

# Medium Term Financial Plan 2022/2023

Including Revenue Budget Forecast & Capital Budget  
Forecast to 2024/2025



**WOKINGHAM**  
**BOROUGH COUNCIL**

**WOKINGHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN  
2022/23  
(Inc. Revenue Budget Forecast & Capital Budget Forecast to 2024/25)**

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# CHIEF FINANCE OFFICER'S STATUTORY REPORT

## 1. Introduction

The Local Government Act 2003 requires the Chief Finance Officer (CFO) to report to Members, when setting the level of council tax, on the robustness of the budget presented and adequacy of reserves. The report is intended to discharge this responsibility and provides a strategic overview of the Council's financial position as a context before making specific considerations on the 2022/23 budget.

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

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.

## 2. The financial standing of the Council

Heading into the 2022/23 financial year, the financial standing of the Council remains robust. Achieved through good financial management, the Council has built up financial resilience and sustainability, despite years of austerity from Central Government funding.

Following the start of the Covid-19 pandemic, the Council have reacted quickly to enhance financial management during the crisis. The Council's finance staff are working closely with Directors to challenge and update forecasts based on a continually changing rationale.

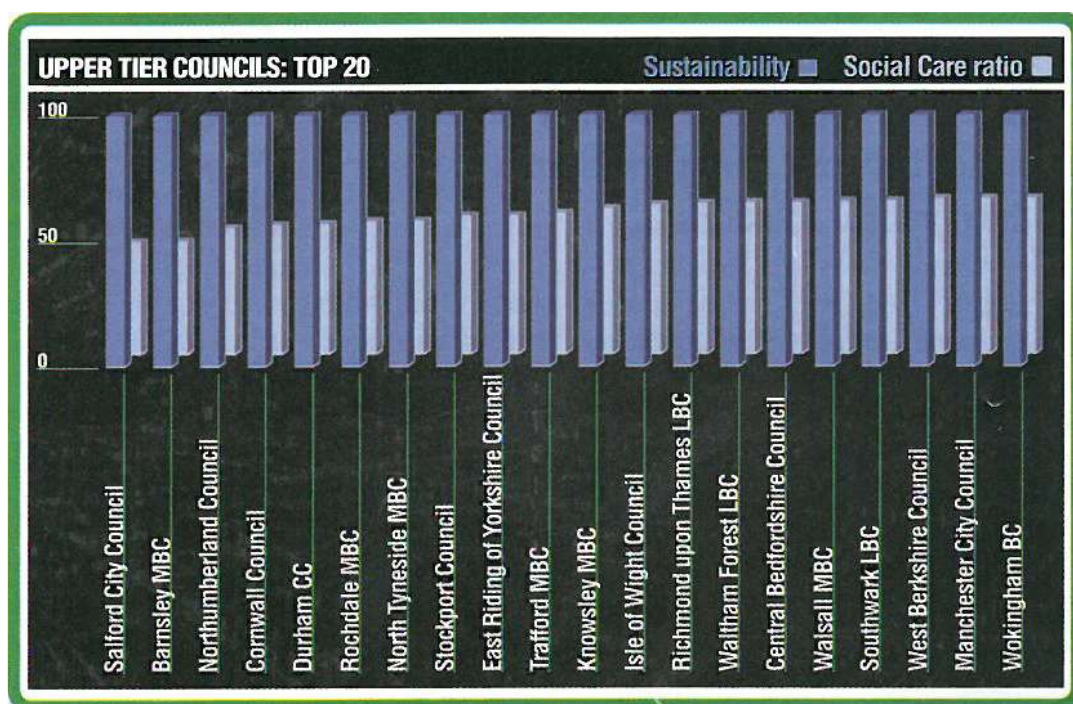
This includes;

- Ensure there is clarity with regards to genuine expenditure decisions regarding Covid 19 related spend (as opposed to the necessity to discharge our statutory responsibilities).
- Seek to maximise opportunities to deliver on MTFP savings plans, recognising that staff remain significantly diverted to the Response phase.
- Explore reduced expenditure opportunities arising as a result of Covid-19 or otherwise, including a review of Special Items.
- Maintain a weekly financial review of the Covid-19 impact including collection rates and Direct Debit failure rates on major income streams.
- Initiate an early MTFP review process tailored to identify areas of relative financial certainty and high-risk areas of greater ambiguity.
- Review 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).
- Continue to make representations for additional funding through Government Returns, Regional Conference calls and MPs.

## CIPFA Resilience Index

In December 2019, CIPFA published their first financial resilience tool which highlighted key financial indicators such as reserves sustainability, external debt and social care ratios based on the 2018/2019 financial year. The index shows a council's position on a range of measures associated with financial risk and financial stress. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over a number of years, public consultation and technical stakeholder engagement. Wokingham have been rated in the top 20 of upper tier councils for financial sustainability (source: 9<sup>th</sup> Jan 2020 – The Management Journal). Although Wokingham have been rated highly for financial sustainability (measured by ability to maintain reserve balances), the Council still face significant challenges and risks in the future which are outlined in this report and throughout the Medium Term Financial Plan (MTFP). Also included in the graph is the social care ratio which shows how much of the annual spend is linked to social care which is seen by CIPFA as an area of financial risk for all local authorities.

The latest resilience index published (based on 2019/20 data) showed an improved position on indicators of financial stress. These included improved indicators around maintaining or improving earmarked reserves and the cost of social care as a proportion of total expenditure compared to other local authorities.



Source – The MJ – 9<sup>th</sup> January 2020

### 3. How Council services are funded

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;
- Capital – expenditure in assets that generate economic benefits greater than one year;
- Housing Revenue Account (HRA) – ringfenced expenditure across the local authority housing stock; and,
- Dedicated Schools Grant (DSG) – ringfenced expenditure across maintained schools, early years and high needs services.

#### ***Revenue (General Fund)***

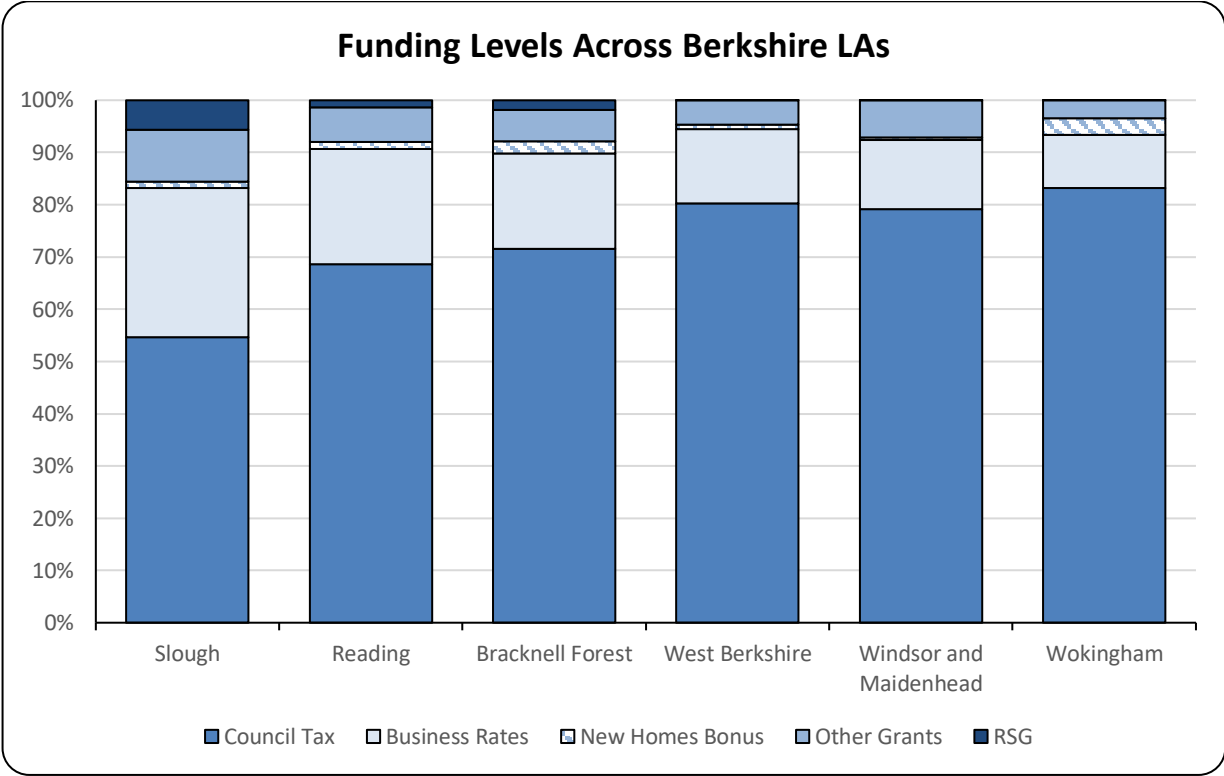
Expenditure in relation to providing the day to day services of the Council is referred to as revenue spend. Further information on where this money is spent is highlighted throughout the Medium Term Financial Plan. Funding of this revenue expenditure is determined through the local government finance settlement and consists of;

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

Local authorities up and down the country have continued to push for a fairer funding review and long-term finance settlements to provide sustainable long term funding. The intention from the government, announced in the Autumn Spending Review, was to set a three year finance settlement. However, this funding review has been delayed again, meaning the local government finance settlement for 2022/23 is for one year only as opposed to a three year funding settlement. This means that there is still much uncertainty around future settlements in terms of duration and the actual amount of funding Wokingham will receive. Consequently, it has been difficult to make definite determinations about budgets in 2023/24 and 2024/25. This context means it is extremely important the Council takes a prudent approach in its budget setting proposals for the 2022-2025 medium term financial plan.

As a result of numerous years of local government funding driven by a formula that is skewed toward deprivation factors (as opposed to recognising the basic cost of providing services) and reductions in centrally funded grants based on percentage reductions to previous years, Wokingham Borough Council has been for many years the lowest funded unitary authority (per head of population) in the country. A consequence of this is that Wokingham Borough Council's local services are 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 9%.

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

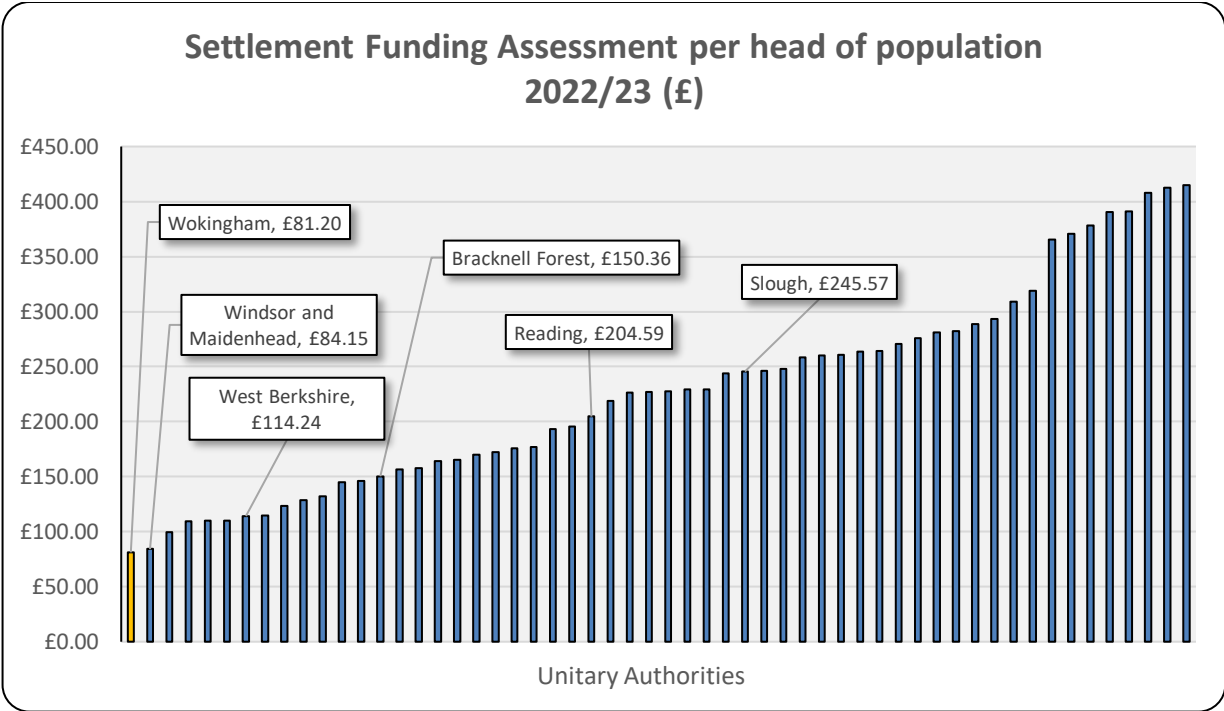


**Settlement Funding Assessment (SFA)**

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

Wokingham’s total SFA will remain at £14.1m in 2022/23, compared to £19.1m in 2016/17, a reduction of 26.2%, or £5.0m. Wokingham’s SFA has remained close to £14.1m since 2017/18 after the reduction in 2016/17. This means our baseline funding level and therefore retained business rates have not seen any inflationary increases.

The graph below shows the position for 2022/23 in terms of SFA funding per head of population and confirms that Wokingham is the lowest funded unitary authority, well below the unitary average, and less than 18% of the highest funded unitary authority:



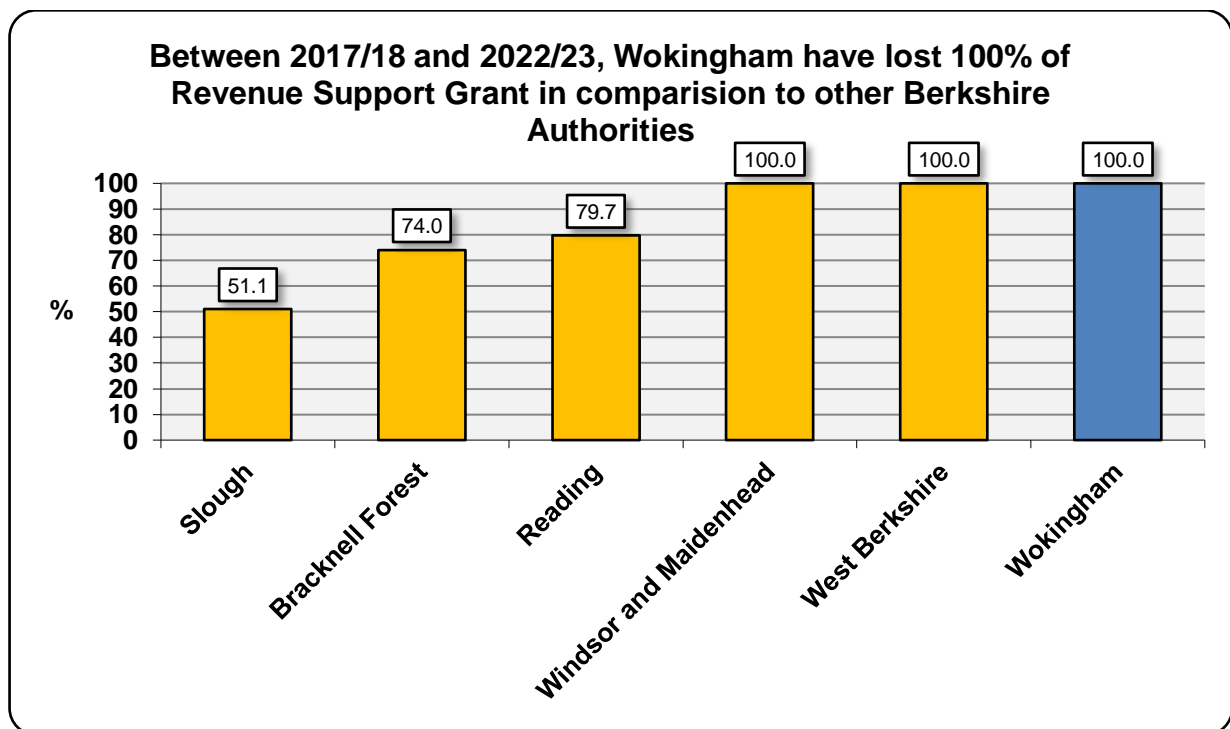
Wokingham will receive the SFA per head of £81.20, which is significantly lower than the unitary authorities’ average. It is also less than half the funding of two of the Berkshire authorities.

**Revenue Support Grant (RSG)**

RSG was previously the significant unringfenced grant that supported the Council’s ongoing revenue expenditure. From 2013/14 it has been incorporated within the settlement funding assessment (SFA) with Wokingham faces reductions in grant yearly and the complete removal of this grant since 2018/19.

The percentage changes in Government Funding since 2012/13 are shown below. Following the December 2010 Local Government Finance Settlement, Wokingham suffered a reduction in RSG for the first time in 2011/12, that is followed by reductions cumulatively as shown in the graph below. In 2018/19 and 2019/20 RSG had reduced to zero. It was expected that by 2019/20 the grant would be cut still further with some authorities required to pay a ‘negative RSG’. However, following consistent representations made by this authority, we have been informed again through the finance settlement that negative RSG will not be enacted in 2022/23 (similar to 2021/22). The funding position is unclear from 2023/24 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 reductions by 2022/23 across Berkshire Councils.



A growing number of councils now no longer receive RSG. Wokingham was one of the first to lose all its RSG funding in 2018/19.

### ***Retained Business Rates***

As mentioned above, the other element of the SFA is business rates. The SFA sets a baseline funding level for retained business rates (£14.1m for 2022/23). For 2022/23, similar to 2021/22, Wokingham will be able to retain 49% of business rates with the Government receiving 50% and the Royal Berkshire Fire Authority 1%. Due to the government's assessment of what funding the Council needs to deliver services, a tariff payment is then applied against the 49% business rate income we receive thus bringing retained business rates to approx. 20% of what we collect. Due to the continued delays from Central Government, the future arrangements of business rates funding beyond 2022/23 create a degree of uncertainty and risk, making longer term financial planning more difficult.

### ***Council Tax***

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



In recent years, the government has capped council tax increases to under 2% (excluding the adult social care precept) and any increase above this would require a local referendum funded by the local taxpayer. For 2018/19 and 2019/20 an exception was given where the referendum cap was increased to under 3%. Since 2020/21, this additional flexibility has been removed with increases reducing back to the 2% cap before a local referendum is required.

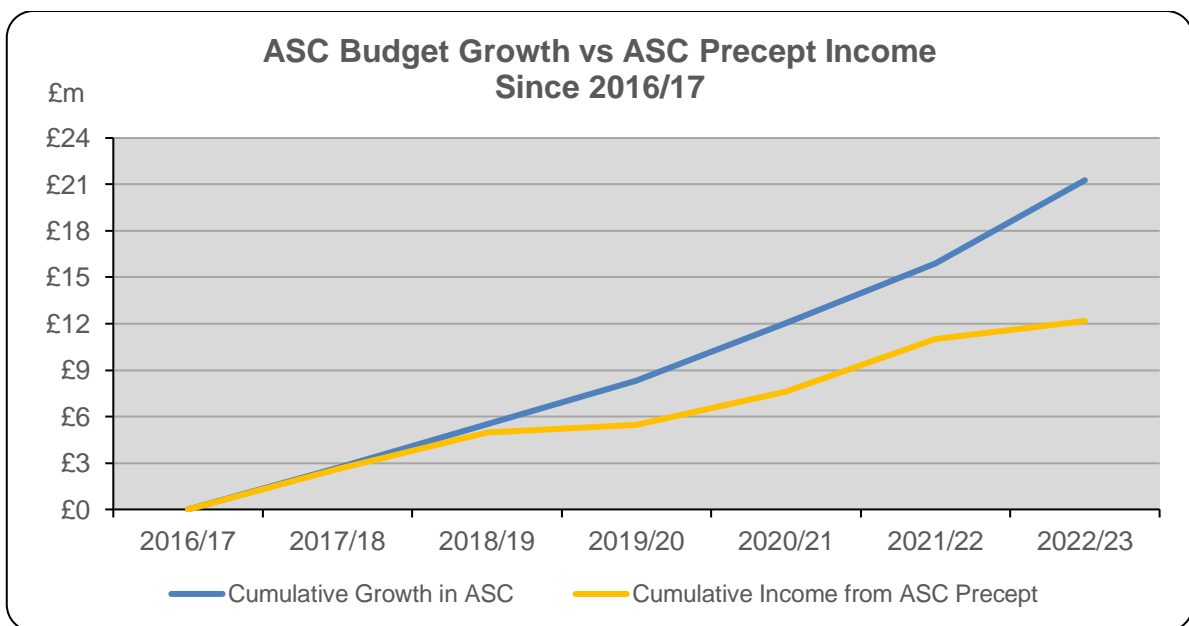
The expenditure pressures for council tax increases above inflation are similar each year: client increases (particularly in social care); increase in statutory requirements (e.g. recycling, standards of care); unavoidable expenditure increases above inflation (e.g. maintenance contracts, social care contracts, etc.) and pressures to improve services from both the public and the Government. Since 2016/17 the increases have exceeded the inflation level, but this is due to the government’s calculations which assume both inflationary increases to council tax and an additional adult social care increase to council tax.

**Adult Social Care (ASC) Council Tax Precept**

The Government’s continued aim in health and social care will be integrated across England, with joined up services between social care providers and hospitals, and that it should feel like a single service for patients.

In recognition of the continually increasing statutory care costs faced by local authorities, an ASC council tax precept of up to 1% has been introduced for 2022/23 replacing the previous schemes that permitted a total 3% increase in 2021/22, a 2% increase in 2020/21 and prior to this a 6% increase over a 3-year period. It is unknown what will be in place beyond 2022/23 but this will no doubt be a key consideration in any future sustainable Local Government funding system.

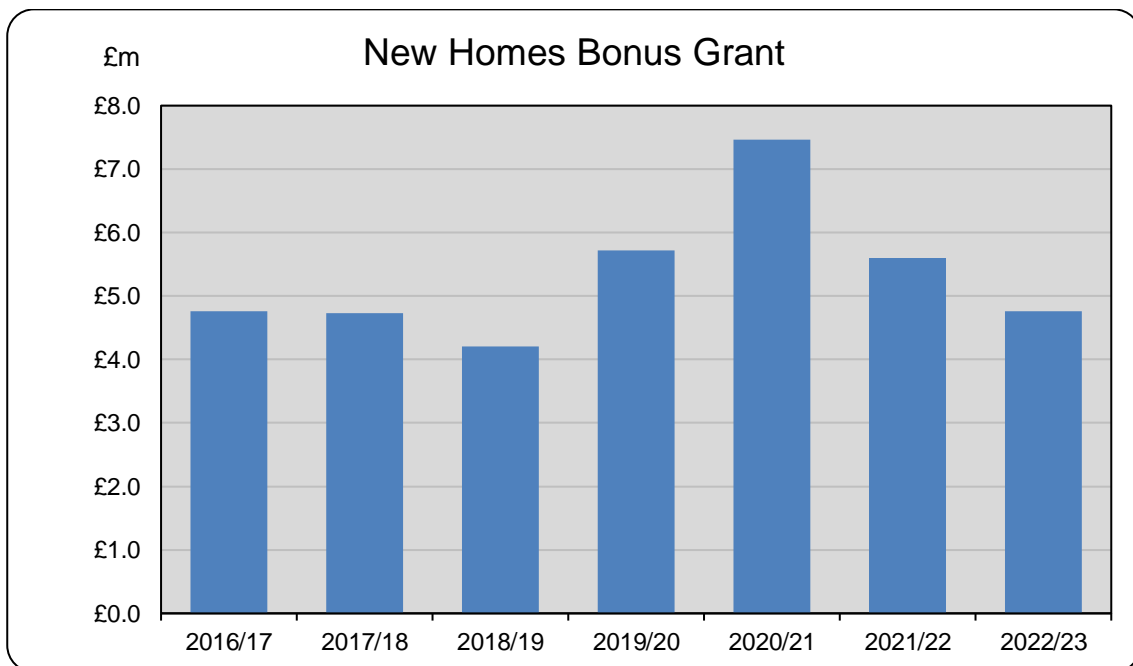
The graph below compares the annual budget growth and inflation demands in adult social care services and the additional funding that is raised through the adult social care council tax precept. Adult social care growth continues to increase above inflation due to an increasing ageing population, more complex care requirements and unit cost increases driven by national living wage increases for example. The difference is funded through service efficiencies and general council tax increases.



### ***New Homes Bonus (NHB)***

New homes bonus (NHB) is a unringfenced grant awarded to local authorities based on how many new homes have been delivered. The intention of the grant was to encourage housing growth across the country. The calculation mechanism has changed over the years since it was introduced with much less reward for additional house building now. The Autumn Statement 2015 proposed changes to the NHB which made the scheme less attractive for Wokingham by reducing the length of payments from six years to four. From 2021/22, Wokingham will be rewarded for 1 year only with legacy payments also being honoured, compared to six years in 2016/17, as well as not rewarding authorities for the first portion of growth they enable. Furthermore the NHB has been included in the Council's core spending power calculation. These developments appear to fundamentally undermine the initial intention behind the NHB scheme: to incentivise housing growth and reinvest in regeneration. Although the Council's previous approach has been to use NHB to fund special items, most notably for regeneration and resources to deliver future efficiencies, the sustainability of such an approach has been brought into question due to its impact on the funding of essential Council services. The graph below shows the new homes bonus grant over the years including the impact of the changes to the methodology.

The Council is now set to receive £4.8m in NHB in 2022/23, down from £5.6m NHB in 2021/22. The reduction is a result of the legacy payments reducing as they come to the end of the four year period. The graph below shows the amount of new homes bonus received.

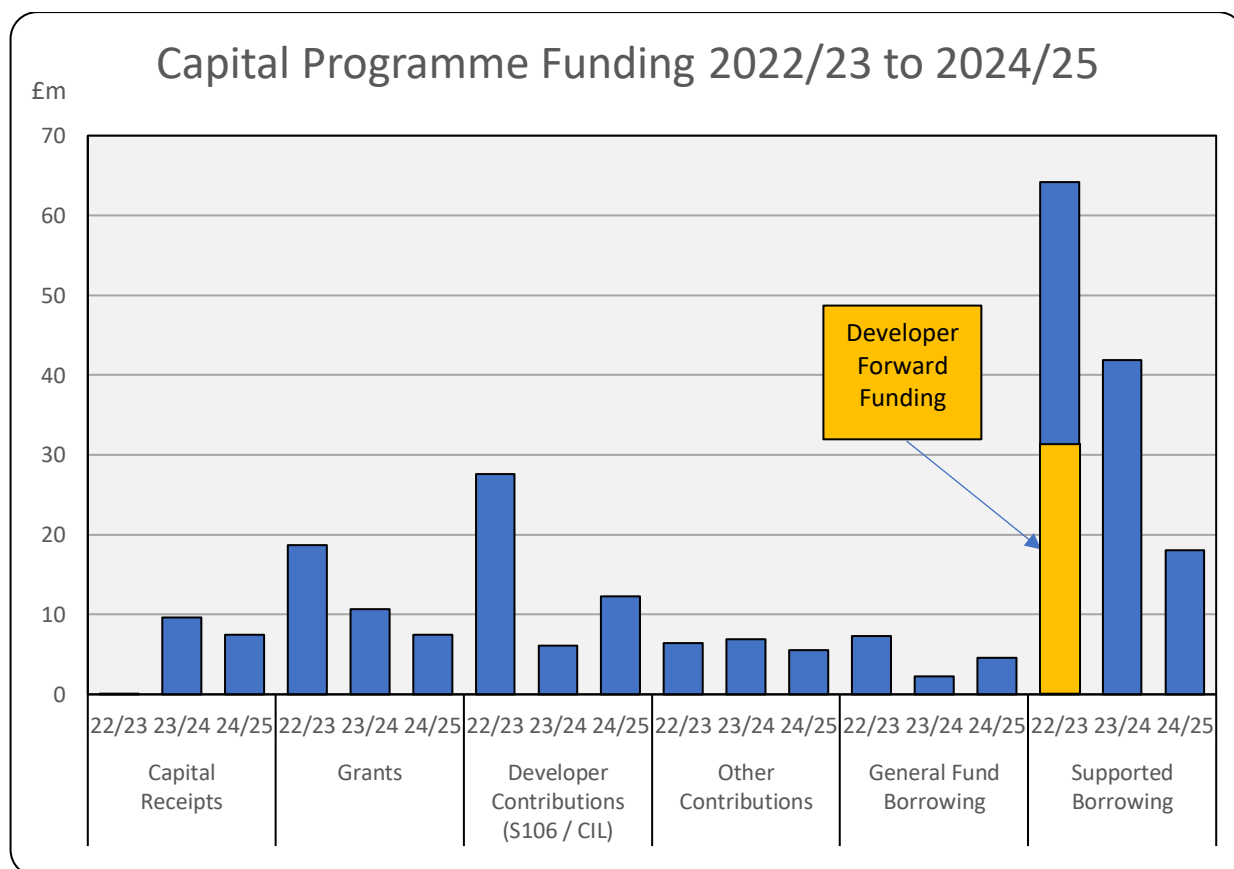


## Capital

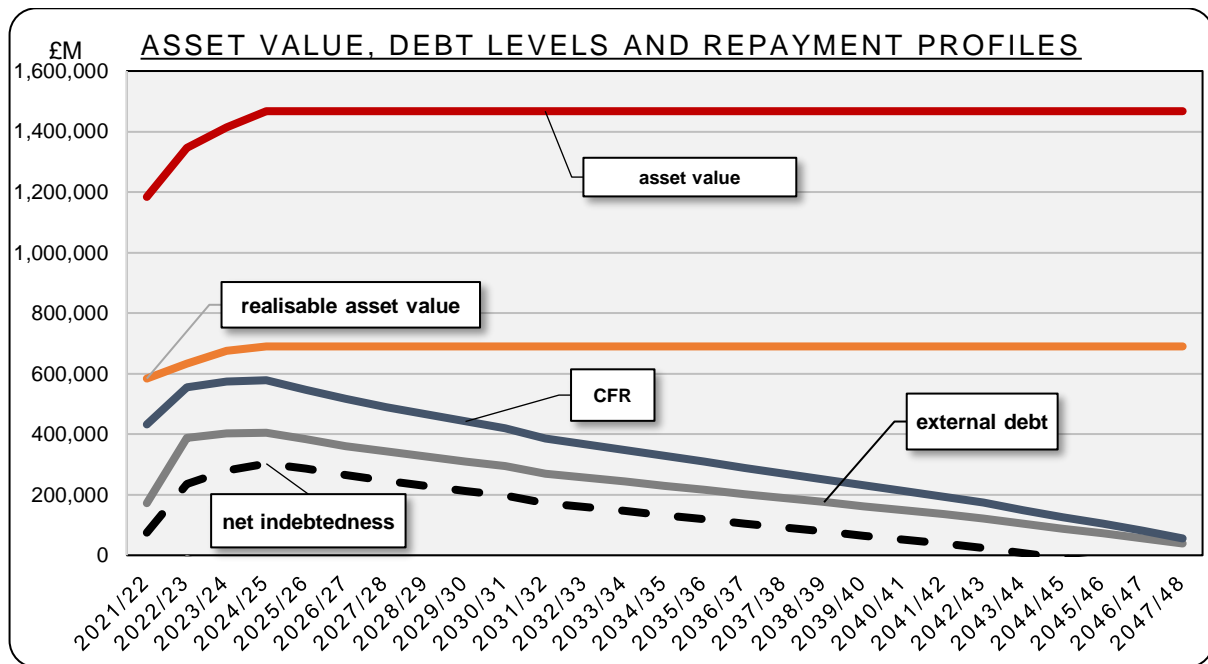
To finance the capital strategy, an approach to funding has been taken that: optimises assets; seeks flexible use of future section 106 contributions and Community Infrastructure Levy (CIL); and attracts new funding sources where available (particularly through the bidding for Government grants).

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. Much of the supported borrowing in year 1 is from developer contributions where the Council have agreed to front fund investment ahead of developer contributions being received on the strategic development locations.

There is currently a budget gap over the MTFP period of c£14m which includes a balanced budget in year 1. The current 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 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 is met through reducing / rephasing capital expenditure).



As the Council continues to borrow over the short to medium term period, debt levels will increase. 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. The following graph shows the estimated general fund debt levels (excludes Housing Revenue Account due to ringfenced nature) for the Council over the medium to long period. The initial increase in debt is driven by the Council's capital programme but then debt is repaid over the next 20 to 25 years to bring debt levels back to a funded baseline level of approx. £100m (pre 2011/12 debt levels).



As shown in the graph above, from 2022/23 external debt is based on 70% of the CFR inline with the guideline across the industry of 65% - 75% external debt to CFR ratio. A significant part of the CFR is supported borrowing expenditure and assumes expenditure in relation to the remaining c£113m of the borrowing approved for community investment is utilised however the likelihood that this will only be used in 2022/23 if further renewable energy schemes are enacted. External borrowing will therefore only be undertaken when needed.

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

The realisable asset values in the graph above are based on the asset values line excluding highways, education, housing revenue account assets and other assets such as IT infrastructure and equipment.

The table below sets out the annual cost of serving this borrowing and the income generated through the assets which have been borrowed for. Over the next three years, the income generated from these assets will give an increasing net benefit to the taxpayer.

	2022/23	2023/24	2024/25
Net Annual Benefit £m	£3.2m	£4.2m	£4.8m
Divide by Council Tax Base (no. of band D equivalent properties)	74,946.30	76,070.50	76,831.20
<b>Benefit per band D property - £</b>	<b>£42.70</b>	<b>£55.21</b>	<b>£62.47</b>

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

### ***Housing Revenue Account (HRA)***

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.

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

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Annual rent change (%)	-1%	-1%	-1%	-1%	2.7%	1.5%	4.1%

The main funding sources for the HRA revenue is rental income and is expected to be in the region of £15m is for 2022/23.

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.

### **Dedicated Schools Grant (DSG)**

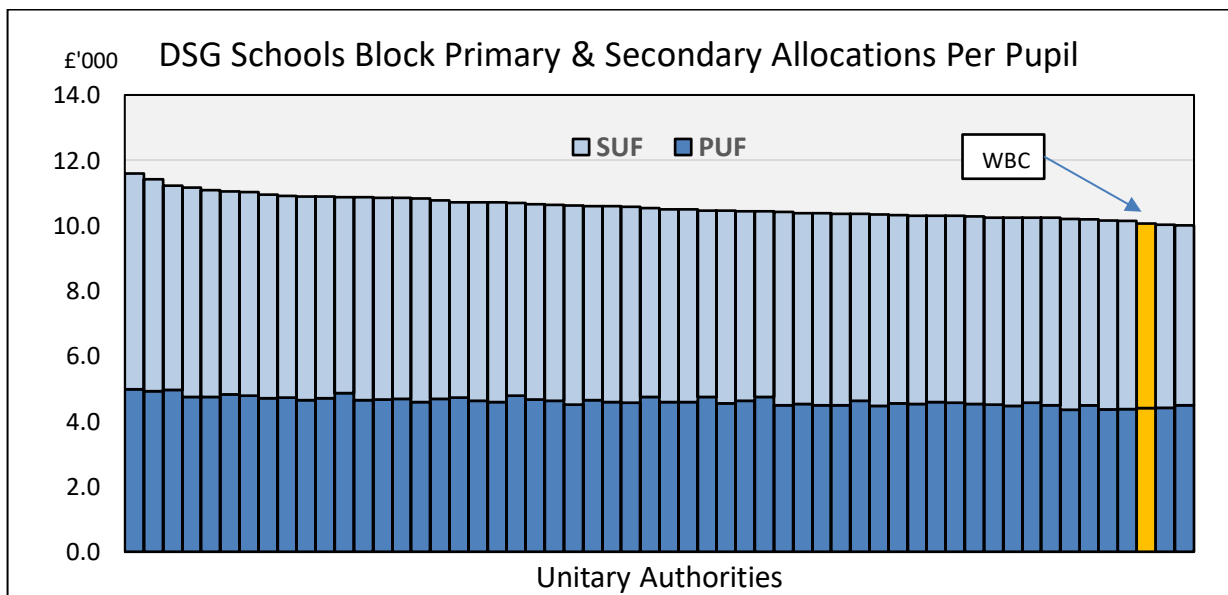
The Council receives DSG annually from the DfE and it must be used in support of the schools' budget as defined in the School and Early Years Finance (England) Regulations 2022. The purpose of the schools' budget is defined in legislation as the provision of primary and secondary education.

The amount for 2022/23 was notified to the authority by the Department for Education (DfE) in December 2021. 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 2022/23 is £167.16m, compared to £158.13m in 2021/22. The increase to 2022/23 is accounted for by increased funding on both two-unit costs, one for primary unit cost (PUF) and one for secondary unit cost (SUF). The DfE created a centrally retained schools block for the Council to carry out its statutory duties which includes an element of the old education support grant.

DSG funding has increased for 2022/23 for 3 of the 4 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. The Early Years Block funding has reduced slightly and reflects the impact of Covid-19 with the reduction of free entitlement hours taken in our nursery settings over the past year.

<b>Block</b>	<b>2021/22 £,000</b>	<b>2022/23 £,000</b>	<b>Change £,000</b>	<b>Change %</b>
Schools Block	123,079	129,842	6,763	5.5
High Needs Block	22,802	25,031	2,229	9.8
Early Years Block	11,302	11,289	(13)	(0.1)
Central School Services Block	945	995	50	5.3

The actual 2022/23 PUF is £4,404 and SUF is £5,656 per pupil compared to £4,306 (PUF) and £5,512 (SUF) in 2021/22. Wokingham continues to receive one of the lowest funding amounts of all unitary authorities.



### ***DSG and the national funding formula***

The Government's long-term intention has been to move school funding to a national funding formula. The over-arching objective is to have a simpler, transparent, and more equitable approach to funding pupils irrespective of where they live in the country.

The implications for Wokingham schools are that a number of them may lose out as there is less ability for the Council to target funding to any school. This will have the effect of compounding the financial challenge already being faced by schools across the borough resulting in an increased need for effective school financial management in order to help them manage their finances.

In summary, the DSG changes mean that schools' block money is much more aligned to pupil numbers but there is no growth mechanism in the High Needs Block (HNB) and schools have less ability to incorporate fixed budget allocations. Schools with falling pupil numbers will therefore be more affected than others. Furthermore there are growing SEND pressures on the overall budget which may reduce the money available for allocation. For the 2020/21 and 2021/22 financial years, schools will continue to be funded through the local authority funding formula. From 2022/23, the Government proposes to introduce the National Fair Funding formula and the DfE have confirmed they will consult on national funding formula during 2021.

## 4. Council Expenditure

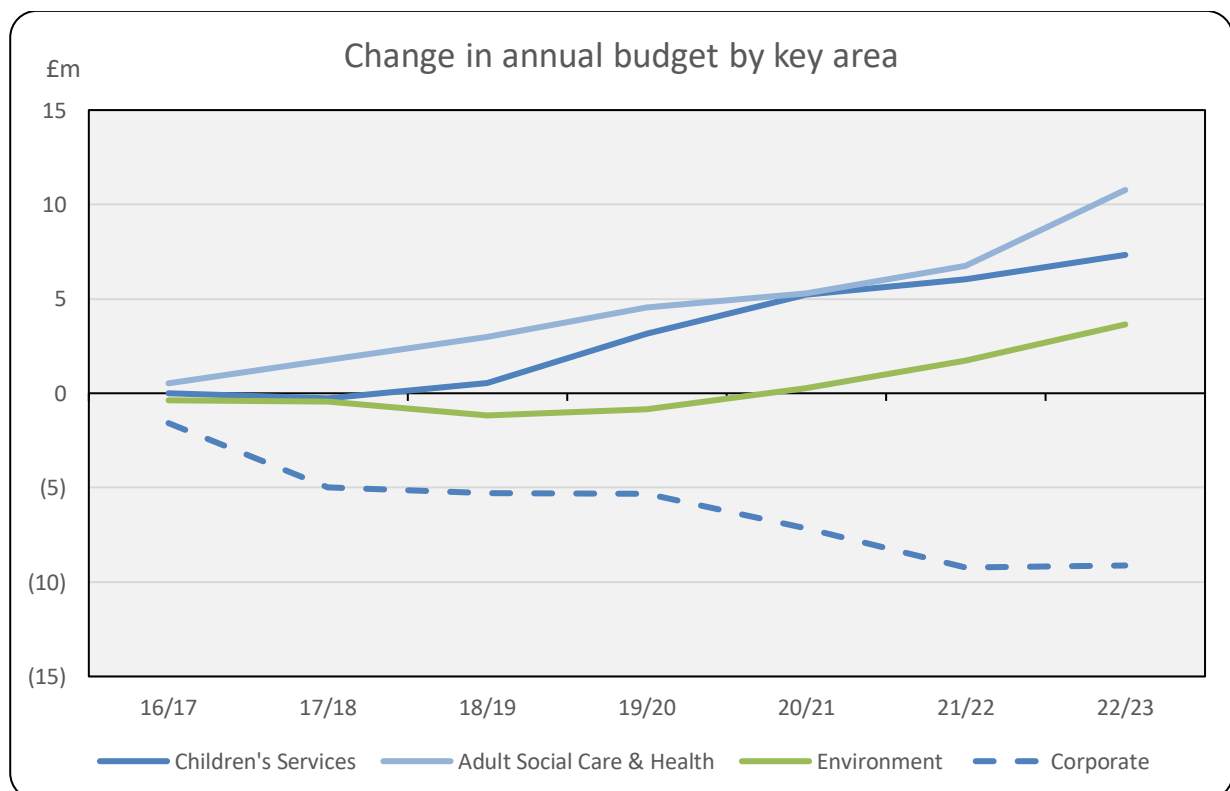
For 2022/23, the Council are planning to spend in the region of £630 million across revenue, capital, housing revenue account and dedicated school grants services.

### Revenue

Revenue expenditure covers the day to day running of services across the Council. For 2022/23, the Council will spend approximately £218m 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 £144m.

Across the many varied and complex services the Council provide, there will be pressures and risks aswell as efficiencies and opportunities. The budget process aims to capture these to ensure the budget set is prudent and robust.

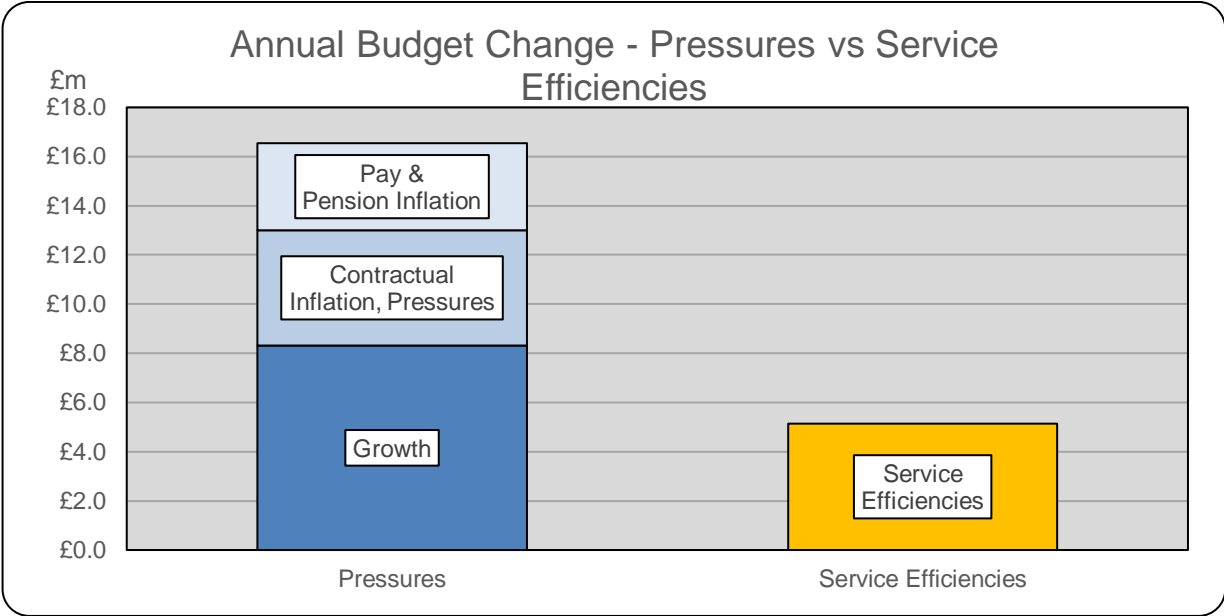
The graph below shows the cumulative change in annual budget across four key areas of Children's Services, Adult Social Care & Health, Environment (known as place & growth directorate), Corporate services (known as resources & assets directorate). Whilst the graph shows cost pressures across the social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



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.



The annual change in budget is shown below. For 2022/23, 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 CCOSC throughout the budget process.

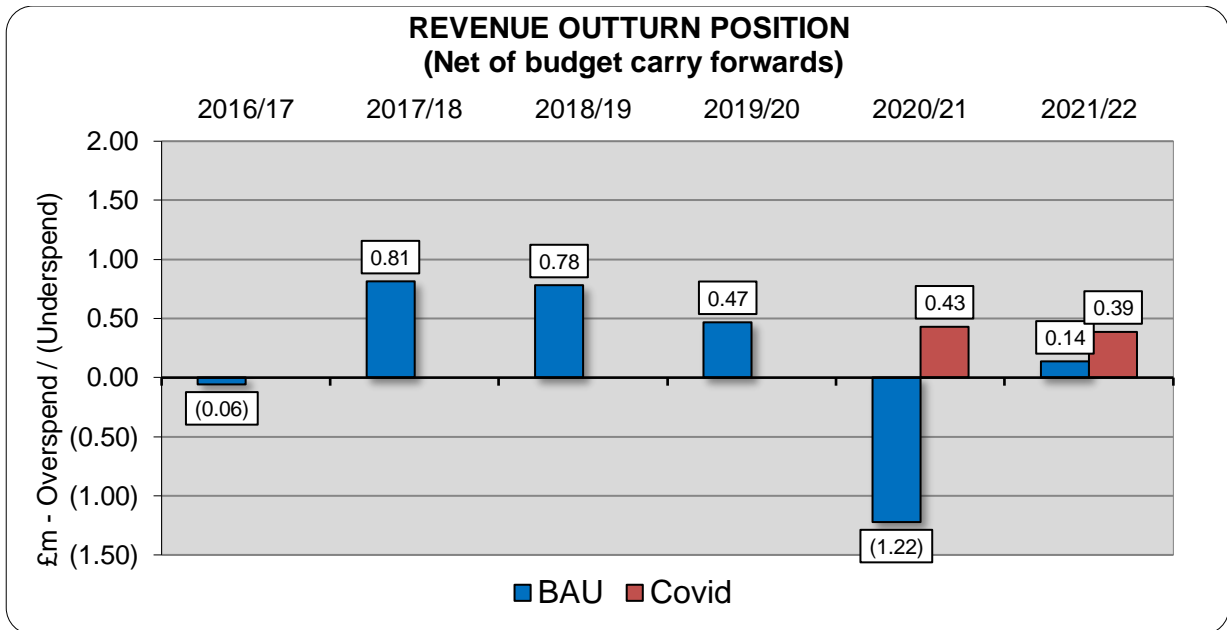


\* Service Efficiencies are designed to reduce costs whilst maintaining services to the public.

**Revenue monitoring position**

Over the past number of financial years, the Council have faced a number of demand led pressures in year and more recently, the financial impact from Covid-19. These underlying pressures are considered as part of the budget process. The forecast budget variance in 2022/23 currently shows a combined overspend of £0.52m from business as usual (BAU) budgets (£0.14m pressure) and impact of Covid-19 (£0.39m pressure) compared to the budget approved in February 2021, based on December 2021 monitoring.

The graph below shows an improving trend in reducing the demand led pressures through in year management action plans aswell as addressing pressures when setting the following year budget. This strong financial management has allowed the Council to meet demands whilst maintain prudent reserve balances. 2021/22 has been a unique year in which Covid-19 has brought upon extra pressure not expected. The Council continues to lobby for additional funding to cover the financial impact from Covid-19.

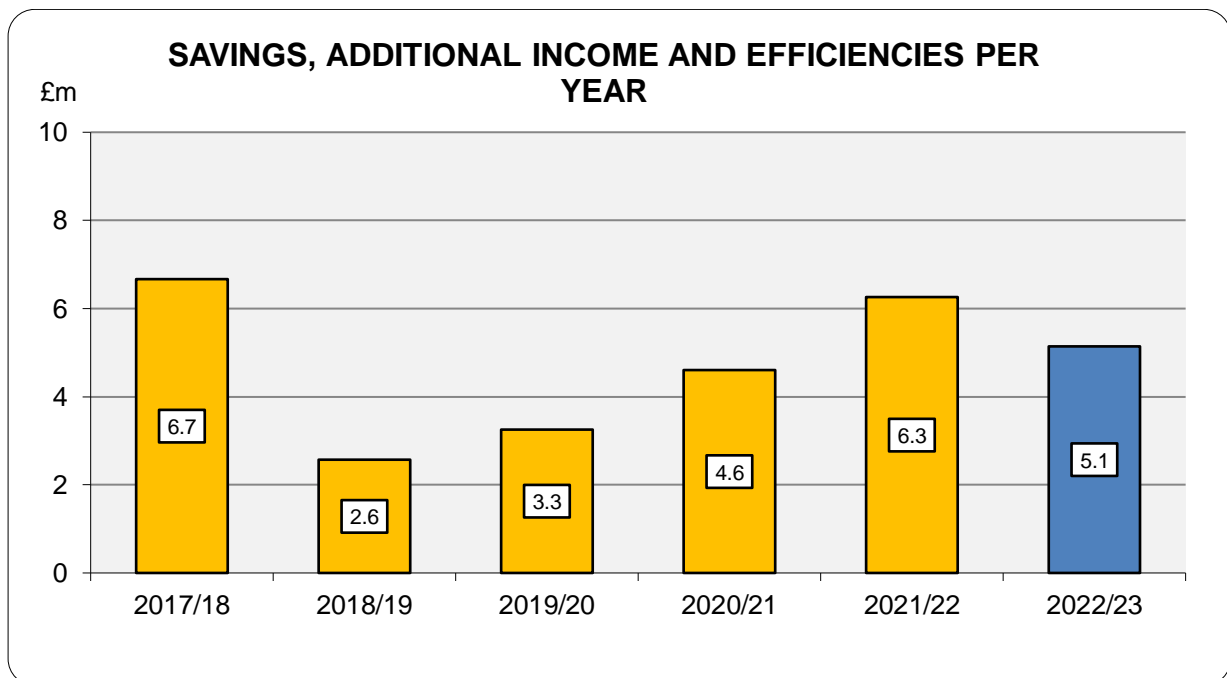


Further information is available in the quarterly revenue monitoring reports reported to Executive and available on the Councils website.

### Service Efficiencies

As highlighted in the graph in the introduction of this report, 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. It equates to £28.5m over the six years. Efficiencies are used to fund growth, inflation and reductions in Government grants whilst allowing the Council to maintain frontline services.



The savings shown above reflect the budgeted savings made for each financial year (or planned savings in the case of 2022/23).

**Net Expenditure over time**

The reductions in Government grants highlighted above have had a major impact on the Council's finances and budgets since 2010/11. The Council's net expenditure budget has been reduced each year since 2010/11 as shown in the table below, which indicates that the net expenditure budget has been reduced by £36m (34%) between 2010/11 and 2022/23 meaning the Council are delivering services more cost effectively.

	<b>£m</b>
WBC 2022/23 net expenditure budget	144.4
Less reduction in grants for services now part of formula grant	(12.5)
Less discount re inflation since 2010/11 (based on CPI)	(43.3)
Less discount re growth in council tax base since 2010/11	(19.6)
<b>Net expenditure budget 2022/23 discounted to 2010/11 Prices (a)</b>	<b>69.0</b>
<b>WBC 2010/11 net expenditure budget (b)</b>	<b>105.2</b>
<b>Estimated reduction in expenditure since 2010/11 (b – a)</b>	<b>£36.2m (34%)</b>

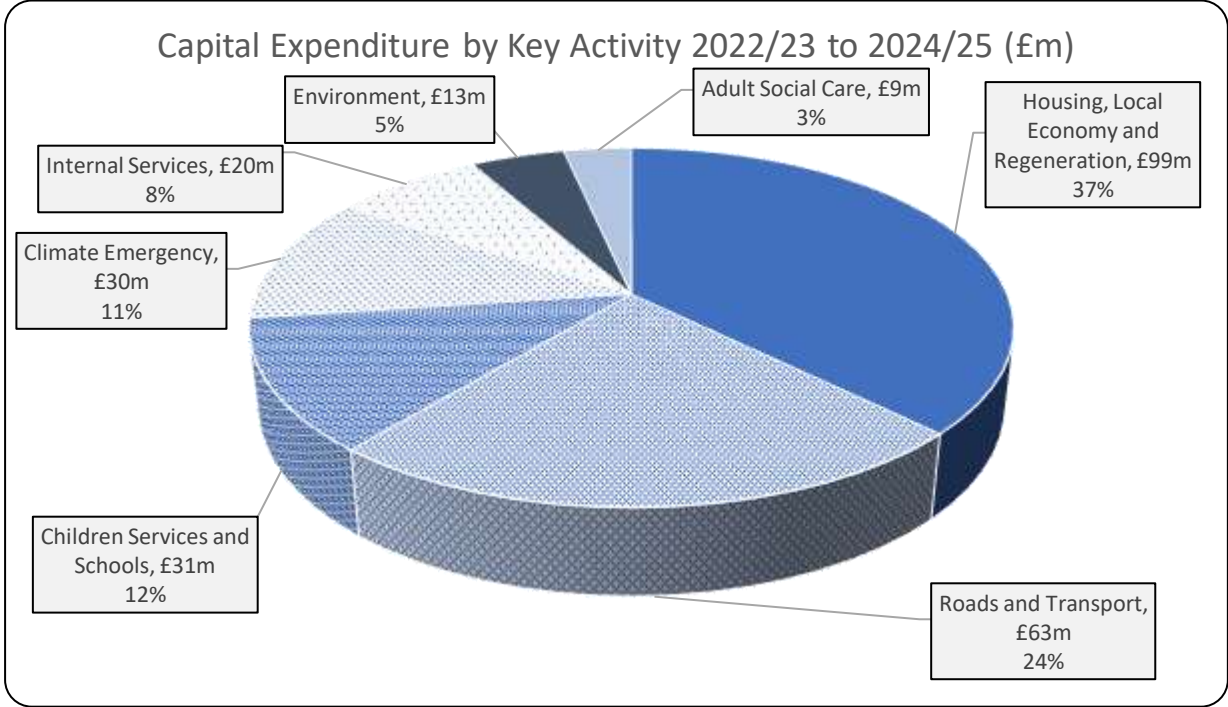
**Capital**

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

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

The graph below shows the capital expenditure planned for the next 3 years by 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 £245m (£264m including HRA) over the next 3 years.



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

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.

## ***Housing Revenue Account***

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 £235m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants. Gross revenue expenditure on the HRA is in the region of £16m per year and is predominately in the areas of;

- capital financing - £4.8m
- investment in capital works - £4.5m
- housing and general management - £2.9m
- repairs and maintenance - £3.5m

Capital expenditure for 2022/23 on the HRA is focused on the following areas;

- planned improvements & cyclical works - £4.3m
- managing void properties - £0.8m
- adaptations for the disabled - £0.6m

### **Dedicated Schools Grant (DSG)**

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

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

Of the £129.8m in the Schools Block, £1.5m is proposed to be retained for the Growth Fund, funding new and growing schools. The remaining £128.3m is allocated to individual school budgets based on the local funding formula, which all schools have been consulted on, and will be presented to Schools Forum for final approval on the 12<sup>th</sup> 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:

	<b>Number of Schools</b>	<b>Total Number on Roll</b>	<b>Draft Budget 2022/23 £,000</b>
Maintained Schools	31	10,390	48,108
Academies	33	15,459	80,145
<b>TOTAL</b>	<b>64</b>	<b>25,849</b>	<b>128,253</b>

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 is now taking significant steps to reduce this deficit going forward, although this will take some capital investment to reduce the future revenue pressures.

## 5. Reserves

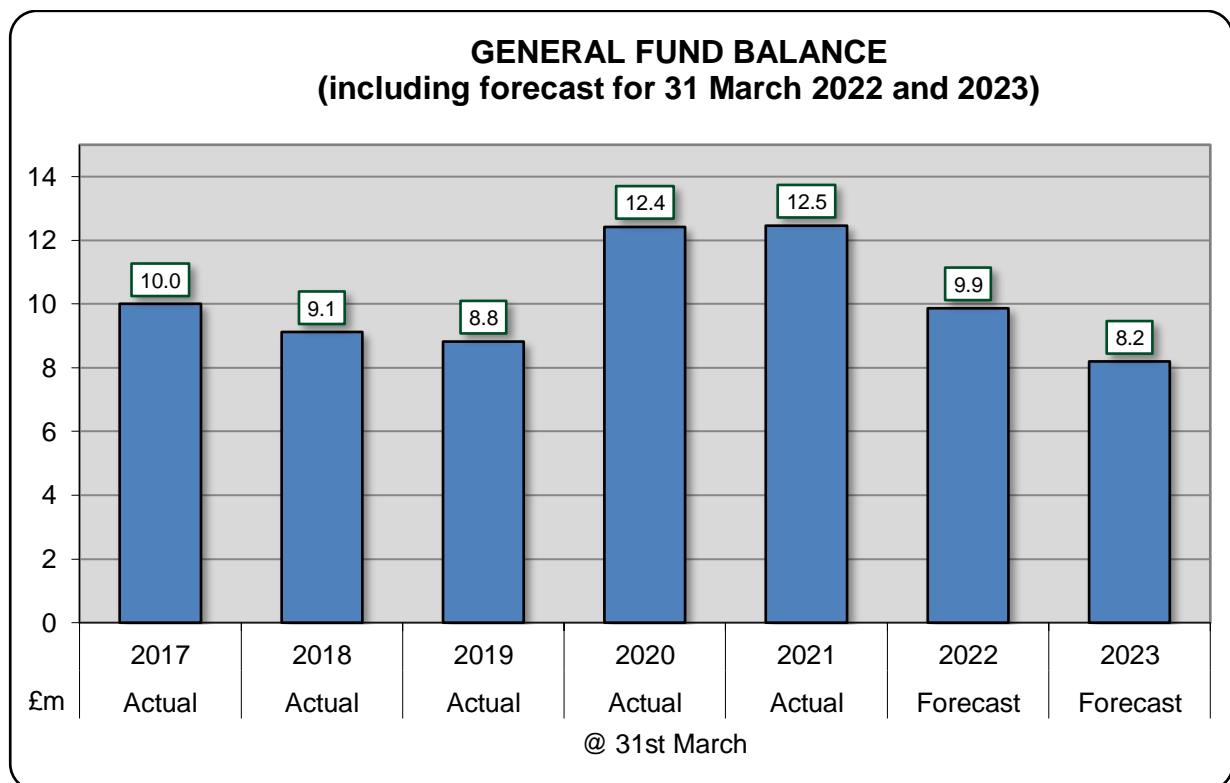
Reserves are required as a contingency to meet unforeseen spending requirements and to provide stability in medium term financial planning (e.g. by using balances to contain growth in future years).

- General Fund Balance (Revenue)
- Capital
- HRA
- DSG

### **General Fund Balance**

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 graph below shows actual GFBs at 31 March 2021 and a forecast for 31 March 2022 and 31 March 2023. The expected reduction for 31 March 2022 is as a result of in year supplementary estimates and carry forwards across directorates.

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



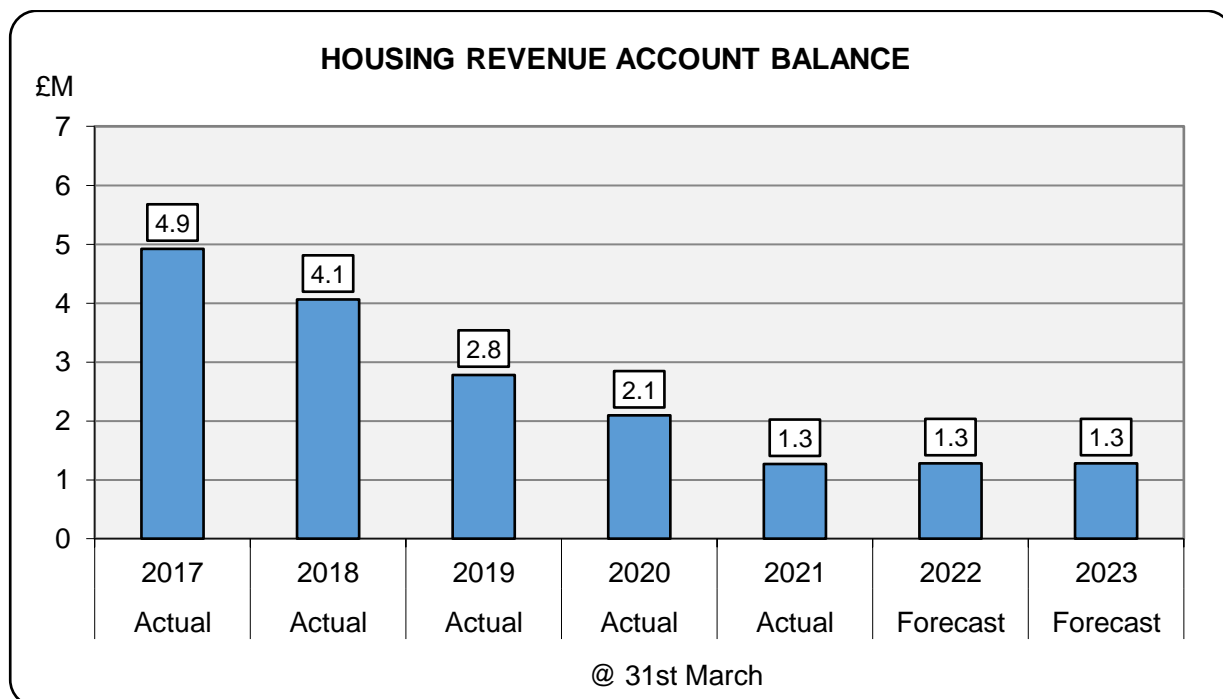
## Capital

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.

HRA balances are forecast to remain at prudent levels. The reducing balances seen below since 2017 have been driven by the impact of reducing rent levels and additional investment in the capital programme. Reserves have remained stable for the past two years and in line with our estimate of a prudent reserve limit to meet unforeseen risks and cost pressures.





### ***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 31<sup>st</sup> March 2023 of £13.1m in this area. For 2022/23 the mitigations are largely due to be delivered from actions and provision already planned for in the budget. From 2023/24 onwards successful delivery of the mitigations are predicated on increased local provision and are likely to require additional capital investment options currently being developed. We are currently working with the DfE to form a recovery plan for this. Recent accounting guidance published by CIPFA confirmed that this deficit reserve should be held as an unusable reserve and therefore not the responsibility of the council taxpayer to fund.

The Council also hold approximately c£5m in school reserves which are held to act as a contingency to offset future pressures and or put towards capital investment within schools.

### ***Other Balances***

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

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

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

## 6. Major Financial Risks – Forward Look

Although the Council has worked over many years on the highest standards of financial management, including a strong track record of delivery of significant savings, the financial future looks both extremely challenging and uncertain. The degree of uncertainty is at a level seldom, if ever, previously experienced by the Council.

The financial impact of the ASC and NHS reform is potentially the greatest concern given its magnitude. Additional expenditure of between £20m to £30m p.a. are anticipated when the impact of the reform is fully felt. Whilst the ongoing grant funding of this is unclear, it would appear that the current levels of financial support suggested will fall well short of that needed by Wokingham and other authorities with a high proportion of self-funders.

A three-year funding settlement was expected for the financial year 2022/23 and beyond, but unfortunately only a one-year settlement was announced. This leaves considerable uncertainty over the Council's funding after 2022/23. A major review of local government funding in the context of a 'levelling up' agenda is expected to be announced for 2023/24 and this settlement is expected to cover several years. Wokingham will need to continue to make its case for a fair deal for its residents in the formulation of a new national funding system as it is currently perceived to require the lowest level of support per head of population out of all Unitary Authorities in the country. A further particular concern within a future funding settlement, is the continuation or otherwise of the New Homes Bonus introduced to incentivise the delivery of new housing. As a Council that has previously embraced this national agenda through the development of a Core Strategy and Strategic Development Locations, Wokingham has become dependent over the years on sizeable annual New Homes Bonus payments.

Inflationary pressures on both Revenue and Capital expenditure have become both severe and unpredictable, primarily as a result of COVID-19 and Brexit. Although the impact of inflation has been carefully considered within the overall budget submission, they can only be best estimates at the time given reasonable endeavours to contain cost, in the recognition that much of the impact will be outside of the direct control of the Council.

A consultation on the requirements to make a minimum revenue provision for the repayment of debt closes in early 2022. It is difficult to know what the outcome of this consultation will be but there is an expectation that changes will be enacted from April 2023. Wokingham has embarked on a responsible but ambitious Capital Programme over its recent past to enable the strategic delivery of housing, the regeneration of Wokingham Town and the development of much needed affordable housing. As such, it could be significantly impacted by a mandated requirement to repay debt ahead of that currently programmed. If the most draconian measures are enacted, the Council will have to seriously review its approach to Housing Delivery, Regeneration, the provision of affordable housing and holding assets for the purpose of income generation.

The Dedicated Schools Grant (DSG) budget area is highly regulated which means the opportunity to address the growing demand led statutory pressures relating to SEND is limited. The deficit on DSG is estimated to be in the region of £13m by 31st March 23 and likely to increase significantly in future years. Options to mitigate the deficit are currently being developed and some may require additional capital investment to deliver on increased local provision. Furthermore, it is anticipated that regulations strictly ring-fencing this deficit to the DSG accounts will be lifted. This does not necessarily mean that the deficit will fall on the

General Fund Balance, but it does take away some assurance that it won't. A fundamental review of this national issue of concern is required.

The budget proposals put forward for 2022-2025 are considered to be responsible and affordable, leaving a safe level of General Fund Balances. However this MTFP is being put forward in an unprecedented landscape of uncertainty and risk. The Council's financial position will require continual review and there may be a need to undertake some form of mid-year budget review.

A handwritten signature in cursive script that reads "Graham Ebers".

**Graham Ebers**  
Deputy Chief Executive  
(and Chief Financial Officer)

## 7. Glossary

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

## Reserves and Balances

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

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>General Fund Reserves:</b>					
<b>General Fund 31 (Statutory)</b>	Resource available to meet future running costs for non-housing services	<ul style="list-style-type: none"> <li>Policy based on a combination of financial risks and Audit Commission guidance as follows:</li> <li>Min 5% of net expenditure (excluding Dedicated Schools Grant) – this equates to £7.2m</li> <li>Risk assessments of budgets</li> <li>To enable stability in longer term financial planning</li> </ul>	2023 £8.2m 2024 £9.0m 2025 £9.0m	Provides: <ul style="list-style-type: none"> <li>General contingency for unavoidable or unforeseen expenditure</li> <li>Stability for longer term planning</li> <li>Interest on Balances helps to reduce costs to the taxpayer: Interest on Balances @ 1.0% = £10k per £1m.</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund one off General Fund expenditure which would result in loss of interest £10k per £1m</li> <li>Could be used instead of borrowing @ 2.0% = £20k per £1m but loss of interest of £10k per £1m</li> </ul>
<b>Insurance Fund (Earmarked Reserve)</b>	This is used to fund part of each insurance claim, up to losses of c£1m in a year	<ul style="list-style-type: none"> <li>Needs to be at a level where provision could sustain claims in excess of current claims history</li> <li>May have to meet claims incurred but not yet reported</li> <li>May have to meet any uninsured / uninsurable losses</li> </ul>	2023 £2.9m 2024 £2.5m 2025 £2.1m	<ul style="list-style-type: none"> <li>Used to fund deductibles / excesses in order to minimise premiums</li> <li>Provides the Supply Teacher Scheme</li> <li>Helps maintain current rates charged to schools</li> <li>Interest earned builds up the reserves</li> </ul>	<ul style="list-style-type: none"> <li>Fund could be used to fund one off General Fund expenditure</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Renewals Funds</b>  <b>(Earmarked Reserves)</b>	<p>These are reserves held in order to finance the renewal or maintenance of specific items of equipment or furnishings.</p>	<ul style="list-style-type: none"> <li>Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life</li> </ul>	2023 £0.5m 2024 £0.5m 2025 £0.5m	<ul style="list-style-type: none"> <li>Reduces pressure on maintenance budgets</li> <li>Interest is accrued on the reserves at 1.0% = £5k which helps to reduce costs</li> </ul>	<ul style="list-style-type: none"> <li>Could be used for alternative maintenance or other revenue expenditure</li> </ul>
<b>Waste PFI Equalisation Fund</b>  <b>(Earmarked Reserve)</b> 32	<p>The reserve is held to even out the cost of the waste PFI contract over the life of the contract and smooth revenue impacts from volatility in landfill and recycling usages.</p>	<ul style="list-style-type: none"> <li>The level of the balance and contributions to the reserve are set out in the PFI financial model and reviewed annually as part of the budget setting process</li> </ul>	2023 £5.3m 2024 £5.3m 2025 £5.3m	<ul style="list-style-type: none"> <li>Provides stability of budgets in the medium to long-term</li> </ul>	<ul style="list-style-type: none"> <li>A reserve in deficit cannot be used for other purposes, it will be offset by General Fund Reserves</li> </ul>
<b>Pension, Interest, and WTCR Equalisation Funds</b>  <b>(Earmarked Reserve)</b>	<p>These equalisation funds reflect that investments will fluctuate due to market conditions. Also includes funds to cover any potential losses in investments and smooth pension fund contributions. These reserves also held to smooth the negative impact from the fairer funding review.</p>	<ul style="list-style-type: none"> <li>To build up reserves based on favourable investment returns over budget</li> <li>Contributions from the reserves will be used to fund Wokingham Town Centre Regeneration (WTCR) until cash flow becomes positive</li> <li>Smooth annual variations to pension fund contributions</li> <li>Smooth annual variations between leisure contract income and capital investment costs</li> <li>Smooth impact of fairer funding review and loss of new homes bonus</li> </ul>	2023 £34.7m 2024 £33.7m 2025 £32.7m	<ul style="list-style-type: none"> <li>Equals out market fluctuations in income due to volatile interest rates</li> <li>Interest is accrued on the reserves at 1.0% = c£350k which helps to reduce costs</li> <li>Equalises WTCR scheme costs</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Commuted Sums</b> <b>(Earmarked Reserve)</b>	These are amounts received from developers for the maintenance of open spaces, parks and natural greenspaces	<ul style="list-style-type: none"> <li>There is no policy on the level of balances due to the nature of developer works and CIL agreements</li> <li>All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc.</li> </ul>	2023 £13.4m 2024 £14.4m 2025 £15.4m	<ul style="list-style-type: none"> <li>Used to maintain parks and open spaces so avoiding service spend</li> <li>Interest to be used in a specified and agreed manner</li> </ul>	<ul style="list-style-type: none"> <li>Money cannot be used for other purposes</li> </ul>
<b>Forward Funding</b> <b>(Earmarked Reserve)</b>	Offset impact where infrastructure required ahead of developer contributions being received.	<ul style="list-style-type: none"> <li>Reserve held to offset annual differences between capital investment costs and receipt of developer contributions</li> </ul>	2023 £22.2m 2024 £21.2m 2025 £20.2m	<ul style="list-style-type: none"> <li>Infrastructure can be delivered ahead of developer receipt</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul>
<b>Capital Reserves:</b>					
<b>Usable Capital Receipts (Excluding right to buy) (Statutory)</b>	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"> <li>The current policy is to ensure that balances are sufficient to cover the first year of the capital programme (including urgent health &amp; safety issues that may arise during the year)</li> </ul>	2023 £7.2m 2024 £3.0m 2025 £0.2m	<ul style="list-style-type: none"> <li>To finance future capital schemes</li> <li>This provides stability for longer term planning</li> <li>Interest on balances helps to reduce costs to the taxpayer.</li> </ul>	<ul style="list-style-type: none"> <li>Loss of interest income</li> </ul>
<b>Usable Capital Receipts (Right to buy element)</b>	The council's share of HRA sale receipts are ring fenced for One for One Replacement	<ul style="list-style-type: none"> <li>Housing sales receipts must be used for social housing within the Borough</li> </ul>	2023 £0.5m 2024 £0.3m 2025 £0.2m	<ul style="list-style-type: none"> <li>Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy are used to fund its replacement</li> </ul>	<ul style="list-style-type: none"> <li>Will be used to help fund the HRA reinvestment in new homes for affordable rent</li> </ul>

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Other Capital Contributions:</b>					
<b>Developer Contributions (S106 and Community Infrastructure Levy (CIL)) and Revenue to Capital Contributions</b> 34	<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"> <li>There is no policy on the level of balances due to the nature of the contributions</li> <li>Contributions should be used to fund schemes identified within the 3-year capital programme / five-year capital vision where possible</li> <li>All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc.</li> <li>Balances may increase due to restrictions on how contributions may be spent, and matching these to schemes within the capital programme</li> </ul>	2023 £88.2m 2024 £84.5m 2025 £69.5m	<ul style="list-style-type: none"> <li>Interest on contributions helps to reduce costs to the taxpayer: Interest on Balances @ 1.0% = £882k</li> </ul>	<ul style="list-style-type: none"> <li>S106 Monies can only be used for purposes specified in the agreement</li> <li>S106 Contributions might be time restricted therefore if not utilised may need to be repaid to the developer</li> <li>Could be used instead of borrowing, but loss of interest</li> </ul>
<b>Ring Fenced Reserves:</b>					
<b>Housing Revenue Account (HRA)</b>  (Statutory)	<p>Resources available to meet future running costs for council houses</p>	<ul style="list-style-type: none"> <li>Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA</li> <li>Balance is determined by level of risk associated with the budget</li> <li>Current recommended minimum level of reserves is £0.8m</li> </ul>	2023 £1.3m 2024 £1.2m 2025 £1.0m	<ul style="list-style-type: none"> <li>Provides general contingency for unavoidable or unforeseen expenditure or fall in income</li> <li>Stability for longer term planning and for meeting the decent homes standard</li> <li>Interest on Balances helps to reduce costs. 1% Interest = £13k</li> </ul>	<ul style="list-style-type: none"> <li>Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £10k per £1m</li> <li>Could be used to fund HRA debt repayment</li> </ul>



Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
<b>Major Repairs Reserve</b> <b>(Statutory)</b>	This records the unspent balance of HRA Capital projects	<ul style="list-style-type: none"> <li>Use of Capital to meet Decent Homes Standard</li> <li>Redevelopment and regeneration of the council's housing stock</li> </ul>	2023 £1.1m 2024 £0.0m 2025 £0.0m	<ul style="list-style-type: none"> <li>Provides capital to invest in stock to meet the government's Decent Homes Standard policy</li> <li>Provides general contingency for unavoidable or unseen expenditure</li> </ul>	<ul style="list-style-type: none"> <li>Will be used to fund HRA capital expenditure to help meet decent homes standard</li> </ul>
<b>35 Other Earmarked Reserves</b>	These reserves are held for specific accounting reasons	<ul style="list-style-type: none"> <li>The funds in these reserves are ring fenced funds that cannot be used for other purposes</li> </ul>	2023 £17.0m 2024 £16.0m 2025 £15.0m	Reserves include: <ul style="list-style-type: none"> <li>Housing Association reserve</li> <li>Challenge of business rates</li> <li>Energy contract reserve</li> <li>Building Control trading account reserves</li> </ul>	<ul style="list-style-type: none"> <li>Interest on these reserves at 1.0% would be £170k which helps to reduce costs</li> </ul>

## GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2022/23

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

	2021/22 Restated Estimate £	2021/22 Local Tax Rate £	2022/23 Estimate £	2022/23 Local Tax Rate £
Adult Social Care	53,685,200	732.43	58,094,700	775.15
Chief Executive	10,493,740	143.17	10,576,770	141.12
Childrens Services	28,813,060	393.10	31,172,970	415.94
Place & Growth	30,729,670	419.25	32,638,920	435.50
Resources & Assets	8,755,910	119.46	12,171,520	162.40
<b>Total Net Expenditure</b>	<b>132,477,580</b>	<b>1,807.41</b>	<b>144,654,880</b>	<b>1,930.11</b>
Appropriation to / (from) Balances	11,779,349	160.71	6,807,582	90.83
<b>Borough Council Requirement</b>	<b>144,256,929</b>	<b>1,968.11</b>	<b>151,462,462</b>	<b>2,020.95</b>
Income:				
Government Support / Business Rates	(19,410,096)	(264.81)	(20,643,100)	(275.44)
New Homes Bonus	(5,595,073)	(76.33)	(4,765,095)	(63.58)
Council Tax Collection Fund Surplus	(500,000)	(6.82)	(1,000,000)	(13.34)
<b>Council Tax for Borough Council Purposes</b>	<b>118,751,760</b>	<b>1,620.14</b>	<b>125,054,267</b>	<b>1,668.58</b>
<b>General Fund Balance Estimates (Note 1)</b>				
Brought Forward	11,968,400		9,872,768	
In Year Variation	(2,095,632)		(1,679,207)	
Carried Forward	9,872,768		8,193,561	
<b>Council Tax Base</b>	<b>73,297.1</b>		<b>74,946.3</b>	

Note 1 - 2021/22 estimate based on latest in year monitoring position.

The local tax Band D rate of £1,668.58 is a 1.99% core increase in council tax and a 1.00% increase which forms the Adult Social Care precept.

## GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2022/23

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

	2021/22 Restated Estimate £	2021/22 Local Tax Rate £	2022/23 Estimate £	2022/23 Local Tax Rate £
Adult Social Care	55,820,730	761.57	61,342,940	818.49
Chief Executive	12,846,530	175.27	10,307,740	137.54
Childrens Services	36,512,390	498.14	37,710,820	503.17
Place & Growth	41,845,520	570.90	47,355,280	631.86
Resources & Assets	738,040	10.07	4,596,730	61.33
Depreciation Charges	(15,285,630)	(208.54)	(16,658,630)	(222.27)
<b>Total Net Expenditure</b>	<b>132,477,580</b>	<b>1,807.41</b>	<b>144,654,880</b>	<b>1,930.11</b>
Appropriation to / (from) Balances	11,779,349	160.71	6,807,582	90.83
<b>Borough Council Requirement</b>	<b>144,256,929</b>	<b>1,968.11</b>	<b>151,462,462</b>	<b>2,020.95</b>
Income:				
Government Support / Business Rates	(19,410,096)	(264.81)	(20,643,100)	(275.44)
New Homes Bonus	(5,595,073)	(76.33)	(4,765,095)	(63.58)
Council Tax Collection Fund Surplus	(500,000)	(6.82)	(1,000,000)	(13.34)
<b>Council Tax for Borough Council Purposes</b>	<b>118,751,760</b>	<b>1,620.14</b>	<b>125,054,267</b>	<b>1,668.58</b>
<b>General Fund Balance Estimates</b>				
Brought Forward	11,968,400		9,872,768	
In Year Variation	(2,095,632)		(1,679,207)	
Carried Forward	9,872,768		8,193,561	
<b>Council Tax Base</b>	<b>73,297.1</b>		<b>74,946.3</b>	

## GRAND SUMMARY - GENERAL FUND FORECAST BUDGETS 2023/24 & 2024/25

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.

	2023/24 Estimate £	2023/24 Local Tax Rate £	2024/25 Estimate £	2024/25 Local Tax Rate £
Adult Social Care	58,673,700	782.88	59,846,700	798.53
Chief Executive	10,408,770	138.88	10,204,770	136.16
Childrens Services	30,351,970	404.98	29,750,970	396.96
Place & Growth	33,028,920	440.70	32,478,920	433.36
Resources & Assets	17,992,520	240.07	23,437,520	312.72
<b>Total Net Expenditure</b>	<b>150,455,880</b>	<b>2,007.52</b>	<b>155,718,880</b>	<b>2,077.74</b>

The above figures are based on the bids in the MTFP. Figures will be revised during the budget setting process for 2023/24 and 2024/25.

## 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.

2021/22 Budget £'000		2022/23 Estimate £'000
<b><u>Income</u></b>		
<b>General Fund</b>		
29,818	Fees and Charges	32,950
35,781	Specific Grants	35,955
2,205	Other Income	1,920
3,937	Internal Income	2,649
<b>71,742</b>		<b>73,474</b>
<b>Dedicated Schools Grant</b>		
85,826	Specific Grants	86,127
<b>85,826</b>		<b>86,127</b>
<b>Housing Revenue Account</b>		
15,733	Fees and Charges	16,309
1	Specific Grants	0
72	Other Income	68
<b>15,806</b>		<b>16,377</b>
<b>173,374</b>	<b>Total Income</b>	<b>175,978</b>
<b><u>Expenditure</u></b>		
<b>General Fund</b>		
75,510	Adult Social Services	82,710
14,056	Chief Executive	11,490
39,856	Children's Services	41,149
56,411	Place & Growth	62,945
33,672	Resources & Assets	36,494
<b>219,506</b>		<b>234,788</b>
<b>Dedicated Schools Grant</b>		
13,992	Central Schools Block	14,840
71,834	Individual Schools Block	71,286
<b>85,826</b>		<b>86,127</b>
<b>Housing Revenue Account</b>		
15,795	Housing Revenue Account	16,377
<b>15,806</b>		<b>16,377</b>
<b>321,137</b>	<b>Sub Total Expenditure</b>	<b>337,291</b>
<b>147,763</b>	<b>Net Expenditure</b>	<b>161,313</b>
15,286	Less: depreciation	16,659
4,870	Less: special items	5,379
<b>20,155</b>		<b>22,038</b>
<b>127,608</b>	<b>Net Expenditure (excluding Special Items &amp; Depreciation)</b>	<b>139,276</b>

### Notes

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

# SERVICE NARRATIVES

## ADULT SOCIAL CARE BUDGET 2022/25

### Service Aims and Objectives

#### Adult Social Care

Our ambition is for Wokingham Borough to be one of the best boroughs for adults and carers in need of support to live, where they feel safe, included and a key part of our community. Our Adult Social Care Strategy (ASC Strategy) sets out our approach to successfully achieve this whilst making sure people realise the desired outcomes that are important and personal to them.

The ASC Strategy sets out our vision and the strategic priorities and identifies the actions we want to achieve in the context of challenging budgetary and demographic pressures. These challenges require a radical shift in the way that the Council delivers Adult Social Care and an opportunity for the Council to refocus its resources. We need to make sure that we work in a way that fits with how people choose to live their lives, whether that is in education, training, employment or in retirement. We are proud of the diversity of our borough, and that people are living longer and are healthier. We are committed to supporting all adults who have care and support needs to be as independent as possible in a way that works for them throughout their lives. This includes adults with mental health conditions, autism, learning disabilities, physical disabilities, sensory impairment (sight or hearing difficulty) and older people.

Our strategy is focused on the following priorities:

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

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

In December 2021 the government released *People at the Heart of Care*. This sets out the governments ambition over the next 10 years and how it intends to transform support and care in England from October 2023. We need to consider the balance between the governments aspirations and expectations set out in this paper and the reality of the funding backdrop against which the council and local care providers are operating, which is insufficient to meet current and rising demand. While WBC shares the government's ambition and want nothing more than to deliver it, they will need a substantially bigger share of the new Health and Social Care Levy for that to happen.

The coronavirus (COVID-19) pandemic has had a profound impact on people receiving and providing social care in Wokingham. Wokingham Borough Council fully appreciates the pressure that the whole sector is under and the exceptional job we are all doing to meet the current challenge.

Adult Social Care is at the forefront of the COVID-19 response, and many social care providers in Wokingham have robust arrangements in place and are in regular communication with the local authority, seeking appropriate advice and support.

COVID-19 will fundamentally impact the way we deliver Adult Social Care in the future. We will continue to support people receiving and providing social care as we transition to these new ways of working.

## **Strategy and Commissioning**

Strategy and Commissioning work to ensure services, programmes, projects and employees are working towards a common set of outcomes as specified in the Corporate Plan.

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

The People Commissioning Team includes:

- Strategic Commissioning: increasing the value and financial sustainability of services by making the most effective use of available resources and the most efficient and consistent delivery;
- Operation Commissioning (inc. Intelligent 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; and,
- Contract Management and Assurance: Contract and performance management of commissioned and statutory services. Supporting new requirements regarding the assessment of local authorities' delivery of their adult social care duties.

Our focus is on the following priorities:

- To support transformational change through commissioning high quality, cost effective and outcome-based services that ensure the right level of support is provided at the right time, in the right place and at the right cost;
- To design and commission against outcomes defined in strategic planning. Identifying resources, partnerships and funding, managing large scale procurements and then ongoing strategic contract and performance management;
- To support Adults Services to set their strategic direction and design services to meet their needs;
- To help the Council to deliver savings through more integrated commissioning and procurement, working in partnership with our contractors to maximise service outcomes and support local business to contribute towards the Council's vision;
- To actively monitor externally commissioned support services to maximise expenditure, commercial opportunities and value for money;
- Managing and maintaining an excellent framework for commissioning practice; and,
- Delivering high quality planning, commissioning, performance management and improvement processes to drive change, innovation and excellence in social care commissioning in line with national and local priorities.

## **Public Health**

The aim of the Public Health department in Wokingham is to improve the health and wellbeing of local residents, reduce differences between life expectancy, and improve healthy life expectancy. As well as specific commissioning and service delivery responsibilities, the public health team work collaboratively to deliver the strategic objectives of both the Council and the Health & Wellbeing Board and promote health and wellbeing in all policies across Wokingham Borough Council.

Our focus is on the following priorities:

- Embedding public health practice throughout the organisation and working closely with partners and residents to improve the health and wellbeing of the local population and reduce inequalities;
- To deliver public health expertise and advice both internally and externally;
- To lead on the coordination and integration with the NHS, building strong links with the CCG, Primary Care and the Foundation Trusts, to develop efficient and seamless public health services;
- Ensuring value for money in all of the Council's commissioned and contracted public health services, through strong commissioning and contract management, including development of related robust evidence bases;
- To identify, assess and communicate risks associated with hazards relevant to health protection, for example communicable disease, and to lead and co-ordinate the appropriate public health response; and,
- To contribute to the successful achievement of the Council's vision and objectives and support the work of council services and partnerships through development of and input into corporate strategies and plans.

## Service Outputs – Key Facts and Figures

### Adult Social Care - Key Performance Measures:

- 19.3% of people with learning disabilities in Wokingham Borough are in paid employment (included supported employment) in 2020/21, compared to 5.1% for the England average in 2020/21. Our rank was number 2 from all local authorities;
- 7.8 younger adults (aged 18-64) per 100,000 whose long-term support needs in 2020/21 met by admission to residential and nursing care homes compared to 13.3 England average in 2020/21;
- 353.3 older adults (aged 65 and over) per 100,000 whose long-term support needs met by admission to residential and nursing care homes in 2020/21 compared to 498.2 England average in 2020/21;
- 81.8% of working age (18-64) service users in Wokingham Borough with a learning disability in 2020/21, are living on their own or with their family compared to 78.3% England average in 2020/21;
- 91% of adults waited fewer than 28 days for occupational therapy or social work assessment in 2020/21;
- More of our older people are being supported to stay in their own homes;
- 4408 contacts from new customers in year 2020/21;
- Number of new people assessed in year 2020/21 – 999;
- Number of people reviewed in year 2020/21 – 800;
- Number of people receiving long term services throughout 2020/21 – 1,556;
- Number of carers who have had assessment or review in 2020/21 – 478; and,
- Permanent admissions to residential and nursing homes in 2020/21 – 108.

## Revenue Budget & Service Changes 2022/25

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

This year our key challenges remain to-

- Protect the most vulnerable people;



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

## Capital Budget & Service Changes 2022/25

Capital schemes involving Adult Social Care include the following:

- Older People's Dementia Home: To meet demand in the market for functional, comfortable and homely accommodation that represents value for money;
- 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;
- Learning Disability Outreach and Overnight Respite Centre: To develop existing provision to ensure availability of services;
- Mandatory disabled facility grants and equipment; and,
- Mosaic Modernisation and Reimplementation.

REVENUE SERVICE BUDGETS 2022/23	Budget 2021/22 £'000	Budget 2022/23 £'000	Note
<b>Adult Social Care</b>			
Adult Social Care	52,097	56,665	(1) & (3)
Strategy and Commissioning	1,562	1,430	(2)
Public Health	26	0	
<i>Internal Recharges &amp; Depreciation Charges</i>	2,136	3,248	
<b>Total Adult Social Care &amp; Health</b>	<b>55,821</b>	<b>61,343</b>	

### Explanation of Movement from 2021/22 to 2022/23

#### Note 1.

Growth of £3,637k to meet rising demand and costs across adult social services, including young people transitioning from Children's Services and funding to support People in the Heart of Care; pay related increases of £231k; savings of (£1,500k) reflecting demand management and improvements; changes to special items of £250k; inflationary increases £1,750k and net restructuring changes of £200k.

#### Note 2.

Growth of £118k; pay related increases of £44k and net restructuring changes of (£294k).

**Note 3.****£'000**

<b>Total Adult Social Care 2021/22</b>	<b>52,097</b>
Remove 2021/22 one off Special Items	(550)
Add 2022/23 Special Items	800
Restructure Adjustments	200
<b>Adjusted baseline Adult Social Care 2022/23</b>	<b>52,547</b>
Growth	3,637
Savings	(1,500)
Non-Pay Inflation	1,753
Pay related increases	231
<b>Total Adult Social Care 2022/23</b>	<b>56,668</b>
<b>Net movement on Adult Social Care</b>	<b>4,121</b>

# CHIEF EXECUTIVE OFFICE BUDGET 2022/25

## Service Aims and Objectives

The Chief Executive Office supports all the strategic themes set out in the Council's Community Vision 2020-24.

Where the Chief Executive office specifically strives to make a difference, is in these four strategic themes:

- Safe and strong communities
- Enriching Lives
- Changing the way we work for you

The core objectives of the Directorate are:

### Customer

Deliver the best possible customer experience by:

- being relentlessly customer focused;
- seeing things from the customers perspective; and,
- consistently looking to shape processes and practices that produce business improvement, whilst delivering the right customer outcomes and high levels of customer satisfaction.

### People

Focus, organise and develop our people to deliver our strategy and vision by:

- creating high performing teams;
- maximising the strengths of individuals to optimise performance;
- driving opportunities for collaboration across the organisation; and,
- connecting/pointing individuals towards the Council's mission and strategy.

### Building the Business

Create a simpler, more efficient and responsive customer-centric organisation by:

- embedding the overall strategic direction for the Council;
- using collaborative skills and techniques to knit together the wider organisation, developing our strategic planning framework and leading development of and reporting on key cross-cutting strategies; and,
- challenging appropriately to balance business needs and priorities, and working to overcome reactions, concerns or obstacles.

## Service Outputs – Key Facts and Figures

### Customer and Insight

Comprising of Customer Services, Insight Strategy & Inclusion, Communications, Engagement and Marketing

- Nearly 200,000 calls, 48,000 emails and over 7,000 web chats received a year;
- 300 weddings conducted, 70 citizenship ceremonies;
- 62 KPI's monitored quarterly and reported to Member Committees;
- Production and monitoring of delivery of key corporate strategies including the Corporate Plan, Equality and Poverty;
- 100,000 average Facebook reach;
- 48,000 Wokingham Borough Connect subscribers with a 60% open rate;
- 27,000 average Twitter reach; and,
- 20 news releases per month.

## Human Resources

Comprising of policy and employee relations, organisation change, resourcing, people and organisation development, and health & safety

- 362 new employees/workers in last 12 months;
- 918 employee undertaken classroom training in last 12 months;
- 3,424 pieces of e-learning undertaken in last 12 months;
- 362 new employees/workers in last 12 months; and,
- 918 employee undertaken classroom training events in last 12 months.

## Digital and Change

Comprising of Business Change, Digital and Information Management Technology

- Leads on the development of change programmes and continuous improvement projects that run across each directorate;
- Provides the corporate Programme Management Office function & change gateway;
- Supports and enables the organisation deliver strategic change, with 65 change projects in progress;
- Provides the councils technical infrastructure, software, applications and hardware and ensures compliance with relevant regulations and best practice;
- 1,863 IT users supported;
- 18K IT Service calls per annum;
- 51 IMT Supported software applications;
- Support and maintenance of the Councils 48 Networks locations and estate of 130 servers; and,
- Develops and manages the Council's digital customer interfaces including the Council's corporate website and microsites (visited 1.7 million times in 2020).

## Revenue Budget & Service Changes 2022/25

The key changes to the Chief Executives budget are;

### Growth Items

- Revenue cost increases to provide increased security and resilience to protect the WBC network, user's and customer data;
- Revenue cost growth for new HR Target Operating Model to support directorates and Corporate Delivery Plan of the council;
- Growth in Customer Delivery to better manage customer demand and continue improvement of the complaint process;
- Establishment of a policy and strategy function to enable horizon scanning, greater use of intelligence and prediction of opportunities to be on the front foot: enabling a knowledge and evidence-based approach; and,
- Development and delivery of the Data & Insight Strategy to enable better and more streamlined performance management with an increased intelligence function: enabling a data led council.

### Special Items

- One off revenue costs to deliver sustainable WBC organisational change, Equalities and Poverty communication and engagement and Customer Insight exploration; and,
- One off revenue funding to provide fixed term resource to implement the new HR Target Operating Model.

## Capital Budget & Service Changes 2022/25

Capital Schemes planned for the next financial year include:

- Year 2 - Microsoft E5 licencing
- Technology – laptop and mobile phone
- Core Infrastructure projects
  - Replacement of external firewalls
  - Provisioning of software defined wide area network
  - New Internet proxy's
  - Server 2012 replacement
  - Cyber security improvements to mitigate any potential risks raised by tge National Centre for Cyber Security
  - Teams telephony replacing legacy telephony infrastructure
- Core Application improvement projects
  - Upgrades critical applications ensuring that they receive statutory changes and remain within vendor support cycle
  - Replacement of Councils planning and regulatory services system
  - Replacement of Councils payment systems with solutions suitable for the digital age
  - Improvements and enhancements to Councils social care system
- Replace the website system
  - Improving customer experience and access to online services
  - Modernising to provide a mobile experience that is fit for purpose
  - Making sure accessibility requirements are met
- Provisioning of a corporate booking system facilitating rationalisation of existing legacy booking systems across Council

## Challenges for the Forthcoming Year

In terms of challenges for the forthcoming year, these include:

- Implementing the correct operating model for the Chief Executive's Office in order to achieve the service aims and objectives with particular focus on:
  - Human Resources Function
  - Communication Engagement and Marketing Function
  - Customer Excellence
- Continuing to deliver a partnership approach to the anti-poverty agenda and embedding the Equality Plan throughout the organisation;
- Development of our IT, digital and telephony infrastructure to enable the development of a more efficient, responsive and customer centric organisation;
- Continued cyber resiliency activity in response to external contributing factors;
- Rebuilding the website in an improved, mobile first design;
- Continuing to develop and maintain the Strategic Forward Plan in collaboration with CLT and the Directorates to prioritise effort and resources on change activity;
- Building and strengthening our data and insight capabilities against a backdrop of financial and resourcing pressures;
- Establishing a policy and horizon scanning function to provide greater intelligence and an increased knowledge based approach;
- Management of increasing customer demand, whilst improving customer journeys, making it easy for customers to access our services and interact with us;
- Creation of a Customer Excellence strategy, that is fully supported by a robust action plan led with the customers at the heart; and,
- Developing the system that manages customer interaction to support improved customer journeys and create more digital capability.

<b>REVENUE SERVICE BUDGETS 2022/23</b>	<b>Budget 2021/22 £'000</b>	<b>Budget 2022/23 £'000</b>	<b>Note</b>
<b>Chief Executive</b>			
Chief Executives Office	398	616	(1)
Management Unit	698	624	
Strategy and Planning	172	410	(2)
Human Resources	980	1,686	(3)
Digital and Change	5,143	5,945	(4)
Customer and Localities	2,828	871	(5)
Communications, Marketing and Exchange	274	425	(6)
<i>Internal recharges and depreciation</i>	2,352	(269)	
<b>Total Chief Executive</b>	<b>12,845</b>	<b>10,308</b>	

### Explanation of Movement from 2021/22 to 2022/23

#### Note 1.

Adjustments between services £214k

#### Note 2.

Growth £30k for development and delivery of the Data & Insight Strategy to enable better and more streamlined performance management with an increased intelligence function: enabling a data led council.

Special item of £115k for Equality and Anti Poverty to ensure the council has sufficient communications and engagement resources to support the Anti Poverty agenda.

#### Note 3.

Growth of £252k for new HR Target Operating Model to support directorates and Corporate Delivery Plan of the council.

Special item of £242k to fund resources to enable the transition from current to new HR structure.

#### Note 4.

Growth of £233k for revenue funding to support capital implementations during the year. Special items of £1,400k, an increase of £250k to 21/22, to deliver sustainable organisational change across the council, £320k of inflation, cross-directorate realignments and manager adjustments.

#### Note 5.

Growth items of £45k for land charges shortfall in income during the year; £17k for the implementation of Netcall customer facing telephony; £210k growth in customer delivery to better manage customer demand and continue improvement of the complaint process. £2,093k is transfers of services between directorates.

Special items of £13k to enhance the GovMetric tool used to measure and track customer satisfaction; £52k to provide resource for the customer experience improvement team.

#### Note 6.

Restructure between services

# CHILDREN'S SERVICES BUDGET 2022/25

## Service Aims and Objectives

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

We aim to achieve this by:

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

Children's Services includes the following delivery areas:

### Learning, Achievement & Partnerships

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

### Social Work and Early Help

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

### Quality Assurance & Safeguarding Standards

- This sub-directorate comprises: the Intelligence and Impact Team which supports and develops the systems which capture and report on management and performance data across Children's Services. This team also co-ordinates cross service policy initiatives as well as the audit function; the Quality Assurance and Safeguarding Team which comprises the Independent Reviewing Officers and Child Protection Conference Chairs who provide independent scrutiny and expertise to work with children in care and those subject to child protection plans; the Designated Officer (LADO) who is responsible for the oversight of allegations against professionals working with children in the borough, the Children Act

Complaint Service; and the Children Rights Officer and Advocate who also runs the children in care council. The sub-directorate holds responsibility for the design and delivery of the Children's and Adults Services Learning and Development offer together with the implementation of the practice framework. The Principle Social Worker for children is a key part of the team, promoting good practice and managing the student and ASYE scheme.

## Strategic and Operational Delivery

- This more recently established sub-directorate holds responsibility for the directorate's strategy development and implementation, which includes; championing a whole council approach to improving outcomes for children and young people in the Borough, self-evaluation of sub-directorates and services, and design, and delivery of the programmes and projects which form part of the Children's Services Continuous Improvement Programme. Responsibility for Commissioning has very recently been transferred under the umbrella of this sub-directorate working across Children's Services to ensure planning for sustainable, value for money local arrangements are in place to support our most vulnerable children and families.

## Service Outputs - Key Facts and Figures

- In the last 12 months
  - 10,204 concerns about children or young people were screened by the Children's Services 'front door';
  - we supported around 1488 children and young people through open assessments,
- As of Nov 2021,
  - 163 are subject to a Child Protection Plan; and,
  - 110 are children in care for whom WBC is the corporate parent.
  - 103 care leavers between the ages of 18 and 25.
- 4.8% of Children becoming subject to a Child Protection Plan (CPP) in Nov 2021 did so for a for a second or subsequent time ever in their life compared to 19.5% at year-end of 2020/21;
- We had 45% more children offending for the first time this financial year to date when compared to 2020/21;
- As of November 2021 6,300 children aged under 5 were registered at the six Children's Centres within the Ambleside and Brambles Children's Centre reach area hubs, which is around 65% of the borough's under 5 population (June 2020 population estimate). The decline from 80% is likely due to older pupils moving into school and not being replaced by children aged up to 2 years old;
- We provide in the region of 1,455 Education Health and Care Plans maintained by Wokingham Borough Council with approximately 902 of these being in Wokingham schools (Early years, Mainstream, Special and Alternative Provision (AP)/Pupil Referral Unit (PRU));
- 89.4% of children attended a "good" or "outstanding" Wokingham school at the end of Nov 2021;
- 98% of early years settings were 'Good' or 'Outstanding' as at the end of August 2021; and,
- Typically around 65% of eligible 2 years old take up a place in an early year setting. Due to the current Covid situation there has been a drop in this number. Currently, around 50% of those eligible are attending a setting. Both our statistical and geographical neighbours have also reported similar drops in numbers.



## Revenue Budget & Service Changes 2022/25

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

This year our key challenges remain to:

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

## Capital Budget & Service Changes 2022/25

Children's Services capital schemes include the following:

- Information and Communications Technology equipment for children in line with our Children in Care pledge;
- Schools Devolved Formula – to carry out specific capital works on schools;
- School extension/new build projects to meet the need of additional places in the borough;
- Capital investment in the provision of Special Education to best meet needs across primary and secondary, with a focus on additional capacity for children with challenging behaviour and Autistic Spectrum Disorder (ASD) and those with social emotional and mental health needs;
- Schools urgent maintenance planned improvements and suitability issues;
- New and improved accommodation for children and young people requiring residential support and for care leavers; and,
- Capital investment in information systems and data reporting as part of the continued change programme.

REVENUE SERVICE BUDGETS 2022/23	Budget 2021/22 £'000	Budget 2022/23 £'000	Note
<b>Children's Services</b>			
Leadership Team	2,345	2,622	(1)
Learning, Achievement & Partnerships	6,555	7,600	(2)
Social Work & Early Help	17,637	18,228	(3)
Quality Assurance & Safeguarding Standards	2,276	2,516	(4)
Strategic & Operational Delivery	0	207	(5)
<i>Internal Recharges &amp; Depreciation Charges</i>	7,699	6,538	
<b>Total Children's Services</b>	<b>36,512</b>	<b>37,711</b>	

## Explanation of Movement from 2021/22 to 2022/23

### **Note 1.**

Pay related increases of £42k; growth of £130k and savings of (£250k) reflecting planned service efficiencies across the Directorate; post transfer from other Directorates £30k; special items of £318k for ongoing service improvement & transformation programme.

### **Note 2.**

Growth of £565k to meet rising demand and costs in relation to SEND and Home to School Transport; pay related increases of £89k; savings of (£100k) reflecting planned service efficiencies; contract inflation of £504k.

### **Note 3.**

Growth of £718k reflecting increases across demand led budgets such as placements and legal costs; pay related increases of £231k; savings of (£515k) through planned service efficiencies; contract inflation of £217k; transfer of post funding to other Directorate (£35k).

### **Note 4.**

Pay related increases of £50k; contract inflation of £5k; special item funding for system changes £195k.

### **Note 5.**

Reflects transfer of commissioning posts from ASC.

# PLACE & GROWTH SERVICE BUDGET 2022/25

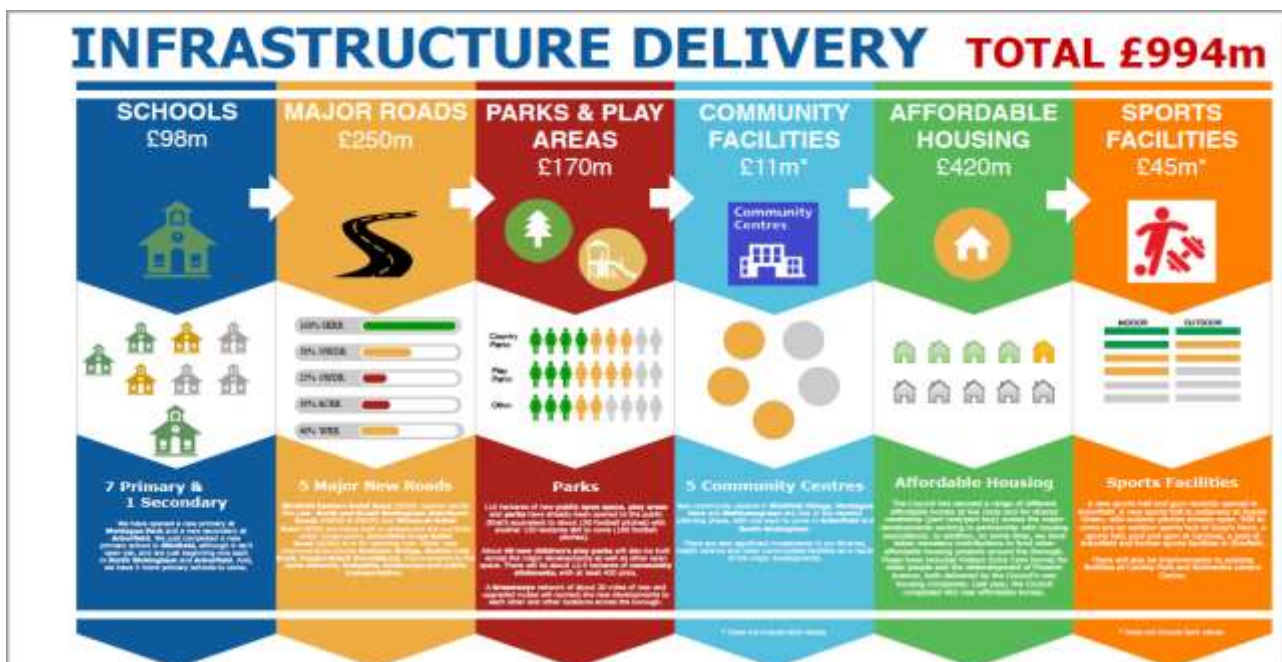
## Service Aims and Objectives

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

**Delivery and Infrastructure:** This is a multi-disciplinary service with 82 staff in 5 service areas managing the growth and new place making for Wokingham, setting the strategic place growth vision, strategy, and policy through the creation of masterplans, infrastructure delivery plans, policy and guidance documents. Working with land promoters, landowners, developers, applicants, residents, parish and town councils and other stakeholders across the borough and beyond, preparing policy and managing our Strategic Development Locations and Wokingham Town Centre to ensure the timely delivery of high-quality, infrastructure rich development to meet the borough's growth and infrastructure needs. The service area also designs, consents, secures the funds and commissions all strategic infrastructure associated with the new growth strategy for the borough.

Delivery & Infrastructure's vision is 'Adding value, collaboratively creating quality sustainable communities for the public'.

Over the adopted Core Strategy local plan period to 2026 the service has delivered permissions for around 15,000 homes in and around the 4 strategic development locations and town centre which have high levels of customer satisfaction based on the annual new homes survey and have funded, delivered or facilitated £1Bn of developer and grant funded infrastructure investment, half of which comprises affordable housing.



The preparation of a new local plan – the Local Plan Update to manage development in the period to 2038 is under way via public consultation and includes a new Garden Village of 4,500 new homes, destination public park space, sports hub, 3 primary schools and a secondary school.

The planning for minerals and waste related development is being undertaken in partnership with Bracknell Forest Council, Reading Borough Council and the Royal Borough of Windsor and Maidenhead. The Joint Minerals and Waste Plan is currently at the examination stage, with the associated hearing sessions having been held in September and October 2021.

Delivery & Infrastructure's 5 service areas are as follows: -

**Growth & Delivery – 8 Specialist planners lead on the development of the Local Plan which provides a vision and framework for how future development in the Borough will be managed** - Ensuring the right development happens in the right places, at the right time and is delivered alongside the right infrastructure. It also works with other Berkshire authorities to produce the Joint Central and East Berkshire Minerals and Waste Local Plan.

**Infrastructure Delivery & Projects - Specialist team of 6 driving the management of Community Infrastructure Levy (CIL) and S106 income, funding bids, special projects programme management, master planning, infrastructure delivery, procurement and implementation. The team also provides specialist legal support for planning and delivery.** Responsible for contribution to the delivery aspects including master planning (Grazeley, Hall Farm etc.) and infrastructure delivery work associated with the formulation, adoption and delivery of the Local Plan 2026-2036 update. Associated public and stakeholder engagement through master planning, guidance and plan making and supporting evolving communities (SDLs) to ensure sustainability beyond bricks and mortar in particular establishing opportunities for business, voluntary, cultural, leisure, community, sport and health activities in the new communities, all of which are vital to ensure social and economic sustainability.

Coordination of special project activity includes producing detailed business cases, complex bids for funding, commissioning of operational master planning, infrastructure delivery plans, guidance, monitoring of housing starts and completions, commissioning of ad-hoc and miscellaneous infrastructure and housing monitoring reports as and when required; Coordination of the negotiation, securing via agreement, collection, allocation and spending of funds raised via S106, CIL, grant, loan, borrowing or other means of £500m to ensure the timely and efficient delivery of quality infrastructure by others. Ensuring there is adequate risk management and governance created and maintained to enable the cross-cutting agendas to be implemented in the wider interests of the Council; and liaison with and enabling of the town and parish councils to secure their co-operation in spending of capital sums on corporate priorities. Managing and processing bids for resources by town and parish councils and other third parties.

This is an entirely self-funding and income generating service area that has brought in an additional £6.8m in revenue, via an innovative approach to payment deferment, and over £1.2m in capacity grant to enable strategic development since 2016.

**Planning negotiation & compliance: Specialist service of 9 staff providing a proactive pre-application service, negotiation of schemes and determination of strategic infrastructure and development applications & appeals.** Provision of proactive compliance and complaint resolution service. Responsible for the major development program ensuring the delivery of the adopted Core Strategy housing requirements and associated infrastructure including new roads, schools, commercial, sports and open space for at least 13,230 homes between 2006-2026. Provided support and determination for the Wokingham Town Centre regeneration project. Responsible for negotiating and collecting infrastructure funding to support new and improved infrastructure. Provides support and guidance on Local Plan policies / Supplementary planning document, briefings at public forums / meetings and to stakeholders, developers and Members. Monitoring and compliance on the major sites, resolving issues quickly and in most cases preventing the need for formal enforcement proceedings.

**Community, Heritage, Green & Blue Infrastructure: Specialist service of 18 staff providing Trees & Landscape advice, Operational Tree Management, 250k Tree Planting scheme, Heritage (Conservation/Listed Buildings) advice, Ecology advice, Drainage and Flooding (including operational), Green infrastructure, (including Greenways & Play areas design & implementation) and public rights of way.** Development, application and implementation of the Council's green infrastructure strategies (including the Public Open Space and Sports Facilities Strategy and Biodiversity Strategy) and ensures that major developments within the borough deliver appropriate new facilities including SANGs, (Suitable

Alternative Natural Greenspaces) public open space, playing pitches, children's play areas and allotments. The Service also leads on the in-house delivery of new green infrastructure facilities and commissions the maintenance of the Council's existing biodiversity and public rights of way assets.

Providing specialist advice in the interests of protecting the existing landscape, trees, biodiversity, public rights of way and built heritage of the borough from inappropriate development and seeks enhancements wherever possible.

Design and delivery of the boroughs commitment to plant an additional 250k trees in Wokingham, in line with the boroughs Climate Emergency strategy.

Providing safe and efficient strategic flooding advice and guidance, design of drainage assets, their future management and maintenance in a coordinated and cost-effective manner. Operational management and maintenance of the boroughs existing drainage assets including over 30,000 gullies, 5,000 manholes, 5,000 grips, and 320km of drainage pipe network. Response to major flooding events across the borough following heavy rain and delivery of flood alleviation schemes and natural flood risk management schemes to reduce flood risk to infrastructure and properties across the borough.

**Highways Delivery, Transport & Compliance Specialist service of 40 staff, Highway Development advice, Highway adoptions, Streetworks Management, Major (SCAPE) & other highway capital schemes.** Providing specialist transport input to the delivery of strategic and all other development proposals, through master planning, infrastructure delivery plans, guidance and policies and concept documents, providing pre-application advice, briefing forums, stakeholders, Lead Members and Officers, determining around 1800 applications per year, presenting the Council's recommendation to committee and working closely with developers and promoters; Securing and delivering new public highway infrastructure within the Borough, through dedicated teams, currently including: -

- The £124m Major Highway programme delivering 6 new strategic roads adding 12.5 km of extra network resilience and including 6 bridge structures; 2 over rail with associated junction improvements, pedestrian/cycleways, road lighting, flood, drainage, landscape & green infrastructure;
- Design and delivery of 20km of shared cycle footways to help promote sustainable travel. We also have a £10m programme to design and deliver another 60km over the next 10 years;
- Design and management of the annual structural maintenance programme of road resurfacing with an annual value of approximately £4.5m;
- Delivery of 3 new park and ride sites with a combined value of approx. £10m;
- Undertaking design and delivery works on behalf of other departments of the Council including Regeneration, Leisure and housing;
- Provide technical acceptance and inspect multiple Section 38 and S278 schemes equating to around 15km of adopted roads from 26 development sites currently being inspected;
- Securing £250m in CIL & S106 highway contributions across the four SDL sites; and,
- The setting up of an approved Institute of Civil Engineers (ICE) training scheme to help enhance the skills and knowledge of the team members.

Providing for the efficient and appropriate design, funded and planned maintenance arrangements for new highway assets. Ensuring that their construction is efficiently checked for implementation in compliance with planning and highway legislation and regulations. Ensuring breaches of control are escalated for the relevant enforcement activity.

Providing for the efficient control and coordination of around 10,000 highway opening licenses per year, which results in the minimisation of impact on the free flow of the highway network and facilitates efficient and timely delivery. This is achieved through daily management and

inspection of the network by dedicated officers, (serving around 1500 fixed penalty notices each year).

## Place Services

- Development Management & Enforcement - 41 technical and specialist staff providing a high-quality, customer responsive planning service determining circa 4000 planning applications per year, including the negotiation and improvement of design proposals. Defending and presenting the Council's case effectively at circa 100 planning appeals per year, negotiating and providing advice on circa 300 requests for planning advice per year. Delivering a planning compliance and enforcement service in conjunction with other environmental enforcement services to investigate and resolve breaches of planning control, resulting from developments.
- Providing environmental health, licensing and trading standards through a shared public protection partnership with West Berkshire Council and Bracknell Forest Council. This focuses on a wide range of regulatory services to achieve improvements in the quality of life for those who live, work and visit the borough. Many of those services will be coming "back in house" effective from 1<sup>st</sup> April 2022 under a new Enforcement and Safety Service, to ensure they are better suited to the needs of Wokingham residents and work effectively to deal with anti-social behaviour and community safety issues.
- Providing building control services through a joint service agreement with West Berkshire Council. Hosted by Wokingham Borough Council, the service provides a high-quality, cost-effective service for assessing plans and inspecting building works to ensure compliance with building regulations, in a way that exceeds customer needs to achieve a healthy, safe, accessible and sustainable built environment.
- Grounds maintenance – responsible for the management of the contract with Tivoli including liaising with localities for monitoring purposes, for the delivery of grounds maintenance work on Council property including reactive and programmed works management of Council owned play areas, events fields, sports pitches and associated recreational facilities. Grounds maintenance services are also provided for other Council services – notably highways, tenant services, schools and Children's Services.
- Waste Management – responsible for the delivery of all aspects of refuse and recycling collection; waste collection through the Veolia contract; waste enforcement and abandoned vehicles and the delivery of the 25 year Private Finance Initiative (PFI) contract with Bracknell and Reading Councils (re3), through the Joint Waste Board and PFI governance arrangements.
- Street Cleansing delivered through Volker Highways. Delivers a cleaner environment for the borough's residents, visitors and businesses by removing detritus, litter, graffiti, flyposting, fly-tipping, dumped rubbish and other abandoned waste; treating weeds on adopted highways and the cleansing of the A329M and A33.
- Countryside Services – responsible for managing the Council's country parks (including Dinton Pastures, California, Charvil), SANGs, Local Nature Reserves and other countryside sites. The Multi Activity Centre at Dinton Pastures provides a wide range of water-based activities and training opportunities. The service supports health, wellbeing and quality of life by providing a wide range of healthy outdoor recreational activities and experiences.
- Cemeteries – Management and maintenance of 2 "live" cemeteries including administering burial plot deeds and burials and maintenance of 1 "non live" Cemetery in the borough.
- Trees - Inspecting and carrying out necessary works to Council owned trees across the borough.
- Parks and Open Spaces – Management and maintenance of Council owned Parks and open spaces to support the health and wellbeing of residents and visitors.
- Play areas - Undertaking inspection and maintenance of council run play areas.

## Highways and Transport

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

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

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

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

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

**Community Transport Unit** – this team is responsible for developing processes and procedures to manage and deliver contracts for school and community transport as well as building relationships and partnerships with public transport providers to deliver public transport services, and to ensure that school, community and public transport services are provided in an efficient and cost-effective way.

## Housing & Place

Housing & Place provides the strategic lead for the 'Place' agenda developing clear and effective strategies and plans as well as commissioning appropriate services and projects for Wokingham's Borough's built, natural and economic environments. Our overall aim is to create places, neighbourhoods and homes where people and business can thrive and which contribute positively to quality of life, quality of living environment and strength of local economy.

This team provides the strategic lead for the Council on all aspects of 'Place' including housing, economic development, arts and culture and our response to the climate emergency agenda. It works with developers and providers to address local housing need and leads corporately on the delivery of the Council's ambitious Housing 1-4-5 programme. The team also directly project manages several projects delivering new homes and regenerated estates.

There are three main teams;

### **Strategic Housing, Commissioning and Estate Regeneration**

This team carries out the following activity;

- Lead the development and implementation of the Housing Strategy (which acts as the framework document under which other housing strategies and policies sit) and delivery of the accompanying action plan;
- Lead on other housing strategies and policies including Homelessness and Rough Sleeping Strategy, Allocations Policy and Young Person`s Housing Strategy;
- Lead on affordable housing enabling, negotiating with developers to secure onsite provision and offsite contributions (commuted sums) to meet the Borough`s housing needs, regular liaison with planning and legal with regards to S106 agreements and nominations agreements;
- Manage the Registered Provider partnership (consisting of 8 Housing associations) with quarterly partnership meetings, regular catchups, RP action plan, helping to enable the delivery of affordable housing;
- Commission affordable housing development on WBC land. Assessing economic viability of housing schemes through the use of development viability modelling;
- Lead on commissioning affordable housing development tailored to different client groups based on overall need through the Specialist Housing Group, this includes securing sites through different options including S106, WBC surplus assets or through the HRA;
- Deal with strategic housing matters, e.g. provide administration to AHIG (Affordable Housing Implementation Group);
- Regular engagement and liaison with Homes England, including securing Homes England grant for affordable housing schemes, leading on any external audits of WBC Homes England granted schemes, dealing with developer enquiries, requests from internal stakeholders such as ASC/People Commissioning, etc;
- Lead on the Affordable Housing SPD and associated housing policies (in conjunction with planning policy), defending affordable housing policies at planning appeals;
- Lead on Community Led Housing projects (including self-build) and GRT projects;
- Providing advice and guidance on new government policies related to housing including leading on government housing consultations and associated responses;
- Securing external funding for major projects in relation to homelessness and rough sleeping, providing advice and guidance on homelessness and rough sleeping projects;
- Lead on housing evidence base including New Homes Survey and Housing Facts and Figures report;
- Coordinate the annual New Homes Survey;
- Overseeing the project governance and delivery of the estate regeneration of Gorse Ride. An estate of 178 primarily council owned social houses of poor quality and in disrepair. Regeneration will build back 255 new high-quality homes. Key outcome would be that current community will be kept together through community regeneration process decanting residents into new homes;
- Planning for decant and implementing the decant strategy in partnership with housing services;
- Liaison with residents in the regeneration area, keeping records of their needs and adjusting plans based on any changing requirements;
- Commissioning Commercial property to develop the scheme;
- Supporting social housing tenants individually through the decant process and processing financial claims;
- Liaising with other services such as housing services, children's services, adult social care around specific residents / needs;
- Supporting homeowners through the house selling process and implementing the internal buy back process;
- Managing involvement of stakeholders in the regeneration, including support to the Gorse Ride Steering Group and regular liaison with the chair of the steering group; and,
- Leading on communications to the regeneration area and surrounding community.



## **Economic Development**

The Borough has enjoyed relatively high prosperity since the 1970s. In response to the Covid pandemic, concerns about reducing productivity rates, the impact of the Levelling Up agenda, looming poverty issues and a realisation that economic growth is not a given, economic development is becoming increasingly important for the Council. Throughout the pandemic the council has focused on engaging with businesses to ensure all available grant funding via the council was distributed and to support with Covid safety measures, including an intense period of surge testing. These actions have greatly increased the range and depth of business contacts and interactions with the council. A draft Economic Recovery Plan is in place to support businesses emerging from COVID pandemic and a new Economic Development strategy is planned. In addition to strategy and economic intelligence the Economic Development team have a wide-ranging work programme:

- Work collaboratively on broader sub-regional economic development initiatives, including the Berkshire Economic Development Officers Group (BEDOG), Digital Infrastructure Group, enterprise support and business start-ups;
- Build relationships and partnerships with external agencies to meet shared priorities, including Thames Valley Berkshire Local Economic Partnership, Department of Work and Pensions, Chamber of Commerce, Federation of Small Businesses, National Careers Service, Optalis, Wokingham Job Support Club, colleges, university and schools;
- Employment and skills support, including a newly established outreach service;
- Negotiating employment and skills plans for major developments;
- Sector based initiatives linked to the growing TV & Film sector, particularly the development of the major Shinfield Studios complex;
- Extensive business engagement, development of business networks and events, business support;
- Co-ordinating access to other council services, linking with other council departments including planning, town centre regeneration, housing, transport and climate emergency;
- Undertaking business surveys to better understand business needs during the ongoing Covid outbreak;
- Responsible for communications with businesses including press releases, digital media and the Business Matters digital newsletter; and,
- Contributing to plans and actions for sustaining thriving town centres and associated management of external funding streams.

## **Arts and Culture**

- Implementation of the Arts & Culture strategy, including supporting associated stakeholder networks and initiatives;
- Working with partners including the Cultural Alliance to support joint Arts and Culture projects in the borough;
- Coordinating the set-up of Cultural Education Partnership – including attracting £10k grant funding to initiate the work; and,
- Using funding secured through the Smart Cities programme, developed the Wokka app –this app signposts residents to arts and culture events throughout the borough.

## **Climate Emergency**

Following the declaration of the climate emergency, the council committed to play as full a role as possible in achieving a carbon-neutral Wokingham Borough by 2030. The team leads on the council's response to Climate Emergency, delivering a strategic coordinated response to achieving the council's climate emergency targets. The team carries out the following processes:

- Leads on Climate Emergency. Deliver a strategic coordinated response to achieving the council's climate emergency targets with a shared resource centrally based to help deliver projects;
- Integrate and coordinate the council's approach to the climate emergency agenda, which needs to be embedded in all operations and services delivered by the council (i.e., annual budget process, procurement and developing council reports);
- Work in collaboration with operational managers to agree strategy, direction of travel, service outcomes and performance management of the actions agreed in the annually produced Climate Emergency Action Plan;
- Deliver the promotional, and engagement activity that will encourage a behavioural change and build awareness amongst our residents and businesses;
- Provide specialist project management advice and input into the development of business cases. Develop technical policy and guidance documents and support teams to develop new projects;
- Analysis of technical data and prepare briefings on new government policy;
- Providing planning advice to developers based on planning policy and support the development of new planning policies in the local plan for reducing carbon emissions from new developments;
- Undertake carbon assessments for business cases for investment decisions, measure carbon savings for initiatives implemented and introduce innovative and sustainable approach to the council's carbon assessment methodology;
- Generating income and savings: for example, through contributing to technical bids, seeking savings on consultancy spend;
- Undertake climate emergency related research and data gathering, support response to government consultations, and help the council be at the top of the climate emergency agenda;
- Build strong and trusted relationships with community groups, schools, children and young people, businesses, Town and Parish Councils, charities and residents. Supporting them in achieving carbon reduction targets;
- Deliver engagement activity that will encourage a behavioural change and build awareness amongst our residents and businesses; and,
- Support the application to new grants and seek to create opportunities for the commercialisation of new products and services generated through the climate emergency agenda.

## **Placemaking and for the borough**

- Thinking Place is a project which will help develop a brand for Wokingham borough by identifying its USPs. The benefits of creating this narrative of place are to enable better promotion of the borough. Encouraging more investment, attracting skills and developing place making strategies that focus on a shared vision of Wokingham Borough. This will also help communities to identify with the borough and each other. The first part of the process has already taken place w and further work planned for 2022.
- Engage with other Berkshire Authorities and Thames Valley Berkshire LEP through the Berkshire Placemaking Board to build a Berkshire wide approach to place. Strengthening the case for Government and private sector investment in the local area in light of the Governments levelling up agenda.

## **Localities**

The Localities Service is comprised of three teams: the Library Service, the Community Engagement team, and the Environmental Localities team. The Localities Service is also responsible for the management of different elements of the provision of multi-use local community facilities across the borough. This includes the day-to-day operational management of some existing community

facilities, the delivery of new community facilities, and support for local groups/organisations to develop new or improved community facilities that they operate.

### **Libraries:**

- The Council operates nine libraries across the borough. There are three main libraries located in Wokingham, Woodley and Lower Earley, and a further six smaller libraries in Finchampstead, Twyford, Winnersh, Spencers Wood, Wargrave and Arborfield;
- The library service operates with a core team of council officers and 60 volunteers providing over 3,000 hours volunteering a year;
- Providing a library service is a statutory responsibility for local authorities as detailed in the Public Libraries & Museums Act (1964). It requires us to provide a '*Comprehensive and efficient*' library service for all people that live or work in the borough and who want to make use of it;
- Library usage is increasing both in terms of visitors and items borrowed. There is a steady but not yet substantial shift to greater use of online library services. We have approx. 480,000 visitors each year who borrow approx. 800,000 items;
- We hold approx. 165,000 books and other items held in stock and purchase approx. 15,000 new items each year;
- Each library offers access to research facilities, including computers and free wi-fi. There are approx. 30,000 computer sessions booked each year. We have 14 self-service kiosks within our libraries which handle approx. 50% of our transactions;
- We have just over 35,000 active library users (people who have borrowed an item). Our biggest users are children and young people – they account for approx. 45% of library users;
- Our library service operates seven days a week. In total across the libraries there are 47 hours of weekend opening per week, with weekend hours on average 29% busier than week-time hours;
- Each year we deliver over 1,000 events for adults and children across the borough. Some of the most notable are the Summer Reading Challenge which regularly has over 2000 young people taking part and the Bookstart project which support 1800 young people each year;
- The activities of the Library Service are guided by our Library Offer which was established in 2016. This offer creates a template for what residents can expect from each library and created a mandate for implementing changes to the library service that improve or enhance its services for residents; and,
- Currently there are two library relocation projects for the Wokingham and Twyford libraries, and as part of the provision of essential infrastructure for the Strategic Development Locations, the Council will be providing library facilities within the new community centres being delivered in Shinfield and Arborfield.

### **Community Engagement:**

The main aim of the current Community Engagement team is to support residents and local communities to lead positive and self-sustaining lifestyles to both improve their quality of life and to reduce the need for future support from the Council. A substantial amount of the teams' activities is focused in areas of deprivation within the borough such as Norreys, Woodley, Shinfield, Gorse Ride and Winnersh.

The activities of the Community Engagement team range from direct 1:1 work with residents, supporting voluntary & community sector groups and other Council services in delivering local projects, and providing referrals to other services. This includes the administration of over 200 food vouchers, nearly 50 Home Refuge scheme referrals, approx. 700 1:1 case management / welfare contacts, and the delivery of approx. 400 community activities each year.

## **Other Localities Priorities:**

Towns and Parishes: Effective joint working between the borough council and the town and parish councils within Wokingham Borough is an essential element of delivering a high quality of life for our residents. Localities currently provide a focal point for partnership working with the three town councils and fourteen parish councils within the borough.

Equalities / BME Forum: Localities is responsible for the objective within the Council's Equality Strategy to develop a Resident Equality Forum as a place to address the personal experiences of Wokingham Borough residents, and to discuss, inform, and shape the policies and services of the Council. In addition to this, Localities has worked with the Borough's BME Forum for many years and is currently supporting it through a period of transition following an independent review of its activities.

Voluntary & Community Sector: Localities supports a range of grassroots VCS activity focused on improving residents' quality of lives, often in areas of deprivation within the borough. Recently this has included directly supporting the Share and Grub Club projects to provide food for residents across the borough, the establishment of the Christmas Presence project to provide a choice of gifts for children, and the Winter Warmer Project to help tackle fuel poverty issues.

## **Community Safety**

The Wokingham Community Safety Partnership agrees the Borough's response to crime and anti-social behaviour. It sets priorities to ensure partners are working together to create a safe place to live, work and visit. The partnership is made up of key statutory partner agencies:

- Wokingham Borough Council
- Thames Valley Police
- Berkshire Fire & Rescue Service
- Thames Valley Police and Crime Commissioner
- Berkshire West Clinical Commissioning Group
- Berkshire Healthcare Trust
- Wokingham Youth Offending Services
- National Probation Service

The Community Safety Partnership recognises that Wokingham is a safe Borough to live and visit. When comparing recorded crime to other areas of the Thames Valley and its most similar family areas, it has some of the lowest levels of recorded crime. The partnerships vision is to Build Safe and Strong Communities in Wokingham, this underpins the focus and the priorities of our work.

The Wokingham Community Safety Partnership has three strategic priority area's and five specific aims:

### **Strategic Themes:**

- 1) Listening to the needs and concerns of residents and taking action.
- 2) Intervening early and preventing issues escalating.
- 3) Working together to protect vulnerable residents.

### **Specific aims:**

- 1) Work with communities to deal with crime and anti-social behaviour hotspots.
- 2) Reduce the harm caused by domestic abuse.
- 3) Reduce incidents of serious violence and knife crime.
- 4) Tackle exploitation of children, young people and vulnerable adults.
- 5) Reduce crimes of residential burglary and theft from vehicles.

## Place & Growth Directorate Outputs – Key Facts and Figures

- Supporting and coordinating bids for infrastructure funding to support the Council's growth agenda.
- Supporting the development of the Council's Local Transport Plan (LTP4);
  - Continuing joint working to progress Reading University's Science Park;
  - Supporting development and delivery of the Housing Strategy including negotiating appropriate affordable housing contributions through the s106 process;
  - Determination of over 3,500 planning and related consent applications;
  - Investigation of over 700 potential breaches of planning control;
  - Promotion and defence of the Council's policies at approximately 100 planning appeals per year;
  - Investigating and prosecuting in respect of doorstep crime, rogue traders and money laundering;
  - Issuing licenses and inspection of residential rental properties and commercial premises;
  - Development and co-ordination of infrastructure delivery plans and negotiations to secure acceptable development proposals for each of the four SDLs;
  - Effective monitoring of the progress of developments, particularly in the SDL areas, to ensure the prompt payment of s106 monies due and the timely provision of infrastructure provided on site by the developer;
  - Supporting the management of engagement activity around the SDLs. During Covid19 a newsletter is being initiated to replace public forums;
  - The negotiation of both hard and soft community facilities in the SDLs including affordable housing, community buildings, sport, leisure and open space and voluntary and community development support to ensure the social fabric supports the community (around £1Bn investment from the Local Plan adopted in 2010 and ending in 2026);
  - Delivering the green infrastructure associated with the strategic development locations, including 120ha of new SANGs, a new Sports Hub at Ryeish Green, Grays Farm, Cantley enhanced facilities, Bohunt Leisure Centre Arborfield, new Greenway and destination play areas at Dinton and, California Country Park;
  - The co-ordination of the Council's relationship with parish and town Councils across the borough – four clerks forums per annum, four borough parish working groups;
  - £124m new roads contract (inc. £24m from the LEP) associated with the strategic development locations delivering Arborfield Cross Bypass, Nine Mile Ride Extension, North and South Wokingham Distributor Roads and in addition the Eastern Shinfield Relief Road;
  - A largely self-financing joint building control service dealing with 3,600 building regulation submissions per year;
  - Disposing of approximately 79,000 tonnes of municipal waste, of which around 30,000 tonnes is reused or recycled achieving a recycling rate of 57 %;
  - 12.3 million refuse and recycling collections per annum;
  - Over 10,000 individual clinical waste collections to the elderly and vulnerable;
  - Managing the two re3 Household Waste Recycling Centres with re3 partners;
  - Advising on waste strategy and waste legislation;
  - Cleansing over 700 km of highway, including footways and cycle paths;
  - Management and maintenance of sports facilities;
  - Inspection and maintenance of over 720km of highway and associated footways;
  - Issuing over 7,000 works orders for routine highway repairs and approximately 700 highway notices;
  - Inspection and maintenance of 249 structures (including 166 bridges), 40 signalised junctions and 61 pedestrian crossings;
  - Inspection and maintenance of the A329(M) motorway;

- Routine maintenance of nearly 30,000 gullies and over 300km of highway drainage pipework;
  - Provided bikeability cycle training for approximately 1,600 year 5 & 6 pupils;
  - Promoted sustainable travel options and provided road safety related education and training through MyJourney Wokingham for new residents within our new development locations and existing residents across the borough;
  - Delivering the objectives of the borough's local transport plan 2011–26;
  - Managing and maintaining the Council's 15 pay & display and 10 other free off-street car parks;
  - Maintaining over 19,000 streetlights, illuminated signs, feeder pillars and other similar equipment;
  - Processing 55,000 notices for works on the highway to ensure co-ordinated works;
  - Delivering the transport infrastructure associated with the strategic development locations;
  - Supports the delivery of the Local Bus Services Improvement Plan, the Enhance Partnership Agreement and the general recovery of bus services in the post-Covid period;
  - Monitoring, procurement and reimbursement of the National Bus Pass Scheme and renewed over 25,000 bus pass users this year;
  - Optimising and procuring home to school transport for approximately 1000 SEND and mainstream pupils and around 300 adults each year.
- 
- Maintain around 420 hectares of countryside sites that include, 217 hectares of country parks, over 100 hectares of nature reserves, 100 hectares of Suitable Alternative Natural Greenspaces and 143 miles of public rights of way, Council run parks, open spaces and children's play facilities.
  - Management and maintenance of 2 "live" cemeteries and 1 "non live" cemetery in the borough.
  - Inspection and maintenance of approx. 100,000 trees on Council Owned land.
  - Worked with over 1,400 children on environmental education activities.
  - Offered a comprehensive outdoor education programme including climbing, water sports, open water swimming, and team building exercises.
  - Developed mass participation events such as triathlon, open water swims and cyclo-cross.
  - Worked with volunteers who committed over 2,000 days' worth of support in our country parks.
  - Management of 6 sites for fishing across the borough.
  - Brings in around £800,000 in income from car parking, catering, events, fisheries and leases each year.
  - Developing the Local Plan Update with deliverable proposals to meet required new housing provision.
  - Developing supplementary planning documents linked to the Local Plan around key areas such as design, sustainability and affordable housing provision.
  - Delivering an approved Joint Central and East Berkshire Minerals and Waste Local Plan which includes proposals to meet requirements for the winning of minerals..
  - Supporting the Council's decisions on planning applications when these are taken to appeal.
  - Responding to government consultations on changes to the planning system, to ensure the interests of residents and businesses in Wokingham Borough are taken considered.
  - Providing advice and support to towns and parishes to ensure that they are aware of the range of planning policy tools at their disposal and that any neighbourhood development plan is progressed in accordance with strategic planning policies and legal requirements.
  - Developing and delivering a comprehensive action plan to support the Council's new Housing Strategy and develop new sub-strategies where appropriate.
  - We are seeking to commission 1,000 Council-led homes over a 4 year period delivering a 5% return.
  - Working with partners, including the Council's own housing companies, to deliver circa 300 new affordable homes per annum.

- Starting on site at Phase 2 of the Gorse Ride regeneration scheme – providing 249 new sustainable homes as part of a wider community regeneration project.
- Starting on site for the Council’s first self-build affordable housing project.
- Project managing a portfolio of projects delivering new homes that meet the priority needs of Adult Social Care.
- Starting on site for the Council’s first new affordable housing development using modern methods of construction (MMC).
- Reviewing and refreshing the Economic Development Strategy for the council by March 2023 in the context of delivering the post Covid economic recovery plan.
- Extensive engagement with local businesses to maximise support available and to foster strong business networks, connecting with approximately 7,500 local businesses that have premises in the Borough.
- Deliver employment and upskilling support for residents, including sector-based initiatives linked to the burgeoning film & TV sector and the development of new studio space.
- Working with other Berkshire authorities and the Local Enterprise Partnership (LEP) as part of the Digital Infrastructure Group to expedite delivery of ultra-fast broadband based on full-fibre technology. Aim to ensure at least 95% coverage by the end of 2025.
- Ensuring the ongoing delivery of the Council’s Arts & Culture strategy and the implementation of a new Leisure strategy.
- Overseeing the delivery of the Council’s sector-leading Climate Emergency Action Plan, supporting the development and delivery of new projects and initiatives across the Council that will contribute to our aim for Wokingham to be carbon neutral by 2030.
- On 11 November 2021, the Council was part of the COP26 exhibition for Built Environment Day.
- The Council hosted its second Climate Conversation session in October 2021, to help businesses to become more sustainable.
- A Behaviour Change Market Event was delivered in October 2021, the council engaged 23 organisations that specialise in behaviour change in the climate change/sustainability environment.
- The first Community Deliberative Process for Climate Emergency was approved by Executive in October. The process will start in February 2021, and looks to involve residents, businesses, local organisations, schools and stakeholders to be part of the Borough’s carbon neutral 2030 vision.
- Progressing a Secondary School Place Strategy and the commissioning of additional sixth form capacity.
- Managing and monitoring, alongside partners, of the capital programmes for the extension of existing schools and development of new schools including the delivery and opening of a new primary school at Matthew’s Green.

## Revenue Budget & Service Changes 2022/25

Major changes to the Place and Growth revenue budget include the following:

### Growth Items

- Revenue increases relating to inflationary contract price increases;
- Revenue increases due to additional road references;
- Revenue increases for waste and recycling collection due to increase in property numbers;
- Revenue increases to procure and deliver a new street cleansing service focussing on quality outcomes; and,
- Revenue increases for delivering the climate change deliberative process and behaviour change process.

### Savings

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

## Capital Budget & Service Changes 2022/25

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 – 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;
- Congestion project – to implement the emerging Intelligent Transport Systems Strategy;
- 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);
- Improvements to leisure facilities in the borough including country parks;
- Improvement to the Public Right of Way network including the delivery of a Greenway network (traffic free routes across the borough);
- Continued investment in the waste collection arrangements including the introduction of the food waste service;
- Strategic land purchases – investments to enable the capital programme;
- Wokingham Town Centre Environmental Improvements - concept design stage;
- Completion of the Park and Ride Schemes at Winnersh and Coppid Beech; and,
- Air quality monitoring.

REVENUE SERVICE BUDGETS 2022/23	Budget 2021/22 £'000	Budget 2022/23 £'000	Note
<b>Place &amp; Growth</b>			
Localities	2,270	2,488	(1)
Delivery and Infrastructure	1,109	2,447	(2)
Highways & Transportation	8,727	8,807	(3)
Place	16,515	17,618	(4)
Place & Growth MU	1,184	571	(5)
House & Place Commissioning	925	708	(6)
<i>Internal Recharges &amp; Depreciation Charges</i>	11,116	14,716	
<b>Total Place &amp; Growth Service</b>	<b>41,846</b>	<b>47,355</b>	

### Explanation of Movement from 2021/22 to 2022/23

**Note 1.** Service Restructure, growth £350k temporary accommodation, £77k community safety and £35k review of domestic abuse.



**Note 2.** Service restructure, growth £57k CIL cost recovery and £209k additional resources. Special item £45k Ecology officer.

**Note 3.** Service restructure, growth £282k additional resources, £80k growth in network, £205k park and ride operating costs and £30k asset management costs. Savings (£241k) civil parking enforcements and (£200k) park and ride sites. Special items £150k local transport plan and £80k concessionary passes renewals.

**Note 4.** Service restructure, growth £320k additional resources and £65k emergency planning. Savings (£350k) food waste diversion and (£100k) garden waste. Special items £300k reintegration of PPP.

**Note 5.** Service restructure.

**Note 6.** Service restructure, special items £45k local business support and £90k deliberative process.

## RESOURCES & ASSETS BUDGET 2022/25

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

### Service Aims and Objectives

The 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.

Resources and Assets directorate comprises of the following business activities:

### Finance and Assets

#### Finance

- Supporting the delivery of the Council's major programmes and projects; integrating and developing governance and improvement activity across the Council; supporting the organisational development of the Council to enhance the organisation's ability to deliver its vision and priorities.
- Finance services – Providing a robust and secure finance service to the Council ensuring that budgets are planned, managed, monitored, and reported in accordance with statutory and Council guidelines and within the boundaries of the Constitution (Financial Rules of Procedure). Ensuring all expenditure is proper, affordable, and sustainable. Provides a finance business partnering service to the frontline service directorates of the Council. The right budget, in the right place, at the right time.
- Treasury – Ensures the Council has funds available to meet its liabilities and investing surplus balances to make the best return to the Council with primary regard to security of taxpayer funds.
- Insurance – Arranging property insurance cover for material assets (including schools, housing, offices, and commercial premises) and cover in respect of the Council's legal liabilities. Dealing with over 300 claims a year (including loss of and damage to council property, and employers and public liability claims such as damage to vehicles on the highway or injuries suffered by school pupils). Providing professional advice in diverse areas such as the law, risk management, technical insurance matters, claims issues, liability, indemnity, and contract interpretation, to develop and maintain best practice in financial management, to look for sustainable solutions, achieve long term ongoing efficiencies, value for money and ensure robust governance arrangements.
- Employee Services – To administer an effective and efficient payments service including staff payroll and suppliers; this service also will incorporate the accounts payable and receivable service of the Council.
- Digital Solutions – Delivering efficiencies in the shape of centralised printing and scanning; enabling services to work remotely through the provision of digital registry. Key support service providing statutory printed communications and materials for all services, alongside marketing and promotional materials for income generating services.
- Case Owners – Provision of support across the range of Council services including front line transactional service delivery, as well as managerial and service support functions. This support increases resilience in a cost-effective way; and,
- Procurement – Procuring and centrally managing key corporate contracts on behalf of the Council, schools, and other partners; to help the Council to deliver savings through better adherence to procurement regulations based on best practice and by working in partnership with our contractors to maximise service outcomes and support local business to contribute towards the Council's vision.

- Commercialisation. Supports the Council's commercialisation ambitions through officer guidance, pump priming funding and measurement of benefits and their realisation. Produces the Commercial strategy and runs the Strategic Commercialisation Board.

### **Income and Assessments**

The service aims of the income and payments team are to maximise income collection to enable Wokingham Borough Council to provide services to the residents of Wokingham and ensure that all bills and invoices are raised promptly, payments to suppliers made within the agreed terms and all payments received are allocated promptly.

The highest priority is to maintain collection rates, with an ever-increasing amount of domestic properties and the increase in council tax and business rates.

The service provides all the financial transactional services within Wokingham Borough Council and includes purchase to pay, debtors, council tax/NNDR billing and cashiers.

The service aims of the financial assessments team are to meet the needs of the community: it encompasses the administration of housing benefit, council tax reduction, discretionary housing payments, local welfare provision and personal budgeting support for residents within the Borough. This work is key to the developing anti-poverty strategy of Wokingham Borough Council.

### **Commercial Property Development Team**

- To systematically develop viable regeneration plans for all key towns within Wokingham Borough, delivering physical, economic, and social improvements.
- To manage spatial planning activities, including master planning, stakeholder and partner engagement and securing appropriate planning consents, for Council assets and development projects.
- To deliver key development sites in line with corporate priorities; and,
- To work towards generating external income and contribute to meeting the Council's ongoing financial challenges through development and regeneration including local/national market assessment, risk/benefit analysis, identification of funding approaches and ongoing strategic planning.
- To work towards delivering net zero carbon developments within the Council's property portfolio to help combat and address climate change impacts. To act as a local leading innovator for other developers to follow best practice and to set high standards of design and sustainability for others to aspire to.

### **Property Investment Team**

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

### **Property Estates Team**

- To manage the delivery of a professional Estates Management and Technical Valuation and Advice service in relation to all aspects of the Council's current and future property interests within Wokingham Borough.

- To strategically manage the Council's assets including continual review of the council's needs against the portfolio to ensure optimum use, including identification of any required / surplus assets and acquisition and disposal of assets to ensure it meets requirements.
- To work towards generating external income and contribute to meeting the Council's ongoing financial challenges through strategic asset and estates management including local/national market assessment, risk/benefit analysis, identification of funding approaches and ongoing strategic planning.
- To ensure provision of valuations for statutory and other purposes including Right to Buy valuations and sign off Council's asset valuations annually for inclusion in Council's statement of accounts.
- To maintain contacts with representatives from key partner agencies/bodies on common property needs and opportunities for joint use of assets; and,
- To develop and manage the preparation of the Energy Plan, including energy and carbon reduction initiatives in relation to Wokingham Borough Council's holdings and the identification and review of Energy related opportunities/developments.

### **Operational Property**

- Provides the operation of assets and property across the organisation in support of the front-line services.
- Responsible for the design, procurement, and delivery elements of the capital programme expenditure, including educational facilities; and,
- Undertake a significant planned maintenance programme, and reactive maintenance requirements to effectively maintain our assets and their value.

### **Sport and Leisure**

The central aim of the sport and leisure department in Wokingham is to improve the health of residents, reduce differences between life expectancy, and improve healthy life expectancy. This is achieved by the services the team offer, in our leisure and outdoor facilities for all residents and our dedicated physical activity programmes for our younger and older population and those with health conditions and working alongside our public health team.

Our focus is on the following priorities:

- Promoting Health and Wellbeing – increasing the proportion of adults and children in physical activity.
- Raising Participation and Reducing Levels of Inactivity (Targeted) – Increase participation in targeted groups; social isolation, older population, BAME community, mental and emotional health and those experiencing poverty and other dimensions of deprivation.
- Maintain and extend accessibility to indoor leisure facilities and outdoor spaces.
- Raising levels of active travel.
- Ensure financial stability.

### **Governance**

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

#### **Monitoring Officer Responsibilities:**

- Maintaining the Constitution.
- Ensuring lawfulness and fairness of decision making.
- Supporting the Standards Committee.

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

### **Data Protection Responsibilities**

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

### **Internal Audit and Investigation Service Responsibilities**

- Internal Audit – a statutory function to deliver an independent, objective assurance and consultancy service to the Council and help the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes; and,
- Investigations – to provide a professional and independent investigations service into incidents of fraud, code of conduct breaches, whistleblowing allegations and other suspected irregularities.

### **Democratic Services & Electoral Services Responsibilities**

- The efficient and effective management of the political decision-making process, including advice and support to Members, officers and residents and maintaining and reviewing the Council's constitution. Administration of many statutory and non-statutory appeals; and,
- Electoral Services is a statutory function that provides a service to the electors, candidates, agents, and councillors in the democratic process. It is a public facing service whose main functions include maintaining an up-to-date Electoral Register and managing all statutory processes about the running of all elections and referenda in the borough. It enables all eligible residents within the Wokingham Borough to exercise their democratic rights.

### **Legal Services Responsibilities**

- Provision of a high quality, low-cost legal services to advise and assist the Council to deliver to its corporate objectives, ensure sound decision making and compliance with statutory obligations.
- To defend and protect the Council's legal rights and to act as prosecution authority for the Council to ensure that the law and public rights and obligations are observed

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

### **Finance and Assets**

#### **Finance**

- Co-ordinates budget setting and provides financial advice on a revenue account of £218m per annum gross, capital of £124m per annum and Housing Revenue Account (HRA) of £16m per annum gross.

- Invests an average of £285m per annum and manages borrowing of £418m.
- Make over 45,000 salary payments to staff each year to a value exceeding £66m (including schools).

## **Commercial Property**

- Development of strategic regeneration and development briefs in consultation with local stakeholders.
- Development of high level and detailed regeneration and development schemes in response to strategic briefs.
- Co-ordinate and manage the physical delivery of phased regeneration and development plans for key town centres.
- Monitor national and local property market and identify investment opportunities in relation to Commercial Investment programme agenda.
- Assess and advise on potential benefits/risks of investment opportunities and approaches recognising the balance of both financial and social gain.
- Initial Commercial property investment purchases already completed with further opportunities under review.
- Effective management of the existing non-residential property assets in a targeted manner to support longer term council aspirations.
- Undertake, through negotiation or Compulsory Purchase Orders, all necessary site assembly to deliver phased development programmes for regeneration and development, council operation and core strategy infrastructure delivery.
- Co-ordinate and manage delivery of regeneration schemes and development schemes, including funding, communications, and project management.
- Act as Corporate Landlord for the operational estate of over 50 properties and oversee the management, utilisation, compliance, and valuation of the Council's property assets valued at £800m.
- Manage the commercial estate which generates rentals of £2.5m per annum; and,
- Active management of the Council's energy (and other utilities) usage and costs, as well as those of our schools, currently £3m per annum.

## **Income and Assessments**

- Collects council tax of c£148 million from 72,206 homes.
- Collect business rates of c£63 million.
- Collect council rents, temporary accommodation, service charges, pitch fees and garage rents of £15 million per annum from circa 2,700 accounts.
- Collect over £12 million per annum on sundry debtor accounts;

## **Governance Services**

### **Democratic & Electoral Services**

- During 2021 Democratic Services attended and serviced a range of daytime and evening meetings including Individual Executive Member decisions, school admission appeals, exclusion reviews; home to school transport appeals, and licensing; and taxi licensing appeals.
- Electoral Services has responsibility for running the authority's annual elections, along with all other elections and referenda. In 2021, the Borough/Parish elections and Police & Crime Commissioner election were successfully delivered. Planning is currently underway for the May 2022 Borough elections.
- Electoral Services employs and trains hundreds of casual staff at election time and runs an annual canvas of all 68,000 properties in the boroughs: and,
- Individual Elector Registration necessitates close working relationships with the Cabinet Office, the Electoral Commission, Department for Works and Pensions, external printers, external software providers and Royal Mail as well as several directorates within the Council.

## Audit & Investigation

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

## Legal Services

- Provide legal advice, guidance, and assurance across all matters to support officers and Members in the shared service partners more than 1,300 transactions, advice, or cases during the year.
- Prosecutes, defends, and enforces the Council's rights including the defence of Judicial Reviews at the High Court; and,
- Support the governance of shared service organisations as well as acting as Deputy Monitoring Officer and Borough Solicitor for corporate legal issues.

## Revenue Budget & Service Changes 2022/25

The directorate's efforts will be concentrated on:

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

## Capital Budget & Service Changes 2022/25

Resources and Assets have capital schemes which include the following:

- Market and affordable housing schemes, including the Gorse Ride regeneration project and self-build housing.
- Regeneration projects
- Energy schemes aligned with the climate emergency
- Service provision

## Commercial Property Capital Schemes

The aim of Commercial Property is to deliver a range of schemes and programmes that are focused on providing improved facilities for residents and Services, regenerating town centres, economic development and protecting local employment and Climate emergency schemes. These projects are also supported by a strong financial business case to reduce the need to fund these from the general revenue account and longer term allowing the council to reinvest in services across the borough whilst bringing a range of benefits for residents.

<b>REVENUE SERVICE BUDGETS 2022/23</b>	<b>Budget 2021/22 £'000</b>	<b>Budget 2022/23 £'000</b>	<b>Note</b>
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<b>Resources &amp; Assets</b>			
Governance	2,149	2,704	(1)
Finance and Assets	8,242	11,295	(2)
Leisure	(1,635)	(1,827)	(3)
<i>Internal Recharges &amp; Depreciation Charges</i>	<i>(8,018)</i>	<i>(7,575)</i>	
<b>Total Resources and Assets</b>	<b>738</b>	<b>4,597</b>	

### Explanation of Movement from 2021/22 to 2022/23

**Note 1.** The 2022/23 budgets include additional income budgets from commercialisation activities, contracts and commissioning reviews and an extended solar panel investment programme equating to £1,000,000. Growth items are added for restructuring of services including reviews to respond to the Council's finance management objectives. The other adjustments are revenue changes resulting from the change in interest rates and capital funding requirements.

**Note 2.** The 2022/23 budgets include additional income budget from leisure activities including the boxing gym, laurel park and outdoor gyms.

**Note 3.** The 2022/23 budgets include growth to internal audit and legal following the dissolution of shared services and resource to enhance the council's data compliance service.



## Summary of Budget Movements 2022/2023

The following table shows how the 2022/23 budget has been calculated starting from the 2021/22 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
<b>2021/2022 Restructured Service Budget (excluding Capital &amp; Internal recharges)</b>	<b>53,685</b>	<b>10,494</b>	<b>28,813</b>	<b>30,730</b>	<b>8,756</b>	<b>132,478</b>
<b>Adjustments/Additions</b>						
Remove exclusive one off revenue items in 2021/2022 (Special Items)	(640)	(1,268)	(1,522)	(1,015)	(425)	(4,870)
Inflation for non-pay activities	1,753	31	727	1,095	1,362	4,968
Superannuation - increase in employers' contribution across Council	0	0	0	0	943	943
Pay Inflation	196	224	294	179	1,696	2,589
Adjustments between services (e.g. budget reallocations inc.)	(45)	(1,513)	300	280	978	0
<b>Total</b>	<b>1,265</b>	<b>(2,526)</b>	<b>(201)</b>	<b>539</b>	<b>4,554</b>	<b>3,630</b>
<b>Funding to Maintain / Improve Services</b>						
Care & support - manage increasing demand in numbers and complexity	1,863	0	0	0	0	1,863
People at the heart of care	1,000	0	0	0	0	1,000
Prevention - investment in preventative services	500	0	0	0	0	500
Staffing resource required to deliver continued demand management programme	392	0	0	0	0	392
Additional people resources across Customer Delivery	0	210	0	0	0	210
Data and insight - systems implementation and resources	0	30	0	0	0	30
Human Resources Target Operating Model	0	252	0	0	0	252
Land charges shortfall in income	0	45	0	0	0	45
Netcall - Customer facing telephony	0	17	0	0	0	17
Revenue support for Capital Bids - Telephony, security, fibre, IDS	0	233	0	0	0	233
Adopt Thames Valley	0	0	40	0	0	40
Continuing Health Care post	0	0	25	0	0	25
Growth in Children in care and care leavers [placements]	0	0	678	0	0	678
Home to School Transport	0	0	300	0	0	300
Loss of DSG / School income	0	0	40	0	0	40
Meeting & Managing Demand - Right Help, Right Place, Right Time	0	0	355	0	0	355
Additional staff resources in traffic management, Development management & enforcement, green & infrastructure, place clienting and trees & landscape teams.	0	0	0	624	0	624
Carriageways & footways - growth in network	0	0	0	39	0	39
CIL implementation cost recovery	0	0	0	57	0	57
Community Safety	0	0	0	77	0	77
Emergency Planning	0	0	0	65	0	65
Highway drainage increased maintenance costs due to additional network length	0	0	0	15	0	15
Highways structures - growth in network	0	0	0	10	0	10
Increase Civil Parking Enforcement Officers	0	0	0	187	0	187

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
<b>Funding to Maintain / Improve Services Cont.</b>						
Temporary staffing for Development & Enforcement team	0	0	0	21	0	21
Meeting operating costs of Park & Ride sites	0	0	0	205	0	205
Strategic Review of Domestic Abuse	0	0	0	35	0	35
Temporary accommodation	0	0	0	350	0	350
Traffic Signals & Intelligent Transport Systems Asset Management Costs	0	0	0	30	0	30
Winter service - growth in network	0	0	0	10	0	10
Data protection compliance	0	0	0	0	20	20
Decrease in uptake of schools kitchen contract	0	0	0	0	33	33
Delivering on our procurement strategy (additional resources & contracts register)	0	0	0	0	210	210
Dissolution of Shared Legal Services	0	0	0	0	100	100
Internal audit and investigation redesign to set up an in house service, with external clients	0	0	0	0	241	241
<b>Total</b>	<b>3,755</b>	<b>787</b>	<b>1,438</b>	<b>1,725</b>	<b>604</b>	<b>8,309</b>
<b>Special Items (One Off)</b>						
Demand management - resource investment to deliver change	800	0	0	0	0	800
Transitions - additional assessment capacity	90	0	0	0	0	90
Budget required to deliver sustainable organisational change	0	1,400	0	0	0	1,400
Customer experience improvement team	0	52	0	0	0	52
Equality & Anti-Poverty	0	115	0	0	0	115
GovMetric - tool to measure and track customer satisfaction	0	13	0	0	0	13
Human Resources Target Operating Model	0	242	0	0	0	242
Children's Services Transformation Programme	0	0	500	0	0	500
Create Edge of Care / Placement Support Service	0	0	350	0	0	350
Delay in Capitalisation of System Contract	0	0	195	0	0	195
Meeting & Managing Demand - Right Help, Right Place, Right Time	0	0	943	0	0	943
Concessionary passes - Bulk renewal	0	0	0	80	0	80
<b>Special Items Cont.</b>						
Deliberative Process	0	0	0	90	0	90
Ecology officer	0	0	0	45	0	45
Local Transport Plan 4 and Delivery Plan	0	0	0	150	0	150
Re-integration of PPP	0	0	0	300	0	300
Resource to support local business post lockdown recovery phase - job protection, businesses and prosperity	0	0	0	45	0	45
Temporay increase in planning fee income	0	0	0	(100)	0	(100)
Temporary staffing for Development & Enforcement team	0	0	0	69	0	69
<b>Total</b>	<b>890</b>	<b>1,822</b>	<b>1,988</b>	<b>679</b>	<b>0</b>	<b>5,379</b>

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
<b>Funded by the following Service Efficiencies</b>						
Demand management - strengthening the voluntary sector and community offer, redesigning the front door	(1,000)	0	0	0	0	(1,000)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	0	0	0	0	(100)
Optalis review - improved commissioning and reduced overheads	(200)	0	0	0	0	(200)
Review the application of Continued Health Care (CHC) claims	(200)	0	0	0	0	(200)
Corporate Transport Programme	0	0	(100)	0	0	(100)
Legal Review - Social Care & SEND	0	0	(25)	0	0	(25)
Placements Review	0	0	(490)	0	0	(490)
Transforming Children's Services	0	0	(250)	0	0	(250)
Food waste diversion from blue bags to caddies	0	0	0	(350)	0	(350)
Income from Park & Ride sites	0	0	0	(200)	0	(200)
Increase in planning pre-application fee income	0	0	0	(10)	0	(10)
Increase of garden waste subscription	0	0	0	(100)	0	(100)
Increase revenue as a result of additional Civil Parking Enforcement officers	0	0	0	(241)	0	(241)
Benefit realisation from commercial activities	0	0	0	0	(153)	(153)
Benefit realisation from commercial activities - Boxing income	0	0	0	0	(87)	(87)
Benefit realisation from commercial activities - Outdoor Gyms	0	0	0	0	(15)	(15)
Contracts and commissioning reviews	0	0	0	0	(250)	(250)
Early payment programme	0	0	0	0	(100)	(100)
Income generation in excess of financing costs - Community Investment	0	0	0	0	(1,000)	(1,000)
Rationalisation process of corporate accommodation	0	0	0	0	(270)	(270)
<b>Total</b>	<b>(1,500)</b>	<b>0</b>	<b>(865)</b>	<b>(901)</b>	<b>(1,875)</b>	<b>(5,141)</b>
<b>Revenue Implications of Capital</b>						
Dinton Activity Centre	0	0	0	(133)	0	(133)
Boxing Gym	0	0	0	0	(30)	(30)
Cantley Park Enhancements	0	0	0	0	(33)	(33)
Capital Financing Requirement	0	0	0	0	199	199
Outdoor Gym	0	0	0	0	(3)	(3)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(133)</b>	<b>133</b>	<b>0</b>
<b>Service Budget 2022/2023</b>						
<b>(excluding Capital &amp; Internal recharges)</b>	<b>58,095</b>	<b>10,577</b>	<b>31,173</b>	<b>32,639</b>	<b>12,172</b>	<b>144,655</b>
<i>Internal Recharges &amp; Depreciation Charges</i>	3,248	(269)	6,538	14,716	(7,575)	16,658
<b>Service Budget 2022/2023</b>	<b>61,343</b>	<b>10,308</b>	<b>37,711</b>	<b>47,355</b>	<b>4,597</b>	<b>161,313</b>
<b>(including Capital &amp; Internal recharges)</b>						

Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
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The following corporate transfers are included within the "appropriation to / (from) balances" line in the grand summary. Corporate transfers are made in respect of funding that is not expected to continue beyond 2022/23.

<b>Corporate Transfers</b>					
Contribution towards future impact of reduction in new homes bonus and fairer funding review					2,300
Contribution towards future impact of increased pension contributions					2,000
Covid Recovery					2,000
Forward funding (infrastructure bridging loan)					2,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,300</b>

THREE YEAR BUDGET FORECAST

	2022/2023 £'000	2023/2024 £'000	2024/2025 £'000
<b>Growth</b>			
<b>Adult Social Care</b>			
Care & support - manage increasing demand in numbers and complexity	1,863	3,822	5,832
People at the heart of care	1,000	1,500	1,500
Prevention - investment in preventative services	500	600	700
Staffing resource required to deliver continued demand management programme	392	852	852
<b>Chief Executive</b>			
Additional people resources across Customer Delivery	210	210	210
Budget required to deliver sustainable organisational change	0	0	860
Data and insight - systems implementation and resources	30	60	60
Human Resources Target Operating Model	252	252	252
Land charges shortfall in income	45	115	125
Netcall - Customer facing telephony	17	17	17
New Content Management System	0	70	70
ReCustomer APP for Council Tax and Selected services	0	60	60
Revenue support for Capital Bids - Telephony, security, fibre, IDS	233	233	283
<b>Children's Services</b>			
Adopt Thames Valley	40	40	40
Continuing Health Care post	25	25	25
Growth in Children in care and care leavers [placements]	678	1,200	1,603
Home to School Transport	300	450	600
Increasing demand and complexity [legal]	0	20	50
Loss of DSG / School income	40	40	40
Meeting & Managing Demand - Right Help, Right Place, Right Time	355	1,315	1,415
<b>Place &amp; Growth</b>			
Additional staff resources in traffic management, Development management & enforcement, green & infrastructure, place clienting and trees & landscape teams	624	628	633
Carriageways & footways - growth in network	39	78	117
CIL implementation cost recovery	57	57	57
Community Safety	77	77	77
Emergency Planning	65	65	65
Highway drainage increased maintenance costs due to additional network length	15	30	45
Highways structures - growth in network	10	20	30
Increase Civil Parking Enforcement Officers	187	187	187
Integrated transport scheme - growth in network	21	42	63
Meeting operating costs of Park & Ride sites	205	321	401
SDL solicitor budget growth	0	25	25
Strategic Review of Domestic Abuse	35	35	35
Temporary accommodation	350	350	350
Traffic Signals & Intelligent Transport Systems Asset Management Costs	30	30	30
Waste & recycling - increase in property numbers	0	250	250
Winter service - growth in network	10	20	30
<b>Resources &amp; Assets</b>			
Data protection compliance	20	20	20
Decrease in uptake of schools kitchen contract	33	66	66
Delivering on our procurement strategy (additional resources & contracts register)	210	210	210
Dissolution of Shared Legal Services	100	100	100
Insurance premiums (value of asset portfolio increasing and market inflation)	0	150	150
Internal audit and investigation redesign to set up an in house service, with external clients	241	241	241
<b>Total Growth</b>	<b>8,309</b>	<b>13,883</b>	<b>17,776</b>

**THREE YEAR BUDGET FORECAST**

	2022/2023 £'000	2023/2024 £'000	2024/2025 £'000
<b>Savings</b>			
<b>Adult Social Care</b>			
Demand management - strengthening the voluntary sector and community offer, redesigning the front door	(1,000)	(2,000)	(2,750)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	(200)	(300)
Optalis review - improved commissioning and reduced overheads	(200)	(300)	(300)
Review the application of Continued Health Care (CHC) claims	(200)	(350)	(500)
<b>Children's Services</b>			
Alternative Delivery Model for Children's Centres	0	(25)	(50)
Corporate Transport Programme	(100)	(600)	(600)
LAC Charging Policy	0	(50)	(50)
Legal Review - Social Care & SEND	(25)	(25)	(25)
Placements Review	(490)	(787)	(842)
Transforming Children's Services	(250)	(775)	(1,250)
<b>Place &amp; Growth</b>			
Food waste diversion from blue bags to caddies	(350)	(350)	(350)
Income from Park & Ride sites	(200)	(300)	(400)
Increase in long term car parking charges	0	(200)	(200)
Increase in planning pre-application fee income	(10)	(20)	(20)
Increase of garden waste subscription	(100)	(100)	(100)
Increase revenue as a result of additional Civil Parking Enforcement (dependent on a growth bid)	(241)	(241)	(241)
<b>Resources &amp; Assets</b>			
Benefit realisation from commercial activities	(153)	(303)	(383)
Benefit realisation from commercial activities - Boxing income	(87)	(87)	(87)
Benefit realisation from commercial activities - Laurel Park 3G	0	(15)	(15)
Benefit realisation from commercial activities - Outdoor Gyms	(15)	(45)	(45)
Contracts and commissioning reviews	(250)	(400)	(400)
Early payment programme	(100)	(145)	(145)
Income generation in excess of financing costs - Community Investment	(1,000)	(1,250)	(1,800)
Rationalisation process of corporate accommodation	(270)	(450)	(450)
<b>Total Savings</b>	<b>(5,141)</b>	<b>(9,018)</b>	<b>(11,303)</b>
<b>Special Items</b>			
<b>Adult Social Care</b>			
Demand management - resource investment to deliver change	800	300	200
Older people dementia home - funding to cover running costs until optimal capacity is reached	0	0	500
Transitions - additional assessment capacity	90	0	0
<b>Chief Executive</b>			
Budget required to deliver sustainable organisational change	1,400	1,200	300
Customer experience improvement team	52	52	0
Equality & Anti-Poverty	115	115	0
GovMetric - tool to measure and track customer satisfaction	13	13	0
Human Resources Target Operating Model	242	44	0
<b>Children's Services</b>			
Children's Services Transformation Programme	500	350	250
Create Edge of Care / Placement Support Service	350	50	0
Delay in Capitalisation of System Contract	195	0	0
Meeting & Managing Demand - Right Help, Right Place, Right Time	943	512	0

THREE YEAR BUDGET FORECAST

	2022/2023 £'000	2023/2024 £'000	2024/2025 £'000
<b>Place &amp; Growth</b>			
Concessionary passes - Bulk renewal	80	0	0
Deliberative Process	90	90	90
Development management appeals - legal costs	0	350	0
Ecology officer	45	0	0
Local plan update	0	175	0
Local Transport Plan 4 and Delivery Plan	150	0	0
Planning appeals and enforcement - staffing costs	0	265	100
Re-integration of PPP	300	0	0
Resource to support development / revision of supplementary planning policy	0	40	0
Resource to support local business post lockdown recovery phase - job protection, businesses and prosperity	45	0	0
Temporary increase in planning fee income	(100)	(100)	0
Temporary staffing for Development & Enforcement team	69	69	69
<b>Total Special Items</b>	<b>5,379</b>	<b>3,525</b>	<b>1,509</b>
<b>Revenue Implications of Capital</b>			
<b>Adult Social Care</b>			
Older people dementia home	0	0	(337)
<b>Children's Services</b>			
Multifaceted Placement Hub	0	0	(67)
<b>Place &amp; Growth</b>			
Dinton Activity Centre	(133)	(133)	(133)
<b>Resources &amp; Assets</b>			
Boxing Gym	(30)	(30)	(30)
Cantley Park Enhancements	(33)	(33)	(33)
Capital Financing Requirement	199	225	629
Laurel Park 3G	0	(20)	(20)
Outdoor Gym	(3)	(9)	(9)
<b>Total Revenue Implications of Capital</b>	<b>0</b>	<b>0</b>	<b>0</b>

## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2022/23 - 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
<b>Adult Social Care</b>						
Learning disability - unknown high cost pressures	22,879	23,029	23,779	180	300	270
Mental health - unknown high cost pressures	1,684	1,784	2,084	100	150	50
Physical disability - unknown high cost pressures	4,671	4,871	5,271	100	200	100
Older people - increases above expected levels (including self funders with depleted funds)	13,831	14,081	14,581	100	200	200
Risk of litigation / compensation against assessment outcomes (including Deprivation of Liberty Safeguarding)	0	0	250	150	100	0
Risk of market failure	0	0	1,500	800	300	400
Potential ongoing impact of Covid-19	0	0	750	400	200	150
Ongoing impact of rapid community discharge	0	0	1,000	500	300	200
<b>TOTAL Adult Social Care</b>	<b>43,065</b>	<b>43,765</b>	<b>49,215</b>	<b>2,330</b>	<b>1,750</b>	<b>1,370</b>
<b>Children's Services</b>						
Additional placements for children & young people above expected, including dispersal of UASC (demand led)	5,400	5,500	6,500	400	200	400
Direct payments and Community Support increased activity and costs (demand led)	500	530	630	30	50	20
Difficulty in recruiting essential frontline posts with permanent staff resulting in higher cost agency	550	630	930	100	100	100
Home to School Transport (demand led)	4,200	4,300	5,300	550	150	300
Legal costs through Joint Legal Team (demand led)	750	805	1,100	45	100	150
Adoption costs (demand led)	320	320	410	10	20	60
Emergency Duty Service (children's & adults) (demand led)	250	250	320	20	30	20
Potential ongoing impact of Covid-19	0	0	400	120	200	80
<b>TOTAL Children's Services</b>	<b>11,970</b>	<b>12,335</b>	<b>15,590</b>	<b>1,275</b>	<b>850</b>	<b>1,130</b>
<b>Place &amp; Growth</b>						
Highways (roads and footways) urgent repairs following flooding and freezing and disposal of Tar bound material	1,733	1,733	2,133	300	100	0
Winter maintenance (bad weather)	200	366	456	50	40	0
Street lighting - energy cost increase	570	623	933	160	150	0
Failure of an embankment/structure on the highway	0	0	1,000	800	200	0
Loss of Car Park income due to slower recovery following COVID	(2,395)	(2,395)	(700)	834	401	460
Loss of income from park & ride services due to slower recovery following COVID	(66)	(66)	(22)	22	22	0
Pre applications fees - under achievement of predicted fee income	(120)	(120)	(50)	20	20	30
Waste disposal costs	10,602	10,602	11,202	200	400	0
<b>TOTAL Place &amp; Growth</b>	<b>10,524</b>	<b>10,743</b>	<b>14,952</b>	<b>2,386</b>	<b>1,333</b>	<b>490</b>



## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2022/23 - 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
<b>Resources &amp; Assets</b>						
Net Income target from property portfolio not realised	(5,217)	(5,217)	(4,500)	317	200	200
Non achievement of Commercialisation savings	(398)	(398)	(200)	28	100	70
Loss of income due to underachievement - Leisure	(1,827)	(1,827)	(1,500)	57	100	170
Loss of income due to voids and empty properties	(740)	(740)	(600)	20	40	80
Loss of income due to lower contribution from other authorities - Internal Audit	(67)	(67)	(50)	4	6	7
Higher than planned cost of business rates	1,000	1,200	1,400	50	70	80
<b>TOTAL Resources &amp; Assets</b>	<b>(7,249)</b>	<b>(7,049)</b>	<b>(5,450)</b>	<b>476</b>	<b>516</b>	<b>607</b>
<b>Total Budget Variable - General fund</b>	<b>58,310</b>	<b>59,794</b>	<b>74,307</b>	<b>6,467</b>	<b>4,449</b>	<b>3,597</b>

# GENERAL FUND RESERVES – POLICY STATEMENT

## 1 Definition / Purpose

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

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

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

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

## 2 Policy (Criteria for Calculating Fund Requirement)

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

There is no generally applicable minimum level of reserves, although, previous guidance from the Audit Commission suggested a crude measure as 5% of net expenditure (excluding the Dedicated Schools Grant) as a minimum. For Wokingham Borough Council this criterion would fund council services for 18 days.

Good financial management practice requires a budget risk assessment to inform the level of reserves. Such a risk assessment is undertaken on an annual basis (as part of the budget setting process) and is detailed on the previous page. Although it should not be seen as an exact science, it provides an informed assessment of the level of risk inherent in the budgets (value and likelihood). The assessment of the budget contained in the MTFP for 2022/23 indicates that balances of at least £8.0m are required to provide for budget risks identified as high and medium. The recommended level of balances (below) is based on this.

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

## 3 Budget Risk Analysis

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

- £7.2m – minimum guide (5% net budget)
- £8.0m to £14.5m – reasonable level (High/Medium risks)
- £14.5m – 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 £235m) 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.

		2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
<b>INCOME</b>				
<b>Rents</b>				
Dwelling Rents		(15,502)	(15,967)	(16,446)
Garage Rents		(258)	(263)	(268)
Commercial Rents		(2)	(2)	(2)
<b>Total Rents</b>		<b>(15,762)</b>	<b>(16,232)</b>	<b>(16,716)</b>
<b>Fees &amp; Charges</b>				
Service Charges		(425)	(433)	(442)
Leasehold Charges		(123)	(125)	(128)
Other Charges for Services & Facilities		(48)	(48)	(48)
Interest on balances		(20)	(20)	(20)
<b>Total Income</b>		<b>(16,377)</b>	<b>(16,859)</b>	<b>(17,354)</b>
<b>EXPENDITURE</b>				
Housing Repairs		3,485	3,555	3,626
General Management		3,404	3,472	3,542
Sheltered Accommodation		231	235	240
Depreciation	Note 1	4,538	4,538	4,538
Capital Finance Interest Charge	Note 2	2,650	2,680	2,710
Voluntary Revenue Provision	Note 3	2,070	2,000	1,900
Revenue Contribution to Capital	Note 4	0	456	987
<b>Total Expenditure</b>		<b>16,377</b>	<b>16,936</b>	<b>17,542</b>
<b>Net Expenditure / (Income)</b>		<b>0</b>	<b>77</b>	<b>188</b>
<b>HRA Revenue Reserve</b>				
Balance at Beginning of Year		(1,280)	(1,280)	(1,203)
Net Expenditure / (Income) - from above		0	77	188
<b>Balances at Year End</b>	<b>Note 5</b>	<b>(1,280)</b>	<b>(1,203)</b>	<b>(1,015)</b>

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

Note 2. Based on current and forecast loan portfolio

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

Note 4. Additional revenue contribution to fund capital programme

Note 5. Reserve balances guided by assessments of financial risks

## HOUSING REVENUE ACCOUNT CAPITAL BUDGET

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

		2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
<b>EXPENDITURE</b>					
Estate Improvements		10	10	10	10
Home Loss Payments		0	100	220	150
Capitalised Staffing Costs		625	675	675	675
Adaptations for the Disabled		500	600	600	600
Voids		750	800	800	800
Housing Purchase & New Builds		2,054	0	2,500	2,500
Planned & Improvements Works		3,015	3,542	3,832	3,290
<b>Total Capital Expenditure</b>		<b>6,954</b>	<b>5,727</b>	<b>8,637</b>	<b>8,025</b>
<b>FUNDED BY</b>					
Major Repairs Reserve		(4,900)	(5,727)	(5,681)	(4,538)
Right to Buy Receipts	Note 1	(616)	0	(1,000)	(1,000)
Other Receipts / Grants	Note 2	0	0	0	0
Revenue Contributions	Note 2	0	0	(456)	(987)
Loan for 60% right to buy contribution	Note 2	(1,438)	0	(1,500)	(1,500)
<b>Total Capital Funding</b>		<b>(6,954)</b>	<b>(5,727)</b>	<b>(8,637)</b>	<b>(8,025)</b>
<b>Balances at Year End</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note 1. Estimated receipts from right to buy sales

Note 2. Additional borrowing to support maximising right to buy receipts and capital works

## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2022/23 - 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
<b>Housing Revenue Account (Resources &amp; Assets )</b>						
Risk of contractor failure to revenue budget	3,454	3,454	3,754	50	150	100
Risk of contractor failure to capital budget	5,727	5,727	6,027	50	150	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	225	175	50	0
Increase in rent arrears as we move from agency to settled team	0	0	150	50	50	50
Change to requirements of Regulatory framework and standards for Social Housing	0	50	150	30	40	30
<b>TOTAL Housing Revenue Account</b>	<b>9,181</b>	<b>9,231</b>	<b>10,606</b>	<b>505</b>	<b>540</b>	<b>330</b>

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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 2021	1.3
Estimated Balance 31st March 2022	1.3
Estimated Balance 31st March 2023	1.3
Estimated Balance 31st March 2024	1.2
Estimated Balance 31st March 2025	1.0

This excludes any capital balances.

## 2 Policy (Criteria for Calculating Fund Requirement)

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

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

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

The level of reserves have remained stable between 2021/22 and 2022/23 at c£1.3m. Within the period of the current MTFP, reserves are expected to reduce slightly however levels will remain above the suggested prudent levels.

## 3 Budget Risk Analysis

£0.9m - recommended level (High/Medium risks)

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

## SCHOOLS BLOCK BUDGET - presented to Schools Forum 12th January 2022

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. A significant programme of work is ongoing, working alongside partners and key stakeholders. Appropriate funding for SEND continues to be a national issue, with a major review expected to be undertaken by the Department for Education.

	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000
<b>INCOME</b>				
Dedicated schools grant	(83,759)	(84,321)	(86,007)	(87,727)
Pupil premium	(1,848)	(1,806)	(1,860)	(1,916)
<b>Total Income (Note 1)</b>	<b>(85,606)</b>	<b>(86,127)</b>	<b>(87,868)</b>	<b>(89,643)</b>
<b>EXPENDITURE</b>				
Individual Schools Budget (ISB)	58,812	56,310	57,437	58,584
High Needs Block Budget excluding ISB	15,030	17,265	17,611	17,963
Education of children under 5s in private, voluntary & independent settings	8,025	8,015	8,176	8,339
Pupil premium allocated to schools	1,848	1,806	1,860	1,916
Centrally retained services	945	995	1,015	1,035
Growth Fund	800	1,589	1,621	1,653
Early Years Contingency	147	147	149	152
<b>Total Expenditure</b>	<b>85,606</b>	<b>86,127</b>	<b>87,868</b>	<b>89,644</b>
<b>Net Expenditure / (Income)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Balance brought forward ( <b>Note 2</b> )	5,826	8,654	12,195	15,593
Budgeted net expenditure / (income)	0	0	0	0
Forecast in-year over / (under) spend ( <b>Note 3</b> )	2,828	3,541	3,398	2,317
<b>Balance Carried Forward - (Surplus) / Deficit</b>	<b>8,654</b>	<b>12,195</b>	<b>15,593</b>	<b>17,910</b>

**Note 1** - 2021/22 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 2021/22 and reported to the Schools Forum on 12th January 2022, primarily relating to the High Needs Block. Proposed 0.5% transfer from Schools Block to High Needs Block for 2022/23 not yet approved by Secretary of State and therefore excluded from figures. Significant challenge remains to balance available resource against increasing demand with future year's projected deficit informed by SEND Innovation & Improvement Programme modelling.

# CAPITAL PROGRAMME 2022/2025 and Prudential Indicators

## 1 Process

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

- Housing, Local Economy and Regeneration
- Roads and Transport
- Childrens Services and Schools
- Climate Emergency
- Internal Services
- Environment
- Adult Social Care

## 2 Capital Programme

An overview of the proposed programme over the next three years is shown below. Further detail of the Capital Programme allocation of individual projects across key areas, and key area sub - categories is contained in the schedules further on in this section of the Medium Term Financial Plan and can be found in the Capital Programme and Strategy 2022/25.

	2022/23 £m	2023/24 £m	2024/25 £m	Total £m
Housing, Local Economy and Regeneration	39.9	43.6	15.3	98.8
Roads and Transport	46.0	9.7	6.9	62.6
Children Services and Schools	4.2	11.1	15.9	31.2
Climate Emergency	16.7	7.8	5.8	30.3
Internal Services	10.1	6.1	3.6	19.8
Environment	5.2	1.3	6.1	12.6
Adult Social Care	2.0	6.3	0.8	9.1
<b>Total Capital Programme 2022/23 to 2024/25</b>	<b>124.1</b>	<b>85.9</b>	<b>54.4</b>	<b>264.4</b>

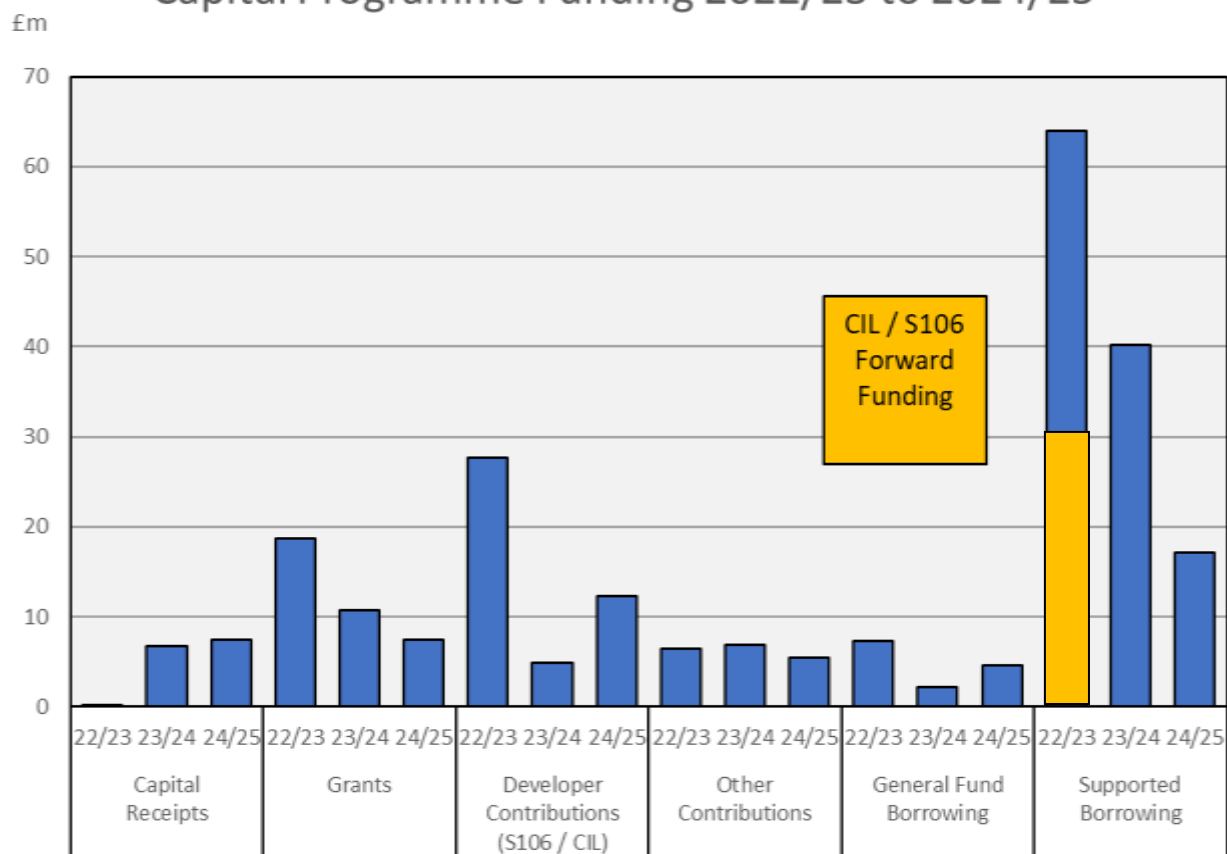
## 3 Capital Funding

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

The proposed capital budget for 2022/23 is £124.1m. It is proposed that this be funded by a combination of the funding sources shown below:



## Capital Programme Funding 2022/23 to 2024/25



	2022/23 £m	2023/24 £m	2024/25 £m	Total £m
Supported borrowing	(64.0)	(40.2)	(17.1)	(121.3)
Developer contributions (S106 / CIL)	(27.6)	(4.9)	(12.3)	(44.8)
Capital grants	(18.7)	(10.7)	(7.5)	(36.9)
Other contributions	(6.4)	(6.9)	(5.5)	(18.8)
Capital receipts	(0.1)	(6.8)	(7.5)	(14.4)
General fund borrowing	(7.3)	(2.2)	(4.6)	(14.1)
<b>Total</b>	<b>(124.1)</b>	<b>(71.7)</b>	<b>(54.5)</b>	<b>(250.3)</b>

The capital programme currently has a budget shortfall of c£14m 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 and 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 2022/23 to 2024/25 are set as:

Prudential Indicators	2022/23 £m	2023/24 £m	2024/25 £m
<b><u>Affordability</u></b>			
<b><u>Limits</u></b>			
Authorised Limit (Note: CFR*120%)	760	783	785
Operational Boundary (Note: CFR*110%)	696	718	719
<b><u>Performance Indicators</u></b>			
Gross external borrowing – General Fund (GF)	388	403	405
Gross external borrowing - HRA	69	68	66
% of internal borrowing to CFR	28%	28%	28%
Ratio of financing costs to net revenue stream - GF	-0.6%	-0.6%	-0.6%
Ratio of financing costs to net revenue stream - HRA	29.9%	29.2%	28.5%

The ratios above are explained in more detail in the Treasury Management Strategy 2022/23 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 2022/23 to 2024/25 is demonstrated in the table below.

<b>CFR : General Fund Total</b>	Total		
	22/23	23/24	24/25
	£m	£m	£m
Opening balance	432	554	574
Expenditure in year	161	44	23
Repayments in year	(39)	(24)	(20)
<b>Closing balance</b>	<b>554</b>	<b>574</b>	<b>577</b>

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

CFR : General Fund	Supported Borrowing			General Fund Borrowing		
	22/23	23/24	24/25	22/23	23/24	24/25
	£m	£m	£m	£m	£m	£m
Opening balance	307	428	450	125	126	124
Expenditure in year	156	42	18	5	2	5
Repayments in year	(35)	(20)	(16)	(4)	(4)	(4)
<b>Closing balance</b>	<b>428</b>	<b>450</b>	<b>452</b>	<b>126</b>	<b>124</b>	<b>125</b>

In the table above, the £156m supported borrowing expenditure assumes expenditure in relation to the remaining c£113m of the borrowing approved for community investment in utilised however the likelihood that this will only be used in 2022/23 if further renewable energy schemes are enacted.

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.

CFR : Breakdown of Supported Borrowing	Supported Borrowing		
	22/23	23/24	24/25
	£m	£m	£m
Invest to save	183	215	219
Town centre regeneration	85	83	79
Wokingham housing companies	49	55	61
Developer contributions forward funded	111	97	93
<b>Closing balance</b>	<b>428</b>	<b>450</b>	<b>452</b>

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.

CFR : HRA	Housing Revenue Account		
	22/23	23/24	24/25
	£m	£m	£m
Opening balance	80	79	78
Expenditure in year	1	1	1
Repayments in year	(2)	(2)	(2)
<b>Closing balance</b>	<b>79</b>	<b>78</b>	<b>77</b>

A full breakdown of the prudential indicators, investment strategy and borrowing strategy can be found in the Treasury Management Strategy 2022/23.

**CAPITAL PROGRAMME 2022/23 to 2024/25**

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.

	2022/23 £,000	2023/24 £,000	2024/25 £,000	Total £,000
<b>Housing, Local Economy and Regeneration</b> Delivering sustainability, a strong, robust and successful economy that stimulates opportunities for all who work and live in	39,939	43,619	15,285	98,843
<b>Roads and Transport</b> Continuous investment in highways infrastructure to meet the needs of current and future users of the network	46,013	9,735	6,916	62,664
<b>Children Services and Schools</b> Dedicated in providing services and schools which ensure all children have the opportunity to achieve their goals potential	4,243	11,116	15,930	31,288
<b>Climate Emergency</b> Commitment to reduce carbon emissions and working towards becoming a carbon neutral Council	16,672	7,763	5,826	30,260
<b>Internal Services</b> Investment in Council assets and technology to continue to support all Council services and priorities	10,104	6,113	3,640	19,857
<b>Environment</b> Investment and enhancement of facilities across the borough benefiting communities and residents wellbeing	5,222	1,283	6,100	12,605
<b>Adult Social Care</b> An effective, high-quality care and support service to providing a better quality of life for residents	1,959	6,320	781	9,060
<b>Total Capital Programme 2022/23 to 2024/25</b>	<b>124,152</b>	<b>85,949</b>	<b>54,478</b>	<b>264,578</b>

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## CAPITAL PROGRAMME 2022/23 to 2024/25 BY SUB CATEGORY

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

	2022/23 £,000	2023/24 £,000	2024/25 £,000	Total £,000
<b>Housing, Local Economy and Regeneration</b>				
Housing delivery	26,365	15,797	15,185	57,347
Income Generation	8,233	27,722	100	36,055
Service Improvements	3,500	100	0	3,600
Regeneration of towns	1,841	0	0	1,841
New facilities	0	0	0	0
<b>Housing, Local Economy and Regeneration Total</b>	<b>39,939</b>	<b>43,619</b>	<b>15,285</b>	<b>98,843</b>
<b>Roads and Transport</b>				
New roads	36,372	64	66	36,502
Improvement to existing facilities	7,265	7,145	3,575	17,985
Service improvements	2,376	2,526	3,276	8,178
<b>Roads and Transport Total</b>	<b>46,013</b>	<b>9,735</b>	<b>6,916</b>	<b>62,664</b>
<b>Children Services and Schools</b>				
New facilities	2,214	9,309	14,123	25,646
Improvement to existing facilities	1,741	1,327	1,327	4,395
Service improvements	288	480	480	1,248
<b>Children Services and Schools Total</b>	<b>4,243</b>	<b>11,116</b>	<b>15,930</b>	<b>31,288</b>
<b>Climate Emergency</b>				
Alternative transport	3,692	4,704	2,767	11,162
Clean energy generation	10,000	0	0	10,000
Co2 reduction	2,980	3,059	3,059	9,098
<b>Climate Emergency Total</b>	<b>16,672</b>	<b>7,763</b>	<b>5,826</b>	<b>30,260</b>

**CAPITAL PROGRAMME 2022/23 to 2024/25 BY SUB CATEGORY CONT..**

	2022/23 £,000	2023/24 £,000	2024/25 £,000	Total £,000
<b>Internal Services</b>				
Service improvements	4,454	3,463	2,990	10,907
New facilities	5,000	2,000	0	7,000
Improvement to existing facilities	650	650	650	1,950
<b>Internal Services Total</b>	<b>10,104</b>	<b>6,113</b>	<b>3,640</b>	<b>19,857</b>
<b>Environment</b>				
New facilities	4,755	1,000	6,000	11,755
Service improvements	367	183	0	550
Improvement to existing facilities	100	100	100	300
<b>Environment Total</b>	<b>5,222</b>	<b>1,283</b>	<b>6,100</b>	<b>12,605</b>
<b>Adult Social Care</b>				
New facilities	1,200	5,541	0	6,741
Service improvements	709	729	731	2,169
Improvement to existing facilities	50	50	50	150
<b>Adult Social Care Total</b>	<b>1,959</b>	<b>6,320</b>	<b>781</b>	<b>9,060</b>
<b>Total Capital Programme 2022/23 to 2024/25</b>	<b>124,152</b>	<b>85,949</b>	<b>54,478</b>	<b>264,578</b>

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**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
<b>Housing, Local Economy and Regeneration</b>						
Housing delivery  97	WBC (Holdings) Ltd Loan	Wokingham Borough Council owned houses funding. (1-4-5 housing objective)	10,000	6,000	6,000	22,000
	Housing (Tenants Services)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)	5,627	5,917	5,375	16,919
	Gorse Ride Regeneration Project	To part fund phase 2 of the Gorse Ride regeneration project	9,568	60	60	9,688
	Purchase of council houses HRA	To replace HRA housing stock using the 1 for 1 Right to Buy receipts	0	2,500	2,500	5,000
	Mandatory disabled facility grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home	1,070	1,100	1,100	3,270
	HRA Home loss Payments for Gorse Ride South	Redevelopment of Gorse Ride Housing Estate to provide new affordable housing	100	220	150	470
<b>Housing delivery total</b>			<b>26,365</b>	<b>15,797</b>	<b>15,185</b>	<b>57,347</b>
Income generation	Community Investment	To build on the commercial property portfolio in line with the Council's socio-economic and sustainability agendas	6,833	26,500	0	33,333
	Work place re-imagined	Redesigning use of WBC assets to generate future income	1,400	1,222	100	2,722
<b>Income generation total</b>			<b>8,233</b>	<b>27,722</b>	<b>100</b>	<b>36,055</b>

## CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
Service improvements	Infrastructure to enable Toutley East development	Infrastructure (including roads) to enable Toutley East development	3,500	0	0	3,500
	Improvements to WBC commercial properties	To ensure commercial properties are suitable for letting	0	100	0	100
		Service improvements total	3,500	100	0	3,600
Regeneration of towns	Carnival Pool Area Redevelopment (including library & leisure fit out)	Part of town centre regeneration scheme	1,841	0	0	1,841
		Regeneration of towns total	1,841	0	0	1,841
<b>Housing, Local Economy and Regeneration</b>			<b>39,939</b>	<b>43,619</b>	<b>15,285</b>	<b>98,843</b>
<b>Roads and Transport</b>						
New roads	SCAPE - Road infrastructure (distribution roads etc) initial costs	Investment in future road building / enhancement across WBC road network (including new relief roads)	33,000	0	0	33,000
	Nine Mile Ride Extension		3,310	0	0	3,310
	Completed Road Schemes Retention	Retention costs after scheme completion	62	64	66	192
		New roads total	36,372	64	66	36,502



**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
66 Improvement to existing facilities	Highways Carriageways Structural Maintenance	Rolling programme to resurfacing carriageways (roads) to repair damage and extends the life of the asset	2,280	2,280	2,280	6,840
	Bridge Strengthening - Earley Station Footbridge	New footbridge over railway	0	3,800	0	3,800
	Warren House Road Embankment Stabilisation	Stabilise highways structure	3,000	0	0	3,000
	Safety / Crash Barriers	Improving safety / crash barriers on the highways in the borough	250	500	750	1,500
	The Ridges	Repair and stabilise closed road	1,000	0		1,000
	Bridge Strengthening	Continued enhancement to highway structures	225	225	225	675
	Highway Drainage Schemes (road subsided)	To reduce the overall degradation of the highway drainage network	200	200	200	600
	Highways Footway Structural Maintenance Programme	Enhancement to footways within the borough	100	100	100	300
	VRS Priority Sites		190	0	0	190
	Strengthening Approach Embankments to Bridges	Continued enhancement to highway structures	20	20	20	60
	Street Lighting Column Structural Testing	Structural testing of lighting assets	0	20	0	20
Improvement to existing facilities total			7,265	7,145	3,575	17,985

**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
Service improvements	Wokingham Highways Investment Strategy (WHIS)	A "Needs Based" approach to maintaining Wokingham's highways network, aligned to the Council's and stakeholder	2,126	2,126	2,126	6,378
	Integrated Transport Schemes	Enhancement the integrated transport schemes	250	400	400	1,050
	Highway Infrastructure Flood Alleviation Schemes	To deliver flood risk management schemes and sustainable drainage systems to reduce the risk of flooding to major highways across the borough	0	0	500	500
	Traffic Signal Upgrade Programme	Investment in highways signals	0	0	250	250
		Service improvements total	2,376	2,526	3,276	8,178
<b>Roads and Transport total</b>			<b>46,013</b>	<b>9,735</b>	<b>6,916</b>	<b>62,664</b>

**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
<b>Children Services and Schools</b>						
New Facilities	Basic needs secondary - additional places	Extension / new build projects to provide additional places throughout the Borough to meet need	2,100	4,500	6,500	13,100
	Sixth form expansion	Provide additional places throughout the borough to meet need for additional sixth form places	0	3,500	1,900	5,400
	Spencer's Wood primary school	New build project to provide additional places throughout the borough to meet needs	0	0	5,138	5,138
	Care leaver accommodation	To provide a setting to meet the needs of vulnerable children	0	1,200	0	1,200
	Basic needs primary - additional places	Extension / new build projects to provide additional places throughout the Borough to meet need	0	0	500	500
	Arborfield / Barkham primary schools		50	30	30	110
	Shinfield West primary school		30	30	30	90
	Matthewsgreen primary school	Furniture, fittings & Equipment to meet need of additional places throughout the Borough	0	38	25	63
	Montegue Park primary school		34	11	0	45
		New facilities total	2,214	9,309	14,123	25,646

**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
102 Improvement to existing facilities	Schools maintenance	Urgent capital planned improvements and suitability issues	630	630	630	1,890
	Schools devolved formula	Specific government grant to carry out capital works, controlled by schools	389	375	375	1,139
	Children in Care Equipment	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	200	200	200	600
	Schools condition maintenance	Capital planned improvements and suitability issues	400	0	0	400
	School kitchens	Improve various school meals kitchens including delivery of the universal free school meal programme	100	100	100	300
	ICT equipment for children in care	Purchase / replace equipment that is provided to children in care in line with our children in care pledge	22	22	22	66
		Improvement to existing facilities total	1,741	1,327	1,327	4,395
Service improvements	Safer Routes to Schools	Infrastructure changes to make school journey's by most sustainable mode	150	150	150	450
	Capitalisation of analysts and report developers	Investment in Business Analysts part of continued change programme	138	138	138	414
	Systems Contract (Capita)	Re-tender of Children's services IT systems	0	192	192	384
		Service improvements total	288	480	480	1,248
<b>Children Services and Schools total</b>			<b>4,243</b>	<b>11,116</b>	<b>15,930</b>	<b>31,288</b>

## CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
<b>Climate Emergency</b>						
Alternative transport  103	Wokingham Borough Cycle Network	Investment in cycle networks in the borough	1,000	1,000	1,000	3,000
	Greenways	A network of quiet commuting and leisure routes for pedestrians and cyclists	742	1,000	1,000	2,742
	Local Cycling and Walking Infrastructure Plans	Improvements for walking and cycling in borough	1,200	1,200	0	2,400
	Public Rights of Way Network	Investment in all public rights of way and other non-motorised routes to support the needs of all types of users	0	1,474	737	2,210
	A327 Cycleway	Investment in cycle networks in the borough	750	0	0	750
	Bus Stop Infrastructure Works to Support North Arborfield SDL Bus Strategy	Transport infrastructure enhancement	0	30	30	60
		Alternative transport total	3,692	4,704	2,767	11,162
Clean energy generation	Renewable Energy Infrastructure projects (e.g. solar farms)	Renewable energy generation infrastructure. i.e. solar farms (fields of solar panels) feeding into a battery or grid arrangement and either us selling off the energy or using against our own consumption	8,000	0	0	8,000
	Solar Farms (Barkham)		2,000	0	0	2,000
		Clean energy generation total	10,000	0	0	10,000

**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
Co2 reduction	Energy Reduction Projects	Energy efficiency projects at existing properties including, installing LED lighting, cavity wall & loft insulation, boiler controls,	2,000	1,750	1,750	5,500
	Electric Vehicle Charge Points	Installation of electric vehicle charge points	600	1,200	1,200	3,000
	Supplementary Estimate - Carbon Capture Planting Trees	To plant 250,000 trees in the borough to assist with the reduction of carbon emissions as well as the enhancement of biodiversity	271	0	0	271
	Waste Schemes - Recycling	Purchase of waste receptacles to enable the borough to enhance their waste / recycling	89	89	89	267
	Food Waste Collection	To provide food waste containers	20	20	20	60
		Co2 reduction total	2,980	3,059	3,059	9,098
<b>Climate Emergency total</b>			<b>16,672</b>	<b>7,763</b>	<b>5,826</b>	<b>30,260</b>
<b>Internal Services</b>						
	Central Contingency	For allocation to schemes if required	1,500	1,500	1,500	4,500
	Microsoft E5		553	648	890	2,091
	IMT Infrastructure, Networks & Security	Continued enhancement in IT network	420	330	250	1,000
	IMT Devices	Devices (Hardware) refreshed on an ongoing basis e.g. laptops	200	200	200	600
	Laptop Refresh	This project refreshes the Council's Laptop estate on a 4 year life cycle	50	350	0	400
	Berkshire Records Office	Extension to the Berkshire Record Office building	303	0	0	303

**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories		Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
105	Service improvements	Smart Phone refresh	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.)	300	0	0	300
		Network Hardware Replacement		100	100	100	300
		IMT Corporate Applications - Upgrades		103	105	50	258
		New Website - Content Management System		200	0	0	200
		Digital Tools Customer APP for Selected services		160	0	0	160
		ADFS replacement with Azure AD adoption		80	80	0	160
		Telephony Improvements - Move to teams		150	0	0	150
		BWO Income Manager Replacement		150	0	0	150
		Cyber Security Improvements		50	50	0	100
		Digital Tools - Replace CMS		0	100	0	100
		Intranet refresh		60	0	0	60
		Digital Tools - Single Booking System		60	0	0	60
		Split external VLAN to own switches		15	0	0	15
					Service improvements	4,454	3,463

**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
New facilities	Capital Construction Inflation Costs	To meet increasing labour and material costs of construction across the programme where required	5,000	2,000	0	7,000
		New facilities total	5,000	2,000	0	7,000
Improvement to existing facilities	Property Maintenance and Compliance	The continued development and upkeep of the Councils customer digital assets and infrastructure	350	350	350	1,050
	Maintaining an enhanced level of IT infrastructure		300	300	300	900
		Improvement to existing facilities total	650	650	650	1,950
<b>Internal Services</b>			<b>10,104</b>	<b>6,113</b>	<b>3,640</b>	<b>19,857</b>
<b>Environment</b>						
New facilities	New pool at Arborfield	A development of a new swimming pool	0	1,000	6,000	7,000
	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	4,080	0	0	4,080
	3G Pitch at Laurel Park	New 3G Pitch	600	0	0	600
	Outdoor gyms x 3 locations	New outdoor fitness gyms	75	0	0	75
		New facilities total	4,755	1,000	6,000	11,755
Service improvements	Planning & Public Protection Partnership (PPP) - system replacement	New software system with mobile functionality required to support PPP service Planning service	367	183	0	550
		Service improvements total	367	183	0	550
Improvement to existing facilities	Leisure Centre Refurbishments & upgrades	The enhancement of existing leisure facilities	100	100	100	300
		Improvement to existing facilities total	100	100	100	300
<b>Environment total</b>			<b>5,222</b>	<b>1,283</b>	<b>6,100</b>	<b>12,605</b>



**CAPITAL PROGRAMME 2022/23 to 2024/25 - DETAIL**

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

Key Areas - by Sub Categories	Project Name	Project Description	Year 1 2022/23 £,000	Year 2 2023/24 £,000	Year 3 2024/25 £,000	Total
<b>Adult Social Care</b>						
New facilities	Older people's dementia care home	Manage the future demand by investing in additional supported living accommodation	0	5,541	0	5,541
	Adult social care accommodation transformation	Additional supported living accommodation to support our learning disability strategy	1,200	0	0	1,200
		New facilities total	1,200	5,541	0	6,741
Service improvements	Adult social care community equipment	Support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of	709	729	731	2,169
		Service improvements total	709	729	731	2,169
Improvement to existing facilities	Adult social care maintenance & refurbishment	Urgent maintenance / refurbishment of the Health and Wellbeing estate to retain the function and value of the assets and to meet health and safety issues	50	50	50	150
		Improvement to existing facilities total	50	50	50	150
<b>Adult Social Care total</b>			<b>1,959</b>	<b>6,320</b>	<b>781</b>	<b>9,060</b>

# 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 2022/23 to 2026/27

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

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £,000	2026/27 £,000	Total £'000
<b>Housing, Local Economy and Regeneration</b>						
Housing delivery	26,365	15,797	15,185	14,910	14,660	86,917
Income Generation	8,233	27,722	100	0	0	36,055
Service Improvements	3,500	100	0	100	0	3,700
Regeneration of towns	1,841	0	0	1,971	670	4,482
<b>Housing, Local Economy and Regeneration Total</b>	<b>39,939</b>	<b>43,619</b>	<b>15,285</b>	<b>16,981</b>	<b>15,330</b>	<b>131,154</b>
<b>Roads and Transport</b>						
New roads	36,372	64	66	9,493	420	46,415
Improvement to existing facilities	7,265	7,145	3,575	3,345	3,575	24,905
Service improvements	2,376	2,526	3,276	650	650	9,478
<b>Roads and Transport Total</b>	<b>46,013</b>	<b>9,735</b>	<b>6,916</b>	<b>13,488</b>	<b>4,645</b>	<b>80,797</b>
<b>Children Services and Schools</b>						
New facilities	2,214	9,309	14,123	9,627	5,060	40,333
Improvement to existing facilities	1,741	1,327	1,327	1,127	1,127	6,649
Service improvements	288	480	480	480	480	2,208
<b>Children Services and Schools Total</b>	<b>4,243</b>	<b>11,116</b>	<b>15,930</b>	<b>11,234</b>	<b>6,667</b>	<b>49,189</b>
<b>Climate Emergency</b>						
Alternative transport	3,692	4,704	2,767	4,617	4,237	20,016
Clean energy generation	10,000	0	0	0	0	10,000
Co2 reduction	2,980	3,059	3,059	8,059	10,459	27,616
<b>Climate Emergency Total</b>	<b>16,672</b>	<b>7,763</b>	<b>5,826</b>	<b>12,676</b>	<b>14,696</b>	<b>57,632</b>
<b>Internal Services</b>						
Service improvements	4,454	3,463	2,990	2,790	3,040	16,737
New facilities	5,000	2,000	0	0	0	7,000
Improvement to existing facilities	650	650	650	650	650	3,250
<b>Internal Services Total</b>	<b>10,104</b>	<b>6,113</b>	<b>3,640</b>	<b>3,440</b>	<b>3,690</b>	<b>26,987</b>
<b>Environment</b>						
New facilities	4,755	1,000	6,000	0	0	11,755
Service improvements	367	183	0	0	0	550
Improvement to existing facilities	100	100	100	100	100	500
<b>Environment Total</b>	<b>5,222</b>	<b>1,283</b>	<b>6,100</b>	<b>100</b>	<b>100</b>	<b>12,805</b>
<b>Adult Social Care</b>						
New facilities	1,200	5,541	0	0	0	6,741
Service improvements	709	729	731	737	745	3,651
Improvement to existing facilities	50	50	50	50	550	750
<b>Adult Social Care Total</b>	<b>1,959</b>	<b>6,320</b>	<b>781</b>	<b>787</b>	<b>1,295</b>	<b>11,142</b>
<b>Total Capital Programme 2022/23 to 2026/27</b>	<b>124,152</b>	<b>85,949</b>	<b>54,478</b>	<b>58,706</b>	<b>46,423</b>	<b>369,707</b>

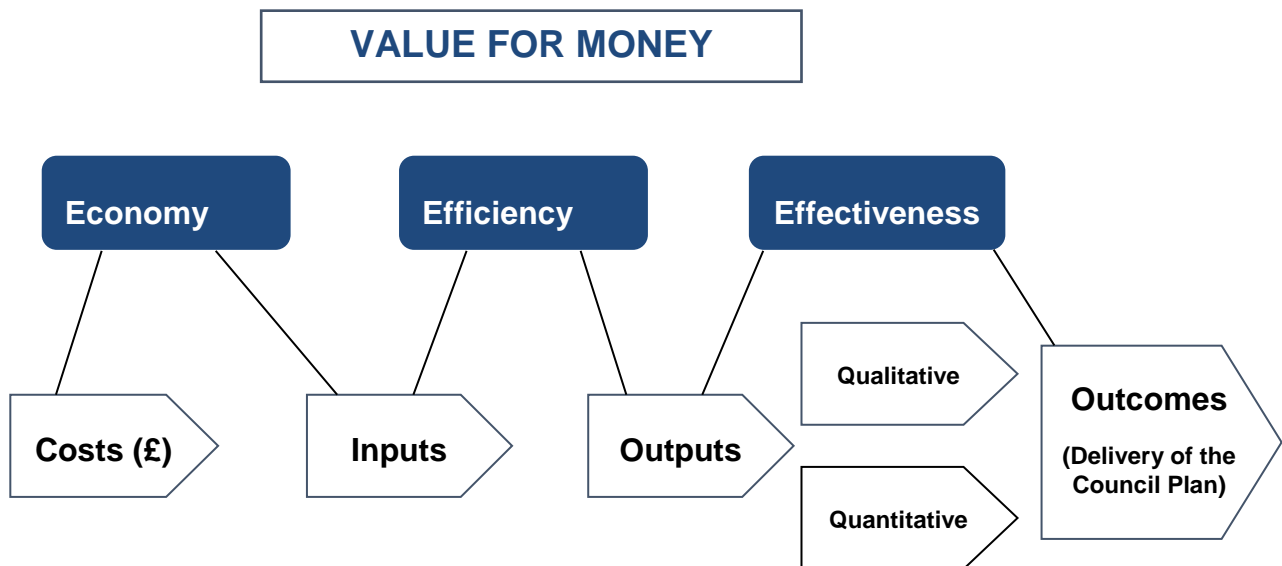
## COMMERCIALISATION AND VALUE FOR MONEY

### Commercialisation

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

### Value for Money

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



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

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

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

## KEY ACTIVITY DATA

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

Unit Description		2022/23			2023/24			2024/25			Risk Indicator
		Units	Ave Price £	Total £'000	Units	Ave Price £	Total £'000	Units	Ave Price £	Total £'000	
<b>Adult Social Services</b>											
Learning Disability, Residential Care	weeks	4,992	1,538	7,679	5,082	1,584	8,051	5,210	1,632	8,501	High
Learning Disability, Supported Living	weeks	10,525	925	9,735	11,843	953	11,282	13,672	981	13,416	High
Mental Health, Supported Living	weeks	2,674	459	1,227	2,800	473	1,323	2,980	487	1,451	Medium
Older People, Homecare	hours	335,907	19	6,409	333,461	20	6,553	333,521	20	6,711	High
Older People, Nursing Care	weeks	3,307	988	3,267	3,416	1,018	3,475	3,568	1,048	3,739	High
Older People, Residential Care	weeks	4,171	897	3,742	3,997	924	3,692	3,773	952	3,591	High
Physical Disability, Homecare	hours	129,686	19	2,474	136,314	20	2,679	145,786	20	2,951	Medium
Physical Disability, Supported Living	weeks	532	804	428	589	828	488	667	853	569	Medium
<b>Children's Services</b>											
Foster Placements / Staying Put	per night	28,486	61	1,750	29,056	63	1,838	29,637	65	1,931	Medium
Independent Foster Placements	per night	3,045	129	392	3,106	133	412	3,168	137	433	Medium
Residential Home Placements	per night	5,078	543	2,757	5,180	559	2,896	5,283	576	3,043	High
Semi-independent Living	per night	3,216	210	674	3,280	216	708	3,346	222	744	Medium
Home to School Transport - Mainstream	per pupil	450	2,300	1,035	460	2,369	1,090	470	2,440	1,147	High
Home to School Transport - SEND	per pupil	340	9,970	3,390	370	10,269	3,800	400	10,577	4,231	High
<b>Place &amp; Growth</b>											
Waste Disposal (based on 72000 tonnes pa in 2021/22) combined landfill and recycling and 3% growth per annum. The average cost of recycling treatment (including DMR and food waste) is £66.68 for 2021/22. This has been increased by 5% per year - RPI	charge per tonne	74,200	70	5,195	76,500	72	5,542	78,000	76	5,897	Medium
Building Control - Plan check fee (Total Number of Submissions in year)	per search	928	491	456	928	491	456	928	491	456	Low
Development Control - Planning Application Fees - Major	per application	52	9,231	480	52	9,231	480	52	9,231	480	High
Development Control - Planning Application Fees - Minor	per application	1,570	300	471	1,570	300	471	1,570	300	471	High
<b>Schools Block - Dedicated Schools Grant</b>											
Independent & Non Maintained Special School Placements	per pupil	145	65,000	9,425	135	65,000	8,775	110	65,000	7,150	High

# COUNCIL TAX BACKGROUND INFORMATION

## 1 Council Tax – Valuation Bands

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

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

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

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

## 2 Council Tax – Exempt Dwellings

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

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

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

### **3 Council Tax - Discounts**

The full council tax bill assumes that there are two adults living in a dwelling. If only one adult lives in a dwelling (as their main home), the council tax bill is reduced by a quarter (25%).

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

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

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

Exceptions include certain dwellings, including caravans and boats, provided by an employer (tied accommodation) may be eligible for the second home reduction of 50 percent for a limited period of time. Contact [ctax@wokingham.gov.uk](mailto: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 1<sup>st</sup> April 2013. The new scheme ensures that people in receipt of Income Support / Universal Credit, other state benefits or on low incomes have their bills reduced. It is a means tested reduction.

### **6 Council Tax – Premium**

Properties that have been empty and unfurnished for more than two years will be charged a premium of 100% of the council tax for the property. In addition, Local Authorities have the ability to increase the Empty Homes Premium on long term empty properties (empty for five years or more) from 100% to 200%. This will encourage owners of those long term empty homes to bring them back into use.

## 7 Council Tax Base

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

From this figure an adjustment is made:

- For estimated changes in the Tax Base which could arise for a variety of reasons, such as appeals, disability relief awarded, new properties and properties falling off the valuation list.
- For an allowance for non-collection of the tax.
- For the reductions in income receivable as a result of the council tax support scheme.

The resulting figure is the Band D equivalent Tax base.

## 8 Council Tax Rate

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

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

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

## 9 Precepts and Collection Fund Surplus / Deficit

Wokingham Borough Council also collects council tax on behalf of the Police and Crime Commissioner for Thames Valley, and the Royal Berkshire Fire and Rescue Authority. The precepts for 2021/22 and 2022/23 are set out below.

Precept	2021/22 £	Band D £	2022/23 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	16,952,153	231.28	18,083,043	£241.28	4.32
Royal Berkshire Fire Authority	5,053,835	68.95	TBC	TBC	TBC



## **Collection Fund Surplus**

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2022. The calculation was made on the 15th January as required by the legislation. The surplus / deficit is required to be apportioned between the precepting authorities pro rata to the previous year's precept. As at the 31st March 2022 the collection fund expects to achieve a surplus of £1,183,946 therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £1,000,000

Police and Crime Commissioner for Thames Valley – £140,000

Royal Berkshire Fire Authority - £41,000

## PARISH PRECEPTS 2022/23

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

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

PARISH	TAX BASE	2021/22	COUNCIL TAX BAND D	TAX BASE	2022/23	COUNCIL TAX BAND D
		PARISH PRECEPT			PARISH PRECEPT	
		£	£		£	£
Arborfield & Newland	1,324.20	103,578	78.22	1,298.90	106,955	82.34
Barkham	2,012.90	65,555	32.57	2,158.90	73,787	34.18
Charvil	1,437.20	69,118	48.09	1,464.90	87,059	59.43
Earley	11,961.20	988,054	82.60	11,974.90	988,054	82.51
Finchampstead	6,032.00	168,500	27.93	6,295.60	184,615	29.32
Remenham	329.00	27,209	82.70	327.30	27,751	84.79
Ruscombe	533.00	29,600	55.53	545.70	29,300	53.69
St. Nicholas Hurst	1,086.30	44,700	41.15	1,104.00	48,400	43.84
Shinfield	6,703.20	488,797	72.92	7,356.10	552,370	75.09
Sonning	835.70	38,046	45.53	829.50	39,002	47.02
Swallowfield	1,075.10	25,813	24.01	1,077.80	32,237	29.91
Twyford	3,037.20	116,140	38.24	3,026.40	127,238	42.04
Wargrave	2,128.10	194,673	91.48	2,150.90	204,404	95.03
Winnersh	4,298.50	174,675	40.64	4,465.30	186,917	41.86
Wokingham Town	16,396.30	970,732	59.20	16,712.90	1,014,210	60.68
Wokingham Without	3,300.40	218,709	66.27	3,299.40	227,400	68.92
Woodley	10,806.80	1,293,034	119.65	10,857.80	1,225,628	112.88
<b>TOTAL</b>	<b>73,297.10</b>	<b>5,016,933</b>	<b>68.45</b>	<b>74,946.30</b>	<b>5,155,327</b>	<b>68.79</b>

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

**COUNCIL TAX BY BAND AND PARISH 2022/23**

**\*\*\* Information to follow once all precept information received from Fire, Police and Parishes \*\*\***

## **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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