

Medium Term Financial Plan 2023/2024

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



WOKINGHAM
BOROUGH COUNCIL

Introduction

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

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

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

The following pages also include;

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

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

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CHIEF FINANCE OFFICER'S STATUTORY REPORT

1. Introduction

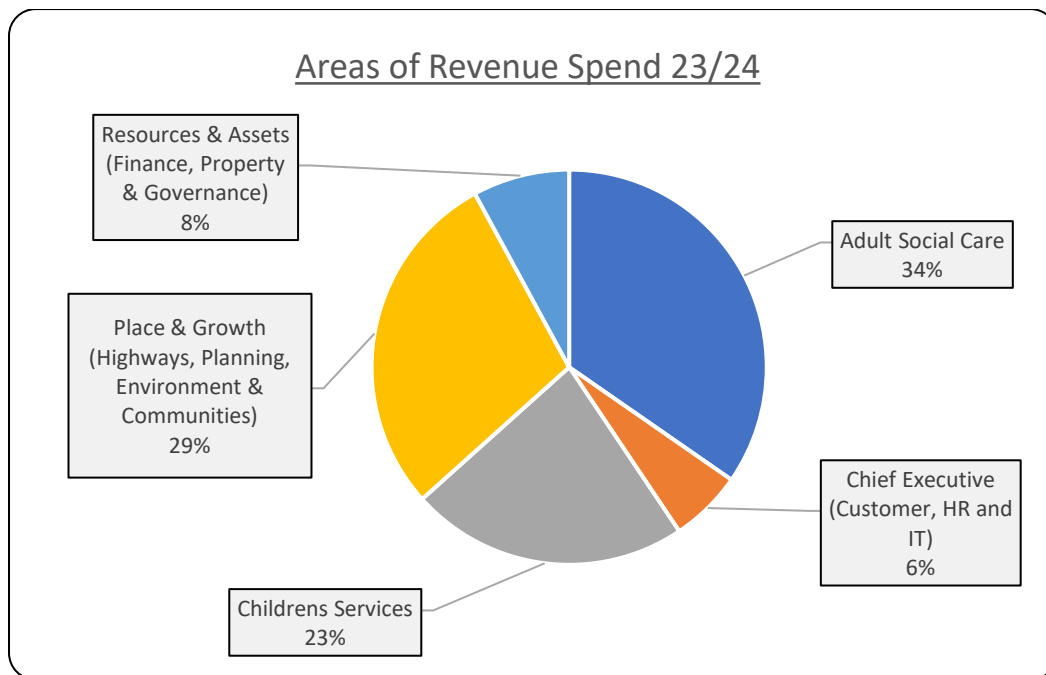
The Local Government Act 2003 requires the Chief Finance Officer (CFO) to report to Members (Councillors), when setting the council tax charges. The CFO must state if the budget is robust and if it has enough reserves. The report is intended to discharge this responsibility and provides an overview of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

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



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

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



2. The financial standing of the Council

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

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

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

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

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

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

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

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

These activities include;

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

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

3. How Council services are funded?

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

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

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

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

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

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

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

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

A five-year capital strategy has been developed with the aims of realising the Council's vision, raising the quality of life of residents and improving medium to long term planning.

The first three years of the capital vision invariably receive greatest consideration and provides an indicative capital programme, although budget approvals and scheme commitments are provided to year 1 only. This has been developed following an assessment against key Council priorities, including a value for money and risk analysis.

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

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

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

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

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

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

Under the Localism Act the Council took control of its housing rental income thus enabling more effective planning for the long-term management of these key assets. In return Wokingham took on its share of the £28bn national housing debt as part of the self-financing settlement. Although the Council took on significant debt to do this, the scheme should be beneficial to the Council and its tenants in the longer term both regarding retaining income and generating capacity to invest in the housing stock.

The HRA is a ring-fenced account and as such has no impact on the level of council tax. The money spent maintaining the Council's housing stock (valued at approximately £274m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants.

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

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

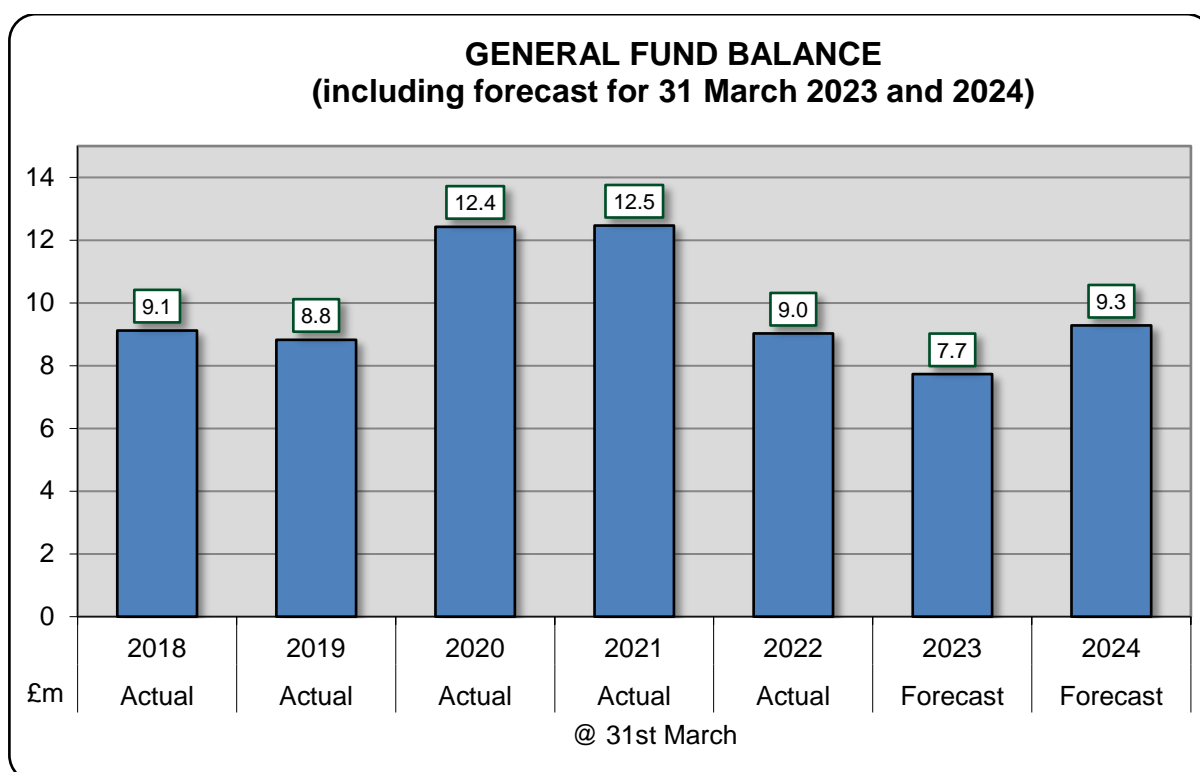
The Council receives DSG annually from the DfE and it must be used in support of the schools' budget as defined in the School and Early Years Finance (England) Regulations 2022. The purpose of the schools' budget is defined in legislation as the provision of primary and secondary education. Since the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

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

4. Adequacy of reserves

The level of general fund balances is informed by a budget risk analysis. This approach was introduced in 2003/04 when the Council agreed the policy on reserves and balances. The budget risk analysis is included annually in the medium-term financial plan. Historically this has shown that a safe level of General Fund Balances to be in the region of £9m with a minimum at £5m.

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



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

Capital

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

Housing Revenue Account (HRA)

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

Dedicated Schools Grant (DSG)

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

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

Other Balances

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

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

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

5. Major Financial Risks – Forward Look

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

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

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

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

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

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

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

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

6. Conclusion

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

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

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



Graham Ebers

Deputy Chief Executive
(and Chief Financial Officer)

7. Glossary

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

Appendix 1;

Key Financial Standing & Funding Context

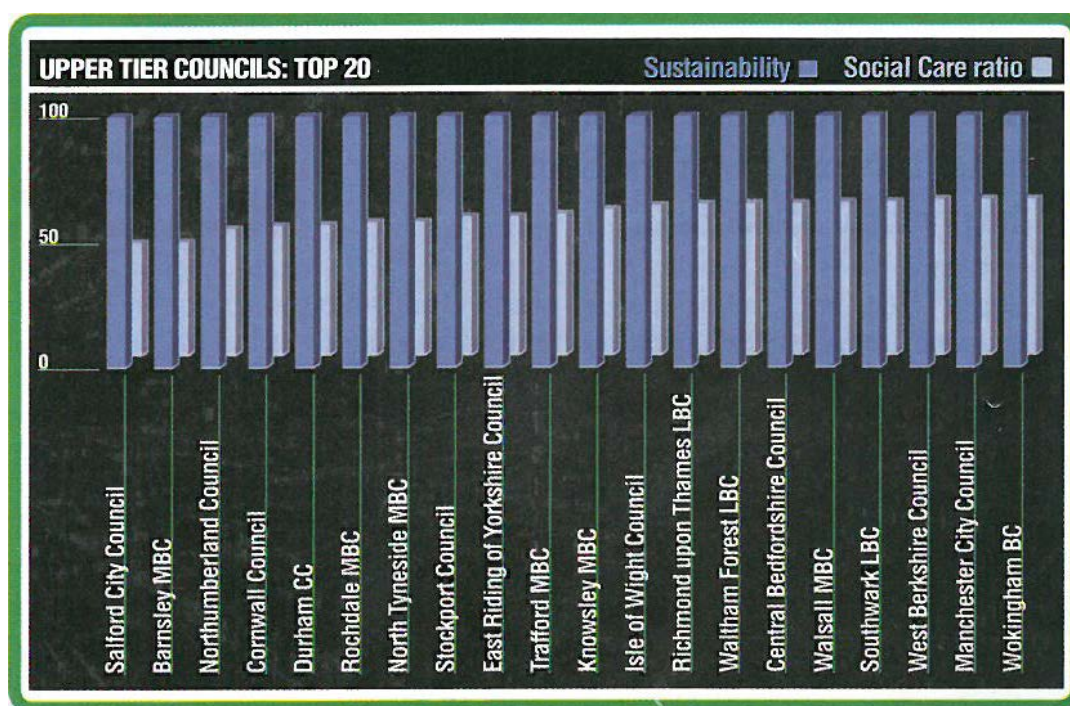
As part of the overall approach to managing and monitoring the financial position it is important to monitor and review the longer-term trend, impacts of funding and the position against other Councils. These are useful measures to further ensure Wokingham's approach and understanding is reasonable and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

CIPFA Resilience Index

In December 2019, CIPFA published their first financial resilience tool which highlighted key financial indicators such as reserves sustainability, external debt and social care ratios based on the 2018/2019 financial year. The index shows a council's position on a range of measures associated with financial risk and financial stress. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over a number of years, public consultation and technical stakeholder engagement.

Wokingham have been rated in the top 20 of upper tier councils for financial sustainability (source: 9th Jan 2020 – The Management Journal). Although Wokingham have been rated highly for financial sustainability (measured by ability to maintain reserve balances), the Council still face significant challenges and risks in the future which are outlined in this report and throughout the Medium Term Financial Plan (MTFP). Also included in the graph is the social care ratio which shows how much of the annual spend is linked to social care which is seen by CIPFA as an area of financial risk for all local authorities.

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



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

Wokingham Funding Context

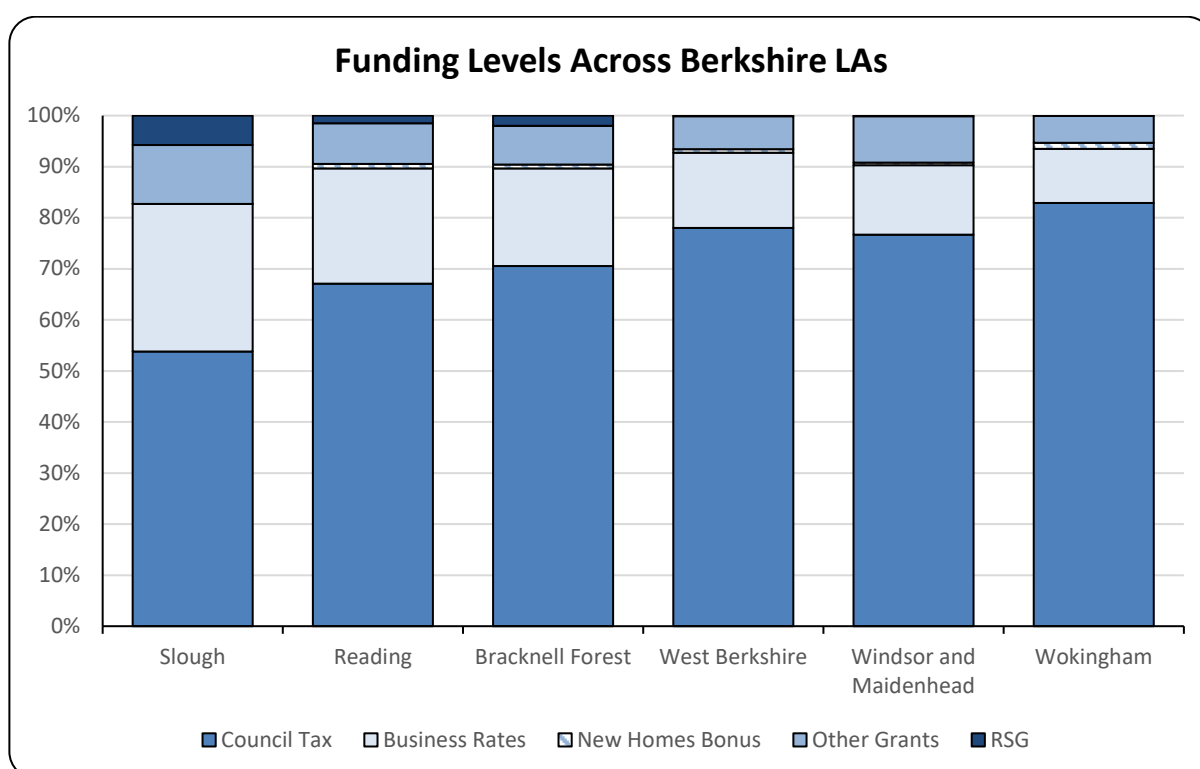
The reductions in Government grants have had a major impact on the Council's finances and budgets since 2010/11. The Council's net expenditure budget has been reduced each year since 2010/11 as shown in the table below, which indicates that the net expenditure budget has been reduced by £53m (50%) between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

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

This is the result of numerous years of local government funding driven by a formula that is skewed toward deprivation factors (as opposed to recognising the basic cost of providing services) and reductions in centrally funded grants based on percentage reductions to

previous years, Wokingham Borough Council has been for many years the lowest funded unitary authority (per head of population) in the country. A consequence of this is that Wokingham Borough Council's local services are deemed in the finance settlement to have the majority funded by its council taxpayers. Whilst the average unitary authorities receive revenue support grant and retained business rates to fund around 30% of their service costs, Wokingham receive only 11%.

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

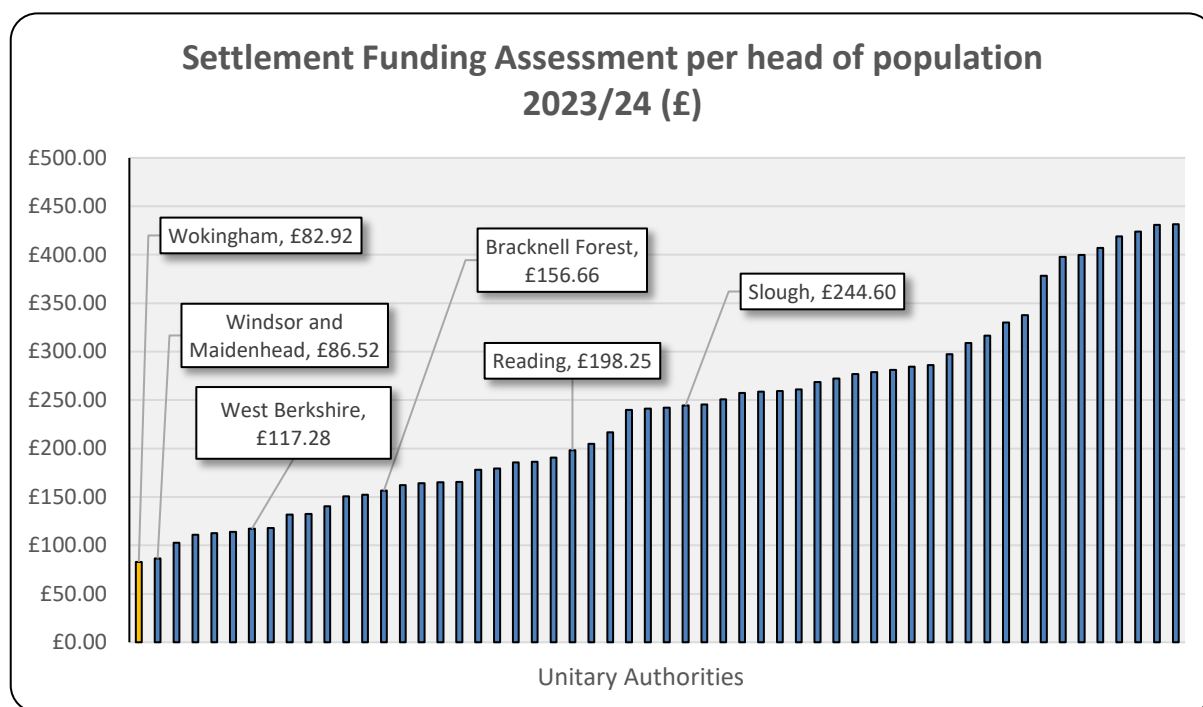


Settlement Funding Assessment (SFA)

The SFA is a calculation consisting of the sum of baseline funding level (BFL) and the revenue support grant (RSG). The BFL represents Wokingham's share of business rates retained income (£14.65m) and the RSG represents a grant from government to help fund services within Wokingham (£0.12m).

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

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



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

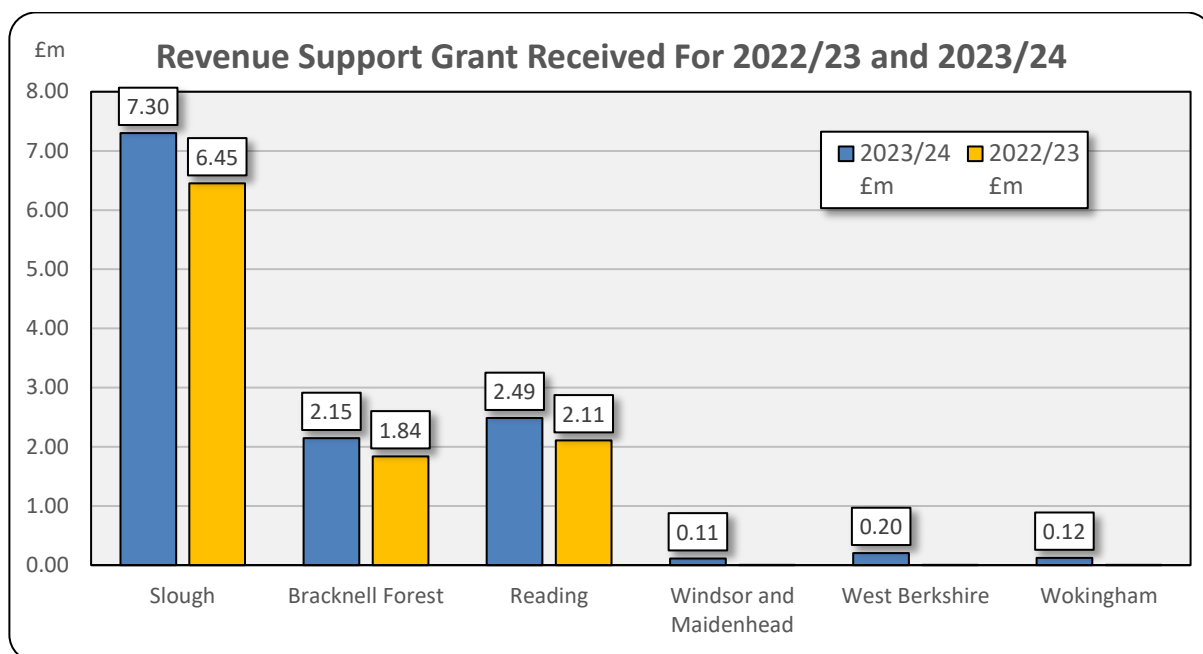
Revenue Support Grant (RSG)

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

It was expected that from 2019/20 the grant would be cut still further with some authorities required to pay a 'negative RSG'.

However, following consistent representations made by this authority, we have been informed again through the finance settlement that negative RSG will not be enacted in 2023/24 (similar to 2022/23). The funding position is unclear from 2024/25 onwards and Wokingham will need to continue to make representations regarding the new methodology for financing local authorities to ensure we secure a fair and viable ongoing funding settlement from the Government.

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

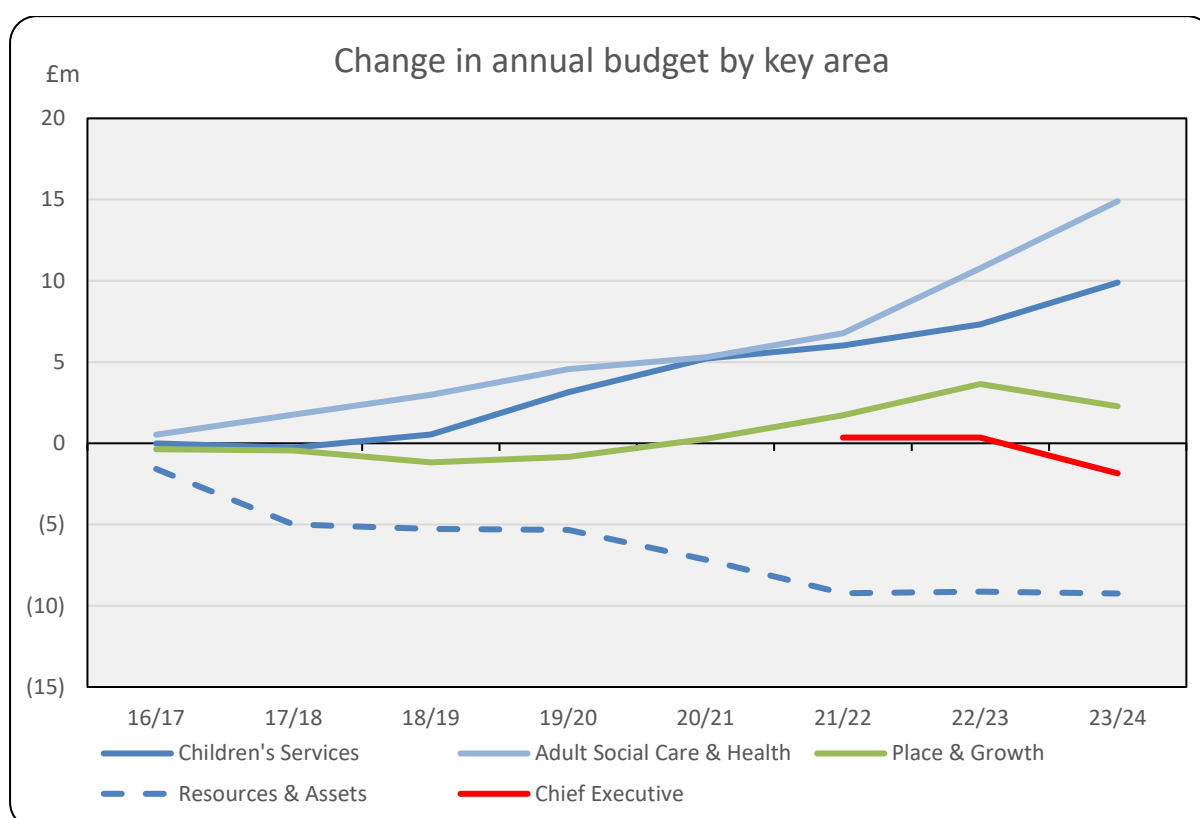


Appendix 2;

Delivering through financial governance and ongoing efficiency

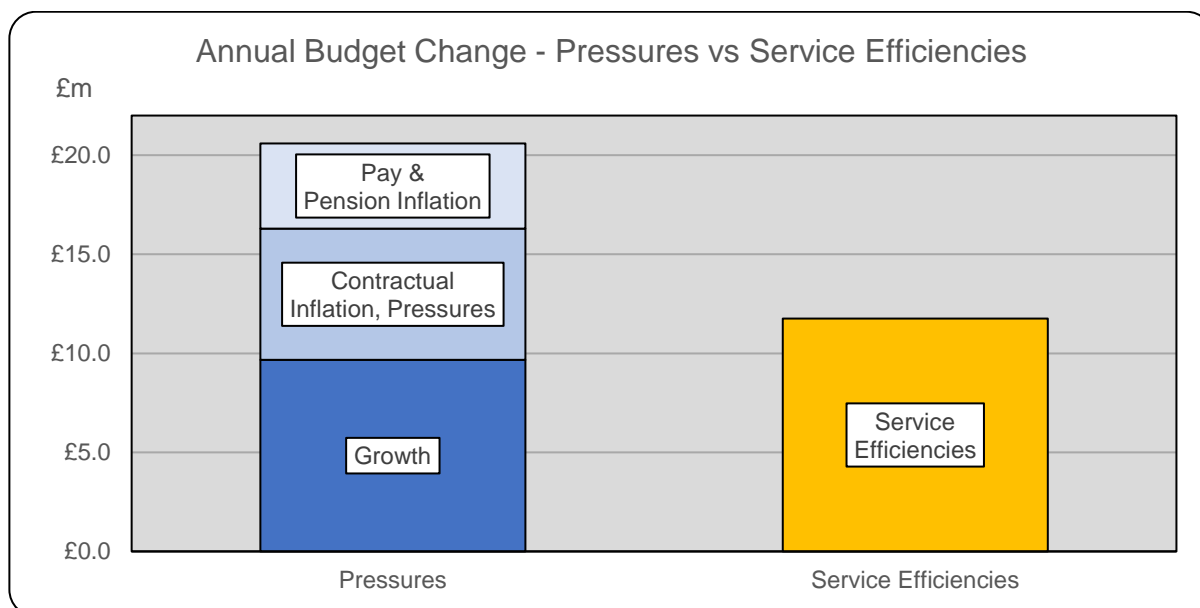
Across the many varied and complex services the Council provide, there will be pressures and risks as well as efficiencies and opportunities to reduce costs or to deliver more value from current resources. Often efficiency initiatives are required to meet additional demand and service need without the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

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



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

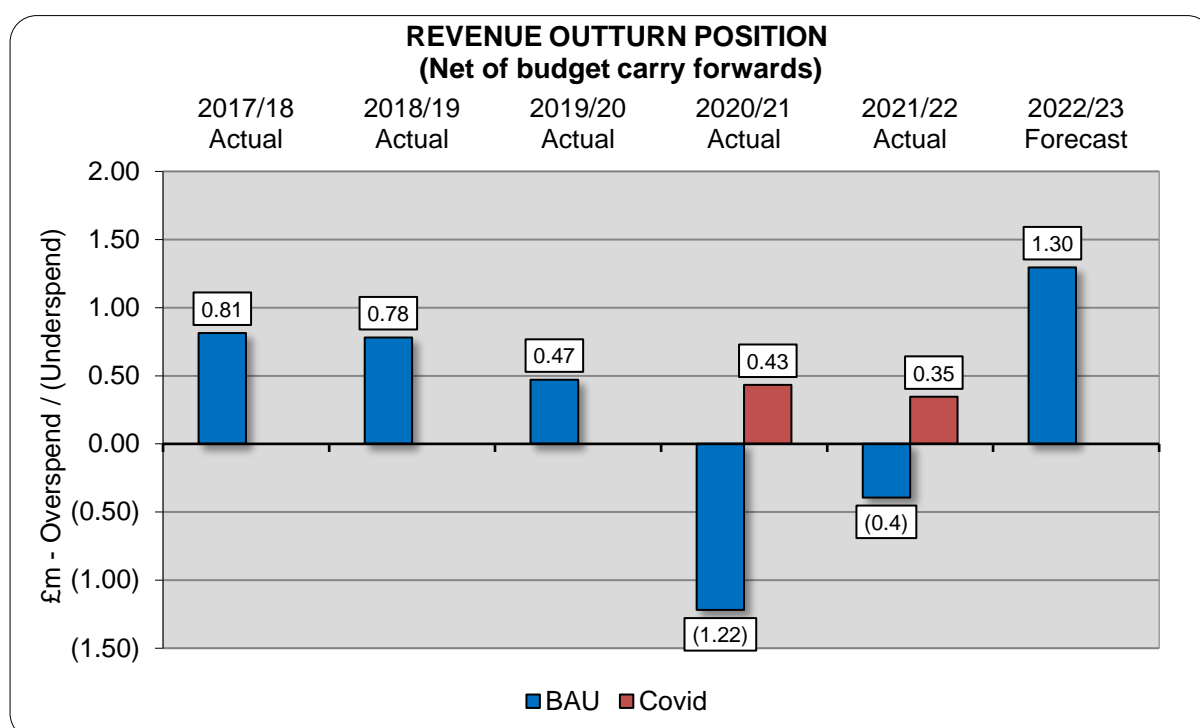
The annual change in budget is shown below. For 2023/24, the total pressures outweigh the service efficiencies. The difference will be required to be funded via council tax rises. The detail budget changes have formed part of the information provided to Community and Corporate Overview and Scrutiny Committee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



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

Mitigating Service and Budget Pressures

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



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

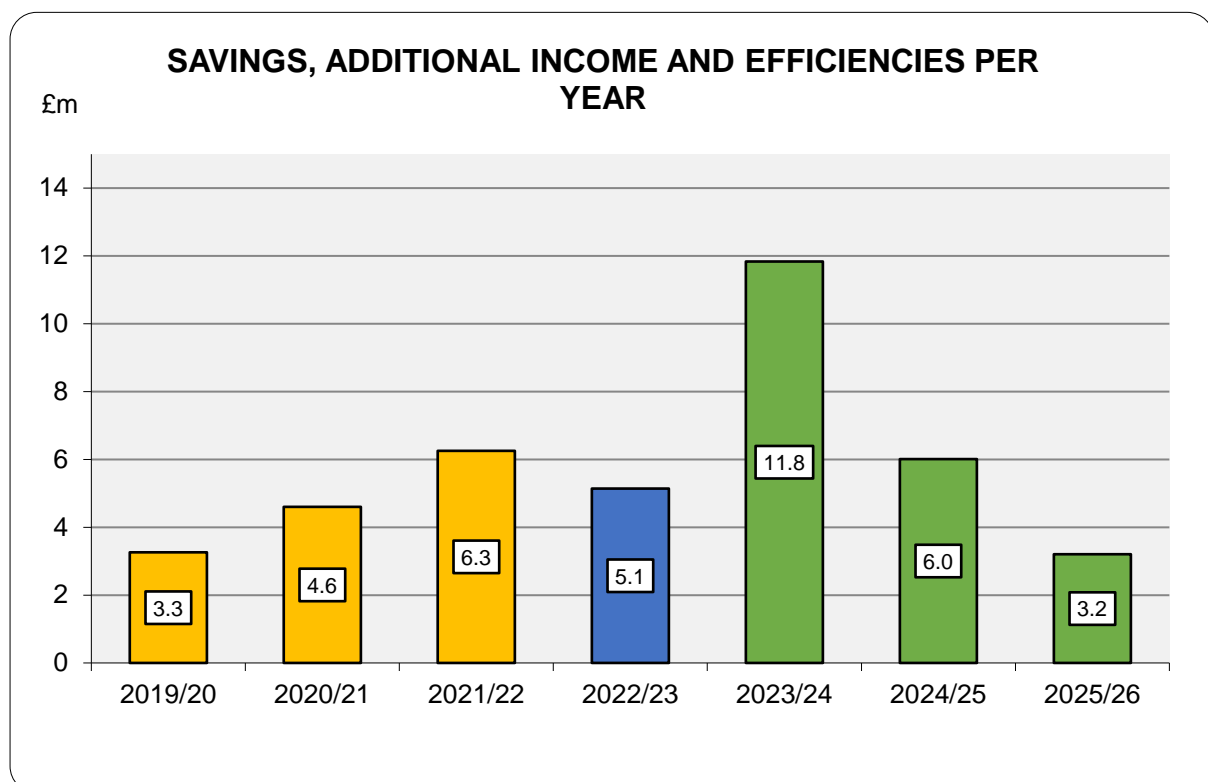
Extensive work is currently underway to manage the in-year 2022/23 position and to bring the current forecast back to a balanced position. This is critical in order to maintain appropriate reserves. Current activity includes;

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

Delivering Efficiency and Income generation

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

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



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

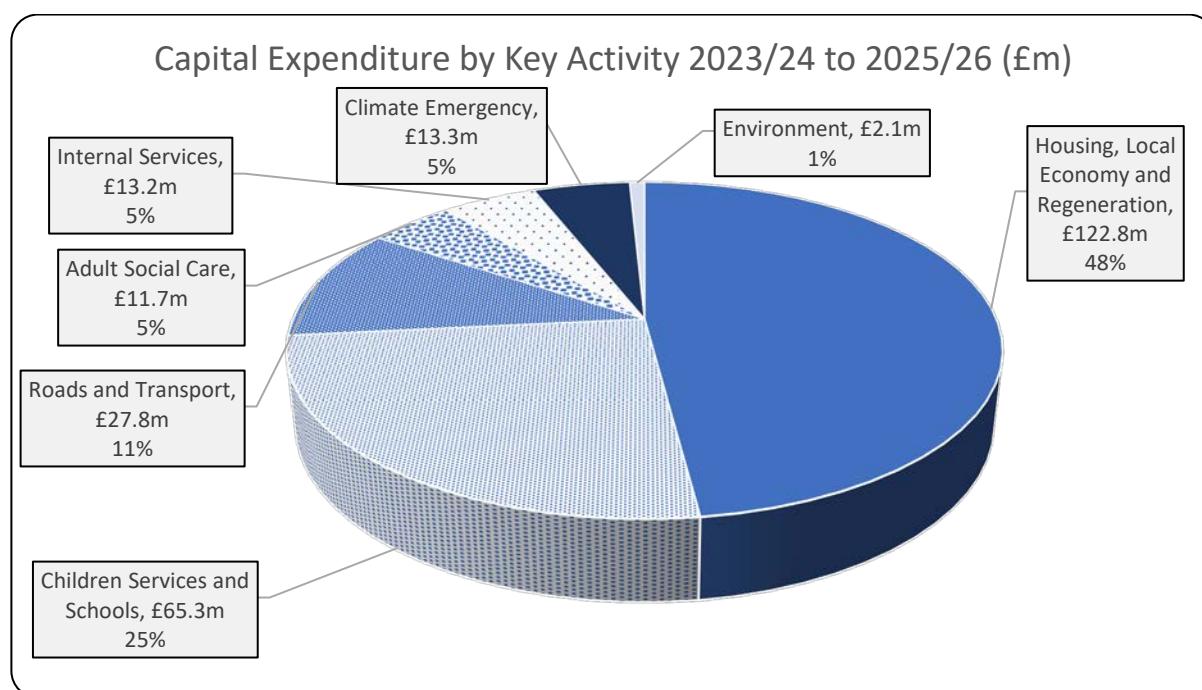
Appendix 3;

Capital Programme – Investing in the Borough

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

Spend Analysis

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



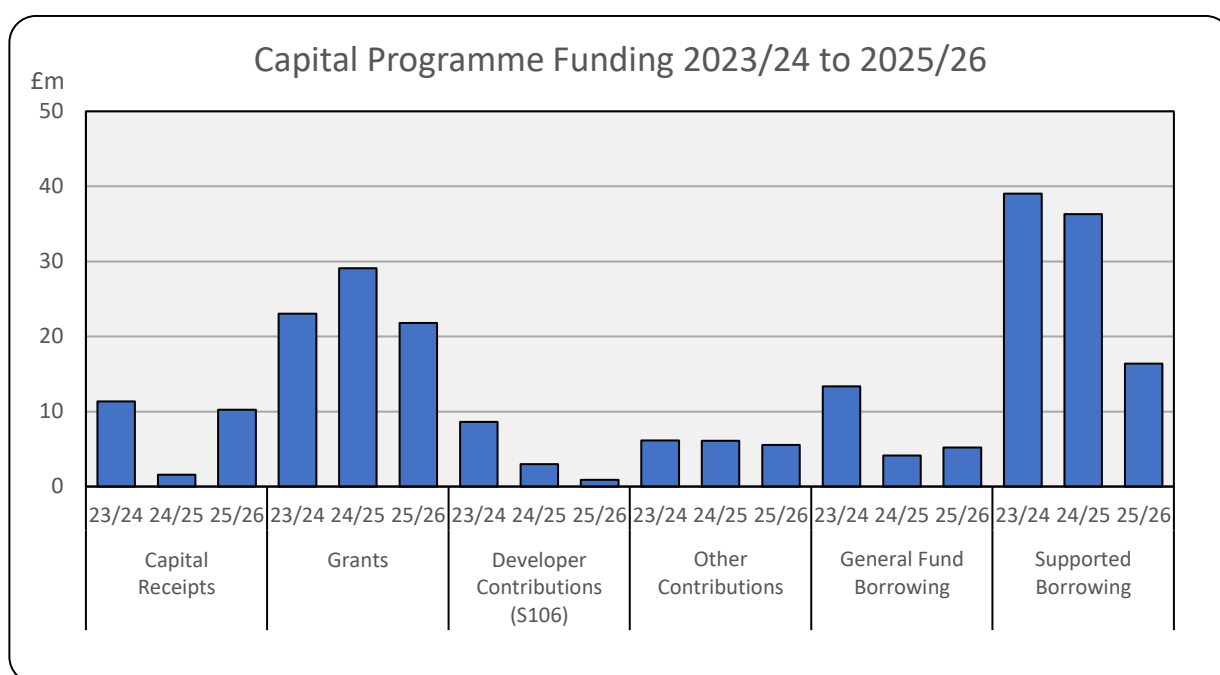
As highlighted above, significant investment is planned across schools, roads and transport, housing, local economy, and regeneration.

Funding Capital Investment

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

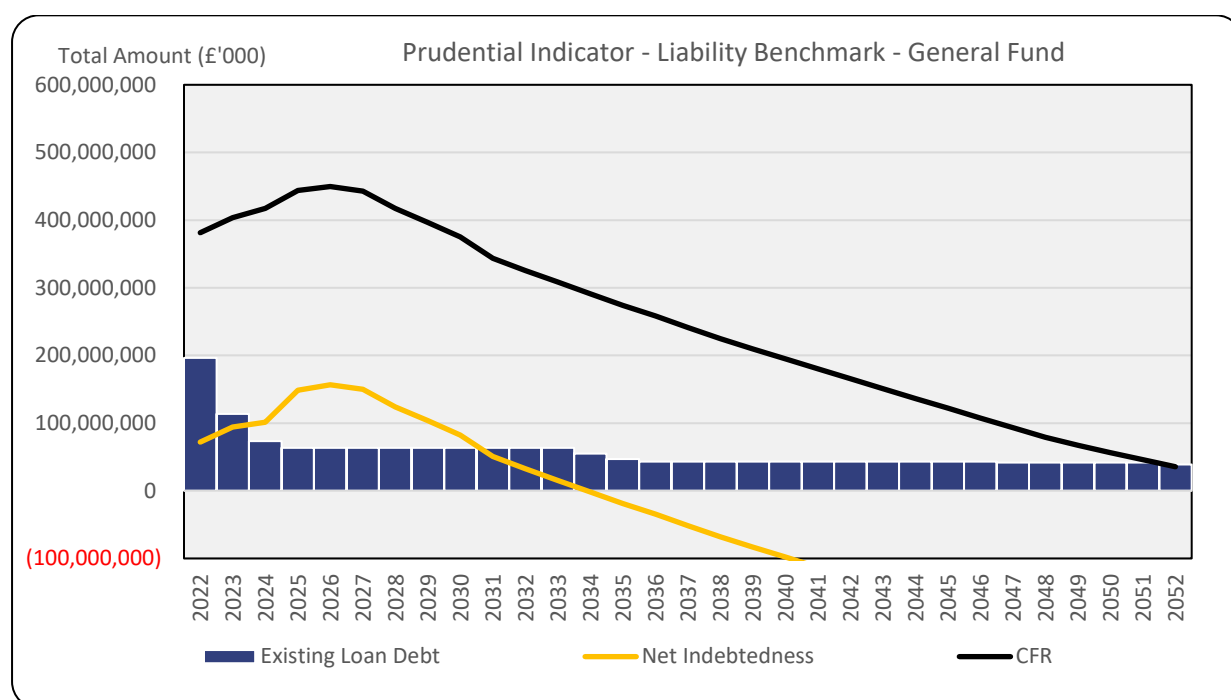
The major funding source for the capital programme will be supported borrowing which relates to borrowing upfront where a direct repayment source (e.g. Income generation, HRA rental income, repayment of subsidiary company loans and future developer contributions) has been identified whereas general fund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

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



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

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



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

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

Appendix 4;

Dedicated Schools Grant

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

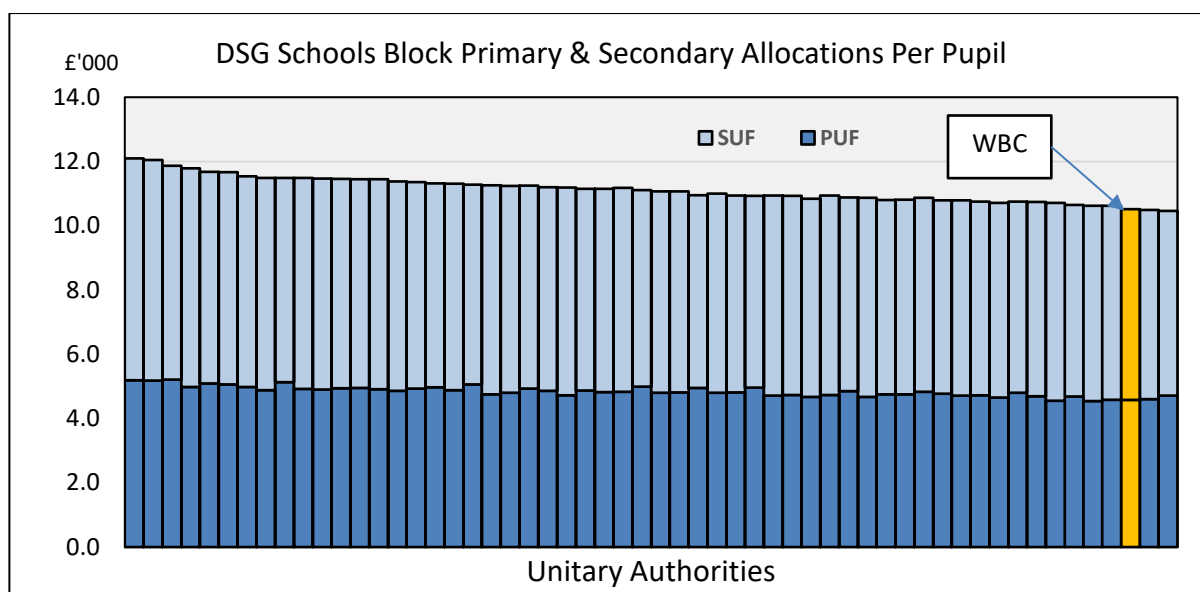
The following pages explain further how the grants are calculated and distributed. They also show Wokingham's grants in comparison to some other unitary authorities

The amount for 2023/24 was notified to the authority by the Department for Education (DfE) in December 2022. However, a proportion of this amount is in respect of free schools and must be paid to them. The actual DSG allocation available to the Council for 2023/24 is £180.86m, compared to £167.16m in 2022/23. The increase to 2022/23 is accounted for by increased funding on both two-unit costs, one for primary unit cost (PUF) and one for secondary unit cost (SUF). The DfE created a centrally retained schools block for the Council to carry out its statutory duties which includes an element of the old education support grant.

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

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

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



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

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

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

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

The current school profile is as follows:

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

The High Needs Block is separate block of funding to support those young people with SEND requirements. This has been underfunded by central government for the past few years and, when combined with the increased demand and out-of-borough placements this has meant that the account has operated in a deficit position since 2017/18. Whilst this is permitted under regulation in the short term, it is not an ideal scenario nor sustainable in the medium to long term; The Council have been invited into the government's Safety Valve Programme and are working with the ESFA to produce a DSG management Plan that will see The Council setting an in-year balanced budget by 2028/29".


Appendix 5;

Key Financial Risks and Mitigations / Controls

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

Reserves and Balances

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

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
General Fund Reserves:					
General Fund (Statutory) 	Resource available to meet future running costs for non-housing services	<ul style="list-style-type: none"> Policy based on a combination of financial risks and Audit Commission guidance as follows: Min 5% of net expenditure (excluding Dedicated Schools Grant) – this equates to £7.9m Risk assessments of budgets To enable stability in longer term financial planning 	2024 £9.3m 2025 £9.0m 2026 £9.0m	Provides: <ul style="list-style-type: none"> General contingency for unavoidable or unforeseen expenditure Stability for longer term planning Interest on Balances helps to reduce costs to the taxpayer: Interest on Balances @ 3.0% = £30k per £1m. 	<ul style="list-style-type: none"> Could be used to fund one off General Fund expenditure which would result in loss of interest £30k per £1m Could be used instead of borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m
Insurance Fund (Earmarked Reserve)	This is used to fund part of each insurance claim, up to losses of c£1m in a year	<ul style="list-style-type: none"> Needs to be at a level where provision could sustain claims in excess of current claims history May have to meet claims incurred but not yet reported May have to meet any uninsured / uninsurable losses 	2024 £2.8m 2025 £2.4m 2026 £2.0m	<ul style="list-style-type: none"> Used to fund deductibles / excesses in order to minimise premiums Provides the Supply Teacher Scheme Helps maintain current rates charged to schools Interest earned builds up the reserves 	<ul style="list-style-type: none"> Fund could be used to fund one off General Fund expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Renewals Funds (Earmarked Reserves)	These are reserves held in order to finance the renewal or maintenance of specific items of equipment or furnishings.	<ul style="list-style-type: none"> Contributions to the reserve are made on the basis of the anticipated replacement cost of the items over their expected life 	2024 £0.7m 2025 £0.7m 2026 £0.7m	<ul style="list-style-type: none"> Reduces pressure on maintenance budgets Interest is accrued on the reserves at 3.0% = £20k which helps to reduce costs 	<ul style="list-style-type: none"> Could be used for alternative maintenance or other revenue expenditure
Waste PFI Equalisation Fund (Earmarked Reserve)	The reserve is held to even out the cost of the waste PFI contract over the life of the contract and smooth revenue impacts from volatility in landfill and recycling usages.	<ul style="list-style-type: none"> The level of the balance and contributions to the reserve are set out in the PFI financial model and reviewed annually as part of the budget setting process 	2024 £4.2m 2025 £4.2m 2026 £4.2m	<ul style="list-style-type: none"> Provides stability of budgets in the medium to long-term 	<ul style="list-style-type: none"> A reserve in deficit cannot be used for other purposes, it will be offset by General Fund Reserves
Pension, Interest, and WTCR / Equalisation Funds (Earmarked Reserve)	These equalisation funds reflect that investments will fluctuate due to market conditions. Also includes funds to cover any potential losses in investments and smooth pension fund contributions. These reserves also held to smooth the negative impact from the fairer funding review.	<ul style="list-style-type: none"> To build up reserves based on favourable investment returns over budget Contributions from the reserves will be used to fund Wokingham Town Centre Regeneration (WTCR) until cash flow becomes positive Smooth annual variations to pension fund contributions Smooth annual variations between leisure contract income and capital investment costs Smooth impact of fairer funding review and loss of new homes bonus 	2024 £50m 2025 £48m 2026 £46m	<ul style="list-style-type: none"> Equals out market fluctuations in income due to volatile interest rates Avoid short term borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m Equalises WTCR scheme costs 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Commutated Sums (Earmarked Reserve)	These are amounts received from developers for the maintenance of open spaces, parks and natural greenspaces	<ul style="list-style-type: none"> There is no policy on the level of balances due to the nature of developer works and CIL agreements All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc. 	2024 £21m 2025 £22m 2026 £23m	<ul style="list-style-type: none"> Used to maintain parks and open spaces so avoiding service spend Interest to be used in a specified and agreed manner Avoid short term borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m 	<ul style="list-style-type: none"> Money cannot be used for other purposes
Forward Bonding (Earmarked Reserve)	Offset impact where infrastructure required ahead of developer contributions being received	<ul style="list-style-type: none"> Reserve held to offset annual differences between capital investment costs and receipt of developer contributions 	2024 £23m 2025 £22m 2026 £21m	<ul style="list-style-type: none"> Infrastructure can be delivered ahead of developer receipt 	<ul style="list-style-type: none"> Could be used to support revenue expenditure

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Capital Reserves:					
Usable Capital Receipts (Excluding right to buy) (Statutory)	Proceeds of fixed asset sales and repayments of other loans/grants available to meet future capital requirements and to act as a contingency	<ul style="list-style-type: none"> The current policy is to ensure that balances are sufficient to cover the first year of the capital programme (including urgent health & safety issues that may arise during the year) 	2024 £2m 2025 £2m 2026 £1m	<ul style="list-style-type: none"> To finance future capital schemes This provides stability for longer term planning Interest on balances helps to reduce costs to the taxpayer. 	<ul style="list-style-type: none"> Loss of interest income
Usable Capital Receipts (Right to buy element)	The council's share of HRA sale receipts are ring fenced for One for One Replacement	<ul style="list-style-type: none"> Housing sales receipts must be used for social housing within the Borough 	2024 £1m 2025 £1m 2026 £1m	<ul style="list-style-type: none"> Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy are used to fund its replacement 	<ul style="list-style-type: none"> Will be used to help fund the HRA reinvestment in new homes for affordable rent
Other Capital Contributions:					
Developer Contributions (S106 and Community Infrastructure Levy (CIL)) and Revenue to Capital Contributions	<p>Money received from developers as part of their development obligations</p> <p>A time lag exists between receipt and design/delivery of schemes</p>	<ul style="list-style-type: none"> There is no policy on the level of balances due to the nature of the contributions Aim to fund schemes identified within the 3 year capital programme / 5 year capital vision All contracts are unique to each developer and will vary depending on the nature of the particular project Balances may increase due to restrictions on how contributions may be spent, and matching these to schemes within the capital programme 	2024 £75m 2025 £74m 2026 £73m	<ul style="list-style-type: none"> Avoid short term borrowing @ 4.0% = £40k per £1m but loss of interest of £30k per £1m 	<ul style="list-style-type: none"> S106 Monies can only be used for purposes specified in the agreement S106 Contributions might be time restricted therefore if not utilised may need to be repaid to the developer Could be used instead of borrowing, but loss of interest

Reserve	Purpose	Policy	Estimated Level @ end of March	Benefit	Opportunity Cost
Ring Fenced Reserves:					
Housing Revenue Account (HRA) (Statutory)	Resources available to meet future running costs for council houses	<ul style="list-style-type: none"> Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA Balance is determined by level of risk associated with the budget Current recommended minimum level of reserves is £1m 	2024 £1m 2025 £1m 2026 £1m	<ul style="list-style-type: none"> Provides general contingency for unavoidable or unforeseen expenditure or fall in income Stability for longer term planning and for meeting the decent homes standard Interest on Balances helps to reduce costs. 3% Interest = £30k 	<ul style="list-style-type: none"> Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £30k per £1m Could be used to fund HRA debt repayment
167 Major Repairs Reserve (Statutory)	This records the unspent balance of HRA Capital projects	<ul style="list-style-type: none"> Use of Capital to meet Decent Homes Standard Redevelopment and regeneration of the council's housing stock 	2024 £0.1m 2025 £0.1m 2026 £0.1m	<ul style="list-style-type: none"> Provides capital to invest in stock to meet the government's Decent Homes Standard policy Provides general contingency for unavoidable or unseen expenditure 	<ul style="list-style-type: none"> Will be used to fund HRA capital expenditure to help meet decent homes standard
Other Earmarked Reserves	These reserves are held for specific accounting reasons	<ul style="list-style-type: none"> The funds in these reserves are ring fenced funds that cannot be used for other purposes 	2024 £15m 2025 £14m 2026 £13m	Reserves include: <ul style="list-style-type: none"> Challenge of business rates Energy contract reserve Building Control trading account reserves 	<ul style="list-style-type: none"> Interest on these reserves at 3.0% would be £390k which helps to reduce costs

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2023/24

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

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

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

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

GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2023/24

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

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

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

This takes into account budget pressures identified to deliver the Council's Vision. Work will be on-going to contain growth and increase service efficiencies where possible.

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

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

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

GROSS INCOME AND EXPENDITURE

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

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

Notes

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

SERVICE NARRATIVES

ADULT SOCIAL CARE 2023/26

1. SERVICE AIMS

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

2. SERVICE SCOPE

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

Adults Services are supported by;

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

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

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

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

As of **November 2022**:

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

3. SERVICE PRIORITIES

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

Our strategy is focused on the following priorities:

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

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

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

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

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

4. BUDGET SUMMARY

REVENUE

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

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

CAPITAL

Capital schemes include the following:

- Older People's Dementia Home: To meet demand in the market for functional, comfortable and homely accommodation that represents value for money;
- Adult social care accommodation transformation: This will address the accommodation needs of our clients, and meet any future increased demand, to ensure that suitable services are available;
- Replacement of Day Services for adults;
- Adult Social Care – community equipment; and,
- Mosaic Modernisation and Reimplementation.

5. SERVICE PRESSURES AND RISKS

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

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

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

- NHS and Social Care Systems Pressures:

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

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

6. TRANSFORMATION AND EFFICIENCIES

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

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

CHIEF EXECUTIVE OFFICE 2023/26

1. SERVICE AIMS

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

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

2. SERVICE SCOPE

Customer Excellence

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

Change

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

IT and Digital

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

Insight, Strategy & Inclusion

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

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

Partnerships, Voluntary and Community Sector, Community Development

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

Communications

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

Human Resources and Organisational Development

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

3. SERVICE PRIORITIES

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

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

4. BUDGET SUMMARY

REVENUE

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

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

CAPITAL

Capital schemes include the following:

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

5. SERVICE PRESSURES AND RISKS

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

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

6. TRANSFORMATION AND EFFICIENCIES

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

Other areas of focus are:

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

CHILDREN'S SERVICES 2023/26

1. SERVICE AIMS

The Children's Services Directorate's primary aims are to safeguard children, promote their welfare, and ensure that children have access to good quality teaching so they can have the best start in life and achieve their ambitions.

We aim to achieve this by:

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

2. SERVICE SCOPE

Social Work and Early Help:

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

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

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

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

Quality Assurance and Safeguarding Standards (QASS):

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

The Strategic & Operational Delivery sub-directorate:

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

3. SERVICE PRIORITIES

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

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

4. BUDGET SUMMARY

REVENUE

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

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

CAPITAL

Capital schemes include the following:

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

5. SERVICE PRESSURES AND RISKS

For Children's Services particular impacts and challenges are:

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

6. TRANSFORMATION AND EFFICIENCIES

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

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

PLACE & GROWTH SERVICE 2023/26

1. SERVICE AIMS

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

2. SERVICE SCOPE

Economic Development and Growth

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

Environment and Safety:

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

Highways and Transport

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

Housing Services:

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

Planning Service:

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

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

3. SERVICE PRIORITIES

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

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

4. BUDGET SUMMARY

REVENUE

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

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

CAPITAL

Capital schemes include the following:

- Road safety and traffic management – providing facilities to improve road safety for all users, reduce congestion, improving the efficiency of the transport network, promote and provide access to sustainable modes of transport;
- Highway carriageways – building new and resurfacing roads and footways in the borough;
- Highway drainage – carry out major projects and remedial works to highways drainage network where flooding problems have been highlighted;
- Traffic signal upgrade programme – continued upgrade of old and obsolete equipment, therefore giving the opportunity of installing low energy equipment and up to date controller systems;
- Active Travel and Bus Priority;
- Highways footway structural maintenance programme – resurfacing of footways to extend the life of the asset, improve its condition and increase surface water run-off thereby improving pedestrian safety;
- Maintenance of highway structures including bridges & embankments and vehicle restraint systems (VRS);
- Temporary Accommodation development – addressing housing needs and supporting our vulnerable residents;
- Improvements to leisure facilities in the borough including country parks;
- Improvement to the Public Right of Way network including the delivery of a Greenway network (traffic free routes across the borough); and
- Continued investment in the waste collection arrangements including food waste service.

5. SERVICE PRESSURES AND RISKS

For Place and Growth particular impacts and challenges are:

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

6. TRANSFORMATION AND EFFICIENCIES

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

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

RESOURCES & ASSETS 2023/26

1. SERVICE AIMS

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

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

2. SERVICE SCOPE

Finance

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

Commercial Property

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

Governance

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

Sport & Leisure

- Providing a platform of opportunities for residents to be active across our communities
- Improves access and grows participation in leisure and sport activities – aligned and supporting the Health & Wellbeing strategy
- Manages the delivery of a range of leisure and recreation services across Parks & Open spaces
- Delivery of income generation projects aligned to Leisure and sport activities.
- Manages the delivery of the leisure contract ensuring the approach is aligned and supports wider health objectives.

3. SERVICE PRIORITIES

Through its activities, the Resources and Assets directorate supports the entire council to deliver all priorities within the Council Plan, providing a council wide approach to the financial challenges and solutions, ensuring appropriate governance is in place and adhered to and providing expertise in contract management. The Sports and Leisure team promotes residents engaging in active health cultural and social opportunities, and improvements in health and wellbeing.

The Resources and Assets Directorate will focus on:

- Develop a strategy for member development
- Prepare and deliver local elections 2023, and prepare for all out elections in 2024
- Embed and communicate the Local Code of Corporate Governance
- Complete independent review of overview & scrutiny
- Support boundary commissions electoral review
- Deliver organisational financial skills programme
- Ensuring strong financial management practices across the council
- Develop and agree 2024/25 revenue and capital budgets as part of MTFP 24/5 to 26/7
- Monitor and support delivery of balanced 2023/24 capital and revenue budgets
- Develop and deliver a pipeline of commercial and procurement improvement workstreams and embed improved governance and good practice
- Maximise collection of revenue collection including Council Tax and Business Rates
- Support development of budget challenge/efficiency approach
- Develop and deliver asset management and service asset management plans
- Protecting the council's asset interests
- Management of commercial property estate to provide commercial income stream

- Review and rationalisation of council asset portfolio – to ensure aligned to council needs
- Deliver green energy and energy reduction regeneration programme (3 years)
- Deliver major capital programmes and projects including – Gorse Ride II, Barkham Solar Farm and Toutley East Care Home
- Review current Leisure operating model and alignment to wider culture offer – including consideration of alternative sourcing options for key services
- Ensure Leisure contract performance to key service target and ongoing alignment with wider Health and Leisure Strategy
- Undertake and complete a holistic playing pitch strategy
- Extend wider engagement cross the Borough to support delivery of Health outcomes
- Deliver increase in participant numbers - from inactive groups within Leisure Strategy
- Maximise grant income
- Deliver key income streams from key Leisure and Health Activity

4. BUDGET SUMMARY

REVENUE

	Budget 2022/2023 £'000	Budget 2023/2024 £'000
REVENUE SERVICE BUDGETS 2023/2024		
Resources & Assets		
Governance	2,704	2,945
Finance	12,190	22,522
Property	(627)	(384)
Leisure	(1,827)	(1,567)
<i>Internal Recharges & Depreciation Charges</i>	<i>(7,914)</i>	<i>(9,744)</i>
Total Finance & Resources	4,525	13,772

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

CAPITAL

- Market and affordable housing schemes, including commercial property portfolio in line with the Council's socio-economic and sustainability agenda and self-build housing
- Energy schemes aligned with the climate emergency
- Service provision

5. SERVICE PRESSURES AND RISKS

There are a number of pressures and risks to be managed in order to deliver key objectives and properly support the organisation;

- To set a balanced budget and maintain appropriate reserves in the face of significant additional demand, inflation and reducing/restricted levels of grant.
- To maintain and increase use of Leisure and Sport facilities following the impacts of covid and pressures now from cost of living pressures
- To manage potential financial impacts of increasing interest rates, inflation and market pressure on the property portfolio
- To maintain collection levels (council tax and other council debts) whilst supporting residents who are struggling to pay due to the cost of living pressure.

6. TRANSFORMATION AND EFFICIENCIES

- Supporting the Councils overall transformation and efficiency programme (Organisations Foundation Programme) and individual projects (including Safety Valve)
- To lead on the rationalisation of corporate accommodation
- Deliver additional income through improved collection processes
- To continue to develop and support internal governance and skills across the organisation; finance, procurement, commercialisation, constitutional
- Improved financial return on Treasury Management activity
- Program of process efficiency across finance support activity
- Deliver Sport and Leisure transformation Programme

Summary of Budget Movements 2023/2024

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

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

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

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

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

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

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

	Adult Social Services £'000	Chief Executive £'000	Children's Services £'000	Place & Growth £'000	Resources & Assets £'000	Total £'000
Revenue Implications of Capital						
Older People Dementia Home	0	0	0	0	0	0
Multifaceted Placement Hub	0	0	0	0	0	0
Dinton Activity Centre	0	0	0	(12)	0	(12)
3G Pitch Maiden Erlegh	0	0	0	0	0	0
Cantley Park Enhancements	0	0	0	0	(1)	(1)
Capital Financing Requirement	0	0	0	0	10	10
Commercial Property Site Initial Design Work	0	0	0	0	0	0
Community Investment	0	0	0	0	0	0
Outdoor gyms x 3 locations	0	0	0	0	3	3
Residential Development [Barkham]	0	0	0	0	0	0
Residential Development [Winnersh]	0	0	0	0	0	0
Solar Farms (Barkham)	0	0	0	0	0	0
Total	0	0	0	(12)	12	0

Service Budget 2023/2024 (excluding Capital & Internal recharges)	59,012	9,327	33,719	31,319	23,516	156,892
<i>Internal Recharges & Depreciation Charges</i>	3,627	772	8,319	20,217	(9,744)	23,191
Service Budget 2023/2024 (including Capital & Internal recharges)	62,639	10,099	42,037	51,536	13,772	180,083

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

Corporate Transfers						
Contribution to DSG deficit recovery						1,251
Contribution towards future impact of reduction in new homes bonus and fairer funding review						2,000
Contribution towards future impact of removal of minimum funding guarantee grant						1,100
Contribution towards future impact of early debt repayment changes (MRP)						1,500
Forward funding (infrastructure bridging loan)						1,500
Total	0	0	0	0	0	7,351

THREE YEAR BUDGET FORECAST

2023/2024
£'000

2024/2025
£'000

2025/2026
£'000

Growth

Adult Social Care			
Care & support - manage increasing demand in numbers and complexity	1,959	3,969	5,969
People at the Heart of Care	300	500	500
Prevention - investment in preventative services	100	200	300
Staffing resource required to deliver continued demand management programme	460	460	460

Chief Executive			
Budget required to deliver sustainable organisational change	0	860	860
New Website	70	70	70
Social Care system increased software licence and hosting costs	128	128	128

Children's Services			
Children in Care and Care Leavers [placements]	1,295	1,763	2,073
Education White Paper	360	360	360
Home to School Transport	1,650	1,800	2,000
Meeting and managing demand - right help, right place, right time	1,420	1,790	2,020
School place planning and Fair Access Policy	170	170	170

Place & Growth			
Car Parking income	350	350	350
Local Bus Services inflation	350	350	350
Local Plan team - increase in existing staff costs	19	19	19
Purchase and delivery of food waste caddy liners to all households	100	100	100
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	150	150	150

Resources & Assets			
Carnival Hub Estates Management	20	20	20
Coroners Court	130	130	130
Governance salaries	93	93	93
Insurance Premiums	150	150	150
Legal Services	78	78	78
Payment and income system	16	16	16
Salary funding pressure from cost of abortive feasibility works	150	150	150
Sports and Leisure income generation	150	150	150

Total Growth	9,668	13,826	16,666
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Savings

Adult Social Care			
Demand management - strengthening the voluntary sector and community offer, redesigning the front door	(1,200)	(2,150)	(3,100)
Extra Care - Decommission Background Support	(250)	(500)	(500)
High Cost Package Review - Mental Health	(50)	(50)	(50)
Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation	(100)	(200)	(200)
Maximising health income for residents	(350)	(700)	(700)
Optalis review - improved commissioning and reduced overheads	(250)	(250)	(250)
Practice changes to reduce placement costs	(50)	(100)	(150)
Utilising funding to maximise hospital discharge within the community	(100)	(100)	(150)

THREE YEAR BUDGET FORECAST

	2023/2024 £'000	2024/2025 £'000	2025/2026 £'000
Chief Executive			
Advertising in Libraries	(10)	(10)	(10)
Effective use of Council owned Community spaces	(150)	(150)	(150)
Organisational Foundation Project - Assets	0	(470)	(940)
Organisational Foundation Project - Contracts	(500)	(1,000)	(1,500)
Organisational Foundation Project - Customer Excellence	(200)	(513)	(513)
Organisational Foundation Project - Workforce	(2,731)	(2,731)	(2,731)
Reduce number of Borough News Editions from 3 to 1	(30)	(30)	(30)
Reduced provision of mobile phones	(56)	(56)	(56)
Reduction in Microsoft cloud server spend	(34)	(34)	(34)
Removal of telephone lines	(70)	(70)	(70)
Removal of two vacant Customer Excellence posts	(52)	(52)	(52)
Children's Services			
Alternative Delivery Model for Children's Centres	(25)	(50)	(50)
Education White Paper	(360)	(360)	(360)
Home to School Transport Review	(766)	(766)	(766)
Placements - Continuing Health Care	(300)	(300)	(300)
Placements - LAC Charging Policy	(50)	(50)	(50)
Placements - Strategy & Sufficiency	(570)	(640)	(800)
Transforming Children's Services	(259)	(734)	(1,034)
Place & Growth			
Absorb street cleansing into street cleaning regime	(13)	(13)	(13)
Cease the provision of residual waste blue bags	0	(350)	(350)
Changes to VolkerHighways contract	(397)	(547)	(547)
Highways and Transport restructuring	(150)	(150)	(150)
Income generation through commercialisation across the directorate	(68)	(68)	(68)
Increase garden waste service annual fees	(255)	(255)	(255)
Increase hourly rate for licensing team	(15)	(15)	(15)
Increase in off street parking charges	(500)	(700)	(700)
Increase the scope of MyJourney s106 expenditure to include management costs	(30)	(30)	(30)
Increased enforcement of housing standards	(12)	(12)	(12)
Introduce more naturalisation and biodiversity in the borough	(60)	(60)	(60)
Introduction of charge for garden waste bins	0	(20)	(10)
Introduction of moving traffic offence enforcement	(103)	(308)	(513)
Introduction of on-street parking zones	(280)	(560)	(560)
Night time dimming for street lights	0	(40)	(40)
Parking permits	0	(62)	(62)
Play area rationalisation	0	(15)	(15)
Proposal to move to alternate weekly or three weekly residual waste collections	0	(700)	(700)
Reduce the Community Engagement Team	(92)	(92)	(92)
Reduce Transport Planning consultants	(85)	(120)	(120)
Reduction in Drainage Maintenance (annual Grip cutting programme) to every other year	(25)	(25)	(25)
Reduction of weed spraying from 3 to 2 visits per year	0	(24)	(24)
Removal of discretionary concession funding for transport on football services	(12)	(12)	(12)
Review access to free parking at Carnival Pool multi-storey car park	(120)	(120)	(120)
School keep clear markings - roll out of parking enforcement scheme	0	(50)	(50)
Smart drainage sensors borough wide roll-out	0	(50)	(50)
Stop the annual purchase and delivery of food waste caddy liners to all households	(100)	(100)	(100)
Trading Highways Commercial Design Services to Town & Parish Councils	(20)	(50)	(50)
Resources & Assets			
3G Pitch Maiden Erlegh	(15)	(15)	(15)
Benefit realisation from Commercial activities	(150)	(230)	(230)
Business Support Efficiency Programme	(30)	(30)	(30)
Contracts and Commissioning reviews	(150)	(150)	(150)
Income generation from Solar Farms	0	0	(500)
Leisure car parking fees	0	(116)	(116)
Paperless democratic meetings	(11)	(11)	(11)
Penalty charges - Non provision of Information Council Tax/benefits	(25)	(25)	(25)
Rationalisation process of Corporate Accommodation	(180)	(180)	(180)
Reduced external audit costs from improved quality assurance	0	0	(30)
Revenues and Benefits Automation	(50)	(100)	(100)
Treasury Management Review	(250)	(250)	(250)
WBC share of a gain-share with Oxygen Finance for an early payment discount scheme	(45)	(45)	(45)
Total Savings	(11,756)	(17,766)	(20,971)

THREE YEAR BUDGET FORECAST

2023/2024
£'0002024/2025
£'0002025/2026
£'000

Special Items

Adult Social Care			
Demand management - resource investment to deliver change	800	200	0
Older people dementia home - funding to cover running costs until optimal capacity is reached	0	0	500

Chief Executive			
Budget required to deliver sustainable organisational change	1,200	300	0
Customer Experience- Govmetric tool to measure and track customer satisfaction	13	0	0
Customer Experience Improvement Team	0	52	0
Easy Read document review by Caring, Listening and Supporting Partnership	15	0	0
Equality & Tackling Anti-Poverty Community Engagement	115	0	0
Implementation of new HR Target Operating Model	44	0	0
Inclusion Officer	20	52	0

Children's Services			
Meeting and managing demand - right help, right place, right time	850	400	0
Procurement of Education System	195	195	0
Transformation Programme	350	250	250

Non Reporting Service			
Increased demand/support through Council Tax Relief Scheme (cost of living pressures)	250	0	0

Place & Growth			
Additional consultancy support for the Local plan	175	0	0
Car Parking income	300	150	0
Deliberative Process for Climate Emergency	90	0	0
Domestic Abuse-Commissioned Service	75	0	0
Planning appeals and enforcement staffing costs	334	169	69
Replacement of Routewise System (Community Transport Unit - CTU)	60	0	0
School keep clear markings - roll out of parking enforcement scheme	183	0	0
Sustainment of 7 day week Anti-Social Behaviour Service at same level as 2022/23	150	0	0

Resources & Assets			
Delayed opening of St Celas school	100	0	0
Investment & Estates Property pressures from depressed market	200	100	0
One off growth to support leisure income recovery	70	30	0

Total Special Items	5,589	1,898	819
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Revenue Implications of Capital

Adult Social Care			
Older People Dementia Home	0	0	(337)

Children's Services			
Multifaceted Placement Hub	0	0	(98)

Place & Growth			
Dinton Activity Centre	(12)	(12)	(12)

Resources & Assets			
3G Pitch Maiden Erlegh	0	0	(27)
Cantley Park Enhancements	(1)	(1)	(1)
Capital Financing Requirement	10	10	9,742
Commercial Property Site Initial Design Work	0	0	(44)
Community Investment	0	0	(6,908)
Outdoor gyms x 3 locations	3	3	3
Residential Development [Barkham]	0	0	(1)
Residential Development [Toutley]	0	0	(9)
Residential Development [Winnersh]	0	0	(17)
Solar Farms (Barkham)	0	0	(2,291)

Total Revenue Implications of Capital	0	0	0
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BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2023/24 - TO INFORM THE LEVEL OF GENERAL FUND BALANCE

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

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Chief Executive Service						
Organisational Foundation Projects	0	0	300	50	100	150
TOTAL Chief Executive Service	0	0	300	50	100	150
Adult Social Care						
Learning disability - unknown high cost pressures	23,652	23,852	24,602	180	300	270
Mental health - unknown high cost pressures	1,861	1,961	2,261	100	150	50
Physical disability - unknown high cost pressures	4,953	5,103	5,503	100	200	100
Older people - increases above expected levels (including self funders with depleted funds)	13,631	14,474	14,974	100	200	200
Market pressures arising from inflation / cost of living	0	0	750	200	300	250
Risk of litigation / compensation against assessment outcomes (including Deprivation of Liberty Safeguarding)	0	0	250	150	100	0
Risk of market failure	0	0	1,500	900	300	300
NHS and Social Care system pressures	0	0	1,000	500	300	200
TOTAL Adult Social Care	44,097	45,390	50,840	2,230	1,850	1,370
Children's Services						
Additional placements for children & young people above expected, including dispersal of UASC (demand led)	6,500	6,600	7,600	200	300	500
Direct payments and Community Support increased activity and costs (demand led)	500	530	630	30	50	20
Difficulty in recruiting essential frontline posts with permanent staff resulting in higher cost agency	550	630	930	100	100	100
Home to School Transport (demand led)	5,300	5,400	6,000	100	200	300
Legal costs through Joint Legal Team (demand led)	720	770	1,000	30	80	120
Adoption costs (demand led)	430	430	520	10	20	60
Emergency Duty Service (children's & adults) (demand led)	250	250	320	20	30	20
TOTAL Children's Services	14,250	14,610	17,000	490	780	1,120

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2023/24 - TO INFORM THE LEVEL OF GENERAL FUND BALANCE

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

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Place & Growth						
Highways (roads and footways) urgent repairs following flooding and freezing and disposal of Tar bound material	1,823	1,823	2,003	50	100	30
Winter maintenance (bad weather)	220	384	494	60	50	0
Street lighting - energy cost increase	924	924	1,386	80	300	82
Failure of an embankment/structure on the highway	0	0	1,000	800	200	0
Highway Order - ensuring the network is compliant	150	0	200	30	20	150
Underachievement of MTFP additional income/savings target	(2,237)	(2,237)	(1,237)	700	100	200
Pre applications fees - under achievement of predicted fee income	(39)	(388)	(78)	80	80	150
Planning applications fees - under achievement of predicted fee income	(126)	(1,258)	(252)	350	350	307
Homelessness - greater than forecast usage of B&B accommodation	680	680	730	10	30	10
Waste disposal costs	10,700	10,700	11,400	250	300	150
TOTAL Place & Growth	12,095	10,628	15,647	2,410	1,530	1,079
Resources & Assets						
Income target from property portfolio not realised	(4,083)	(4,083)	(3,843)	50	90	100
Non achievement of Commercialisation savings	(398)	(398)	(198)	50	50	100
Loss of income - Leisure	(1,620)	(1,620)	(1,270)	100	150	100
General Inflation	0	0	2,000	1,200	300	500
TOTAL Resources & Assets	(6,101)	(6,101)	(3,311)	1,400	590	800
Total Budget Variable - General fund	64,341	64,527	80,476	6,580	4,850	4,519

GENERAL FUND RESERVES – POLICY STATEMENT

1 Definition / Purpose

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

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

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

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

2 Policy (Criteria for Calculating Fund Requirement)

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

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

Good financial management practice requires a budget risk assessment to inform the level of reserves. Such a risk assessment is undertaken on an annual basis (as part of the budget setting process) and is detailed on the previous page. Although it should not be seen as an exact science, it provides an informed assessment of the level of risk inherent in the budgets (value and likelihood). The assessment of the budget contained in the MTFP for 2023/24 indicates that balances of at least £9.4m are required to provide for budget risks identified as high and medium. The recommended level of balances (below) is based on this.

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

3 Budget Risk Analysis

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

- £7.9m – minimum guide (5% net budget)
- £8.0m to £9.4m – reasonable level (High/Medium risks)
- £15.9m – upper limit (High/Medium/Low risks)

HOUSING REVENUE ACCOUNT - REVENUE BUDGET

The HRA is a ring-fenced account and as such has no impact on the level of council tax. The money spent maintaining the Council's housing stock (valued at approximately £274m) and providing a service to Council tenants is mainly funded by housing rents paid by Council tenants. The following table sets out the revenue expenditure planned for the HRA and the estimated income.

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

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

Note 2. Based on current and forecast loan portfolio

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

Note 4. Additional revenue contribution to fund capital programme

Note 5. Reserve balances guided by assessments of financial risks

HOUSING REVENUE ACCOUNT CAPITAL BUDGET

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

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

Note 1. Estimated receipts from right to buy sales

Note 2. Revenue contribution to fund capital programme

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

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

BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2023/24 - TO INFORM THE LEVEL OF HOUSING REVENUE ACCOUNT RESERVES

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

	Best Case	Most Likely as per Budget	Worst Case	Relative Risk (difference between most likely and worst case)		
	£'000	£'000	£'000	Low £'000	Medium £'000	High £'000
Housing Revenue Account (Resources & Assets)						
Risk of contractor failure to revenue budget	3,246	3,246	3,746	200	200	100
Risk of contractor failure to capital budget	11,604	11,604	12,204	250	250	100
Failure to deliver safe services to tenants, leaseholders, shared owners, site dwellers and licensees	0	0	300	150	100	50
Climate / natural disasters - impacts on properties	0	0	200	150	50	0
Increase in rent arrears due to cost of living crisis	0	0	300	100	100	100
Change to requirements of Regulatory framework and standards for Social Housing	0	0	150	150	0	0
TOTAL Housing Revenue Account	14,850	14,850	16,900	1,000	700	350

HOUSING REVENUE ACCOUNT RESERVES - POLICY STATEMENT

1 Definition / Purpose

The accumulated surplus on the Housing Revenue Account (HRA) is retained to provide a general contingency in the event of unavoidable or unforeseen expenditure or a fall in income for the HRA.

The balance serves two additional purposes:-

- (i) Interest on the balance helps to reduce revenue costs;
- (ii) The balance provides stability for longer term planning and for meeting the decent homes standard.

	£m
Balance as at 31st March 2022	1.3
Estimated Balance 31st March 2023	1.0
Estimated Balance 31st March 2024	1.0
Estimated Balance 31st March 2025	1.2
Estimated Balance 31st March 2026	1.3

This excludes any capital balances.

2 Policy (Criteria for Calculating Fund Requirement)

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

Previous guidance from the Audit Commission is that 5% of gross expenditure is recommended as a minimum to hold in reserve which currently indicates a reserve level of £1.0m

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

The level of reserves are expected to reduce in 2022/23 due to in year financial pressures however within the period of the current MTFP, reserves are expected increase gradually to pre 2022 balances.

3 Budget Risk Analysis

£1.0m - recommended level (High/Medium risks)

£2.0m - covers high / medium / low risks based on risk assessments

DEDICATED SCHOOLS GRANT BUDGET

It is a statutory requirement under section 251 of the Apprenticeships, Skills, Children and Learning Act 2009 to prepare and submit an education budget statement showing the major elements of expenditure and how these are met by grants.

Considerable challenge continues for SEND in Wokingham, balancing financial sustainability for the High Needs Block against an increasing number and complexity of Children and Young People with Education Health & Care Plans. Wokingham has set out a robust but challenging DSG Management Plan programme for the next 6 years, to deliver a balanced budget by 2028/29. Work through central government's Safety Valve Programme seeks to secure funding from the Department for Education to support in meeting our cumulative deficit. Creation of a SEND equalisation reserve through council tax levy will ensure sufficient resources are held to fund the Council's anticipated contribution.

	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000
INCOME				
Dedicated Schools Grant [Note 1]	(167,158)	(180,864)	(186,197)	(191,783)
Less : Academy Recoupment	82,838	92,451	94,269	97,097
Pupil Premium	(1,806)	(1,860)	(1,916)	(1,974)
Total Income	(86,127)	(90,273)	(93,844)	(96,660)
EXPENDITURE				
Schools Block - Individual Schools Budget (ISB)	44,847	45,828	46,728	48,129
Schools Block - Growth Fund	1,589	1,997	1,716	1,767
High Needs Block Budget	29,142	35,420	36,432	35,164
Early Years Block	11,289	12,615	12,993	13,383
Central School Services Block	995	1,039	1,070	1,102
Pupil Premium allocated to schools	1,806	1,860	1,916	1,974
Total Expenditure	89,668	98,758	100,855	101,520
Net Expenditure / (Income)	3,541	8,484	7,011	4,860
Balance brought forward [Note 2]	10,040	16,575	25,059	32,070
Budgeted net expenditure / (income) [Note 3]	3,541	8,484	7,011	4,860
Forecast in-year over / (under) spend [Note 4]	2,994	0	0	0
Balance Carried Forward - (Surplus) / Deficit	16,575	25,059	32,070	36,931

Note 1 - 2022/23 figures reflect initial budget allocations

2023/24 Schools Block Budget allocation approved at Schools Forum on 11th January 2023

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

Note 3 - Budgeted deficit reflected in 6 year DSG Management Plan Programme

Note 4 - Forecast overspend for 2022/23, reported to Schools Forum on 11th January 2023, primarily relating to the High Needs Block
Reflects pressure over and above that anticipated at the time of 2022/23 budget setting

CAPITAL PROGRAMME 2023 to 2026 and Prudential Indicators

1 Process

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

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

2 Capital Programme

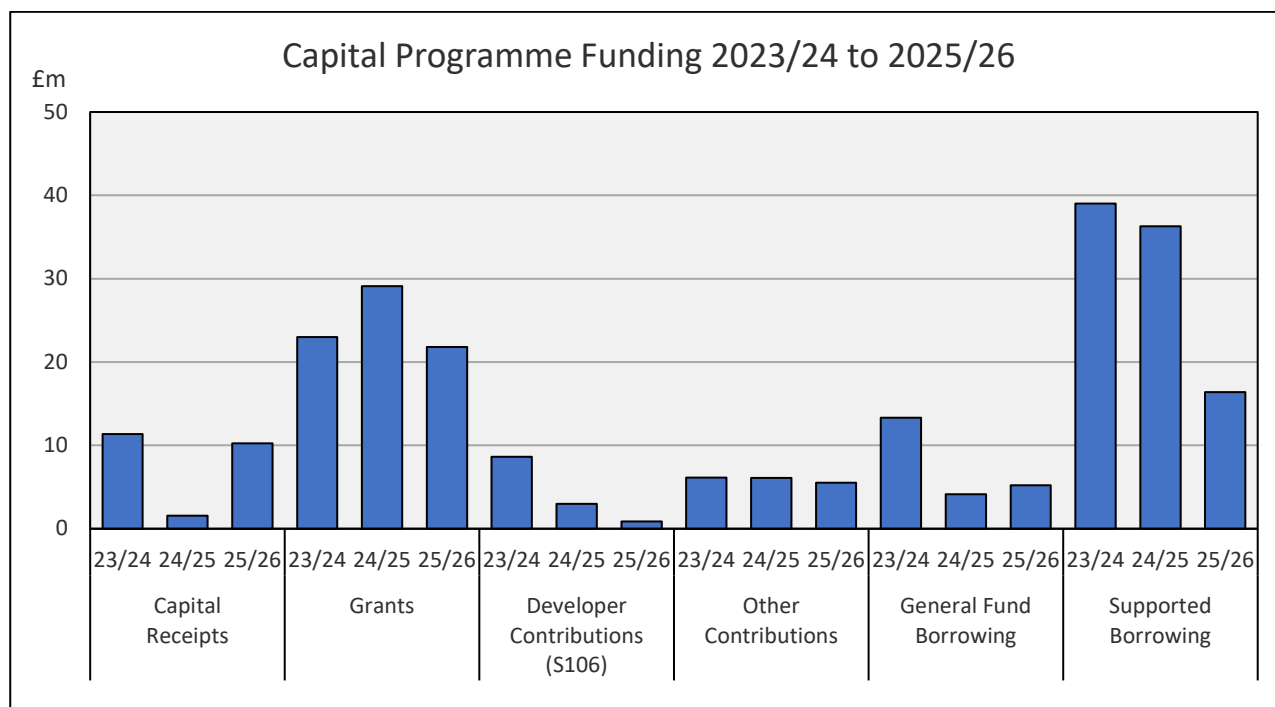
An overview of the proposed programme over the next three years is shown below. Further detail of the Capital Programme allocation of individual projects across key areas, and key area sub - categories is contained in the schedules further on in this section of the Medium Term Financial Plan and can be found in the Capital Programme and Strategy 2023/26.

In addition to the amounts below are carry forwards from the current year capital programme. These will be in addition to the £256.2m capital programme below. Details of the carry forwards are set out each quarter in the capital monitoring to Executive.

	2023/24 £m	2024/25 £m	2025/26 £m	Total £m
Housing, Local Economy and Regeneration	54.4	38.4	30.0	122.8
Children Services and Schools	17.3	27.0	21.0	65.3
Roads and Transport	10.5	9.3	7.9	27.7
Adult Social Care	6.8	3.1	1.8	11.7
Internal Services	6.4	3.7	3.0	13.1
Climate Emergency	5.3	3.1	4.9	13.3
Environment	0.9	0.1	1.1	2.1
Total Capital Programme 2023/24 to 2025/26	101.7	84.7	69.8	256.2

3 Capital Funding

The funding for the Capital Programme over the next three years is estimated to be funded by a combination of the funding sources shown below. The funding below does not include any funding relating to any carry forwards from the current financial year, this funding is in addition to the funding set out below.



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

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

4 Capital Strategy

A capital strategy has been developed with the aims of delivering the strategic ambitions of the council, improving the services provided for residents and supporting the most vulnerable people in our community. The capital strategy will be an essential component of the council's vision and long term direction of travel. To finance the capital strategy a funding approach has been developed involving asset disposals, the flexible use of future developer contributions and the use of external funding where possible.

5 Prudential Indicators

The Prudential Code operates by the provision of prudential indicators which highlight particular aspects of capital expenditure planning. The purpose of the indicators are to provide a framework for decision making. It highlights through the prudential indicators the level of capital expenditure, the impact on borrowing / investment levels and the overall controls in place to ensure the activity remains affordable, prudent and sustainable.

The Prudential Indicators and limits for 2023/24 to 2025/26 are set as:

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

The ratios above are explained in more detail in the Treasury Management Strategy 2023/24 and form a key part of our treasury management activities. These ratios are monitored and reviewed throughout the year.

6 Capital Financing Requirement (CFR)

The Capital Financing Requirement reflects the Council's underlying need to borrow for a capital purpose. It shows the total estimated capital expenditure that has not been resourced from capital or revenue sources. The Council's general fund CFR from 2023/24 to 2025/26 is demonstrated in the table below.

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

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

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

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

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

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

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

A full breakdown of the prudential indicators, investment strategy and borrowing strategy can be found in the Treasury Management Strategy 2023/24.

CAPITAL PROGRAMME 2023/24 to 2025/26

The following table sets out by key area, the Councils Capital Programme for the next three years. The HRA Capital programme is also included under Housing, Local Economy and Regeneration, sub section Housing Delivery. Note - the budget allocations below exclude any carry forwards from the current year.

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

CAPITAL PROGRAMME 2023/24 to 2025/26 BY SUB CATEGORY

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

	2023/24 £,000	2024/25 £,000	2025/26 £,000	Total £,000
Housing, Local Economy and Regeneration				
Income Generation	26,500	0	0	26,500
Housing delivery	27,854	38,398	29,364	95,617
Service Improvements	100	0	100	200
Regeneration of towns	0	0	500	500
Housing, Local Economy and Regeneration Total	54,454	38,398	29,964	122,817
Children Services and Schools				
New facilities	15,671	25,385	19,427	60,483
Improvement to existing facilities	1,277	1,277	1,277	3,831
Service improvements	330	330	330	990
Children Services and Schools Total	17,278	26,992	21,034	65,304
Roads and Transport				
Service improvements	6,176	3,426	800	10,402
Improvement to existing facilities	3,345	3,827	3,345	10,517
Alternative transport	954	2,000	0	2,954
New roads	64	66	3,795	3,924
Roads and Transport Total	10,539	9,319	7,940	27,797
Adult Social Care				
New facilities	5,541	2,300	1,000	8,841
Service improvements	1,229	731	737	2,697
Improvement to existing facilities	50	50	50	150
Adult Social Care Total	6,820	3,081	1,787	11,688

CAPITAL PROGRAMME 2023/24 to 2025/26 BY SUB CATEGORY CONT..

	2022/23 £,000	2023/24 £,000	2024/25 £,000	Total £,000
Internal Services				
Service improvements	4,093	3,340	2,690	10,123
New facilities	2,000	0	0	2,000
Improvement to existing facilities	350	350	350	1,050
Internal Services Total	6,443	3,690	3,040	13,173
Climate Emergency				
C02 Reduction	3,059	3,059	3,059	9,177
Alternative transport	2,230	30	1,880	4,140
Climate Emergency Total	5,289	3,089	4,939	13,317
Environment				
Improvement to existing facilities	700	100	100	900
Service improvements	183	0	0	183
New facilities	0	0	1,000	1,000
Environment Total	883	100	1,100	2,083
Total Capital Programme 2023/24 to 2025/26	101,706	84,669	69,804	256,179

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

Key Areas - by Sub Category		Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
				£,000	£,000	£,000	£,000
Housing, Local Economy and Regeneration							
Income Generation	Community Investment	To build on the commercial property portfolio in line with the Council's socio-economic and sustainability agendas		26,500	0	0	26,500
		Income Generation Total		26,500	0	0	26,500
Housing Delivery 215	Gorse Ride Regeneration Project	Redevelopment of Gorse Ride housing estate to provide new affordable housing		6,204	18,648	15,484	40,337
	WBC Holdings Ltd Loan	Wokingham Borough Council owned houses funding		6,000	6,000	6,000	18,000
	Housing Tenants Services (HRA)	Investment in the Council's housing stock (Inc. adaptations/estate improvements)		5,400	5,500	5,250	16,150
	Bulldog Garage - Temporary Accommodation	Build temporary accommodation to meet increase demand in the borough		4,900	1,500	0	6,400
	Wellington Road	To deliver homes for our most vulnerable residents and key workers		4,000	1,930	0	5,930
	Mandatory Disabled Facility Grants	Mandatory means tested grants for adapting the homes of people with disabilities to enable them to live independently at home		1,100	1,100	1,100	3,300
	Self-Build Project	Delivery of an affordable self-build schemes		250	250	0	500
	Seaford Court Development	Options being considered for the scheme which includes accommodation for vulnerable young people or for temporary accommodation for homelessness		0	2,470	530	3,000
	Purchase of Council Houses (HRA)	To replace HRA housing stock using the 1 for 1 right to buy receipts		0	1,000	1,000	2,000
		Housing Delivery Total		27,854	38,398	29,364	95,617
Service Improvements	Commercial Portfolio - Improvement to WBC commercial properties	To ensure commercial properties are suitable for letting		100	0	100	200
		Service Improvements Total		100	0	100	200
Regeneration of Towns	Denmark Street Environmental Improvements	Improving the borough towns and parishes		0	0	500	500
		Regeneration of Towns Total		0	0	500	500
Housing, Local Economy and Regeneration Total				54,454	38,398	29,964	122,817

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

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

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

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

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

Key Areas - by Sub Category	Project Name	Project Description	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Total
Adult Social Care						
New Facility	Older People's Dementia Home	Manage the future demand by investing in dementia care accommodation	5,541	0	0	5,541
	Accommodation Transformation	Additional supported living accommodation	0	1,500	1,000	2,500
	Replacement of Day Services for Adults	Investment in provision of day services	0	800	0	800
		New Facility Total	5,541	2,300	1,000	8,841
Service Improvements	Adult Social Care - Community Equipment	Support statutory duty to provide prevention, reduction and delay of long term care and support through the provision of equipment.	729	731	737	2,197
	Mosaic Modernisation and Reimplementation	Improvements to Adult Social Care IT System	500	0	0	500
		Service Improvements Total	1,229	731	737	2,697
Improvement to Existing Facilities	Adult Social Care Urgent Maintenance & Refurbishment	Urgent maintenance / refurbishment of the Adult Social Care estate to retain the function and value of the assets and to meet health and safety issues	50	50	50	150
		Improvement to Existing Facilities Total	50	50	50	150
Adult Social Care Total			6,820	3,081	1,787	11,688

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

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

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

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

CAPITAL PROGRAMME 2023/24 to 2025/26 - Detail

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

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

CAPITAL FUNDING

1 Definition / Purpose

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

Any surplus resources will be held in the following:

- Capital receipts reserve
- Capital grants and contributions unapplied reserve

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

2 Policy (Criteria for Calculating Fund Requirement)

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

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

Funding streams available to the Council consists of:

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

FIVE YEAR CAPITAL VISION 2023/24 to 2027/28

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

	2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	Total £,000
Housing, Local Economy and Regeneration						
Income Generation	26,500	0	0	0		26,500
Housing delivery	27,854	38,398	29,364	25,304	18,984	139,905
Service Improvements	100	0	100	0	100	300
Regeneration of towns	0	0	500	0	0	500
Housing, Local Economy and Regeneration Total	54,454	38,398	29,964	25,304	19,084	167,205
Children Services and Schools						
New facilities	15,671	25,385	19,427	8,895	5,310	74,688
Improvement to existing facilities	1,277	1,277	1,277	1,277	1,277	6,385
Service improvements	330	330	330	330	330	1,650
Children Services and Schools Total	17,278	26,992	21,034	10,502	6,917	82,723
Roads and Transport						
Service improvements	6,176	3,426	800	800	800	12,002
Improvement to existing facilities	3,345	3,827	3,345	3,575	3,325	17,417
Alternative transport	954	2,000	0	0	0	2,954
New roads	64	66	3,795	70	0	3,994
Roads and Transport Total	10,539	9,319	7,940	4,445	4,125	36,367
Adult Social Care						
New facilities	5,541	2,300	1,000	0	0	8,841
Service improvements	1,229	731	737	745	745	4,187
Improvement to existing facilities	50	50	50	50	50	250
Adult Social Care Total	6,820	3,081	1,787	795	795	13,278
Internal Services						
Service improvements	4,093	3,340	2,690	2,690	2,690	15,503
New facilities	2,000	0	0	0	0	2,000
Improvement to existing facilities	350	350	350	350	350	1,750
Internal Services Total	6,443	3,690	3,040	3,040	3,040	19,253

	2023/24 £,000	2024/25 £,000	2025/26 £,000	2026/27 £,000	2027/28 £,000	Total £,000
Climate Emergency						
C02 Reduction	3,059	3,059	3,059	3,459	1,859	14,495
Alternative transport	2,230	30	1,880	3,500	3,500	11,140
Climate Emergency Total	5,289	3,089	4,939	6,959	5,359	25,635
Environment						
Improvement to existing facilities	700	100	100	100	100	1,100
Service improvements	183	0	0	0	0	183
New facilities	0	0	1,000	6,000	0	7,000
Environment Total	883	100	1,100	6,100	100	8,283
Total Capital Programme 2023/24 to 2027/28	101,706	84,669	69,804	57,145	39,420	352,744

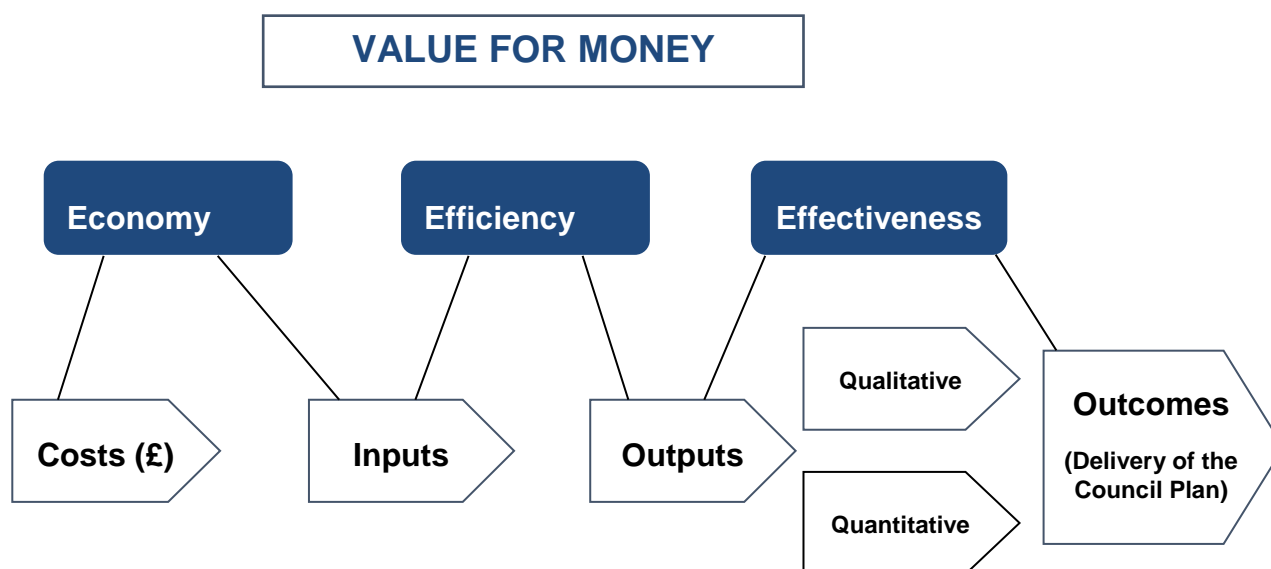
COMMERCIALISATION AND VALUE FOR MONEY

Commercialisation

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

Value for Money

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



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

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

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

KEY ACTIVITY DATA

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

	Unit Description	2023/24			2024/25			2025/26			Risk Indicator	
		Units	Ave Price £	Total £'000	Units	Ave Price £	Total £'000	Units	Ave Price £	Total £'000		
Adult Social Services												
	Learning Disability, Residential Care	weeks	4,586	1,585	7,271	4,592	1,633	7,499	4,610	1,682	7,754	High
	Learning Disability, Supported Living	weeks	11,443	940	10,755	11,450	968	11,084	11,559	997	11,525	High
	Mental Health, Supported Living	weeks	2,391	556	1,330	2,376	573	1,361	2,399	590	1,415	Medium
	Older People, Homecare	hours	313,959	20	6,289	303,579	21	6,263	300,779	21	6,392	High
	Older People, Nursing Care	weeks	4,118	983	4,046	4,203	1,012	4,254	4,292	1,042	4,474	High
	Older People, Residential Care	weeks	4,182	921	3,853	4,074	949	3,866	4,009	977	3,918	High
	Physical Disability, Homecare	hours	108,382	20	2,171	104,470	21	2,155	103,944	21	2,209	Medium
	Physical Disability, Supported Living	weeks	1,269	631	801	1,411	650	917	1,535	670	1,028	Medium
Children's Services												
	Foster Placements / Staying Put	per night	27,740	62	1,712	28,295	64	1,799	28,861	65	1,890	Medium
	Independent Foster Placements	per night	5,867	121	710	5,984	125	746	6,104	128	784	Medium
	Residential Home Placements	per night	6,620	518	3,429	6,752	534	3,603	6,887	550	3,785	High
	Semi-Independent Living	per night	6,010	126	760	6,130	130	798	6,253	134	839	Medium
	Home to School Transport - Mainstream	per pupil	533	2,726	1,453	540	2,808	1,516	550	2,892	1,591	High
	Home to School Transport - SEND	per pupil	378	11,710	4,426	420	12,061	5,066	450	12,423	5,590	High
Place & Growth												
	Waste Disposal (based on 72000 tonnes pa in 2021/22) combined landfill and recycling and 3% growth per annum. The average cost of recycling treatment (including DMR and food waste) is £66.68 for 2021/22. This has been increased by 5% per year - RPI	charge per tonne	66,057	90	5,945	68,000	100	6,800	70,000	110	7,700	Medium
	Building Control - Plan check fee (Total Number of Submissions in year)	per search	900	515	464	900	515	464	900	515	464	Low
	Development Control - Planning Application Fees - Major	per application	52	9,231	480	52	9,231	480	52	9,231	480	High
	Development Control - Planning Application Fees - Minor	per application	1,570	300	471	1,570	300	471	1,570	300	471	High
Schools Block - Dedicated Schools Grant												
	Independent & Non Maintained Special School Placements	per pupil	137	76,300	10,453	108	82,700	8,932	82	72,900	5,978	High

COUNCIL TAX BACKGROUND INFORMATION

1 Council Tax – Valuation Bands

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

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

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

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

2 Council Tax – Exempt Dwellings

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

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

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

3 Council Tax - Discounts

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

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

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

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

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

People in the following groups do not count towards the number of adults resident in a dwelling:

- Full-time students, student nurses, apprentices and Youth Training trainees
- Patients resident in hospital
- People who are being looked after in care homes
- People who are severely mentally impaired
- People staying in certain hostels or night shelters
- 18 or 19 year olds who are still at school, and those who leave school after March for the months up to November
- Care Workers working for low pay, usually for charities
- People caring for someone with a disability who is not a spouse, partner, or child under 18
- Members of visiting forces and certain international institutions
- Members of religious communities (monks and nuns)
- People in prison (except those in prison for non-payment of council tax or a fine)
- Diplomats

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

4 Council Tax – People with Disabilities

If a taxpayer, or someone who lives with him/her (including children), need a room, or an extra bathroom or kitchen, or extra space in a property to meet special needs arising from a disability, he/she may be entitled to a reduced council tax bill. The bill may be reduced to that of a property in the band immediately below the band shown on the valuation list. These reductions ensure that disabled people do not pay more tax on account of space needed because of a disability. If a home is in Band A it will already be in the lowest council tax band. However, it may be reduced by a ninth of Band D.

5 Council Tax - Reduction

The national council tax benefit scheme was replaced with a local council tax support scheme from 1st April 2013. The new scheme ensures that people in receipt of Income Support / Universal Credit, other state benefits or on low incomes have their bills reduced. It is a means tested reduction.

6 Council Tax – Premium

Properties that have been empty and unfurnished for more than two years will be charged a premium of the council tax for the property. These are set out below;

- Properties empty for at least 2 years (but less than 5 years), the maximum long-term empty homes premium is 100%.
- Properties empty for at least 5 years (but less than 10 years), the maximum long-term empty homes premium is 200%.
- Properties empty for at least 10 years, the maximum long-term empty homes premium is 300%.

This will encourage owners of those long term empty homes to bring them back into use.

7 Council Tax Base

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

From this figure an adjustment is made:

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

The resulting figure is the Band D equivalent Tax base.

8 Council Tax Rate

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

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

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

9 Precepts and Collection Fund Surplus / Deficit

Wokingham Borough Council also collects council tax on behalf of the Police and Crime Commissioner for Thames Valley, and the Royal Berkshire Fire and Rescue Authority. The precepts for 2022/23 and 2023/24 are set out below.

Precept	2022/23 £	Band D £	2023/24 £	Band D £	Increase %
Police and Crime Commissioner for Thames Valley	18,083,043	241.28	19,540,607	256.28	6.22%
Royal Berkshire Fire Authority	5,542,279	73.95	6,019,709	78.95	6.76%

Collection Fund Surplus

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2023. The calculation is required by legislation to be made by 15th January. The surplus / deficit is required to be apportioned between the precepting authorities pro rata to the previous year's precept. As at the 31st March 2023 the collection fund expects to achieve a surplus of £1,181,000 therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £1,000,000

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

Royal Berkshire Fire Authority - £41,000

PARISH PRECEPTS 2023/24

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

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

PARISH	TAX BASE	<u>2022/23</u> PARISH PRECEPT	COUNCIL TAX BAND D	TAX BASE	<u>2023/24</u> PARISH PRECEPT	COUNCIL TAX BAND D
		£	£		£	£
Arborfield & Newland	1,298.90	106,955	82.34	1,279.10	105,321	82.34
Barkham	2,158.90	73,787	34.18	2,336.80	61,185	26.18
Charvil	1,464.90	87,059	59.43	1,473.20	90,000	61.09
Earley	11,974.90	988,054	82.51	12,005.70	1,007,815	83.94
Finchampstead	6,295.60	184,615	29.32	6,553.70	192,154	29.32
Remenham	327.30	27,751	84.79	328.70	29,138	88.65
Ruscombe	545.70	29,300	53.69	580.20	28,600	49.29
St. Nicholas Hurst	1,104.00	48,400	43.84	1,106.70	54,650	49.38
Shinfield	7,356.10	552,370	75.09	7,613.20	599,570	78.75
Sonning	829.50	39,002	47.02	827.00	42,200	51.03
Swallowfield	1,077.80	32,237	29.91	1,078.60	35,487	32.90
Twyford	3,026.40	127,238	42.04	3,046.30	153,382	50.35
Wargrave	2,150.90	204,404	95.03	2,143.50	213,865	99.77
Winnersh	4,465.30	186,917	41.86	4,433.80	191,166	43.12
Wokingham Town	16,712.90	1,014,210	60.68	17,230.60	1,118,820	64.93
Wokingham Without	3,299.40	227,400	68.92	3,315.70	239,957	72.37
Woodley	10,857.80	1,225,628	112.88	10,894.30	1,195,649	109.75
TOTAL	74,946.30	5,155,327	68.79	76,247.10	5,358,959	70.28

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

COUNCIL TAX BY BAND AND PARISH 2023/24

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

Band	A £	B £	C £	D £	E £	F £	G £	H £
Average Council Tax	1,438.22	1,677.94	1,917.64	2,157.35	2,636.76	3,116.18	3,595.57	4,314.70
WBC plus average Parish	1,214.74	1,417.20	1,619.66	1,822.12	2,227.04	2,631.96	3,036.86	3,644.24
Average Parish	46.85	54.66	62.47	70.28	85.90	101.52	117.13	140.56
Police Authority	170.85	199.33	227.80	256.28	313.23	370.18	427.13	512.56
Fire Authority	52.63	61.41	70.18	78.95	96.49	114.04	131.58	157.90
Adult social care precept*	153.65	179.25	204.86	230.47	281.69	332.90	384.12	460.94
Wokingham Borough Council excluding ASC precept	1,014.24	1,183.29	1,352.33	1,521.37	1,859.45	2,197.54	2,535.61	3,042.74
Wokingham Borough Council total	1,167.89	1,362.54	1,557.19	1,751.84	2,141.14	2,530.44	2,919.73	3,503.68

* Percentage increases based on total 2022/23 council tax level, as per legislation

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

Band	A £	B £	C £	D £	E £	F £	G £	H £
Parish Precepts								
Arborfield & Newland	54.89	64.04	73.19	82.34	100.64	118.94	137.23	164.68
Barkham	17.45	20.36	23.27	26.18	32.00	37.82	43.63	52.36
Charvil	40.73	47.51	54.30	61.09	74.67	88.24	101.82	122.18
Earley	55.96	65.29	74.61	83.94	102.59	121.25	139.90	167.88
Finchampstead	19.55	22.80	26.06	29.32	35.84	42.35	48.87	58.64
Remenham	59.10	68.95	78.80	88.65	108.35	128.05	147.75	177.30
Ruscombe	32.86	38.34	43.81	49.29	60.24	71.20	82.15	98.58
St. Nicholas Hurst	32.92	38.41	43.89	49.38	60.35	71.33	82.30	98.76
Shinfield	52.50	61.25	70.00	78.75	96.25	113.75	131.25	157.50
Sonning	34.02	39.69	45.36	51.03	62.37	73.71	85.05	102.06
Swallowfield	21.93	25.59	29.24	32.90	40.21	47.52	54.83	65.80
Twyford	33.57	39.16	44.76	50.35	61.54	72.73	83.92	100.70
Wargrave	66.51	77.60	88.68	99.77	121.94	144.11	166.28	199.54
Winnersh	28.75	33.54	38.33	43.12	52.70	62.28	71.87	86.24
Wokingham Town	43.29	50.50	57.72	64.93	79.36	93.79	108.22	129.86
Wokingham Without	48.25	56.29	64.33	72.37	88.45	104.53	120.62	144.74
Woodley	73.17	85.36	97.56	109.75	134.14	158.53	182.92	219.50

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

Band	A £	B £	C £	D £	E £	F £	G £	H £
Total Council Tax								
Arborfield & Newland	1,446.26	1,687.32	1,928.36	2,169.41	2,651.50	3,133.60	3,615.67	4,338.82
Barkham	1,408.82	1,643.64	1,878.44	2,113.25	2,582.86	3,052.48	3,522.07	4,226.50
Charvil	1,432.10	1,670.79	1,909.47	2,148.16	2,625.53	3,102.90	3,580.26	4,296.32
Earley	1,447.33	1,688.57	1,929.78	2,171.01	2,653.45	3,135.91	3,618.34	4,342.02
Finchampstead	1,410.92	1,646.08	1,881.23	2,116.39	2,586.70	3,057.01	3,527.31	4,232.78
Remenham	1,450.47	1,692.23	1,933.97	2,175.72	2,659.21	3,142.71	3,626.19	4,351.44
Ruscombe	1,424.23	1,661.62	1,898.98	2,136.36	2,611.10	3,085.86	3,560.59	4,272.72
St. Nicholas Hurst	1,424.29	1,661.69	1,899.06	2,136.45	2,611.21	3,085.99	3,560.74	4,272.90
Shinfield	1,443.87	1,684.53	1,925.17	2,165.82	2,647.11	3,128.41	3,609.69	4,331.64
Sonning	1,425.39	1,662.97	1,900.53	2,138.10	2,613.23	3,088.37	3,563.49	4,276.20
Swallowfield	1,413.30	1,648.87	1,884.41	2,119.97	2,591.07	3,062.18	3,533.27	4,239.94
Twyford	1,424.94	1,662.44	1,899.93	2,137.42	2,612.40	3,087.39	3,562.36	4,274.84
Wargrave	1,457.88	1,700.88	1,943.85	2,186.84	2,672.80	3,158.77	3,644.72	4,373.68
Winnersh	1,420.12	1,656.82	1,893.50	2,130.19	2,603.56	3,076.94	3,550.31	4,260.38
Wokingham Town	1,434.66	1,673.78	1,912.89	2,152.00	2,630.22	3,108.45	3,586.66	4,304.00
Wokingham Without	1,439.62	1,679.57	1,919.50	2,159.44	2,639.31	3,119.19	3,599.06	4,318.88
Woodley	1,464.54	1,708.64	1,952.73	2,196.82	2,685.00	3,173.19	3,661.36	4,393.64

BUDGET MANAGEMENT PROTOCOL

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

Roles & Responsibilities:

Budget Manager

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

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

Directors

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

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

Corporate Leadership Team

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

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

Members

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

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

S151 Officer (Chief Finance Officer)

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

BUDGET MANAGEMENT - ESSENTIAL PRACTICE FOR BUDGET MANAGERS

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

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

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

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

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

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

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

Glossary of Terms

Adult Social Care (ASC) Precept

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

Apprenticeship Levy

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

Autumn Statement

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

Business Rates Retention Scheme (BRRS)

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

Care Act 2014

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

Community Infrastructure Levy (CIL)

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

Core Spending Power

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

Council Tax Freeze Grant

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

Dedicated Schools Grant (DSG)

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

Education Services Grant (ESG)

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

Formula Grant

The previous name for Revenue Support Grant (RSG).

Local Government Funding Settlement

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

Medium Term Financial Plan (MTFP)

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

Ministry of Housing, Communities & Local Government (MHCLG)

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

National Funding Formula

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

New Homes Bonus

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

Northern Powerhouse

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

Precept

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

Prudential Code

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

Revenue Support Grant (RSG)

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

'Rolled-in' Grant

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

Section 106 Contributions

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

Settlement Funding Assessment (SFA)

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

Strategic Development Locations (SDLs)

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

Summary of Budget Movements

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

Unitary Authority

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