property Management Software	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)	0	125	125	0	250
		New CRM system		0	50	0	0	50
		Community Hub	Provision of Community Hubs throughout the Borough, for Council and partners to co-locate, enabling enhanced and better connected local services for residents	0	0	1,000	1,000	2,000
		IT - Infrastructure	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)	1,105	0	350	0	1,455
	Planning & Public Protection Partnership - system replacement	New software system with mobile functionality required to support PPP service planning	448	0	0	0	448	
	IT - Security		428	0	0	0	428	
	IT - Applications	Continued enhancement in IT network	102	0	0	0	102	
Service Improvements Total			6,003	4,815	5,915	5,440	22,173	

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total	
New Facilities	Future HQ Provision	Feasibility and capital works budget for future Head Quarters provision	0	1,000	2,075	3,000	6,075	
	New Facilities Total		0	1,000	2,075	3,000	6,075	
Improvement to Existing Facilities	Property Maintenance and Compliance	The continued development and upkeep of the Councils customer digital assets and infrastructure	0	350	350	350	1,050	
	Berkshire Record Office	Extension to the Berkshire Record Office building	436	0	0	0	436	
	Library Offer	Improvements to the boroughs library offer	46	0	0	0	46	
Improvement to Existing Facilities Total			482	350	350	350	1,532	
Internal Services Total			6,485	6,165	8,340	8,790	29,780	
Adult Social Care								
	New Facilities	Accommodation Transformation	Additional supported living accommodation	3,773	1,500	1,000	0	6,273
		Replacement of Day Services for Adults	Investment in provision of day services	121	800	0	0	921
		Older People's Dementia Home	Manage the future demand by investing in dementia care accommodation	13,139	0	0	0	13,139
New Facilities Total			17,033	2,300	1,000	0	20,333	
Service Improvements	Community Equipment	Support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of equipment.	0	731	737	745	2,213	
	Facilitation better health for residents of new development	Facilitate health for residents living and impacted by new developments. Address areas of health-related needs of residents including disease prevention, mental health support and healthcare access across the life course	0	400	200	200	800	
	ASC Nursing Home - Nurse Call Bell System	Installation of a modern call bell system	0	350	0	0	350	
Service Improvements Total			0	1,481	937	945	3,363	

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
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	0	50	50	50	150
	WBC Nursing Home Refurbishment	Manage the future demand by investing in dementia care accommodation	1,250	0	0	0	1,250
	Suffolk Lodge - Fire Alarm replacement	Replacement fire alarm at Suffolk Lodge	53	0	0	0	53
Improvement to Existing Facilities Total			1,303	50	50	50	1,453
Adult Social Care Total			18,336	3,831	1,987	995	25,149
Environment							
254 New Facilities	Solar PV site 2	The delivery of solar farms will allow the council to offset its carbon emissions from electricity and gas usage	0	2,300	9,700	6,800	18,800
	Renewable Energy Infrastructure	Feasibility and delivery of renewable energy infrastructure (Photovoltaic - solar canopies schemes) to WBC assets	8,873	1,000	2,000	3,500	15,373
	Rooks Nest Wood SANG Extension	To deliver a strategic Sustainable Alternative Natural Greenspace (SANG) to mitigate impacts arising from smaller scale development proposals within the local plan update	0	150	1,400	0	1,550
	Barkham Solar Farm	The delivery of solar farms will allow the council to offset its carbon emissions from electricity and gas usage	24,603	0	0	0	24,603
	Sports Provision to Serve North & South SDL's (Grays Farm)	Delivery of an outdoor sports hub at Grays Farm, to facilitate the delivery of North and South Wokingham SDLs	6,352	0	0	0	6,352
	Montague Park Community Facility	To provide a new facility serving the SDL site	222	0	0	0	222
	Covid Memorial Wood	To deliver Covid memorial, and plant new wood	134	0	0	0	134
	California Country Park - Scout Hut	New scout hut at California Country Park	12	0	0	0	12
New Facilities Total			40,196	3,450	13,100	10,300	67,046

CAPITAL PROGRAMME 2024/25 to 2026/27 - 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 and Housing, Local Economy and Regeneration

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Total
Improving existing facilities	Leisure Centre Refurbishments & upgrades	The enhancement of existing leisure facilities	0	100	100	100	300
	Food Waste Collection	To provide food waste containers	0	20	20	20	60
	Waste Schemes - Recycling	Purchase of waste receptacles to enable the borough to enhance their waste / recycling	0	0	89	89	178
	California Lakeside Refurbishment	Refurbishment and upgrading of the lakeside area and associated paths at California Country Park.	380	0	0	0	380
	Biodiversity Capital Projects	A rolling programme aimed at enhancing the biodiversity value of various sites and other assets	15	0	0	0	15
Improvements to existing facilities Total			395	120	209	209	933
Environment Total			40,591	3,570	13,309	10,509	67,979
Total			201,032	67,547	83,858	57,202	409,639

The following budgets are capital budget approvals without planned expenditure and will be subject to detailed viable business cases:-

Key Areas - by Sub Category	Project Name	Project Description	Carry Forwards 2023/24 £,000	Year 1 2024/25 £,000	Year 2 2025/26 £,000	Year 3 2026/27 £,000	Total £,000
Housing, Local Economy and Regeneration							
Housing Delivery	WBC Holdings Ltd Loan	Capital loans to support delivery of affordable housing via our companies	0	6,000	6,000	6,000	18,000
New Facilities	Community Investment	To build on the commercial property portfolio in line with the Council's socio-economic and sustainability agendas	92,459	0	0	0	92,459
Total capital budget approvals without planned expenditure			92,459	6,000	6,000	6,000	110,459
Total Capital Programme Budget			293,492	73,547	89,858	63,202	520,099

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 2024/25 to 2028/29

The following table sets out in further detail by key area, the Councils Capital Programme for the next five years (excluding carry forwards)

	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	2028/29 £,000	Total £,000
Children Services and Schools						
New facilities	25,550	23,541	6,160	60	60	55,371
Housing Delivery	1,470	1,530	0	0	0	3,000
Improvement to existing facilities	1,162	1,162	1,162	1,162	1,162	5,810
Service improvements	138	330	330	330	330	1,458
Children Services and Schools Total	28,320	26,563	7,652	1,552	1,552	65,639
Housing, Local Economy and Regeneration						
Housing delivery	20,709	27,591	26,098	25,860	25,558	125,817
Service Improvements	0	100	0	100	0	200
Regeneration of Town Centre	0	0	0	500	0	500
Housing, Local Economy and Regeneration Total	20,709	27,691	26,098	26,460	25,558	126,517
Roads and Transport						
Alternative Transport	3,510	4,980	2,400	2,400	2,400	15,690
Improvement to existing facilities	3,402	3,345	3,575	3,325	3,575	17,222
Service Improvements	3,126	3,576	3,113	3,317	3,538	16,670
Income Generation	848	0	0	0	0	848
New Roads	66	68	70	2,732	74	3,009
Roads and Transport Total	10,952	11,969	9,158	11,774	9,587	53,439
Internal Services						
Service improvements	4,815	5,915	5,440	4,990	4,490	25,650
New facilities	1,000	2,075	3,000	0	0	6,075
Improvement to existing facilities	350	350	350	350	350	1,750
Internal Services Total	6,165	8,340	8,790	5,340	4,840	33,475

	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	2028/29 £,000	Total £,000
Adult Social Care						
New facilities	2,300	1,000	0	0	0	3,300
Service improvements	1,481	937	945	870	950	5,183
Improvement to existing facilities	50	50	50	50	50	250
Adult Social Care Total	3,831	1,987	995	920	1,000	8,733
Environment						
New Facilities	3,450	13,100	10,300	0	0	26,850
Improvements to existing facilities	120	209	209	209	209	956
Environment Total	3,570	13,309	10,509	209	209	27,806
Total Capital Programme 2024/25 to 2028/29	73,547	89,858	63,202	46,255	42,746	315,608

COMMERCIALISATION AND VALUE FOR MONEY

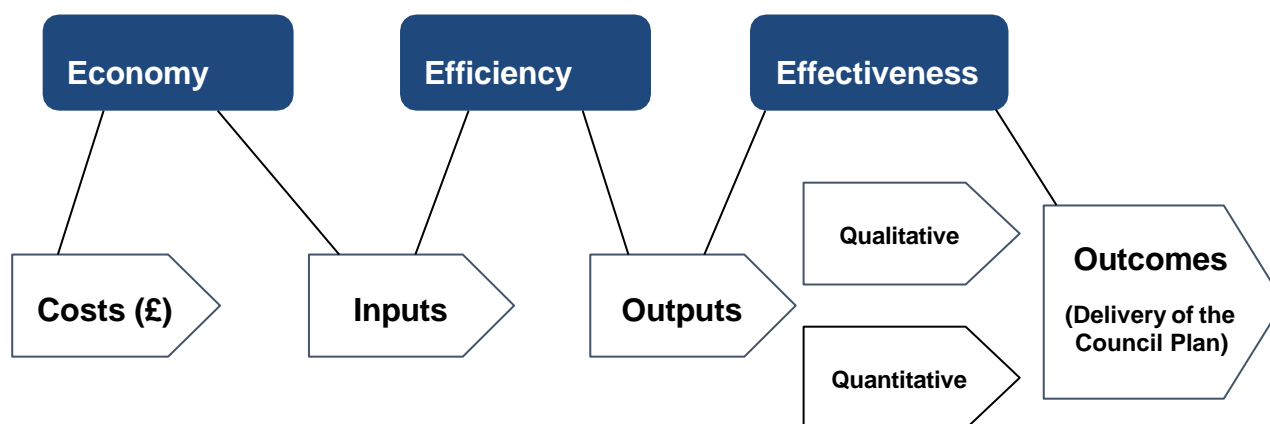
Value for money starts with identifying a demonstrable need and that need is a high priority for the Council

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.

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 one year will be charged a premium of the council tax for the property. These are set out below;

- Properties empty for at least 1 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.

Properties Occupied (Periodically) - Second Homes

- Properties that are occupied periodically (Second Homes) but furnished will be charged an additional premium of 100% from 1st April 2025.

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 2023/24 and 2024/25 are set out below.

Precept	2023/24 £	Band D £	2024/25 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	19,540,607	256.28	20,737,226	269.28	5.07%
Royal Berkshire Fire Authority	6,019,709	78.95	6,261,675	81.31	2.99%

Collection Fund Surplus

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2024. 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 2024 the collection fund expects to achieve a surplus of £1,775,990 therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £1,500,000

Police and Crime Commissioner for Thames Valley – £210,990

Royal Berkshire Fire Authority - £65,000

PARISH PRECEPTS 2024/25

PARISH	TAX BASE	<u>2023/24</u>	COUNCIL TAX BAND D	TAX BASE	<u>2024/25</u>	COUNCIL TAX BAND D
		PARISH PRECEPT £			PARISH PRECEPT £	
Arborfield & Newland	1,279.10	105,321	82.34	1,299.00	112,164	86.35
Barkham	2,336.80	61,185	26.18	2,460.60	65,081	26.45
Charvil	1,473.20	90,000	61.09	1,474.50	117,600	79.76
Earley	12,005.70	1,007,815	83.94	12,052.00	1,007,815	83.62
Finchampstead	6,553.70	192,154	29.32	6,647.70	197,919	29.77
Remenham	328.70	29,138	88.65	341.90	29,721	86.93
Ruscombe	580.20	28,600	49.29	614.20	28,000	45.59
St. Nicholas Hurst	1,106.70	54,650	49.38	1,125.30	57,288	50.91
Shinfield	7,613.20	599,570	78.75	7,802.80	642,122	82.29
Sonning	827.00	42,200	51.03	829.60	43,888	52.90
Swallowfield	1,078.60	35,487	32.90	1,099.50	36,197	32.92
Twyford	3,046.30	153,382	50.35	3,047.30	221,064	72.54
Wargrave	2,143.50	213,865	99.77	2,155.60	225,285	104.51
Winnersh	4,433.80	191,166	43.12	4,432.70	198,424	44.76
Wokingham Town	17,230.60	1,118,820	64.93	17,380.00	1,227,267	70.61
Wokingham Without	3,315.70	239,957	72.37	3,332.40	253,229	75.99
Woodley	10,894.30	1,195,649	109.75	10,914.80	1,164,500	106.69
TOTAL	76,247.10	5,358,959	70.28	77,009.90	5,627,565	73.08

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

COUNCIL TAX BY BAND AND PARISH 2024/25

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	1,508.62	1,760.06	2,011.50	2,262.93	2,765.80	3,268.68	3,771.55	4,525.86
WBC plus average Parish	1,274.89	1,487.38	1,699.86	1,912.34	2,337.30	2,762.27	3,187.23	3,824.68
Average Parish	48.72	56.84	64.96	73.08	89.32	105.56	121.80	146.16
Police Authority	179.52	209.44	239.36	269.28	329.12	388.96	448.80	538.56
Fire Authority	54.21	63.24	72.28	81.31	99.38	117.45	135.52	162.62
Adult social care precept*	177.01	206.51	236.01	265.51	324.51	383.51	442.52	531.02
Wokingham Borough Council excluding ASC precept	1,049.16	1,224.03	1,398.89	1,573.75	1,923.47	2,273.20	2,622.91	3,147.50
Wokingham Borough Council total	1,226.17	1,430.54	1,634.90	1,839.26	2,247.98	2,656.71	3,065.43	3,678.52

* Percentage increases based on total 2023/24 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	57.57	67.16	76.76	86.35	105.54	124.73	143.92	172.70
Barkham	17.63	20.57	23.51	26.45	32.33	38.21	44.08	52.90
Charvil	53.17	62.04	70.90	79.76	97.48	115.21	132.93	159.52
Earley	55.75	65.04	74.33	83.62	102.20	120.78	139.37	167.24
Finchampstead	19.85	23.15	26.46	29.77	36.39	43.00	49.62	59.54
Remenham	57.95	67.61	77.27	86.93	106.25	125.57	144.88	173.86
Ruscombe	30.39	35.46	40.52	45.59	55.72	65.85	75.98	91.18
St. Nicholas Hurst	33.94	39.60	45.25	50.91	62.22	73.54	84.85	101.82
Shinfield	54.86	64.00	73.15	82.29	100.58	118.86	137.15	164.58
Sonning	35.27	41.14	47.02	52.90	64.66	76.41	88.17	105.80
Swallowfield	21.95	25.60	29.26	32.92	40.24	47.55	54.87	65.84
Twyford	48.36	56.42	64.48	72.54	88.66	104.78	120.90	145.08
Wargrave	69.67	81.29	92.90	104.51	127.73	150.96	174.18	209.02
Winnersh	29.84	34.81	39.79	44.76	54.71	64.65	74.60	89.52
Wokingham Town	47.07	54.92	62.76	70.61	86.30	101.99	117.68	141.22
Wokingham Without	50.66	59.10	67.55	75.99	92.88	109.76	126.65	151.98
Woodley	71.13	82.98	94.84	106.69	130.40	154.11	177.82	213.38

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	1,517.47	1,770.38	2,023.30	2,276.20	2,782.02	3,287.85	3,793.67	4,552.40
Barkham	1,477.53	1,723.79	1,970.05	2,216.30	2,708.81	3,201.33	3,693.83	4,432.60
Charvil	1,513.07	1,765.26	2,017.44	2,269.61	2,773.96	3,278.33	3,782.68	4,539.22
Earley	1,515.65	1,768.26	2,020.87	2,273.47	2,778.68	3,283.90	3,789.12	4,546.94
Finchampstead	1,479.75	1,726.37	1,973.00	2,219.62	2,712.87	3,206.12	3,699.37	4,439.24
Remenham	1,517.85	1,770.83	2,023.81	2,276.78	2,782.73	3,288.69	3,794.63	4,553.56
Ruscombe	1,490.29	1,738.68	1,987.06	2,235.44	2,732.20	3,228.97	3,725.73	4,470.88
St. Nicholas Hurst	1,493.84	1,742.82	1,991.79	2,240.76	2,738.70	3,236.66	3,734.60	4,481.52
Shinfield	1,514.76	1,767.22	2,019.69	2,272.14	2,777.06	3,281.98	3,786.90	4,544.28
Sonning	1,495.17	1,744.36	1,993.56	2,242.75	2,741.14	3,239.53	3,737.92	4,485.50
Swallowfield	1,481.85	1,728.82	1,975.80	2,222.77	2,716.72	3,210.67	3,704.62	4,445.54
Twyford	1,508.26	1,759.64	2,011.02	2,262.39	2,765.14	3,267.90	3,770.65	4,524.78
Wargrave	1,529.57	1,784.51	2,039.44	2,294.36	2,804.21	3,314.08	3,823.93	4,588.72
Winnersh	1,489.74	1,738.03	1,986.33	2,234.61	2,731.19	3,227.77	3,724.35	4,469.22
Wokingham Town	1,506.97	1,758.14	2,009.30	2,260.46	2,762.78	3,265.11	3,767.43	4,520.92
Wokingham Without	1,510.56	1,762.32	2,014.09	2,265.84	2,769.36	3,272.88	3,776.40	4,531.68
Woodley	1,531.03	1,786.20	2,041.38	2,296.54	2,806.88	3,317.23	3,827.57	4,593.08

BUDGET MANAGEMENT PROTOCOL

This protocol has been produced to clarify the roles and responsibilities of officers and members in budget management.

Roles & Responsibilities:

Budget Manager

The budget holder is the person identified as the responsible officer against a cost centre budget as recorded in the general financial ledger. He/she is responsible for:

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

Directors

Each Director is responsible for keeping within the overall budget total for their department and has authority to vire between budget heads as stated in the financial regulations. He/she is responsible for:

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

Corporate Leadership Team

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

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

Members

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

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

S151 Officer (Chief Finance Officer)

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

BUDGET MANAGEMENT - ESSENTIAL PRACTICE FOR BUDGET MANAGERS

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

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

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

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

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

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

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

Glossary of Terms

Adult Social Care (ASC) Precept

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

Apprenticeship Levy

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

Autumn Statement

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

Business Rates Retention Scheme (BRRS)

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

Care Act 2014

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

Community Infrastructure Levy (CIL)

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

Core Spending Power

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

Council Tax Freeze Grant

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

Dedicated Schools Grant (DSG)

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

Education Services Grant (ESG)

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

Formula Grant

The previous name for Revenue Support Grant (RSG).

Local Government Funding Settlement

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

Medium Term Financial Plan (MTFP)

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

Ministry of Housing, Communities & Local Government (MHCLG)

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

National Funding Formula

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

New Homes Bonus

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

Northern Powerhouse

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

Precept

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

Prudential Code

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

Revenue Support Grant (RSG)

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

'Rolled-in' Grant

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

Section 106 Contributions

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

Settlement Funding Assessment (SFA)

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

Strategic Development Locations (SDLs)

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

Summary of Budget Movements

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

Unitary Authority

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

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REVENUE BUDGET & STATUTORY RESOLUTION 2024/25

The Leader of the Council proposes the budget submission contained in the Medium Term Financial Plan and moves the following statutory resolution required to fix the Council Tax for each Band in each part of the Council's area in accordance with the decision on the level of Council Tax. The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992, and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.

The Leader of the opposition group will make their budget speech and propose any amendments that they wish to the budget proposals put forward by the Leader of the Council.

1. That it be noted that at its meeting on 18th January 2024 Council calculated the following amounts for the year 2024/25 in accordance with regulations made under Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011 and the Local Government Finance Act 2012:-

- (a) 77,009.90 being the amount calculated by the Council, (Item T) in accordance with regulation 31B of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Localism Act 2011 and the Local Government Finance Act 2012), as its council tax base for the year

- (b) Part of the Council's area.

Arborfield and Newland	1,299.0
Barkham	2,460.6
Charvil	1,474.5
Earley	12,052.0
Finchampstead	6,647.7
Remenham	341.9
Ruscombe	614.2
St. Nicholas Hurst	1,125.3
Shinfield	7,802.8
Sonning	829.6
Swallowfield	1,099.5
Twyford	3,047.3
Wargrave	2,155.6
Winnersh	4,432.7
Wokingham	17,380.0
Wokingham Without	3,332.4
Woodley	10,914.8
	77,009.9

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which a parish precept relates.

2. Calculate that the Council Tax requirement for the Council's own purposes for 2024/25 (excluding Parish precepts) is £141,641,228. This includes £20,446,899 in respect of the Adult Social Care precept; this is based on a 2.0% increase on the 2023/24 council tax and annual increases from 2015/2016.
3. That the following amounts be now calculated by the Council for the year 2024/25 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992, amended by the Localism Act 2011. The precept shown below for Thames Valley Police was approved on 26th January 2024 and the Royal Berkshire Fire Authority was approved on 15th February 2024:-

- (a) £382,558,604 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act taking into account all precepts issued to it by parish councils
- (b) (£235,289,811) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act
- (c) £147,268,793 being the amount by which the aggregate at 3(a) above, exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year (Item R)
- (d) £1,912.34 being the amount at 3(c) above (Item R), all divided by 1(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the 'basic amount of its Council Tax for the year (including Parish precepts).

(e) £5,627,565

being the aggregate amount of all special items (parish precepts) referred to in Section 34(1) of the Act (as per the table below).

	2024/25			2023/24			Council	
	TAX BASE	PARISH PRECEPT £	PARISH BAND D £	TAX BASE	PARISH PRECEPT £	PARISH BAND D £	Tax Increase	%
Arborfield and Newland	1,299.0	112,164	86.35	1,279.1	105,321	82.34	4.87	
Barkham	2,460.6	65,081	26.45	2,336.8	61,185	26.18	1.03	
Charvil	1,474.5	117,600	79.76	1,473.2	90,000	61.09	30.56	
Earley	12,052.0	1,007,815	83.62	12,005.7	1,007,815	83.94	(0.38)	
Finchampstead	6,647.7	197,919	29.77	6,553.7	192,154	29.32	1.53	
Remenham	341.9	29,721	86.93	328.7	29,138	88.65	(1.94)	
Ruscombe	614.2	28,000	45.59	580.2	28,600	49.29	(7.51)	
St. Nicholas Hurst	1,125.3	57,288	50.91	1,106.7	54,650	49.38	3.10	
Shinfield	7,802.8	642,122	82.29	7,613.2	599,570	78.75	4.50	
Sonning	829.6	43,888	52.90	827.0	42,200	51.03	3.66	
Swallowfield	1,099.5	36,197	32.92	1,078.6	35,487	32.90	0.06	
Twyford	3,047.3	221,064	72.54	3,046.3	153,382	50.35	44.07	
Wargrave	2,155.6	225,285	104.51	2,143.5	213,865	99.77	4.75	
Winnersh	4,432.7	198,424	44.76	4,433.8	191,166	43.12	3.80	
Wokingham	17,380.0	1,227,267	70.61	17,230.6	1,118,820	64.93	8.75	
Wokingham Without	3,332.4	253,229	75.99	3,315.7	239,957	72.37	5.00	
Woodley	10,914.8	1,164,500	106.69	10,894.3	1,195,649	109.75	(2.79)	
Total / Average	77,009.9	5,627,565	73.08	76,247.1	5,358,959	70.28	3.98	

(f) £1,839.26

being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at 1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special items relates.

- That it be noted that for the year 2024/25 the Police and Crime Commissioner (PCC) for the Thames Valley has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
- That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2024/25 for each part of its area and for each of the categories of dwellings.

SUMMARY OF COUNCIL TAX 2024/2025**Valuation Bands**

	A	B	C	D	E	F	G	H
Wokingham Borough Council	1,226.17	1,430.54	1,634.90	1,839.26	2,247.98	2,656.71	3,065.43	3,678.52
Thames Valley Police Authority	179.52	209.44	239.36	269.28	329.12	388.96	448.80	538.56
Royal Berkshire Fire Authority	54.20	63.25	72.28	81.31	99.38	117.45	135.51	162.62

Aggregate of Council Tax Requirement for each parish and the borough for each part of the Council's area:-

Arborfield and Newland	1,283.74	1,497.70	1,711.66	1,925.61	2,353.52	2,781.44	3,209.35	3,851.22
Barkham	1,243.80	1,451.11	1,658.41	1,865.71	2,280.31	2,694.92	3,109.51	3,731.42
Charvil	1,279.34	1,492.58	1,705.80	1,919.02	2,345.46	2,771.92	3,198.36	3,838.04
Earley	1,281.92	1,495.58	1,709.23	1,922.88	2,350.18	2,777.49	3,204.80	3,845.76
Finchampstead	1,246.02	1,453.69	1,661.36	1,869.03	2,284.37	2,699.71	3,115.05	3,738.06
Remenham	1,284.12	1,498.15	1,712.17	1,926.19	2,354.23	2,782.28	3,210.31	3,852.38
Ruscombe	1,256.56	1,466.00	1,675.42	1,884.85	2,303.70	2,722.56	3,141.41	3,769.70
St. Nicholas Hurst	1,260.11	1,470.14	1,680.15	1,890.17	2,310.20	2,730.25	3,150.28	3,780.34
Shinfield	1,281.03	1,494.54	1,708.05	1,921.55	2,348.56	2,775.57	3,202.58	3,843.10
Sonning	1,261.44	1,471.68	1,681.92	1,892.16	2,312.64	2,733.12	3,153.60	3,784.32
Swallowfield	1,248.12	1,456.14	1,664.16	1,872.18	2,288.22	2,704.26	3,120.30	3,744.36
Twyford	1,274.53	1,486.96	1,699.38	1,911.80	2,336.64	2,761.49	3,186.33	3,823.60
Wargrave	1,295.84	1,511.83	1,727.80	1,943.77	2,375.71	2,807.67	3,239.61	3,887.54
Winnersh	1,256.01	1,465.35	1,674.69	1,884.02	2,302.69	2,721.36	3,140.03	3,768.04
Wokingham	1,273.24	1,485.46	1,697.66	1,909.87	2,334.28	2,758.70	3,183.11	3,819.74
Wokingham Without	1,276.83	1,489.64	1,702.45	1,915.25	2,340.86	2,766.47	3,192.08	3,830.50
Woodley	1,297.30	1,513.52	1,729.74	1,945.95	2,378.38	2,810.82	3,243.25	3,891.90

Aggregate of Council Tax Requirements for each part of the Council's area:-

Arborfield and Newland	1,517.46	1,770.39	2,023.30	2,276.20	2,782.02	3,287.85	3,793.66	4,552.40
Barkham	1,477.52	1,723.80	1,970.05	2,216.30	2,708.81	3,201.33	3,693.82	4,432.60
Charvil	1,513.06	1,765.27	2,017.44	2,269.61	2,773.96	3,278.33	3,782.67	4,539.22
Earley	1,515.64	1,768.27	2,020.87	2,273.47	2,778.68	3,283.90	3,789.11	4,546.94
Finchampstead	1,479.74	1,726.38	1,973.00	2,219.62	2,712.87	3,206.12	3,699.36	4,439.24
Remenham	1,517.84	1,770.84	2,023.81	2,276.78	2,782.73	3,288.69	3,794.62	4,553.56
Ruscombe	1,490.28	1,738.69	1,987.06	2,235.44	2,732.20	3,228.97	3,725.72	4,470.88
St. Nicholas Hurst	1,493.83	1,742.83	1,991.79	2,240.76	2,738.70	3,236.66	3,734.59	4,481.52
Shinfield	1,514.75	1,767.23	2,019.69	2,272.14	2,777.06	3,281.98	3,786.89	4,544.28
Sonning	1,495.16	1,744.37	1,993.56	2,242.75	2,741.14	3,239.53	3,737.91	4,485.50
Swallowfield	1,481.84	1,728.83	1,975.80	2,222.77	2,716.72	3,210.67	3,704.61	4,445.54
Twyford	1,508.25	1,759.65	2,011.02	2,262.39	2,765.14	3,267.90	3,770.64	4,524.78
Wargrave	1,529.56	1,784.52	2,039.44	2,294.36	2,804.21	3,314.08	3,823.92	4,588.72
Winnersh	1,489.73	1,738.04	1,986.33	2,234.61	2,731.19	3,227.77	3,724.34	4,469.22
Wokingham	1,506.96	1,758.15	2,009.30	2,260.46	2,762.78	3,265.11	3,767.42	4,520.92
Wokingham Without	1,510.55	1,762.33	2,014.09	2,265.84	2,769.36	3,272.88	3,776.39	4,531.68
Woodley	1,531.02	1,786.21	2,041.38	2,296.54	2,806.88	3,317.23	3,827.56	4,593.08

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Appendix B

Cumulative equality impact assessment: Wokingham Borough Council, Medium Term Financial Plan 2024-27 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 2024/25 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 2024-27 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 2024/25 financial year, 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 as appropriate.

Proposals for growth and investment have also been subject to an equality screening. Where these seek to sustain provision of a service or approach, necessary consideration has been given to the consequences that could arise for protected groups if not funded.

Equality Profile

Wokingham borough is a vibrant and sought-after semi-rural region located in Berkshire, with a population of 177,502. It is a borough of growing diversity as illustrated by the 2021 Census which found that:

- 17% of the adult population is aged 64 and over
- 24% of households in Wokingham reported at least one person with a disability.
- 80% of the Wokingham Borough population identifies as White, including 'White Other', 2.4% as Black African/Caribbean/British, 12.9% as Asian/Asian British (7% Indian and 3% Pakistani)
- 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 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.

The [Wokingham Borough Joint Strategic Needs Assessment provides](#) further information about the borough's demographics.

Investing in our services 2024/25

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.

Furthermore, the following areas of proposed investment directly support activity to address inequality and meet the diverse needs of our residents.

Increased demand/support through Council Tax Relief Scheme

Growth is needed to meet forecasted costs of the Council Tax Reduction Scheme which have increased due to demand arising from cost-of-living pressures. This scheme helps residents experiencing financial difficulties in paying their council tax and supports both working-age and pension-age households, with additional consideration to households with children. Income eligibility for the scheme allows for those disproportionately impacted by the cost-of-living pressures by disregarding as income the following: Disability Living Allowance, Personal Independence Payments, Armed Forces Independence Payments, War Disablement Payments, Child Benefit, Child Maintenance payments, and any Carer's Allowance. Maintaining the existing scheme therefore avoids the negative consequences of any reduction of support.

Inclusion Officer

This post supports delivery of the council's Equality Programme and Tackling Poverty Programme. Both programmes support targeted work to address inequality and remove barriers to equality for residents. Maintaining this resource enables the council to continue to deliver this activity which has a positive impact across the protected characteristics and socio-economic factors.

Care & support - manage increasing demand in numbers and complexity.

A rise in the number of older people, those requiring support with their mental health, learning disability or physical disability has been modelled. Investment is required to meet statutory obligations under the Care Act 2014, ensuring local, vulnerable people are appropriately supported.

Prevention - investment in preventative services

Investment in preventative services is aimed at reducing, preventing and delaying the demand for Adult Social Care services.

Placement Growth

Investment is required to meet the rising cost of placements for Children in Care. Costs are rising, partially due to demand, and partially due to a small number of children and young people coming into our care with complex needs requiring high-cost support

Managing and Meeting demand in numbers and complexity

The recent OFSTED Inspection of Children's Social Care highlighted the need for extra resources in front line social work teams to ensure child safeguarding risk in the community is appropriately identified and acted upon.

Home to School Transport

Home to School Transport is provided to children and young people who are eligible due to the distance they live from their allocated school, or due to their particular special education and/or disability (SEND) need. There is significant increase in cost pressure due to a year-on-year increase in Children in receipt of Education Health & Care Plans (EHCP).

New Models of Support for Children with Disabilities

This proposal is to meet an Increase in costs and complexity of placements for Children 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 Library fees. 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 or creating barriers to services. 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, the 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 2024/25 shows an average 8% increase, and details where proposed fees differ due to specific service requirements or changes. Some services set out concessionary rates in relation to age, or other factors.

The services reflected in the schedule are optional and of these, the Libraries and Car Parks, are likely to be those most frequently accessed by individuals and families. Any adverse impact due to fee increased for these services is considered likely to be minimal. Overdue charges for libraries are avoidable and capped at a set figure, whilst increases in parking facilities at California Country Park and Dinton Pastures are unlikely to have a significant affect on those accessing the parks, relative to existing costs. It is worth noting that there is a 33.6% proposed increase in fee-payer home to school transport fees, equating to an additional £282.65 per annum. This would affect a smaller cohort of children and families who are currently able to afford the existing fee of £840 per annum. The increased figure is providing the seat 'at cost' and is a fee that payable only by those who are not eligible for free home to school transport. Whilst it is considered likely that this increase may have a moderate impact on those accessing this optional provision, the overall cumulative financial impact of the fees and charges is likely to be low.

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, 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 also a positive anticipated impact as the fee increase enables sustainable delivery of that service.

Tackling Poverty

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. This includes enabling opportunities for residents to access arts, cultural and leisure activities, with specific target cohorts of low-income families, carers, and young carers. As part of this, the council is mapping and raising awareness of existing no and low-cost cultural and leisure activities, whilst also providing grants to voluntary and community sector organisations to address barriers to accessing such opportunities.

Savings Proposals 2024/25

Equality screenings have been undertaken for all savings proposals for 2024/25. A number of the proposed savings have positive impacts on staff, residents and communities.

The following proposals have been identified as potentially having a minor or moderate adverse impact on protected equality groups. Of these, some have been subject to formal decision by members across this year enabling savings to be generated for 2024/25 and beyond. For those proposals, equality impact assessments have been conducted and have informed the final proposal, as reflected in the summary of provided below. A few of the proposals listed will require further equality impact assessment as they are developed to ensure that any negative equality implications are considered and mitigated where possible, and that opportunities to advance inclusion are maximised.

Adult Social Care

Learning disability review

This proposal refers to the deregistration of three properties. Initial equality analysis anticipates no adverse impact on residents at these properties, who will continue to receive the same level of support. Residents will also receive secured tenancies, which is considered to be a positive impact, however, will be responsible for paying costs such as rent, bills and food. To mitigate any risk of negative impact of this transition, 24-hour care and support will continue to be provided, with residents eligible for housing and other benefits to offset costs.

Minimum Income Guarantee (MIG) Changes to Charging

The minimum income guarantee (MIG) applies for people receiving local authority-arranged care and support other than in a care home. Under the Care Act 2014, charges for this care must not reduce people's income below a certain amount - this is known as the MIG. If someone is of pensionable age, this will impact their level of MIG. The MIG pension age at Wokingham Borough Council is currently 60 years old. This is out of step with the state pension age, which is at present 65 to 67 years old, dependent on date of birth. This proposal is to bring Wokingham Borough Council's MIG pension age in line with the state pension age, as with other local authorities in the surrounding area. This will adversely impact those in receipt of care who are currently aged or approaching 60 and under the ages of 65-67. 80 people have been identified as being directly affected. Mitigating actions include financial reassessments for all those affected, which will determine affordability and level of charge levied.

Childrens Services

Home to School Transport

On 24 August 2023, the Executive agreed changes to the Home to School Transport policies. This decision was informed by a formal consultation and an equality impact assessment, which identified potential adverse impacts in relation to age, disability, and socio-economic considerations. Mitigating actions included a prioritisation of seats for low-income families on any council arranged fare payer transport, a focus on independent travel options for Post-16 young people, and ongoing use of discretionary powers for individual cases. **Moderate adverse impacts are anticipated for those no longer eligible for Home to School Transport in the manner previously provided. However the mitigating actions set out support a revised strengths-based approach which helps to address these risks, whilst also enabling the council to address budgetary pressures caused by increasing demand on this service.**

Chief Executive's

Contact Centre Consolidation

This proposal is to explore the consolidation of contact centres to achieve efficiencies, including exploring channel shift for customers, and cross-skilling staff. Robust equality impact assessments will be required to inform any specific proposals for change resulting from the review as it is highly likely that there will be potential for both adverse and positive impacts across protected characteristics if re-shaping resident interaction with the council and associated staffing resource.

Place and Growth

Waste Collection Service Changes

This savings proposal relates to changing the frequency of waste collections and introducing wheeled bins for refuse. A full equality impact assessment was undertaken and two consultations held to inform this proposal, which was subsequently approved by Executive on 26th March 2023. Equality implications were identified for those with mobility issues and ongoing support options were reviewed and found to address these areas of equality-related risk.

Contract savings - Street Cleansing & Grounds Maintenance

This proposal is to reduce street cleansing and grounds maintenance services. This will see less street cleaning and a reduction in the number of grass cuts in the borough. An equality impact assessment has been undertaken and this informed the decision of the Executive taken on 26 October 2023 to approve this approach. The assessment identified potential areas of risk in relation to mobility, visual impairment, and asthma, and set out mitigating actions to address these including careful planning of the schedule of works and communication with residents.

Increase in Off Street Parking Charges

The council proposes to increase off-street parking charges in line with inflation. A report went to the Executive on 29/09/22 outlining the proposed increases in parking charges which were approved in 2023 and changes were implemented across the charging car parks which came into effect July 23. Parking charges will be increased in line with inflation and will be approved as part of the budget-setting process when considering fees and charges. The increase in parking charges could have a minor negative impact on lower income households, however, provision for disabled parking will not be affected.

Residents Parking Zones - including Parking Permits

This project relates to the introduction of controls for on-street spaces to deal with the specific high demand locations close to stations, retail centres and existing resident parking areas. This proposal will 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.

Countryside - implement peak car parking charges

This proposal is to increase charges for parking at peak hours at the borough's countryside parks, in line with similar provision elsewhere. This would result in a minor adverse impact for low-income residents using the car park to access these green spaces and leisure facilities at peak times.

Resources and Assets

Assets directorate programme

The proposal aims to review the councils property assets to understand opportunities to consolidate the estate, reduce running costs and to align services where appropriate. It is likely that any changes with regard to assets that are currently utilised by staff or accessed by members of the public could have both adverse and positive implications for equality groups across the protected characteristics. Consideration of the user profile of any assets will be needed as part of the review process and equality impact assessments will be undertaken to inform any proposals resulting from the review.

Remodel of Sports and Leisure service

This proposal includes a change in delivery model for a number of services previously directly delivered by the Sports and Leisure Service. These include services that are aimed at meeting the needs of particular cohorts, specifically the Shine Programme (over 55's) and Wokingham Active Kids children's holiday camps for which individual Equality Impact Assessments have been undertaken. The former indicated positive impacts including an expanded, more flexible, offer providing greater value for money. The latter details a like for like offer but with a partial change of location which could have an adverse impact on those unable to access the new location due to mobility or cost of transport. The equality impact assessment for this has committed to ongoing monitoring of uptake and feedback.

Summary & Cumulative impacts

There are 46 savings proposals for 2024/25. 33 proposals were deemed to have no adverse equality implications at this time, and 11 were considered likely to have a minor or moderate impact. Of these, it was considered that 5 proposals required an equality impact assessment at this stage. For a further 4 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 2024/25. It is considered that these could result in the following cumulative impacts for our residents.

Age & Disability

There is a very small number of proposals that could result in an adverse cumulative impact for the older people and disabled people, in particular proposals relating to changes in services where accessibility and/or affordability are considerations. However, it is considered that there are sufficient mitigating actions in place to address these risks. There are further proposals that could, depending on how they are progressed result in additional negative impact for disabled people, including changes that could include channel shift for how residents access some services. However, equality impact assessments will be undertaken or updated to ensure these risks are addressed as proposals progress.

Socioeconomic inequality

There are a number of proposals that have a minor or moderate adverse impact with regard to affordability including parking charges, changes to home to school transport, and changes to pension thresholds for Minimum Income Guarantee. The cumulative impact is notable but considered minor with regard to the proposals that are included within the 2024/25 budget. Nonetheless, it is recognised that individuals and families within directly affected cohorts may experience additional financial pressures as a result of these proposals. 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, a number 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

	Age	Disability	Gender Reassignment	Marriage & Civil Partnership	Pregnancy or Maternity	Race	Religion or belief	Sex	Sexual Orientation	Socio-economic inequality	Mitigation
Assets directorate programme	Minor	Medium								Minor	To be identified as proposals developed
Remodel of Sports and Leisure service	Minor									Minor	Revision and expansion of offer through revised model
Consolidation of contact centres	Minor	Minor								Minor	To be identified as proposals developed
Waste Collection Service Changes	Minor	Minor									Alternative provision for those unable to use wheely bins.
Contract savings - Street Cleansing & Grounds Maintenance	Minor	Minor									Keeping footpaths clear and reactive service to reported issues.
Countryside - implement peak car parking charges										Minor	None
Residents Parking Zones - including Parking Permits										Minor	To be identified and reviewed in relation to specific locations
Increase in Off Street Parking Charges										Minor	To be identified and reviewed in relation to specific locations
Learning disability review		Minor								Minor	Ongoing 24-hour support and care.
Minimum Income Guarantee (MIG) Changes to Charging	Medium									Medium	Individual financial assessments to be undertaken.
Home to School Transport	Medium	Medium								Medium	Revised approach to focus on independent travel training and use of personal budgets.

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WOKINGHAM BOROUGH COUNCIL

COMMUNITY AND CORPORATE OVERVIEW & SCRUTINY COMMITTEE

SCRUTINY OF THE BUDGET SETTING PROCESS FOR 2024- 25 AND THE MEDIUM TERM FINANCIAL PLAN 2024-27

REPORT

FEBRUARY 2024

Committee Members:

Councillor Chris Johnson (Chair)

Councillors Peter Dennis (Vice Chair), Laura Blumenthal, David Cornish (part year)
Catherine Glover, Norman Jorgensen, Pauline Jorgensen, Charles Margetts, Alistair
Neal and Marie-Louise Weighill

Foreword by Councillor Chris Johnson, 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 and has a direct impact on the lives of residents and service users.

Prior to the 2019/20 Municipal Year many of the emerging MTFP proposals at WBC had not been scrutinised publicly prior to the publication of the agenda for the annual Budget Council meeting in February. In 2019/20, for the first time, Community and Corporate Overview and Scrutiny Members were presented with all Revenue bids over £50,000 and the entire Capital programme. This year, Members were again pleased with the continuation of the public facing scrutiny of the MTFP and the breadth and depth of information provided.

The Committee were reminded from the outset of their review of the stark and unprecedented ongoing pressures facing Local Government. Four councils had declared Section 114 bankruptcy in the past year whilst others had declared financial emergencies and up to one in five had indicated that it was fairly or very likely that they would become insolvent within the next 18 months.

A combination of factors including inflation, cost of living pressures, ongoing recovery from the Covid-19 pandemic and the growth in increasingly complex demand for services had resulted in a Revenue budget gap of approximately £4.7m that needed to be addressed to set a balanced budget for the next financial year (2024/25). The opening budget gap for 2025/26 was already estimated at £8.8m. In addition to these challenges, Members noted that significant budget savings had been delivered in previous years, which meant that any “low hanging fruit” had already been collected.

The Committee focussed on seeking assurances that proposed savings were achievable and realistic, whilst any growth bids were 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. Members emphasised that assumptions should be grounded and based on the most up to date information, and stood up to scrutiny when examined.

On behalf of the Committee, I would like to thank Councillor Imogen Shepherd-DuBey (Executive Member for Finance) and Graham Ebers (Deputy Chief Executive & Director of Resources & Assets) for their support in guiding Members through the complexities of the emerging Revenue and Capital budgets. Thanks also to the Executive Members, Directors and officers who attended our meetings in order to explain growth bids and savings options and to answer our many questions.

Chris Johnson,
February 2024

1 Background and Process

- 1.1 It is common practice across the United Kingdom for emerging council MTFPs to be scrutinised by the relevant Overview and Scrutiny Committee. 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 outcomes for residents whilst providing value for money. In August 2023, 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 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 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. Scrutiny Members considered the MTFP at five meetings, commencing in October 2023 and examined the following issues:
- What were the areas of high risk – how did they impact on the Budget?
 - Are the Council's resources aligned to strategic objectives (e.g. the emerging Community Vision)?
 - Does the MTFP include outcome measures and scenario planning?
 - Have future demand patterns been modelled effectively and underpinned by sensitivity analysis?
 - How realistic/achievable are the income and savings targets?
 - Are reserve levels sustainable (General Fund and earmarked reserves)?
 - What evidence is there that key assumptions are accurate and robust – is there evidence of an optimism bias?
 - Are staff cost reductions achievable – what is the impact on service quality and recruitment/retention?
- 1.3 Scrutiny of the MTFP is part of Overview and Scrutiny's "critical friend" role. It aims to add value to the budget setting process. The MTFP belongs to the Executive and the individual service departments. Scrutiny's role is to challenge assumptions, risks and funding proposals. The scrutiny process is driven by a desire to improve the MTFP and to make it as functional as possible for local residents and key stakeholders.
- 1.4 Executive Members and Directors of relevant service areas were invited to attend the Committee to provide background to specific proposals and to answer Member questions. Where answers to specific technical questions could not be answered at the meeting, answers were circulated to the Committee in a timely manner. Throughout the process, all questions 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 followed up at subsequent meetings.

- 1.5 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.
- 1.6 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.
- 1.7 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 2024/27 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 positive change and efficiencies into the organisation for the long term.

2 Issues

- 2.1 The Committee noted the ongoing and increasing financial challenges and risks facing the Council. These included national economic uncertainty, a one-year Government financial settlement, further grant reductions, potential future legislative changes and additional unfunded burdens, forward funding of regeneration programmes, changes to the business rate system, the ongoing impact of the cost of living crisis and the Covid-19 pandemic. As a result of this uncertainty Members emphasised the importance of robust projections of demand and the achievability of savings and new sources of income. Members also noted that difficult decisions had already been taken during the year to address budget shortfalls and generate additional savings, for example the increase in car park charges and additional savings in grounds maintenance and street cleaning.
- 2.2 Members noted the enormous growth pressures within Children's Services with projected net growth of £2.4m in 2024/25, £4.7m in 2025/26 and £4.8m in 2026/27.

In comparison the total net growth for Adult Social Care over the three year period was estimated at £2m. Members were informed that the Children's Services budget strategy was based on not destabilising the existing low cost base in Children's social care, maintaining the protective factors of early help and management of risk in the community. These principles were supported by efforts to reduce unit costs by better commissioning and the development of in-house accommodation solutions. The aim was to break the cycle of annual overspends through more accurate analysis of future demand and pressures and a reset of Children's Services within the MTFP. Members noted the potential existential risks for the organisation relating to the year-on-year growth in spending on Children's Services. It was agreed that in-year monitoring of expenditure relating to Children's Services be carried out by the Committee in conjunction with the Children's Services Overview and Scrutiny Committee.

- 2.3 The Committee scrutinised the impact of the growth in Education, Health and Care Plans (EHCPs) in place in the Borough and the spending pressures which followed. The number of EHCPs had increased from 867 in 2018 to 1688 in 2023. This growth had resulted from changes in national policy, the development of improved diagnosis and the ongoing impact of Covid-19. The Council's Safety Valve Programme, in conjunction with the Education and Skills Funding Agency, aimed to achieve a reduction in the rate of EHCP growth and the setting of a balanced budget by 2028/29. The increase in local provision of SEND schools (plans for two new schools in Barkham) would also help to reduce the costs associated with long journeys. The proposed increase in local SEND units in schools would also help to keep children in mainstream school settings.
- 2.4 The Committee noted the proposal to provide £1m of Capital funding to support the closure and repurposing of the St Crispin's leisure centre to facilitate additional school places. This proposal had been the subject of detailed consideration at two of the Committee's meetings. The St Crispin's proposal was funded from the Secondary Basic Needs Programme budget which reflected the Council's statutory duty under the Education Act to ensure a sufficient number of school places in the Borough.
- 2.5 The Committee considered the ongoing risks relating to Adult Social Care. These included the ageing population, the impact of inflation, market sustainability, the (unfunded) increase in the National Living Wage, NHS pressures and the failure to transfer funds and the increasing level of need and complexity which impacted on service provision. It was also noted that the Government's proposed changes to adult social care charging had been delayed until October 2025. The proposals to increase direct provision through the purchase of a care home was welcomed as a way to manage costs and manage the external market.
- 2.6 Members sought assurance about the steps being taken to protect the Council from volatility in the care home market linked to issues such as staff retention, funding reductions and the impact of Brexit. Officers stated that there was, in effect, a national crisis in Adult Social Care, a crisis which had not been addressed by successive governments. The parlous state of the care home market featured prominently on the Council's corporate risk register. The Council's response had

been to develop Optalis and to seek to develop in house provision through the purchase of a care home.

- 2.7 In relation to Place and Growth, Members noted that the service contained the highest number of discretionary public-facing services and the highest level of discretionary income. A number of major contracts would be up for renewal in the near future which created a risk of cost containment allied to the impact of inflation. In addition, some services, such as leisure, were struggling to increase the level of demand to pre-Covid levels.
- 2.8 Members noted the level of workforce savings achieved in 2023/24 and the proposed savings for 2024/25. In 2023/24 workforce savings had been achieved through a managed vacancy factor which required teams to hold vacant posts longer or not to recruit at all in order to achieve a budget reduction of c2%. In addition to the vacancy factor, directorates were given further in-year staff savings targets. The combination of these factors led to an overall saving related to staffing of £3.36m. At the start of 2024/25, every team will have a c2.5% reduction of funding relating to the managed vacancy factor. Additional savings targets will result in a total staff saving over the two year period of £6.85m, equivalent to 9% of the workforce. Members asked if this level of savings was achievable and how it would impact on service delivery and recruitment and retention. Officers commented that the achievement of this level of savings across the organisation would require effective management. The aim was to maximise natural wastage and minimise the need for redundancies. Members queried whether natural wastage would occur in the right areas and how the potential increase in stress levels (which could increase staff sickness levels) would be managed. Members also confirmed earlier views about the potential savings accruing from reductions in the use of consultants, interims and agency staff.
- 2.9 In its 2023/24 Budget Scrutiny report, the Committee considered the use of reserves to fill a Budget gap. Last year £1.4m had been taken from the Waste Equalisation Fund in order to balance the budget. This issue had led to the Committee's request for an annual report on the Council's Revenue and Capital Reserves, including variations from year to year. Members noted that the £1.4m use of reserves in 2023/24 remained as an ongoing challenge in the new MTFP. In relation to 2024/25, Members were informed that the Revenue Budget gap of £4.7m would again be funded from reserves, £1.5m from the Council Tax Collection Fund and £3.2m from the Fairer Funding reserve. Members requested further information on the operation of the various earmarked reserves and noted that this would be provided through the annual update report.
- 2.10 In relation to the Capital Programme, Members noted that the previously reported Budget gap for 2024/25 had been closed due to the re-profiling of some Capital projects and the removal of other projects from the programme. The funding gap for future years had been reduced to £4.2m in 2025/26 and £4.3m in 2026/27. Further work would be carried out to find additional funding to fill these gaps or to address the gaps through further reprioritisation of the programme. Members welcomed the extension of Capital flexible receipts to March 2030. This gave the Council the ability to dispose of an asset and turn the receipt into Revenue on the grounds that the Revenue item was an Invest to Save/Contain activity which was included in the

Treasury Management Strategy. Members also noted that a strategic review of the Council's assets across the Borough was underway which may lead to savings through more effective use and/or the sale of surplus assets.

- 2.11 In its report to Council in February 2023, the Committee expressed the hope that public involvement within this process would increase through greater publicity of the Scrutiny process and submission of public questions at meetings of the Committee. Members noted that, for the first time in a number of years, a Budget Survey had been carried out in conjunction with the development of the MTFP. The survey asked questions about the maintenance of sound finances, giving priority to people in need, income generation, service reductions, modernising the Council and the importance of partnership working. Respondents were also able to provide suggestions and comments relating to each of these areas. 488 responses were received. Members welcomed the inclusion of the public survey and asked how the data had been used to inform the development of the MTFP. Officers commented that the feedback had been discussed and fed back to the relevant service areas. It was suggested that the survey be developed in future years as part of the aim to increase public engagement in the Budget setting process.

3 Conclusion and Future Years

- 3.1 The Committee welcomed the fact that the involvement of Overview and Scrutiny had now become embedded into the budget setting process, allowing thorough scrutiny of proposals which affected every resident of the Borough. Given the extremely challenging circumstances faced by the Council in relation to Budget pressures and financial planning, the Committee believe that this report underlines the importance of Scrutiny's role as a critical friend in reviewing the Council's Budget proposals and Budget performance throughout the year.
- 3.2 The final officer Budget Scrutiny report to the Committee highlighted the following points in conclusion:
- Difficult and challenging times lay ahead.
 - The 2023/24 Revenue Budget included the delivery of £11.8m savings.
 - The proposed 2024/25 Revenue Budget included a savings target of £12.6m, of which £3.5m related to staffing.
 - The projected Revenue Budget gap for 2025/26 already stood at £8.8m.
 - The Capital Programme gap over the three year MTFP stood at £8.5m.
- 3.3 Scrutiny Members agreed that challenging times did, indeed, lay ahead. Officers and the Executive were commended for the work undertaken to produce a balanced Budget for 2024/25. However, the scale of the challenges and risks outlined above indicated that much more work will be needed in the years ahead. Members noted that the new Community Vision would be published in 2024, followed by an updated Council Plan. As part of next year's Scrutiny of the Budget process the Committee would be reviewing how the Council's Budget aligned with the priorities set out in these new strategic documents. Moving forwards, it will be essential for the Council to increase and refine its lobbying efforts in support of

additional funding and a change to the current formula for identifying need in local areas.

- 3.4 Following the Committee's deliberations on the MTFP, Members noted the Government's announcement of an additional £600m funding for local government, £500m of which was earmarked for social care. The Council's share of this additional funding has been incorporated into the MTFP submission to the Executive and Council. Attached to the additional funding was a requirement for councils to set out how they will "improve service performance and reduce wasteful expenditure" in productivity plans to be submitted by the summer of 2024. Members will give further consideration to the newly required productivity plan as further details emerge.
- 3.5 The Committee may place additional focus on the Capital programme in future years. Many of the proposed Capital bids represent very significant spends, which aim to deliver critical infrastructure for our communities. The Committee wishes to better understand any consequences of re-profiling, 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 the Borough's residents and fulfils the Council's statutory obligations. This process will only become more crucial should factors, including inflationary pressures and funding uncertainties, persist for an extended period of time.
- 3.7 The ongoing recovery from the pandemic, in addition to ongoing inflation and cost of living pressures (plus the additional factors outlined above) has placed considerable demands on all Council budgets. This situation has highlighted the need for safe levels of the General Fund and other earmarked reserves which can be used to fund service areas which experience unpredictable demand or unforeseen circumstances. The Committee hopes that prudent financial management can be maintained and the General Fund can remain at a safe level in future years, to provide a safety net at times of crisis.

TITLE	Council Plan Extension 2024-25
FOR CONSIDERATION BY	Full Council on Thursday, 22 February 2024
WARD	None Specific
LEAD OFFICER	Chief Executive - Susan Parsonage

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

The purpose of this report is to give the rationale for extending the current council plan for one year and for making amendments to the plan. It explains the changes made and the anticipated next steps.

RECOMMENDATION

That Council approve the Council Plan Extension 2024-25.

SUMMARY

- The Council needs a Council Plan to set priorities and direction for its work. As the Council Plan needs to be aligned to the new Community Vision (due in June 2024) there will be a gap between the current plan ending and a new one starting for the reasons explained in the report, therefore an interim council plan is needed to bridge this gap.
- The report provides the rationale for extending the council plan for a further year and the reasons for the amendments made to the plan. It also explains what changes have been made, and the next steps following the decision.
- The extended (interim) Council Plan will take effect from 1st April 2024. It will be published alongside a SMART delivery plan for the year.

BACKGROUND

Reason for extending the current plan

The Council Plan forms part of the council's strategic framework and sets out the priorities that the council has set in order to achieve the community vision. It forms part of the golden thread that enables service planning and strategy development, and ultimately leads to team and individual work plans.

The current Council Plan was published in 2020 and was refreshed in February 2022. It is aligned to the 2020 vision, and it is due to end in March 2024. Normally, a new Council Plan would be developed to start in April 2024.

However, significant work is underway with partners and communities to co-produce a new Community Vision for the Borough that will set the direction of travel for many years to come. The new community vision is expected to be launched in 2024.

The new council plan must be developed after this, so that it can be aligned to the outcomes in the vision.

Therefore, an extension to the current plan for 2024-25 is needed to provide direction and continuity for staff, members and residents.

Reason for amendments to the current plan

Since the most recent refresh of the plan in 2022, a number of factors have changed the way in which we operate:

- Change in political administration, with different priorities and a new approach
- High inflation causing real cost increases to the council of about £10.8million this year.
- Cost-of-living crisis impacting residents and staff, with demand for service increasing
- Global events seeing an increase in inward migration to Wokingham Borough

With this context, and the need to reflect additional work planned for the extension period, some amendments have been made to ensure the plan is fit for purpose.

What has not changed:

The strategic themes have not changed. These were agreed following extensive consultation, and a second consultation would be required if these were to be altered. Keeping the current themes also provides continuity for staff and residents.

The Council Values haven't changed. These will be revisited as we develop the new council plan.

Our commitment to Equality, Diversity & Inclusion hasn't changed. This was a new addition to the refreshed plan in 2022.

What has changed:

A new introduction from the current Leader of the Council and Chief Executive highlighting new challenges, political change and new priorities. Also a reflection on what has been achieved towards the strategic themes in the last year.

A new section describing the new approach to partnership working, as this is a central theme of the council's new way of working.

Updated financial information showing the revenue and capital budgets for 2023-24 and key areas of spend (this will be updated again in March once the 24-25 budget is agreed).

Under each strategic theme, new challenges have been included, new activity for 2024-25, and a change in emphasis towards climate emergency, equality, health and wellbeing and safe, strong communities to better reflect the current administration's priorities.

Minor revisions may be made to the plan as circumstances change.

Next steps

Once agreed, there will be a period of engagement with staff and members to socialise the plan and support understanding of the strategic framework and service planning. This will take place between December 2023 and March 2024.

The plan will be designed in the same style as the current council plan to give continuity.

The plan will be published in April 2024, and will be supported by a one-year SMART delivery plan which will be measured and reported on through a set of Key Performance Indicators and in the council's Annual Report.

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)	Within current resources – budget to be set February 2024	Yes	Both
Next Financial Year (Year 2)			
Following Financial Year (Year 3)			

Other Financial Information

The council plan is the overarching plan for delivery of all council services, therefore the costs and savings reflect the council budget for the year 2024-25. The council maintains

a strong focus on achieving value for money and by reviewing and refreshing the plan for the extended year opportunities to drive more efficiency and vfm have been identified.

Stakeholder Considerations and Consultation

Engagement has taken place with the internal steering group of Assistant Directors, the Corporate Leadership Team and the Leader of the Council. Full consultation was carried out in 2020 with residents and stakeholders when the current plan was developed. As this is an extension to the current plan with minimal changes, wider consultation was not deemed necessary.

Public Sector Equality Duty

A stage One EqlA has been completed which identified that the council plan should have an overall positive impact on all protected characteristics. Each programme of work in the delivery of the plan will need its own EqlA.

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 direct impact

Reasons for considering the report in Closed Session

N/A

List of Background Papers

Contact Emily Higson	Service Insight, Strategy & Inclusion
Telephone	Email emily.higson@wokingham.gov.uk



**WOKINGHAM
BOROUGH COUNCIL**

WOKINGHAM BOROUGH TRANSITIONAL COUNCIL PLAN 2024-2025

SUPPORTING OUR COMMUNITY VISION
FOR WOKINGHAM BOROUGH TO BE:

A GREAT PLACE TO
LIVE, LEARN, WORK AND GROW
AND A GREAT PLACE TO
DO BUSINESS



**PROVIDING SAFE AND
STRONG COMMUNITIES**



ENRICHING LIVES



**DELIVERING THE RIGHT
HOMES IN THE RIGHT PLACES**



**KEEPING THE
BOROUGH MOVING**



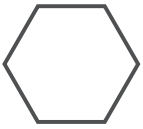
**ENJOYING A CLEAN AND
GREEN BOROUGH**



**CHANGING THE WAY WE WORK FOR
YOU AND BEING THE BEST WE CAN BE**

Our Community Vision is for Wokingham Borough to be a great place to live, learn work and grow and a great place to do business. This Council Plan is a tool for our organisation, supporting our vision, to identify how we will deliver on these commitments to our community.





INTRODUCTION FROM THE CHIEF EXECUTIVE, SUSAN PARSONAGE AND LEADER, STEPHEN CONWAY

We are working with the voluntary sector, businesses, statutory partners, communities, and young people to shape a brand-new long-term vision for the borough of Wokingham, which is expected to be agreed in the summer of 2024. It will be an ambitious vision for all who live and work in the Borough and will set the direction of travel for the Council and our partners for years to come.

The Council Plan is the mechanism by which we deliver our part of the Community Vision. The current Wokingham Borough Council Plan was approved in 2020 and underwent a mid-point refresh in 2022. It is due to end in 2024.

We will develop a new Council Plan with engagement from residents, partners and staff in 2024. To give continuity while the Vision is developed, we have refreshed and extended the current Council Plan from 2024-25.

- In May 2022, the Council's political administration changed, bringing about a change in strategic priorities.
- Despite the movement away from the Covid 19 pandemic, we face a number of challenges including the cost-of-living crisis brought about by rises in inflation, the War in Ukraine, significant pressures on the Council budget, increase in demand and complexity for our statutory services such as social care, an unusually high number of children with SEND in the borough and above-average house prices.
- Wokingham has also seen a 15% increase in its population in the last ten years, compared to 6% in England as a whole.
- It is therefore more important than ever that we can define clear priorities and can work most effectively and efficiently with the community and partners to design and provide services that meet local need and are financially affordable and sustainable.



Over the last two years we have worked to secure funding for two new special schools and funded free school meals when the government withdrew support. We are passionate about supporting arts and culture, libraries, sport, and leisure, to help the Borough's citizens enrich their lives. Promoting creativity benefits individuals, society, and the economy through collaboration with local businesses on delivery.

We are committed to **providing safe and strong communities** and have pledged to achieve White Ribbon status.

Our pressure on the government for local control of house building is working. We are expecting rule changes this year to allow us to build the **right homes in the right places** that meet local needs rather than the desires of property developers and reduce the need to build on green space.

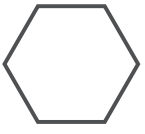
We have helped to **keep the borough moving** by tackling congestion without just building ever more roads and providing more choice as to how people travel, including helping people walk or cycle local trips.

The climate emergency is a pressing concern both globally and locally and we are committed to playing a leading role to achieve a carbon neutral Borough so that we can enjoy a **clean and green Borough** now and for future generations to come.

To achieve our ambitions, we will continue to improve, **changing the way we work for you, and being the best we can be** putting our new Customer Charter in place whilst building financial resilience in our organisation and in our communities.

The Council Plan sets out what we want to achieve for each strategic priority, what we will do to get there and what success will look like. The Plan will be monitored, and corporate performance measures have been developed to track our progress in delivering these strategic objectives.





OUR NEW APPROACH TO PARTNERSHIP WORKING

Wokingham is a borough rich in strengths, made up of thriving communities and vibrant businesses, town and parish councils, schools, community groups, voluntary organisations, and public sector organisations who are buzzing with ideas and willing to lend their support. What is more, the borough has shown what can be achieved when we come together. Our response to the Covid-19 pandemic, and more recently to the cost-of-living crisis which is acutely felt by many residents and communities, demonstrates the power and potential that exists in our Borough.

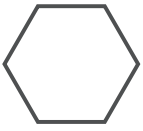
Wokingham Borough Council is keen to build on these strengths, strategically extending its partnerships and tapping into the skills, experiences, and capabilities of Wokingham's diverse communities. We recognise the broader challenges of climate change, financial insecurity, and inequality will only be addressed through collective effort. We want to work with town and parish councils and with partner organisations to tackle these, and other, issues.

We also know that the Borough's communities have extensive knowledge about the issues and opportunities that affect their lives. Our goal is to create community partnerships which give people more power and influence over the places in which they live or work and the services they use. In some cases, this may involve supporting them to work together to tackle challenges and catalyse community solutions. In other cases, it may involve listening and learning in ways which lead to the true co-design and co-production of local services.

Through extending and deepening our community and partnerships work, Wokingham can build on successes and energy in the borough to ensure it remains a great place to live, work and visit for all.

As we take forward this collaborative work with communities and partners, we know that transforming how the Council works will be imperative and we are committed to this journey.





KNOWING OUR BOROUGH

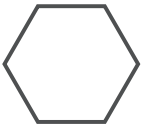
At the latest census in 2021, there were 177,502 people living in Wokingham Borough. That is 15% more people than in the previous census ten years prior in 2011, when the population was 145,380 people.

According to the Office for National Statistics, as of 2021, Wokingham is the 28th most densely populated of the South East's 64 local authority areas, with around seven people living on each football pitch-sized area of land.

The population of Wokingham has been increasing by approximately 12% every ten years, based on population changes between 1981 and 2021. Therefore, if the population continues to rise in line with this average, then in 2031 the population in Wokingham could be at nearly 200,000 people, and potentially over 250,000 by 2051.

A series of Borough profiles looking at Demographics, Childcare and Education, Social Care, Economy, Finance, Housing, Voluntary & Community Sector and Community Safety have been developed, which will inform future planning including the Community Vision and new Council Plan for 2025.





OUR VALUES

Our values help shape and guide our behaviour. By demonstrating these values, it will help us move forwards together to achieve our future ambitions for Wokingham Borough. Our values are:

Customer Focussed

Put ourselves in our customers shoes and listen, to deliver services we would like to receive.

One team

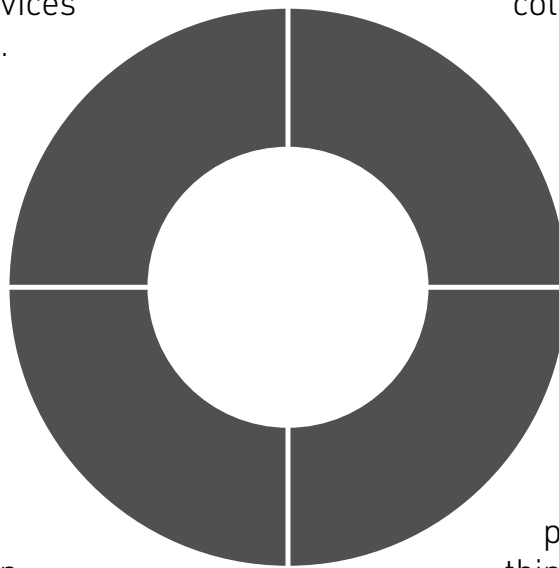
Work jointly with our residents, colleagues, councillors, and partners, across any boundaries, to ensure efficient, effective delivery on behalf of our communities.

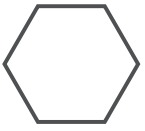
Taking ownership

Take responsibility for issues and address them with actions we see through to resolution. Be accountable for our service delivery in the context of our community wellbeing and Council objectives.

Being ambitious

Aim for excellence in the outcomes we pursue and the way we do things. Be forward-thinking, innovative, entrepreneurial, and accept risks where possible to do so.





OUR COMMITMENT TO EQUALITY

Every Borough is unique in its diversity, opportunities and challenges and Wokingham is no exception.

Whilst being an affluent area with great opportunities and low levels of deprivation, there are challenges to ensure these benefits can be accessed and shared by all. We recognise that as a local leader, a provider and commissioner of services, and a large employer in the borough we have the opportunity to work collaboratively with our partners, suppliers, businesses, and residents to address the causes of inequality and promote real equality of opportunity.

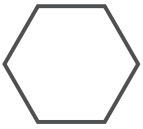
Through this plan we want to achieve a more equal Borough, where everyone is respected and can enjoy the opportunities that the Borough has to offer. As such, the principles of equality and inclusion, underpin this plan and the Council's supporting strategies.

In practice, this means that we commit to the following in all our work and service provision:

- Work with our partners to promote equality and good relations between communities and diverse groups.
- Maximise opportunities to influence, support and work with partners, business, suppliers, and communities to promote inclusion and tackle the causes of inequality.

- Consistently strive to actively combat discrimination and its impacts for reasons of a person's age, gender identity, ethnicity, sexual orientation, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, religion or belief, or socio-economic circumstances within our communities and within our workplace.
- Equip our workforce with the right tools, knowledge and skills to meet the diverse needs of our residents.
- Ensure new projects, policies, strategies, service changes and communication take account of all the needs of our users.
- Increase our understanding of the communities we serve to inform the decisions we make.
- Continue to monitor the impact of our employment policies and practices.





OUR BUDGET

The budget represents the Council's strategies and priorities from a financial perspective. We have a duty to fulfil statutory services, such as adult social care, children's services, and waste collection. The majority of our income is used for these statutory services and with increased demand, we continue to

be innovative and diligent to safeguard those services you value the most and consider new ways of generating further income to invest back into our community. The graph below shows how the council's revenue expenditure for the year is distributed across its services:

Areas of Revenue Spend 23/24

**Resources & Assets
(Finance, Property & Governance)**

8%

**Place & Growth
(Highways, Planning, Environment & Communities)**

29%

Children's Services

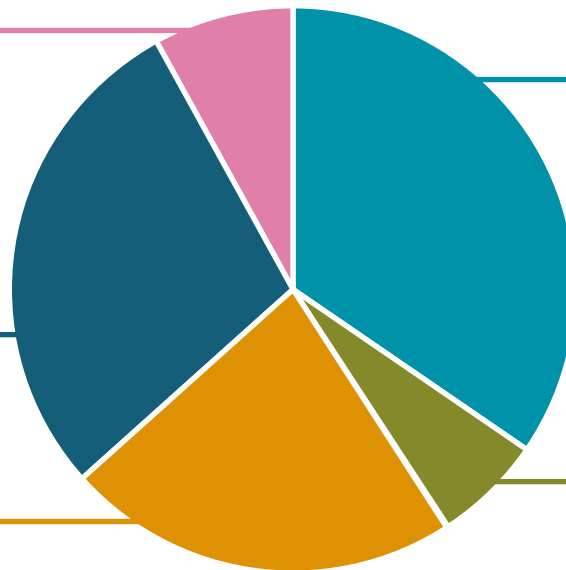
23%

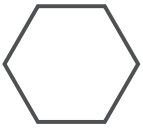
Adults' Social Care

34%

**Chief Executive
(Customer, HR and IT)**

6%



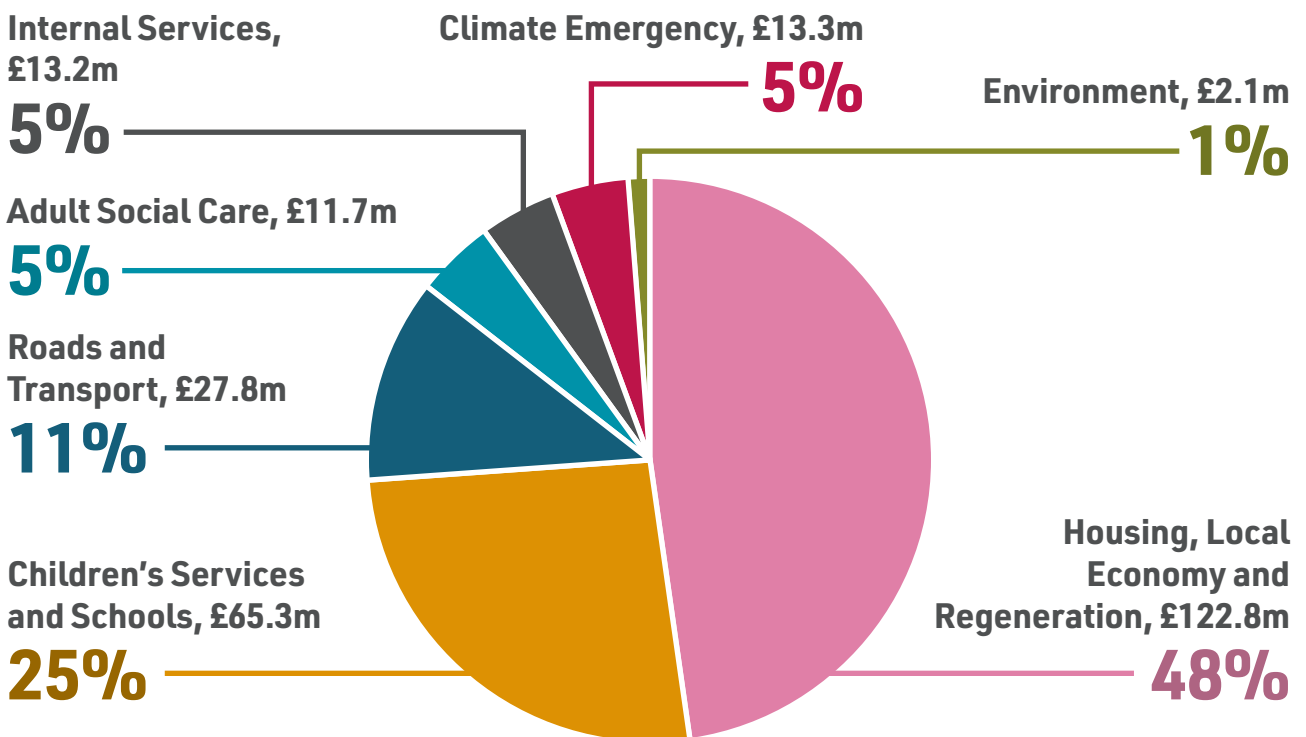


OUR CAPITAL PROGRAMME

The graph below shows the capital expenditure planned for the next three years by key activity area. This excludes any previously approved budget that will

be carried forward into future years. In total the Council plan to invest a further £216m (including HRA) over the next three years.

Capital Expenditure by Key Activity 2023/24 to 2025/26 (£m)





PROVIDING SAFE AND STRONG COMMUNITIES

Our challenges

Wokingham Borough has a growing population with many thriving communities but with an increasing proportion of residents with long term health conditions, such as dementia, and people with learning disabilities or difficulties, it is important to address and manage demand for long term care and maintain high quality services. Added to this, the proposed Social Care Reforms will have a significant impact on Wokingham's finances due to our high proportion of self-funders. While these reforms have been delayed, we need to plan accordingly should they come into force. Recruitment and retention of staff in key areas such as children's and adults' social care is also a major challenge impacting on our ability to meet demand.

We will work with our partners to

- Meet the rising demand for children's services and adult social care.
- Continue supporting the most vulnerable through the cost-of-living crisis.
- Protect and safeguard our children, young and vulnerable people.
- Prevent escalation of need for children, young people and families.
- Meet the needs of children and young people with Special Educational Needs and Disabilities (SEND) and their families in the Borough.
- Meet the needs of children in care and care leavers in the Borough, including Unaccompanied Asylum Seeking Children (UASC).
- 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.
- Improve access to primary healthcare and better integrate local health and social care services.
- Tackle antisocial behaviour and increase the resilience of local communities.
- Achieve DAHA (Domestic Abuse Housing Alliance) accreditation.



What we will do

- Maintain a relentless focus on safeguarding.
- Implement the Violence Against Women and Girls (VAWG) Strategy.
- Increase care home capacity in the Borough.
- Increase special school capacity in the Borough.
- Increase children's home capacity by opening local provision.
- Increase opportunities for respite for families with children who have SEND.
- Increase the number of foster carers who can offer culturally appropriate home environments to our Unaccompanied Asylum Seeking Children (UASC).
- Shape services around the needs of the individual and deliver them in a way that empowers residents to live independent and healthy lives.
- Plan, commission and monitor high quality services that deliver value for money.
- Work with residents and providers in an inclusive manner to ensure sustainable local provision of care services and a thriving voluntary sector.
- Work with families and young people to ensure planned transitions from children's to adult services.

What success will look like:

- Children, young people and vulnerable adults are safeguarded from harm.
- Residents feel safe and secure in their neighbourhoods and in the services they receive.
- Measurable improvements in health, wellbeing and independence in the community.
- Greater access to opportunities through the voluntary sector: increasing inclusivity; reducing social isolation and preventing loneliness.
- Increased opportunities for self-support, reducing the demand for ongoing care and support.
- People with a learning disability have the best opportunities to live well, learn, work and feel supported.





ENRICHING LIVES

Our challenges

We are tackling health inequalities in Wokingham Borough, with a particular focus on emotional health and well-being, early intervention and prevention. Broad measures of wellbeing mask pockets of deprivation, health and economic need and those living in poverty. Over the last couple of years there has been an increase in the number of children, young people and adults seeking support for mental and emotional well-being support. The cost-of-living crisis has exacerbated financial hardship for those who were just about managing and are now relying on charitable and crisis support. Child food poverty continues to be a challenge for many families, which we are addressing through partnership working and the Holiday Activities and Food Programme.

We will work with our partners to

- Hear the voices and uphold the rights of all children and young people so that they are fully engaged in the development of the borough's infrastructure and identify the facilities and support they need.
- 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.
- Make the Borough a place where businesses want to invest and are supported to stay and grow: providing opportunities for our residents.
- Provide excellent adult education and training opportunities that meets the skills needs of our employers.
- Deliver our health and well-being strategy to support residents to lead happy, healthy lives.
- Work with our town councils to ensure our town centres retain their local distinctiveness, developing community cohesion and ensure that they remain more than just a place to shop.
- Address poverty, including child food poverty.



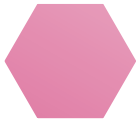
What we will do

- Support and challenge all schools to provide the right environment for effective learning and good emotional well-being for pupils.
- Provide sufficient school places and more help for children with special educational needs.
- Maximise opportunities for physical and social activities and make sure everyone can participate if they want to.
- Increase the opportunity for creativity to flourish through a vibrant arts and culture offering which is accessible to everyone.
- Support growth in our local economy and help to build businesses by providing high quality business advice and support.
- Fund a pilot to poverty-proof the school day in Wokingham.
- Develop and adopt a new Young Persons Housing Strategy and a new Homelessness and Rough Sleeping Strategy, based on the achievements and lessons learned from the current ones.
- Ensure those looking to move into work are supported with the right skills and advice enabling them to secure employment locally.

What success will look like:

- A strong local economy with continued inward investment into the Borough.
- Thriving villages and town centres offering residents and visitors a range of retail and leisure options.
- A culture of lifelong learning that ensures skills stay relevant for the future world of work.
- Increased educational attainment overall and a narrowing of the gap between disadvantaged children, those with protected characteristics and their peers.
- Reduced health inequalities
- An increase in residents engaging in active, healthy, cultural and social opportunities.
- More local people involved in volunteering and community activities.





DELIVERING THE RIGHT HOMES IN THE RIGHT PLACES

Our challenges

We have a challenge within Wokingham Borough to manage and balance need with requirements for new housing, whilst protecting the quality of our environment and the sustainability of our existing communities. While we have pushed back on housing in areas such as Rooks Nest Farm, we acknowledge that with development comes more affordable housing which is secured through our planning policies.

- Creating places fit for the future, that are inclusive and have the right infrastructure in place.
- Ensuring that our homes are affordable, sustainable and of good quality and supporting those with specialist needs or at risk of homelessness.

We will work with our partners to

- Help with your housing needs and support people, where it is needed most, to live independently in their own homes.
- Deliver a variety of housing options that meet the needs of vulnerable and disabled residents.
- Maximise affordable housing delivery where possible through developers, social landlords and our own housing companies including the provision of specialist accommodation for our most vulnerable residents.
- Protect our unique places and preserve our natural environment.
- 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.



What we will do

- Develop a new Housing Strategy ready for adoption in 2024
- Develop policies to make sure development is vibrant with the right mix of housing, employment, leisure, community uses and green infrastructure that is well connected and meets community needs.
- Ensure our existing built environment and valued green spaces are protected.
- Work with all landlords and home owners to improve the quality, efficiency and sustainability of the Borough's existing housing stock.
- Ensure a planned approach to house building and place shaping through master-planning and community involvement.

What success will look like:

- Where possible, all new development is delivered through a planned approach minimising the impact on existing communities and protecting our valued green space.
- Residents are supported and protected during any new development in their neighbourhood and that any essential infrastructure is delivered up front.
- New developments have their own sense of place that adds to the quality of life and sense of community for those residents living there.
- Sufficient affordable, specialist housing to meet the requirements of all those residents in priority need.





KEEPING THE BOROUGH MOVING

Our challenges

We have a challenge to effectively manage high volumes of traffic travelling through the Borough, to reduce congestion, deal with road works and address strategic connections. We must also balance this with supporting and enabling behaviour change in residents' travel choices and maximising the use of digital connectivity and smart city technology.

We will work with our partners to

- 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.
- Review and implement the Local Transport Plan and the walking and cycling strategy.
- Explore new technologies that contribute to an intelligent transport system that makes the best use of the existing road network.
- Maintain and improve our roads, footpaths and cycleways.
- Tackle traffic congestion and minimise delays and disruptions.

What we will do

- Support bus services and commit to do so until at least 2026.
- Continue to promote and develop the MyJourney programme as a tool to help residents and visitors make sustainable transport choices.
- Ensure a strategic approach to highway investment and maintenance.
- Increase opportunities across the Borough to access public transport and use electric vehicles.
- Increase number of electric vehicle charging points.

What success will look like:

- Increased use of public transport, walking and cycling initiatives.
- More electric vehicles on the road and fewer petrol and diesel vehicles.
- A well-maintained road network and improved safety for all road users.
- Improved air quality.





ENJOYING A CLEAN AND GREEN BOROUGH

Our challenges

We aim to tackle climate change, achieve carbon neutrality by 2030 and adapt to the impact of climate change that we are already experiencing while addressing the needs of a growing population and seeking out value for money. There is a challenge in encouraging behaviour change around waste, recycling and transport (particularly car use) around the Borough whilst addressing air quality and respiratory health and protecting valued spaces.

We will work with our partners to

- Play a leading role to achieve a carbon neutral Borough.
- 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.
- Deliver the Solar Together Scheme.
- Deliver the Social Housing Decarbonisation Scheme.

What we will do

- Deliver the Council's Climate Emergency Action Plan, whilst embedding climate emergency principles across the organisation.
- Ensure our colleagues across the Council and our contractors, take measures where possible to reduce carbon emissions including making

our own buildings more energy efficient.

- Help and support our residents and businesses to make behavioural changes that actively address the challenges of climate change.
- Continue to tackle fly-tipping, litter, graffiti and waste generation.
- Enhance our existing green areas and valued open spaces.
- Keep a weekly waste service whilst collecting different forms of waste more efficiently, encouraging recycling and ending reliance on single-use plastic bags.
- Begin work on a climate adaptation plan.

What success will look like:

- Residents and businesses change their behaviours to do more to tackle climate change and the Council is seen as setting a positive example.
- The Borough is recognised as a flagship authority in addressing the causes and impacts of climate change.
- A greener Borough, with more trees and a richer biodiversity with improved and more accessible, open spaces.
- Increased recycling and a reduction in general waste produced by each household.
- A more joined up walking and cycling network with more people choosing to walk, cycle or use public transport.



CHANGING THE WAY WE WORK FOR YOU AND BEING THE BEST WE CAN BE

Our challenges

The last few years have been the most challenging yet in terms of the Council's financial position. We must manage the Council's finances responsibly against the pressures of inflation and government funding reductions, taking the long-term decisions necessary to secure the Council's finances for the coming years. We need to reduce Council costs through being a smarter and more efficient organisation, developing effective and accessible digital solutions: making it easier for our customers, residents and businesses to work and communicate with us.

We will work with our partners to

- Shape a long-term vision for the future of our Borough to guide all our future policies, decisions and services.
- Provide efficient, effective, joined up services which are focussed on 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.
- Maximise opportunities to secure funding and investment for the Borough.

What we will do

- Place our shared vision for the Borough at the centre of the Council's plans and underpinning strategies.
- Challenge the government to give a fair deal to Wokingham and end the under-funding of our Borough by £30m a year compared to the average local unitary authority.
- Implement our People Strategy to be an organisation that values and invests in all our colleagues and is seen as an employer of choice.
- Be relentlessly customer focussed, implementing our Customer Experience Strategy.
- Strengthen our use of data and insight to understand current and future demand so that we can plan, design and deliver the best outcomes for all our residents.
- Manage performance effectively, through continuous improvement of our reporting processes and effective scrutiny.
- Listen to what our communities are telling us and use this feedback to shape service delivery, challenge how we do business and manage expectations in an open and honest way.
- Develop an inclusive service delivery approach, in a way that promotes the independence of residents, and harnesses the digital opportunities available.
- Continue to ensure our governance arrangements are sound and benchmarked against best practice.

What success will look like:

- An improvement in Customer Experience across all Council services – we meet the ambitions of our Customer Charter
- A community-led approach to meeting the needs of our residents, that is focused on the right outcome, delivered in the right way at the right time.
- Communication and feedback that encourages engagement with residents, businesses and partners in an inclusive and informative way.
- Effective use of digital technology, underpinning the very core of our organisation, that drives innovative new ways of working, helps to understand how things will change in the future and inform decision-making.
- A Council wide approach to the financial challenges and solutions, increased grant contribution to support service delivery, and shared expertise in contract management across the organisation.
- Colleagues are passionate about what they do and proud to work at our organisation; they understand our goals and their role in helping us to achieve them.
- We will have a proportionate approach to risk that encourages innovation whilst ensuring successful delivery.
- A forward thinking, innovative approach to organisational planning and delivery, with a strong commercial approach to everything that we do.



Equality Impact Assessment (EqIA) form: the initial impact assessment

1. Process and guidance

The purpose of an EqIA is to make sure that the council is meeting the needs of all our residents by ensuring we consider how different groups of people may be affected by or experience a proposal in different ways. EqIAs help us to meet our [Public Sector Equality Duty](#) and where applicable the [Armed Forces Duty](#)

The council has a two stage EqIA process:

- Stage 1 - the initial impact assessment
- Stage 2 - the full impact assessment.

This form is for use at Stage 1 of the process. This must be completed when undertaking a project, policy change, or service change. It can form part of a business case for change and must be completed and attached to a Project Initiation Document. The findings of the initial impact assessment will determine whether a full impact assessment is needed.

Guidance and tools for council officers can be accessed on the council's Tackling Inequality Together intranet pages.

Date started:	9/9/2023	
Completed by:	Emily Higson	
Service:	Insight, Strategy & Inclusion	
Project or policy EqIA relates to:	Interim Council Plan 2024-25	
Date EqIA discussed at service team meeting:		
Conclusion (is a full assessment needed?):	No	

Signed off by (AD):		
Sign off date:		

2. Summary of the policy, project, or service

This section should be used to summarise the project, policy, or service change (the proposal).

What is the purpose of the proposal, what are the aims and expected outcomes, and how does it relate to service plans and the corporate plan?

The Council Plan forms part of the council’s strategic framework and sets out the priorities that the council has set in order to achieve the community vision. It forms part of the golden thread that enables service planning and strategy development, and ultimately leads to team and individual work plans.

The current Council Plan was published in 2020 and was refreshed in February 2022. It is aligned to the 2020 vision, and it is due to end in March 2024. Normally, a new Council Plan would be developed to start in April 2024.

However, significant work is underway with partners and communities to co-produce a new Community Vision for the Borough that will set the direction of travel for many years to come. The new community vision is expected to be launched in July 2024.

The new council plan must be developed after this, so that it can be aligned to the outcomes in the vision.

Therefore, an extension to the current plan for 2024-25 is needed to provide direction and continuity for staff, members and residents.

How will the proposal be delivered, what governance arrangements are in place and who are the key internal stakeholders?

The Interim Council Plan will be published alongside a one-year SMART delivery plan. CLT are accountable for the delivery of the plan and progress will be reported in the Annual report 2025.

Who will be affected by the proposal? Think about who it is aimed at and who will deliver it.

All staff working for the council contribute to the delivery of the council plan. All residents and businesses in the borough receive a service from the council on some level.

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3. Data & Protected Characteristics

This section should be used to set out what data you have gathered to support the initial impact assessment.

The table below sets out the equality groups that need to be considered in the impact assessment. These comprise the nine protected characteristics set out in the Equality Act 2010 and other priority areas defined by the council.

Age	Disability	Gender reassignment	Marriage and Civil Partnership	Pregnancy/Maternity
Religious belief	Race	Sex	Sexual Orientation	Socio-economic disadvantage

The Armed Forces Act 2021 also requires consideration of the [impact on Armed Forces Communities](#) when exercising certain housing, education or healthcare functions (excluding social care). Further guidance can be found [here](#).

What data and information will be used to help assess the impact of the proposal on different groups of people? A list of useful resources is available for officers on the Council’s Tackling Inequality Together intranet pages.

A series of borough profiles have been developed by the council’s insight team. These help us to understand the borough and its residents through a number of different lenses. Ultimately this data will help the council to prioritise its services to meet the needs of the borough. We do know from the data that the demographics of Wokingham Borough have changed significantly between 2011 and 2021, with 15% growth in overall population and an increase in non-white British residents. This changing picture will be monitored over the lifetime of the council plan. The delivery of the plan will be monitored through the corporate performance reporting cycle and the annual report.

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4. Assessing & Scoring Impact

This section should be used to assess the likely impact on each equality group, consider how significant any impacts could be and explain how the data gathered supports the conclusions made.

Scoring impact for equality groups	
Positive impact	The proposal promotes equality of opportunity by meeting needs or addressing existing barriers to participation and/or promotes good community relations
Neutral or no impact	The proposal has no impact or no disproportionate impact.
Low negative	The proposal is likely to negatively impact a small number of people, be of short duration and can easily be resolved.
High negative	The proposal is likely to have a significant negative impact on many people or a severe impact on a smaller number of people.

Referring to the Scoring table above, please give an impact score for each group, explain what the likely impact will be, and briefly set out how the data supports this conclusion.

Equality group	Impact score	Impact and supporting data
Age	Positive impact	The aim of the council plan is to support the vision of Wokingham being “a great place to live, learn, work and grow and a great place to do business” and the overall outcome should have a positive impact on all protected characteristics. Individual programmes of work within the delivery of the council plan will need their own EqIA to determine impacts on protected characteristics.
Disability	Positive impact	As above
Gender reassignment	Positive impact	As above
Marriage and Civil Partnership	Positive impact	As above
Pregnancy/Maternity	Positive impact	As above
Religious belief	Positive impact	As above
Race	Positive impact	As above
Sex	Positive impact	As above
Sexual Orientation	Positive impact	As above
Socio-economic disadvantage	Positive impact	As above
Armed Forces Communities	Positive impact	As above

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5. Conclusion and next steps.

Based on your findings from your initial impact assessment, you must complete a full impact assessment if you have identified any groups as having a low or high negative impact.

If no impact, or a positive impact has been identified, you do not need to complete a full assessment. However, you must include reference to the initial assessment in any associated reports, and it must receive formal approval from the Assistant Director responsible for the project, policy, or service change.

TITLE	Establishment of a Joint Committee – The Berkshire Prosperity Board
FOR CONSIDERATION BY	Council on Thursday, 22 February 2024
WARD	None Specific
LEAD OFFICER	Chief Executive, Susan Parsonage
LEAD MEMBER	Leader of the Council and Executive Member for Housing - Stephen Conway

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

This report seeks to establish a Joint Committee (to be known as the Berkshire Prosperity Board) to enable Berkshire Authorities, through collaboration, to benefit from:

- Working to a shared vision of inclusive, green and sustainable economic prosperity to address challenges and meet opportunities whilst retaining the sovereignty of each local authority.
- Presenting a strengthened case to Government and private investors for greater investment into strategic projects, service delivery and initiatives across Berkshire.
- Acting as a vehicle to commission the Thames Valley Berkshire Local Enterprise Partnership (LEP) and others to deliver core functions in response to the Government's review of Local Economic Partnerships.
- Having a stronger, collective voice in lobbying Government and other agencies. Taking a collaborative mindset in targeting external bodies effectively for the benefit of Berkshire
- Advantageously position Berkshire in readiness for potential devolution proposals to benefit from additional responsibilities and funding opportunities. Setting up a Berkshire that is better able to efficiently, seize future opportunities and adapt to challenges.

Transforming Berkshire's productivity through, responsive, agile collaboration

RECOMMENDATION

That Council approve:

1. the establishment of a fully constituted Joint Committee (to be known as the Berkshire Prosperity Board) from May 2024 to deliver a Berkshire-wide vision for inclusive green and sustainable economic prosperity.
2. the proposed constitution for the Joint Committee as set out in Appendix A - Functions and Procedure Rules for a Joint Committee, Appendix B - Responsibilities of the accountable body and Appendix C - Governance structure is approved subject to review by each member Council within 6 months.

3. that the Chief Executive be delegated to reach a legally binding Agreement between the member Authorities setting out the supporting arrangements and responsibilities between the Authorities, particularly that between the Lead Authority, known as the Accountable Body and the other member Authorities and go through the relevant democratic process if required. Such Agreement also to be approved by the s151 Officer.
4. That Wokingham Borough Council act as the Accountable Body for the Prosperity Board

EXECUTIVE SUMMARY

Establishing a Joint Committee and sharing common goals across a functional economic area will provide Berkshire Authorities new opportunities for collaboration on economic development issues that will benefit all of our residents. Providing more flexibility and influence than a single council would have on its own. Helping local authorities speak with one voice to secure more funding from Government and sources to help get key projects and initiatives off the ground.

In particular, Berkshire Authorities, through collaboration, will benefit from:

- Working to a shared vision of inclusive, green and sustainable economic prosperity to address challenges and meet opportunities whilst retaining the sovereignty of each local authority.
- Presenting a strengthened case to Government and private investors for greater investment into strategic projects, service delivery and initiatives across Berkshire.
- Acting as a vehicle to commission the Thames Valley Berkshire Local Enterprise Partnership (LEP) and others to deliver core functions in response to the Government's review of Local Economic Partnerships.
- Having a stronger, collective voice in lobbying Government and other agencies. Taking a collaborative mindset in targeting external bodies effectively for the benefit of Berkshire
- Advantageously position Berkshire in readiness for potential devolution proposals to benefit from additional responsibilities and funding opportunities. Setting up a Berkshire that is better able to efficiently, seize future opportunities and adapt to challenges.

The first official board would take place in May following the collective decision for each Berkshire Authority to establish the Berkshire Prosperity Board. The Board would meet four times a year and each Council will lead on one of the six themes,

BACKGROUND

Collectively Berkshire Leaders and Chief Executives have been meeting to consider the challenges and opportunities faced by the Berkshire economy and the implication for residents. Leaders recognised that although, the Berkshire Economy is comparatively strong it faces a number of threats and has been experiencing declining productivity for several years. In order to respond to these challenges work has been undertaken by Place Directors to explore options to create a vehicle to drive and deliver economic prosperity within Berkshire for the benefit of residents.

Initial discussions explored the option of a devolution deal with Government and how Berkshire might benefit from the financial and decision-making powers a deal might bring. Early on in the process it was recognised that Berkshire's chance of securing a significant devolution deal was limited. Berkshire is disadvantaged by both the Government's Levelling Up agenda and because of priority being given to Local Authority areas with a Combined Authority and/or a directly elected mayor. The Berkshire Leaders have agreed not to pursue a directly elected mayor.

At the same time that this conversation began, the Government announced that it would be ending Local Enterprise Partnership (LEP) funding from the end of March 2024, and transferring local economic leadership and budgets back to local authorities. Hence, discussions have been ongoing as to the future of Thames Valley Berkshire LEP

As discussions progressed leaders recognised that the structure of six unitary authorities, which has provided so much benefit to the Berkshire area, could be better harnessed to promote Berkshire collectively and overcome the disadvantage Berkshire has in comparison with other larger counties and metropolitan areas, that speak with a single voice. It is acknowledged that by working in partnership, Berkshire Authorities can benefit from greater scale, and with that, have increased influence and a greater ability to develop solutions through collaboration.

Operating collaboratively will give Berkshire more bargaining power when negotiating for funds so that more investment is secured for key projects such as housing, transport, and skills. Collective lobbying will carry more weight and so help Berkshire secure better decisions from Government around. Shared problem solving will produce more efficient and effective outcomes than if authorities tackle problems individually.

The six Berkshire Leaders have stated their intention to develop a Joint Committee to help deliver this economic ambition.

Collectively the Leaders have identified a programme that will focus on six thematic workstreams deemed key to the future prosperity of our local economy and residents. Including, health and inequalities, education and skills, affordable housing, sector development, strategic infrastructure and net zero.

Berkshire's Economy

To date Berkshire is an economic success story – no other region in the UK has played a bigger role in driving the UK economy in recent decades. And as the UK's Silicon Valley, nowhere has the potential to add more value to UK plc. We have three diverse sub-regional economies and strengths in growth sectors of the future, innovative and

international businesses, a highly skilled workforce, and are well connected to London and other highly productive markets.

The Covid-19 pandemic, Brexit, the impacts of the war in Ukraine and the Israel-Hamas war have hit our economy hard and we are facing economic headwinds linked to changing trading relationships with Europe, labour market shortages and high inflation. Furthermore, as a region, we are disadvantaged when competing for the Government's Levelling - Up Investment programme. We therefore cannot be complacent – our economy is mature, but growth is lower than in the past, and we are moving into a period of further economic uncertainty.

It is also important to recognise that some of our communities have not been able to contribute to and benefit from Berkshire's economic success. Wage growth has not kept up with economic growth and any of our residents are facing increasing living costs, high levels of deprivation and poor health outcomes. Economic inactivity remains above our positive pre-Covid trajectory, exacerbating labour market pressures. Housing is a particular issue, with median house prices costing almost 11 times more than median earnings, acting as a constraint to recruiting and retaining graduate talent and people with the skills our economy needs. Both now and in the future

The Berkshire economy is mature, but the strains of growth are showing. Many of the companies headquartered in Berkshire face re-investment decisions post Covid-19 and Brexit. We know that some of them are not as committed to a future in the UK as we would want.

There are many opportunities with growing industries such as the film industry in and around Reading University and Bray, but the need to act to secure Berkshire's long-term future is clearly evident. The development of the Joint Committee will allow Berkshire Authorities to share and effect an economic vision to collectively address challenges and seize opportunities working collaboratively with other key parties. Thereby providing a greater voice, than each Council would have individually, helping to lobby Government and secure more finance from both public and private investors, and to be an attractive location for inward investment.

Responding to Changes to the Thames Valley Local Economic Partnership

Government will cease funding Local Economic Partnerships (LEPS) from April 2024. The Government requires that the core functions currently carried out by LEPS to be transferred to Local Authorities in a bid to empower local leaders and communities. Local Authorities will receive the funding for and core responsibilities for delivering these functions from April 2024. The core functions are as follows:

- Economic Strategy and Planning - This function is needed in the future to continue to provide evidence bases, data, and a Berkshire-wide economic strategy so that collective action can be prioritised and needs-led.
- Business Voice - This is a core function required by Government going forward in each functional economic area. This function is needed in the future to embed a strong, independent, and diverse local business voice into local decision-making on economic development issues. New guidance on setting up a Business Board (which would form part of a joint committee's governance arrangements is due to be released by Government.

- Government Programme Delivery - This function is needed in the future to continue to monitor the final stages of government programmes at the Berkshire level and ensure compliance with programme guidelines.

Local Authorities will also be expected to take responsibility for commissioning the Growth Hubs and Skills Hubs.

Berkshire Leaders and the LEP have agreed that they want to continue working in partnership to support the Berkshire economy. The LEP will remain an independent company. Berkshire Leaders have agreed that funding received from Government for the core functions will be used to commission specialist organisations (such as TVB LEP) to deliver outcomes.

The development of a Berkshire Joint Committee with a nominated accountable body will allow Berkshire to accept funds from Government and commission the core functions to address collective priorities.

Devolution

The Government's 2022 Levelling Up White Paper set out plans for encouraging local areas to apply for a devolution deal – called 'County Deals'. These agreements devolve funding, additional responsibilities and decision making with a view to stimulating local economic growth.

Prior to local Elections in May 2023 Berkshire Leaders submitted to Government an expression of interest in becoming a devolved Deal area, setting out the opportunities that Berkshire offers the national economy given the right support and investment.

Having a fully constituted Joint Committee will strengthen Berkshire's chances of being offered a Deal if Government decides to accelerate the devolution process in advance of the General Election. With the prospect of a general election in 2024, Government is likely to change its approach, therefore at this stage devolution is not the driver to move forward with a Joint Prosperity Board.

Benefits of Developing a Joint Committee – The Berkshire Prosperity Board

Establishing a Joint Committee and sharing common goals across a functional economic area will provide Berkshire Authorities with exciting new opportunities for collaboration on economic development. Provide more flexibility and influence than a single council would have on its own and enable local authorities to speak with one voice to Government and other agencies/organisations to secure funding to help get key projects and initiatives off the ground.

In particular, Berkshire Authorities, through collaboration, will benefit from:

- Working together to a shared vision of inclusive and sustainable economic prosperity through working together to address challenges and meet opportunities whilst retaining the sovereignty of each Local authority.
- Having a strengthened case to Government and private investors for funding and greater investment for strategic projects across Berkshire.

- Acting as a vehicle to commission the Thames Valley Berkshire Local Enterprise Partnership (LEP) and others in response to the Government's review of Local Economic Partnerships.
- Having a stronger, collective voice in lobbying Government and other agencies. Taking a collaborative mindset in targeting external bodies effectively for the benefit of Berkshire
- Advantageously positioning Berkshire in readiness for potential devolution proposals to benefit from additional responsibilities and funding opportunities. Setting up a Berkshire that is better able to efficiently, seize future opportunities and adapt to challenges.
- Working on six shared themes: health and inequalities, education and skills, affordable housing, sector development, strategic infrastructure and net zero.
-

Transform Berkshire's productivity through, responsive, agile collaboration.

Constitution and Secretariat

The Joint Committee's role and purpose on behalf of the Partner Local Authorities relates to ensuring that appropriate, effective and formal governance is in place for the purposes of delivering a Berkshire wide vision for economic growth and advancing partner Local Authorities aspirations for greater economic prosperity.

Core members of the Committee will include Bracknell Forest Council, Reading Borough Council, Slough Borough Council, The Royal Borough of Windsor and Maidenhead, West Berkshire Council and Wokingham Borough Council.

It is proposed that each local authority will decide whether a decision made at the Prosperity Board is a key decision and treat it according to the criteria within its own constitution. Voting on all decisions will be on a unanimous 100% basis.

The structure and constitution of the Joint Committee will need decisions to be approved through each of the participating Local Authority's democratic decision-making groups. Details of the draft Constitution and structure of the Joint Committee is contained in: Functions and Procedure Rules for a Joint Committee (Appendix A), Responsibilities of the accountable body (Appendix B) along with the governance structure (Appendix C).

Accountable Body

The Prosperity Board and the new arrangements for Thames Valley Berkshire LEP will need the facility of an Accountable Body. It is proposed that Wokingham Borough Council will undertake this function. This will involve acting as a body to receive and manage any funds received from Government (or other sources) on behalf of all six Berkshire Authorities.

The cost of running this function will be approximately £40,000 per annum and will be shared across the six Berkshire Authorities. In the first year the costs will be contained within existing budgets and using an element of grant funding such as the UK Shared Prosperity Fund. The possibility of leveraging in additional Government revenue and capital funding through the Prosperity Board will be explored. The intention is to continue to absorb costs within existing budgets and through grant funding beyond the first year of operation.

The following principles will be applied to all financial matters relating to the Prosperity Board including the Accountable Body:

- Open book- transparently accounting for all costs including in-kind.
- All costs will be shared equally by all participating unitary authorities and billed quarterly on estimate with final settlement on actuals after year end.
- That all participating authorities have a suitable liability or indemnity arrangement to ensure risks is shared.

For completeness the full responsibilities of the Accountable Body are set out in Appendix B.

Prior to the operation of the Joint Committee, key legal elements that underpin the arrangement of the Joint Committee, such as indemnities, dispute resolution and financial responsibilities will be agreed by the members authorities in a joint legal agreement.

BUSINESS CASE

Need

Since 2008, our economy has experienced a financial crisis, the Covid-19 pandemic and the impacts of the war in Ukraine and the Israel-Hamas war. We are facing economic headwinds linked to changing trading relationships with Europe, labour market shortages and high inflation. Furthermore, as a region, we are disadvantaged when competing for Government's Levelling -Up Investment programme. We therefore cannot be complacent – our economy is mature, but growth is lower than in the past, and we are moving into a period of further economic uncertainty. The development of the Joint Committee will allow Berkshire Authorities to share and effect an economic vision to collectively address challenges and seize opportunities. Providing a greater voice, than each Council would have individually, helping to lobby Government and secure more finance from both public and private investors, and to be an attractive location for inward investment.

Other options considered.

The main alternative approach is to continue to work on economic development in each unitary area as exists at the moment. This no change approach does not resolve matters relating to the functions passing to Local Authorities with the end of Government LEP funding which takes place in April 2024. It also does not build a stronger voice for Berkshire and does not enable streamlined collective decision making.

The other main alternative option considered was to develop a Combined Authority/Mayoral Combined Authority and seek a formal Devolution Deal. The Berkshire Leaders have agreed not to pursue a directly elected mayor.

Risks associated with this decision relate to common risks associated with setting up successful partnerships. This includes legal issues and operational disruptions which has been mitigated through involving legal officers across Berkshire.

The decision will have passed through the democratic process in each local authority by the end of March 2024. The first meeting of the Berkshire Prosperity Board will be in May 2024

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 other financial implications	YES	R/C
Next Financial Year (Year 2)	See other financial implications	YES	R/C
Following Financial Year (Year 3)	See other financial implications	YES	R/C

Other Financial Information

Collectively the six Berkshire Authorities will receive £240k from Government to deliver the key functions of, Economic Strategy and Planning, Business Voice, and Government Programme Delivery. MHCLG have directly and expressly advised us that the 240k can only be spent on these 3 functions.

It is envisaged that the total cost of the running the Prosperity Board in the first year will be in the region of £60K (including the £40K for administering the accountable body). In the first year the costs of managing the Berkshire Prosperity Board will be contained within existing budgets as well as using an element of grant funding such as the UK Shared Prosperity Fund. The following principles will be applied to the Accountable Body of the Prosperity Board:

- Open book- transparently accounting for all costs including in-kind.
- All costs will be shared equally by all participating unitary authorities and billed quarterly on estimate with final settlement on actuals after year end.
- That all participating authorities have a suitable liability or indemnity arrangement to ensure risks is shared.

The possibility of leveraging in additional Government revenue and capital funding through the Prosperity Board will be explored. The intention is to continue to absorb costs within existing budgets and through grant funding beyond the first year of operation.

Legal Implications arising from the Recommendation(s)

Local Authorities are empowered to set up Joint Committees by sections 101 and 102 of the Local Government Act 1972 to discharge functions.

Section 9E of the Local Government Act 2000 allows Executive Functions to be discharged by a joint committee and it is envisaged that those Councils which are Executive lead will only delegate Executive Functions

Key legal elements that underpin the arrangement of the Joint Committee, such as indemnities, dispute resolution and financial responsibilities will be agreed in a joint legal agreement. How the arrangement will work in terms of finances, dispute resolution and indemnities between the council and agreed by the members authorities.

Stakeholder Considerations and Consultation

Public Sector Equality Duty

The Board proposes to look at inequalities as one of its themes, however the setting up of a joint Committee is not considered to require an impact assessment at this time.

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 recommendations above are expected to reduce emissions of CO₂ across Berkshire considering opportunities to respond to Climate Change at a strategic level, creating impact by working at scale

Reasons for considering the report in Closed Session

List of Background Papers

1. Appendix A- DRAFT Functions and Procedure Rules for a Joint Committee
2. Appendix B- DRAFT Responsibilities of the Accountable Body
3. Appendix C- DRAFT Governance Structure

Contact Rhian Hayes	Service Economy and Housing
Telephone Tel: 0118 974 6090	Email rhian.hayes@wokingham.gov.uk

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TITLE	Approval of a Period of Absence from Meetings by Councillor Gary Cowan
FOR CONSIDERATION BY	Council on 22 February 2024
WARD	Arborfield Ward;
DIRECTOR	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

That Councillor Gary Cowan remain in office as Member for Arborfield Ward and continue to represent his constituents.

RECOMMENDATION

Council is recommended to:

- 1) note that Councillor Gary Cowan has not been able to attend meetings in-person of the Council due to ill-health since his attendance at Council on 21 September 2023;
- 2) approve Councillor Gary Cowan's non-attendance at meetings of the Council due to ill-health until his current term of office ends in May 2024, pursuant to Section 85 of the Local Government Act 1972.

SUMMARY OF REPORT

Regulations state that where a Council Member fails to attend any meeting of the relevant Authority, throughout a period of six consecutive months from the date of their last attendance, subject to certain exceptions, they cease to be a Member of the Authority. However, the Authority can approve the Member's non-attendance for specified reasons.

This report asks Council to approve Councillor Gary Cowan's non-attendance on the grounds of ill-health.

Background

1. Under Section 85(1) of the Local Government Act 1972 if a Member fails throughout a period of six consecutive months from the date of their last attendance to attend any meeting of the Council or as a representative of the Council on an Outside Body they shall, unless the failure was due to some reason approved by the Council before the expiry of that period, cease to be a member of the Authority.
2. Due to ill-health Councillor Gary Cowan has not been able to attend any Council or Committee meetings since his attendance at the Council meeting on 21 September 2023. Councillor Cowan has advised that he is uncertain as to whether his health will permit him to attend any meetings in the upcoming months. A request is therefore put forward to Council to approve an extension to

the six month rule to enable Councillor Cowan to remain in office. If this request is not approved Councillor Cowan will cease to be a member of the Council on 22 March 2024.

3. Council is asked to give approval to Councillor Cowan’s non-attendance by reason of ill-health until his current term of office ends in May 2024.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0		Revenue
Next Financial Year (Year 2)	£0		Revenue
Following Financial Year (Year 3)	£0		Revenue

Other financial information relevant to the Recommendation/Decision
There are no financial implications related to this report.

Cross-Council Implications
There are no cross-Council implications related to this report.

List of Background Papers
Section 85(1) of the Local Government Act 1972

Contact Priya Patel	Service Governance
	Email priya.patel@wokingham.gov.uk

TITLE	Re-Designation of Polling Places
FOR CONSIDERATION BY	Council on 22 February 2024
WARD	Bulmershe & Coronation and Shinfield
LEAD OFFICER	Andrew Moulton – Returning Officer

OUTCOME / BENEFITS TO THE COMMUNITY

To ensure that polling places are available to enable residents to cast their votes at elections to be held on 2 May 2024.

RECOMMENDATION

That Council agree that the following Polling Places are designated for the elections to be held on 2 May 2024:

- 1) St John's Church, Woodley be designated as the polling place for polling district KCEb and KDEb in Bulmershe & Coronation Ward instead of St John's Ambulance, HQ, Woodley;
- 2) Shinfield Players Theatre be designated as the polling place for polling district SAE2a in Shinfield Ward instead of White Knights Primary School
- 3) The Assistant Director Governance be delegated authority, in consultation with the relevant Ward Member(s), to re-designate any polling place in the Borough which becomes unavailable.

SUMMARY OF REPORT

For the following reason an alternative venue is required to be designated as the polling place in order that residents in that area can cast their votes at the forthcoming election:

All St John's Ambulance buildings are still unavailable for third party bookings; therefore the St John's Ambulance HQ in Woodley is unlikely to be available for the 2 May 2024 elections as a polling place for polling district KCEb and KDEb.

Background

Section 18 of the Representation of the People Act 1983 places a duty on each Borough Council to divide its area into 'Polling Districts' and to designate a 'Polling Place' for each Polling District.

All the polling places in areas up for election, which were previously designated by Council, have been contacted to ascertain their availability for elections in May 2024. Two polling places have stated that they will be unavailable and the reasons why are set out below. It is therefore necessary for alternative venues to be designated in order that residents in the relevant area can cast their votes.

St John's Ambulance HQ, Woodley

Since a report seeking the designation of Polling Places was approved at the Council meeting on 18 January 2024, St John's Ambulance HQ has confirmed that they are unavailable for third party bookings.

St John's Church, which is situated next door to St John's Ambulance HQ, is proposed as the alternative venue. It has suitable facilities, good parking provision and is suitably accessible.

Ward Members and the members of the Polling Places Working Group have been consulted on the change of venue and have not raised any objections to the alternative venue proposed.

White Knights Primary School, Shinfield

Since a report seeking the designation of Polling Places was approved at the Council meeting on 18 January 2024, White Knights School has confirmed that they are not able to accommodate a Polling Station on 2 May 2024.

Shinfield Players Theatre is in the same Borough Ward and Parish Council. The venue is an established polling station with sufficient space to accommodate voters from SAE2a. There was no other alternative polling place identified in the polling district and no other suggestions were put forward in consultation responses.

Ward Members and members of the Polling Places Working Group have been consulted on the change of venue. A number of Members have responded to confirm that they do not have any objections. Two Members have responded to raise queries around the potential for increased traffic building up in this location as a result of the polling station being designated at this venue. Further, queries around the pedestrian walking route to this venue and the need for sufficient signage to ensure that residents are able to locate the venue. Discussions are ongoing with Highways officers to consider how these concerns can be mitigated. Signage around the venue will also be carefully considered.

An alternative venue was proposed but as it fell outside of the borough's boundary, could not be considered.

Analysis of Issues

In designating Polling Places, certain rules have to be followed by the Council under the 1983 Act. These include that:

- (i) all electors must be given ‘such reasonable facilities for voting as are practicable in the circumstances’
- (ii) so far as is reasonable and practicable, only places which are accessible to electors who are disabled should be designated, and ...
- (iii) the Polling Place should be within the Polling District except where special circumstances make it desirable to designate an area wholly or partly outside the Polling District.

Consideration of the above rules have been taken into account when considering the alternative venue.

There is a risk to the Council if it chooses not to designate the best venue as a polling place.

These changes will be advertised as required by legislation.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources 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	Yes	Revenue
Next Financial Year (Year 2)	£0	Yes	Revenue
Following Financial Year (Year 3)	£0	Yes	Revenue

Other financial information relevant to the Recommendation/Decision

There are no financial implications associated with this report.

Cross-Council Implications

None

Public Sector Equality Duty

A completed Equality Impact Assessment is attached as Appendix A.

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

There will be no impact on the Council’s carbon neutral objective.

List of Background Papers

Representation of the People Act 1983

Contact Andrew Moulton Priya Patel	Service Governance
Telephone No 07747777298	Email Andrew.moulton@wokingham.gov.uk

Equality Impact Assessment (EqIA) form: Initial impact assessment

If an officer is undertaking a project, policy change or service change, then an initial impact assessment must be completed and attached alongside the Project initiation document.

EqIA Titular information:

Date:	7 December 2023
Service:	Democratic and Electoral Services
Project, policy or service EQIA relates to:	Polling Places Review 2023-24
Completed by:	Priya Patel, Head of Democratic & Electoral Services
Has the EQIA been discussed at services team meeting:	No
Signed off by:	Andrew Moulton, Assistant Director Governance
Sign off date:	7 December 2023

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1. Policy, Project or service information:

This section should be used to identify the main purpose of the project, policy or service change, the method of delivery, including who key stakeholders are, main beneficiaries and any associated aims.

What is the purpose of the project, policy change or service change , its expected outcomes and how does it relate to your services corporate plan:

To review the boundaries of the Polling Districts and the designated Polling Places to ensure the best possible arrangements are in place for voters.

The Electoral Administration Act 2006, as amended, introduced a duty on all Local Authorities in Great Britain to review their polling districts and polling places at least once every five years. The Council completed the last full review on 21 March 2019. The current statutory review period closes in January 2025.

The Council has in the early part of 2023, been through an Electoral Boundary Review process which reported in July 2023, resulting in new warding arrangements. This has resulted in 18, three member wards. A new parliamentary constituency for Wokingham Borough, Earley & Woodley, has also been created, alongside the existing parliamentary constituency of Wokingham. As a result of this review, the Council must now consider carefully where new Polling districts are needed as a result of the new warding arrangements. Further, where polling stations are best placed within any new polling districts.

The review formally commenced on 20 October 2023, and should the recommendations be accepted by Council, it will finish on 18 January 2024. This will allow the changes in polling districts to be reflected on the revised electoral register which is due to be published on 1 February 2024.

Outline how you are delivering your project, policy change or service change. What governance arrangements are in place, which internal stakeholders (Service managers, Assistant Directors, Members etc) have/will be consulted and informed about the project or changes:

Local Ward Members have been consulted on possible alternative venues and any proposed venues have been reviewed to ensure that they meet the criteria as set out in the Representation of the People Act 1983.

The legislation requires consultation with all MPs, Councillors, Town and Parish Councils, agents, political parties as well as access and disability groups and, of course, electors.

Outline who are the main beneficiaries of the Project, policy change or service change?

A small number of current polling places will not be available in future or are no longer suitable, this has required alternative polling places to be sought. The main issues considered in the development of the Returning Officer's proposals as set out in the consultation were:

- (a) To identify new polling places in areas where the existing provision is unsuitable or unavailable.
- (b) To consider, as appropriate, feedback received following recent elections raised by members of the public, elected councillors and other stakeholders.
- (c) To ensure, as far as practicable, that any new polling places are accessible to people with disabilities.
- (d) To ensure that all electors have such reasonable facilities for voting as are practicable in the circumstances.
- (e) To try to minimise disruption to schools. It should be noted that the Returning Officer has the right in law to select schools as polling venues which places a duty on schools, as publicly funded buildings, to provide the facilities required if asked to do so. However, where alternative premises exist which can provide better facilities for voting, these will be considered.
- (f) To ensure polling stations have sufficient space to allow for checking Voter ID in private.

The main beneficiaries are therefore electors in the Borough and other stakeholders, with their views and comments being central to this work.

Outline any associated aims attached to the project, policy change or service change:

In reviewing Polling Places, certain rules have to be followed by the Council under the 1983 Act. These include that:

- (i) all electors must be given 'such reasonable facilities for voting as are practicable in the circumstances'.
- (ii) so far as is reasonable and practicable, only places which are accessible to electors who are disabled should be designated, and
- (iii) the Polling Place should be within the Polling District except where special circumstances make it desirable to designate an area wholly or partly outside the Polling District.

The **Elections Act 2022** further strengthens these rules, particularly in terms of accessibility for disabled voters: From May 2023, there are changes which aim to provide greater flexibility and choice in how disabled voters are supported to vote at polling stations. These changes apply to local elections in England, Police and Crime Commissioner elections in England and Wales, and general elections in the UK including recall petitions.

The changes were applied for the first time at the local elections taking place in 230 areas of England in May 2023 and are summarised below.

Disabled voters will be able to choose anyone who is over 18 to accompany them in the polling station to help them vote, including carers who may not themselves be eligible to vote at the election. There will also be changes to the assistance available at polling stations. From May 2023, Returning Officers will need to take all reasonable steps to provide support for disabled voters at polling stations. This will improve the range and quality of support available and speed up the process of providing additional support where needed.

2. Protected characteristics:

There are 9 protected characteristics as defined by the legislation:

- Race
- Gender
- Disability
- Gender re-assignment
- Age
- Religious belief
- Sexual orientation
- Pregnancy/Maternity
- Marriage and civil partnership:

To find out more about the protected groups, please consult the EQIA guidance.

3. Initial Impact review:

In the table below, please indicate whether your project, Policy change or service change will have a positive or negative impact on one of the protected characteristics. To assess the level of impact, please assign each group a Positive, No, Low or High impact score:

For information on how to define No, low or high impact, please consult the EQIA guidance document.

If your project is to have a positive impact on one of the protected groups, please outline this in the table below.

For details on what constitutes a positive impact, please consult the EQIA guidance.

Protected characteristics	Impact score	Please detail what impact will be felt by the protected group:
Race:	No	The review of Polling Places would not affect persons with this protected characteristic specifically.
Gender:	No	The review of Polling Places would not affect persons with this protected characteristic specifically.
Disabilities:	Positive	All venues have been assessed to ensure that they are accessible for people with a disability. Further, each venue will provide the additional support set out in the Elections Act 2022, to ensure that people with a disability are sufficiently supported.
	Negative low impact	Some proposed changes to venues may mean that residents will have to travel further to their polling place, but all polling places remain within polling districts, therefore mitigating any detrimental impact.
Age:	Negative low impact	Some proposed venues may mean that elderly or infirm residents will have to travel further to their polling place. Equally, some proposed venues will be nearer than previously, but all polling places remain within polling districts, therefore mitigating any detrimental impact.
Sexual orientation:	No	The review of Polling Places would not affect persons with this protected characteristic specifically.
Religion/belief:	No	The review of Polling Places would not affect persons with this protected characteristic specifically.
Gender re-assignment:	No	The review of Polling Places would not affect persons with this protected characteristic specifically.
Pregnancy and Maternity:	Positive	All proposed venues are accessible for people using prams or buggies.

Marriage and civil partnership:	No	The review of Polling Places would not affect persons with this protected characteristic specifically.
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Based on your findings from your initial impact assessment, you must complete a full impact assessment for any groups you have identified as having a low of high negative impact. If No impact, or a positive impact has been identified, you do not need to complete a full assessment. However, you must report on this initial assessment and it must receive formal approval from the Assistant Director responsible for the project, policy or service change.

Initial impact assessment approved by: Andrew Moulton.

Date: 7 December 2023