

# Medium Term Financial Plan 2024/2025

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



**WOKINGHAM**  
**BOROUGH COUNCIL**

## Introduction

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

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

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

The following pages also include;

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

**WOKINGHAM BOROUGH COUNCIL MEDIUM TERM FINANCIAL PLAN 2024/25**  
**(Inc. Revenue Budget Forecast & Capital Budget Forecast to 2026/27)**

157

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

| Contents   | Description   | Pages     |
|--|---|-----------|
| Housing Revenue Account Budget Variables and Financial Risk Analysis | The areas of risk identified in calculating the required level of HRA reserves held   | 82        |
| Housing Revenue Account Reserves Policy Statement                    | Provides detail and understanding to the purpose and need for the HRA Reserves  | 83        |
| Schools Block Budget   | Details of the statutory education budget – including expenditure, grants received and the surplus/deficit on the account                                   | 84        |
| Capital Programme 2024-2027 and Prudential Indicators                | Shows the Council Capital schemes, how they are funded and key indicators to monitor the impact on the Councils overall finances over the period to 2026/27 | 85 – 101  |
| Capital Funding  | Definition of capital expenditure and the policy for funding and ensuring affordability   | 102       |
| Five Year Capital Vision   | High level summary of the longer-term capital investment plans  | 103 – 104 |
| Commercialisation and Value for Money                                | The Councils approach to commercialisation and VFM  | 105       |
| Council Tax Background Information                                   | An understanding of how council tax is charged, when charges can be reduced or increased and how income is split with partners                              | 106 – 109 |
| Parish Precepts 2024/25  | Lists the level of Council Tax precepts for each parish   | 110       |
| Council Tax by Band and Parish                                       | Details the Council tax due by Band and for each parish   | 111       |
| Budget Management Protocol   | The expectations of officers and managers responsibilities to manage budgets  | 112 – 113 |
| Essential Practice for Budget Managers                               | Exemplar questions for budget managers to assist their management role  | 114       |
| Glossary of Terms  | Further detail to explain a number of technical and local government terms and references   | 115 - 117 |

# CHIEF FINANCE OFFICER'S STATUTORY REPORT

## 1. Introduction

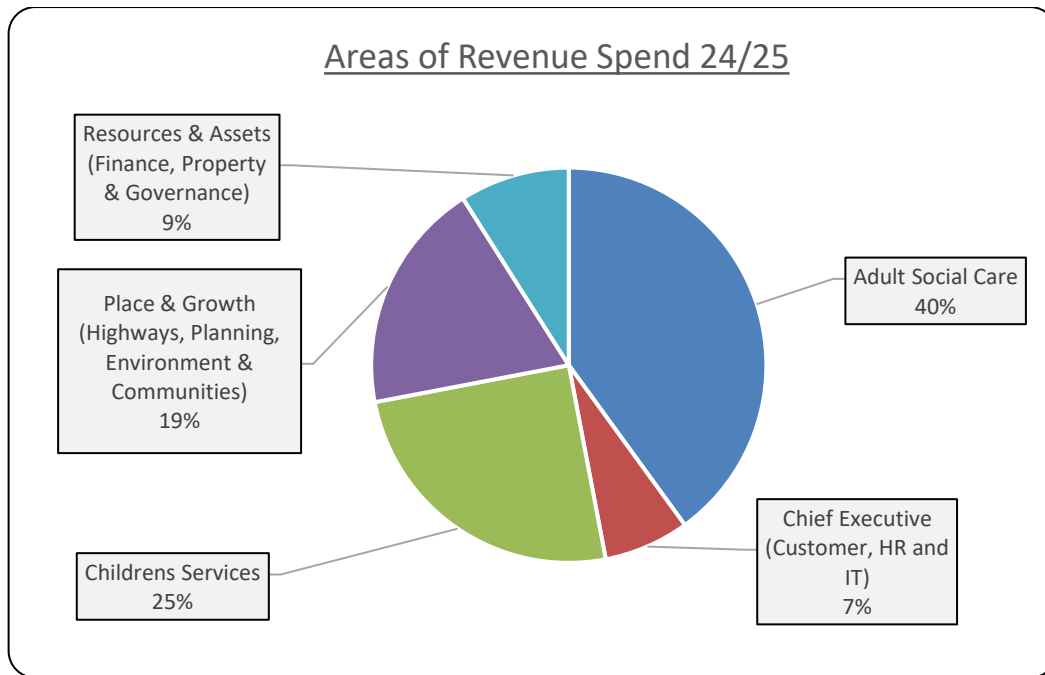
The Local Government Act 2003 requires the Chief Finance Officer (CFO) to report to Members (Councillors), when setting the council tax charges. The CFO must state if the budget is robust and if it has enough reserves. The report is intended to discharge this responsibility and provides an overview of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

The budget setting process started early in 2023/24 ensuring spend supports delivery of the Council's priorities (below) and are further detailed in the Council Plan (<https://www.wokingham.gov.uk/council-and-meetings/open-data/community-vision-and-council-plan/>). Budget proposals are put forward to invest in areas that require more spend to meet increasing demands, to reflect where services can be more efficient or where they can generate more income. The budget is also set to try to meet changing need, such as with the cost of living crisis.



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

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



## 2. The financial standing of the Council

Heading into the 2024/25 financial year, the financial standing of the Council remains robust but with a number of significant local and national challenges ahead. This position has been maintained despite the Borough facing some of the most acute challenges in many years; the pandemic, cost of living/inflation rises, migration and the impacts of Brexit. It has only been achieved through strong financial management.

The Council has established financial resilience and sustainability, despite years of austerity resulting in minimal real terms increases and often real terms decreases in Government funding.

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

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

- The standing of Wokingham Borough Council as indicated by the Chartered Institute of Public Finance & Accountancy (CIPFA) Resilience index and other relevant benchmarking data; which shows the council in a strong position across a number of indicators
- context of the position in relation to government grants;
  - Lowest funding level across Berkshire LA's
  - Lowest Settlement Funding Assessment per head of population (unitary authorities)
  - Lowest core funding per head of population (unitary authorities)
  - Percentage of Revenue Support Grant lost between 2017/18 and 2022/23 – 100%

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

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

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

These activities include;

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

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

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

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

### 3. How are Council services funded?

For 2024/25, the Council is planning to spend in excess of £500 million across revenue, capital, housing revenue account and dedicated school grants services. Council services can be broken down across 4 key financial areas known as;

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

Revenue expenditure covers the day to day running of services across the Council. For 2024/25, the Council will spend approximately £272m across these services. This is known as gross expenditure. Service specific grants and income will reduce this spend to a net expenditure in the region of £169m.

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

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

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

Local authorities have continued to push for a fairer funding review and long-term finance settlements to provide sustainable long-term funding for Local authorities. The intention from the government for some years has been to set a three-year finance settlement, however this has yet to materialise. There is no current timescale for the fundamental funding review and 2024/25 has recently been published for only one year, with few indications for 2025/26. This means that there is still much uncertainty around future settlements in terms of duration and the actual funding Wokingham will receive. Consequently, it has been difficult to make definite determinations about budgets in 2025/26 and 2026/27. This context alongside a number of local and national pressures means it is extremely important the Council takes a prudent approach in its budget setting proposals for the 2024-2027 medium term financial plan.



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

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

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

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

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

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

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

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

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

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

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

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

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

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

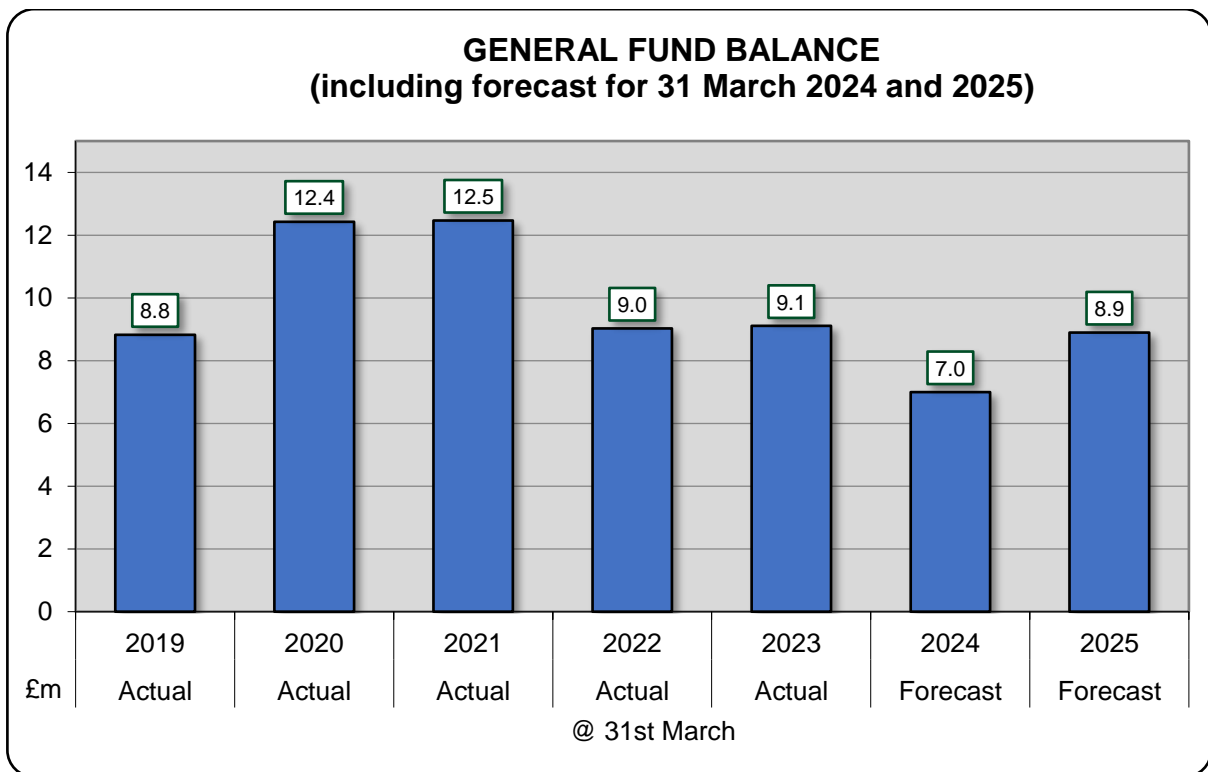
The Safety Valve agreement will last until 2028/29 and will see the council receive around £20m of funding to support improvement to ultimately bring the balance of the DSG back to nil by the end of the programme. The first 2 quarters returns have been signed off with initial payments received. Significant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

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

#### 4. Adequacy of reserves

The level of general fund balances is informed by a budget risk analysis. This approach was introduced in 2003/04 when the Council agreed the policy on reserves and balances. The budget risk analysis is included annually in the medium-term financial plan.

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



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

#### Capital

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

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

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

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

As highlighted earlier, the Council have faced significant pressures over the past 4 years in relation to the High Needs Block, combined with under funding from the government the Council are now estimating a deficit reserve at 31st March 2024 of £15.27m in this area (inclusive of Safety Valve payments and use of the Equalisation Fund). For 2023/24 the mitigations are largely due to be delivered from actions and provision already planned for in the budget. From 2024/25 onwards, successful delivery of the mitigations is predicated on increased local provision and are likely to require additional capital investment options currently being developed. We are currently working with the DfE to form a recovery plan for this. Accounting guidance published by CIPFA state that this deficit reserve should be held as an unusable reserve. A statutory override is currently in place to March 2026 that protects this fund falling on the council taxpayer. It is expected that this timeframe will be reviewed by the Government.

The Council also hold approximately c£6.6m in school reserves as at 31st March 2024 which are held to act as a contingency to offset future pressures and or put towards capital investment within schools.

### **Other Balances**

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

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

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

## 5. Major Financial Risks – Forward Look

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

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

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

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

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

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

**Corporate** – The impact of inflation, interest rates, and the cost of living crisis is felt Council-wide both in terms of the direct impact and the imperative to respond to the needs of the community where we can.

From a strategic financial perspective, it will be extremely challenging to keep spending within budget in 2024/25 given the National and Local context and we must do all we can to minimise and prevent any unfunded financial burdens flowing into 2025/26. The 2024/25 budget proposals attempt to fund and address the challenges described above, however considerable financial risk will need to be held and managed within Directorates and across the Council. The longer term strategic financial position will be impacted by the Council's responsible approach in setting the 2024/25 budget and how it continues to closely review and respond where necessary. These endeavours will need to be discharged in the context of considerable uncertainties which includes both the economic landscape and Government funding, given the financial settlement was for one year only. Longer term the unknown financial pressures around future legislative requirements, will also need to be understood and overcome, such as; the removal of the statutory override on the DSG and the ASC charging reform.

## 6. Conclusion

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

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

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

Over recent years the DSG deficit has escalated to a level of considerable concern and the ongoing proposal to utilise 1% of the Council Tax increase p.a. for this is considered to be wholly necessary, in conjunction with all the other work being undertaken in this area to reduce costs, under the Government sponsored Safety Valve programme.

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

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



**Graham Ebers**

Deputy Chief Executive (and Chief Financial Officer)

## 7. Glossary

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



## Appendix 1;

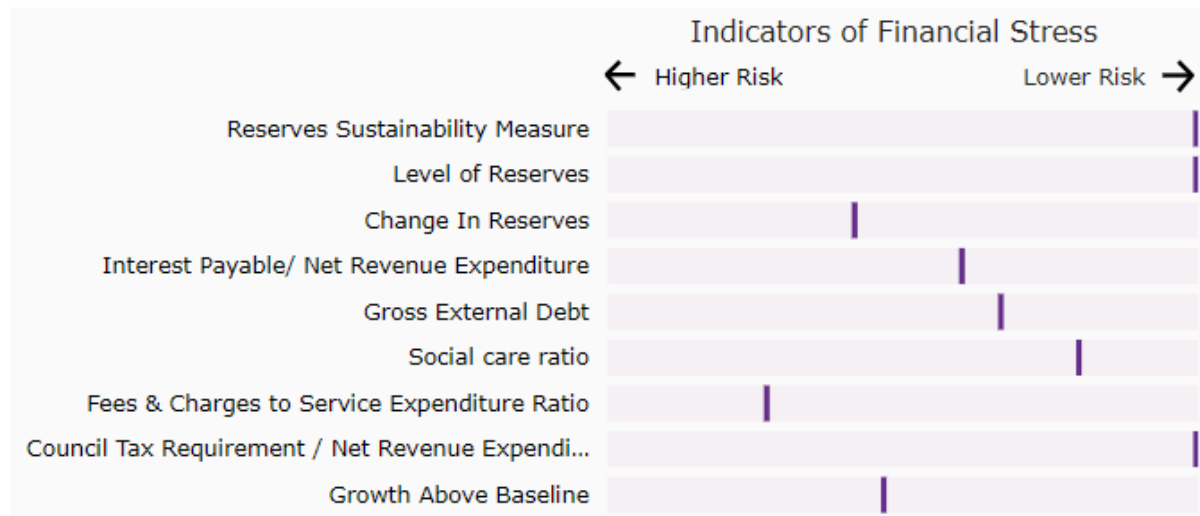
### Key Financial Standing & Funding Context

As part of the overall approach to managing and monitoring the financial position it is important to monitor and review the longer-term trend, impacts of funding and the position against other Councils. These are useful measures to further ensure Wokingham's approach and understanding is reasonable and there are no other risks or opportunities that have not been considered or understood.

#### CIPFA Resilience Index

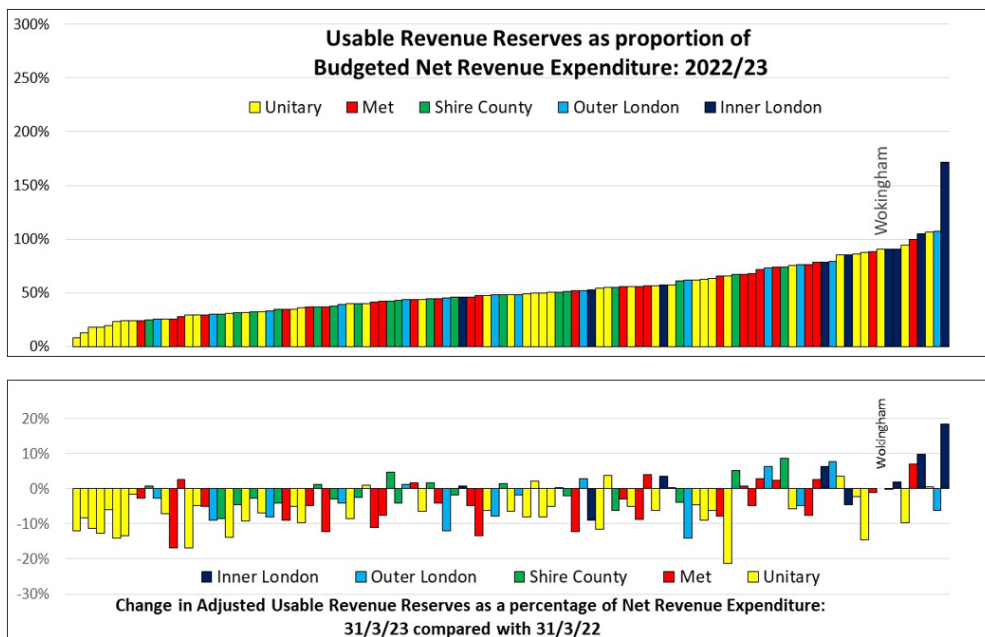
In December 2019, CIPFA published their first financial resilience tool which highlighted key financial indicators such as reserves sustainability, external debt and social care ratios based on the 2018/2019 financial year. The index shows a council's position on a range of measures associated with financial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

#### CIPFA Financial Resilience Index (2022/23)

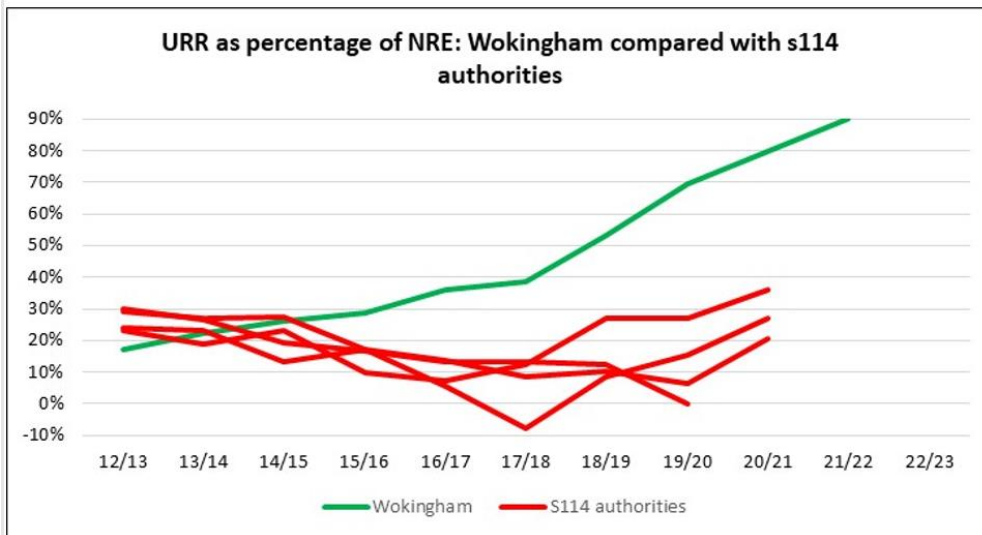


The index shows that Wokingham has slightly higher than average levels of external debt but relatively high levels of reserves which provides the Council with financial assurance. Although the Council have a slightly higher than average risk in interest payable compared to others, this is based on gross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

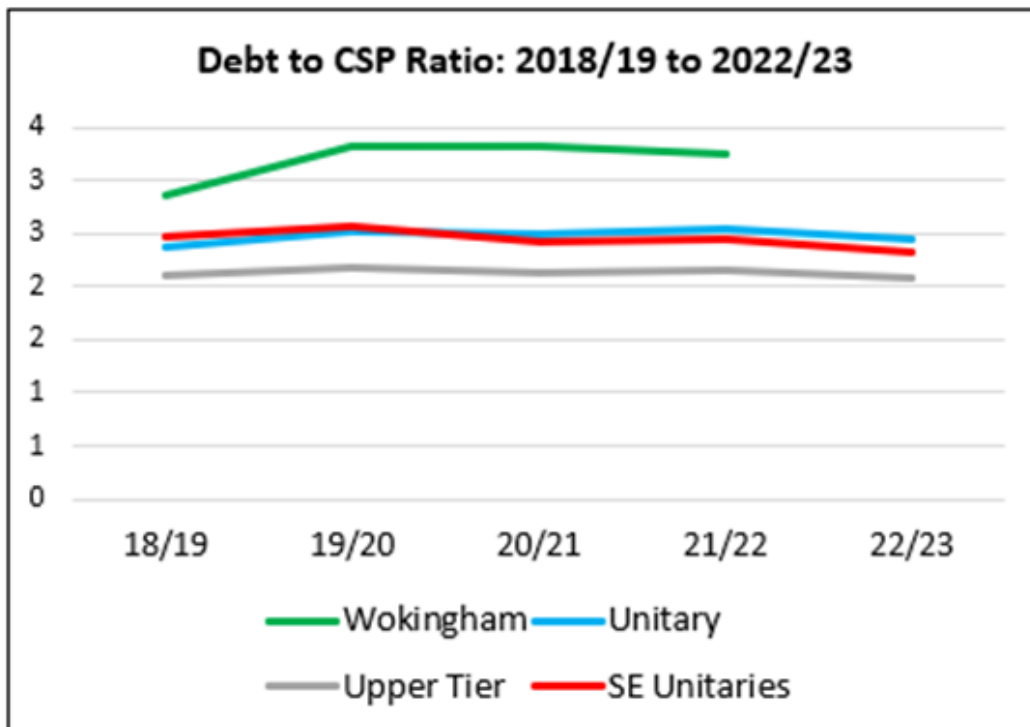
To further supplement the analysis from CIPFA the below table shows the level of usable Reserves as a proportion of budgeted net revenue expenditure (2022/23) and how that position has changed in the last year relative to other councils. Again supporting the position that our level of reserves are strong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



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



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



## Wokingham Funding Context

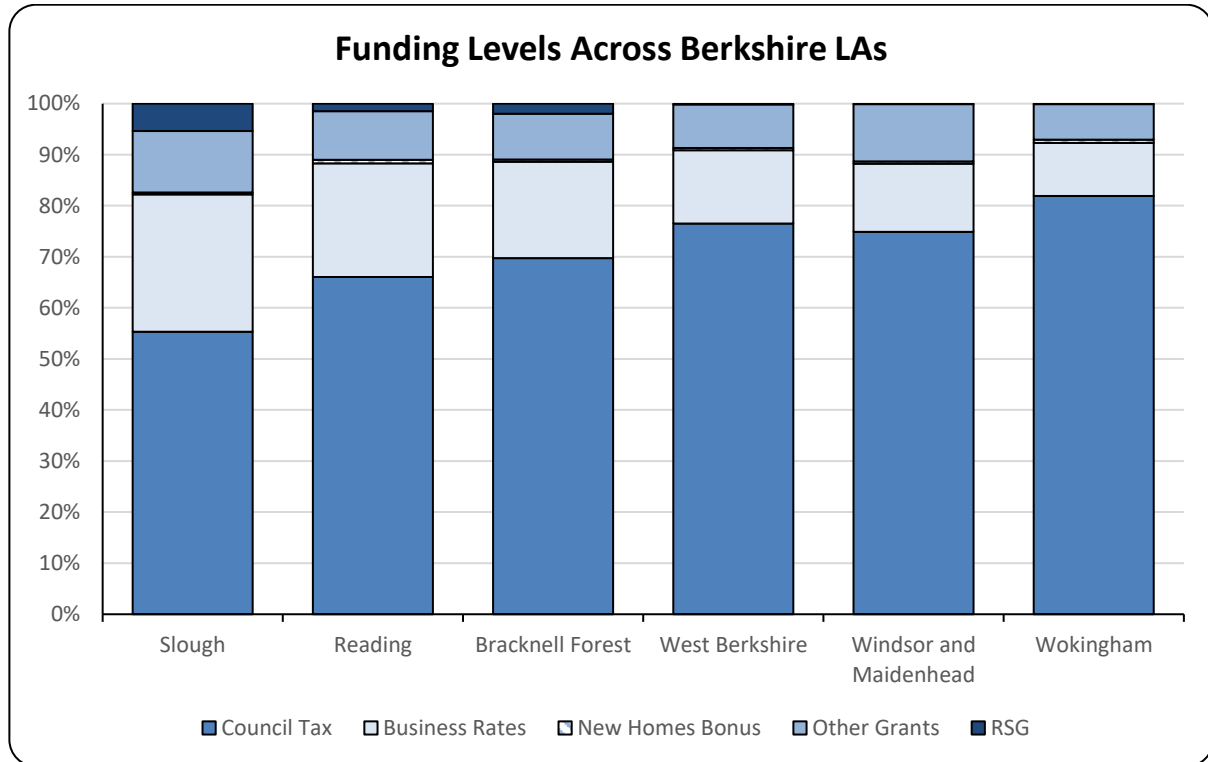
The reductions in Government grants have had a major impact on the Council's finances and budgets since 2010/11. The Council's net expenditure budget has been reduced each year since 2010/11 as shown in the table below, which indicates that the net expenditure budget has been reduced by £52.3m (50%)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

|  | £m                  |
|--|---------------------|
| WBC 2024/25 net expenditure budget                                     | 171.7               |
| Less reduction in grants for services now part of formula grant        | (12.5)              |
| Less discount re inflation since 2010/11 (based on CPI)                | (85.8)              |
| Less discount re growth in council tax base since 2010/11              | (22.6)              |
| <b>Net expenditure budget 2024/25 discounted to 2010/11 Prices (a)</b> | <b>50.7</b>         |
|  |                     |
| <b>WBC 2010/11 net expenditure budget (b)</b>                          | <b>105.2</b>        |
|  |                     |
| <b>Estimated reduction in expenditure since 2010/11 ( b – a )</b>      | <b>£52.3m (50%)</b> |

This is the result of numerous years of local government funding driven by a formula that is skewed toward deprivation factors (as opposed to recognising the basic cost of providing services) and reductions in centrally funded grants based on percentage reductions to previous years, Wokingham Borough Council has been for many years the lowest funded unitary authority (per head of population) in the country. A consequence of this is that Wokingham Borough Council's local services are deemed in the finance settlement to have the majority funded by its council taxpayers. Whilst the average unitary authorities receive revenue support grant and retained business rates to fund around 30% of their service costs, Wokingham receive only 11%.

## Revenue Funding Sources

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

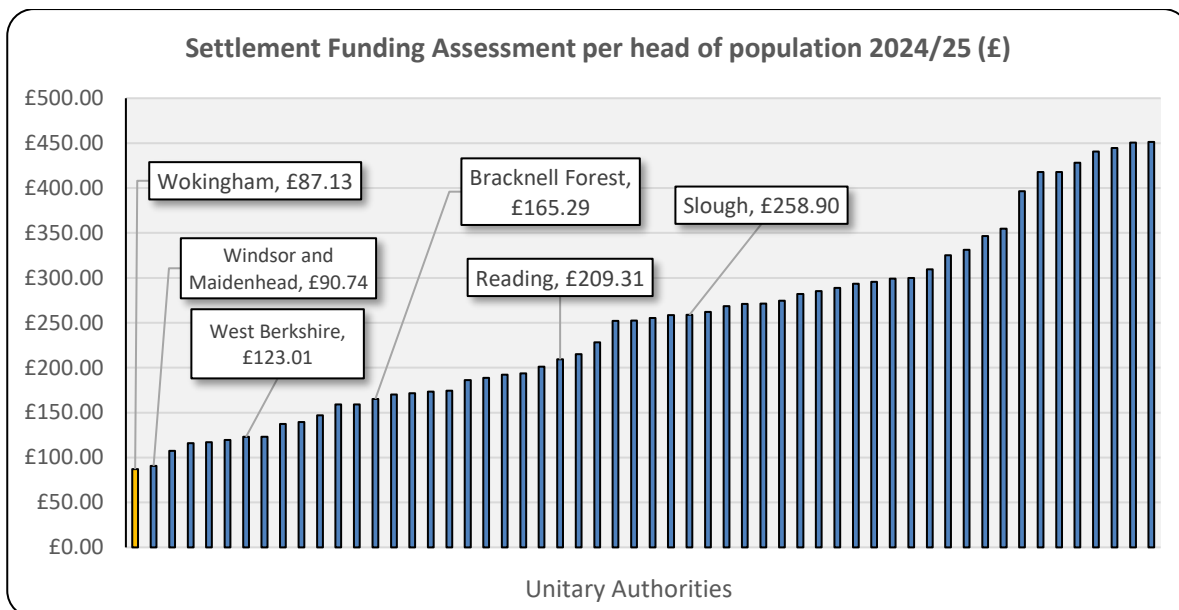


## Settlement Funding Assessment (SFA)

The SFA is a calculation consisting of the sum of baseline funding level (BFL) and the revenue support grant (RSG). The BFL represents Wokingham's share of business rates retained income (£15.39m) which is just over 20% of the total business rates collectable. It also includes the general grant (RSG) from government of £0.13m.

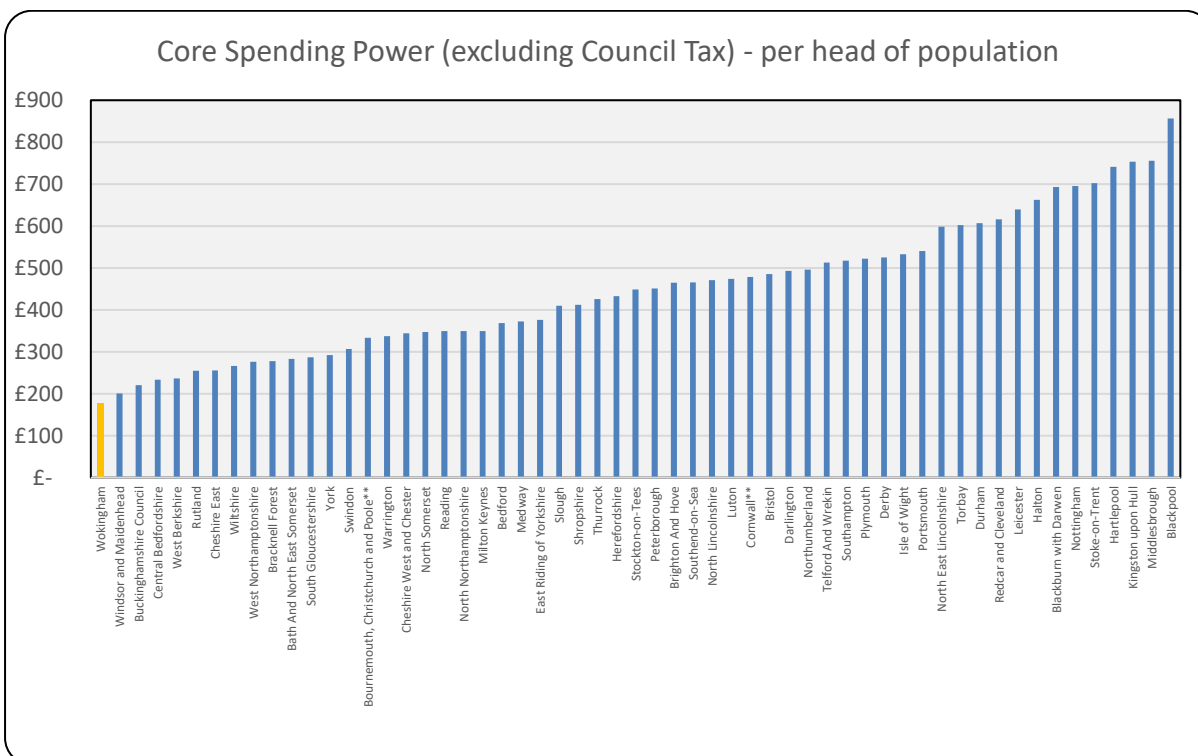
Wokingham's total SFA will be £15.52m in 2024/25, compared to £19.07m in 2016/17, a reduction of 18.6%, or £3.55m. Wokingham's SFA has remained close to £14.1m since 2017/18 after the reduction in 2016/17. 2023/24 was the first year the Council received an increase which has been increased again with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

The graph below shows the position for 2024/25 in terms of SFA funding per head of population and confirms that Wokingham is the lowest funded unitary authorities, well below the unitary average, and less than 17% of the highest funded unitary authority:



Wokingham will receive the SFA per head of £87.13, which is significantly lower than the unitary authorities’ average. It is also less than half the funding of two of the Berkshire authorities. If the Council received £250 per head (approximate average), this would equate to an additional c£29m in funding.

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



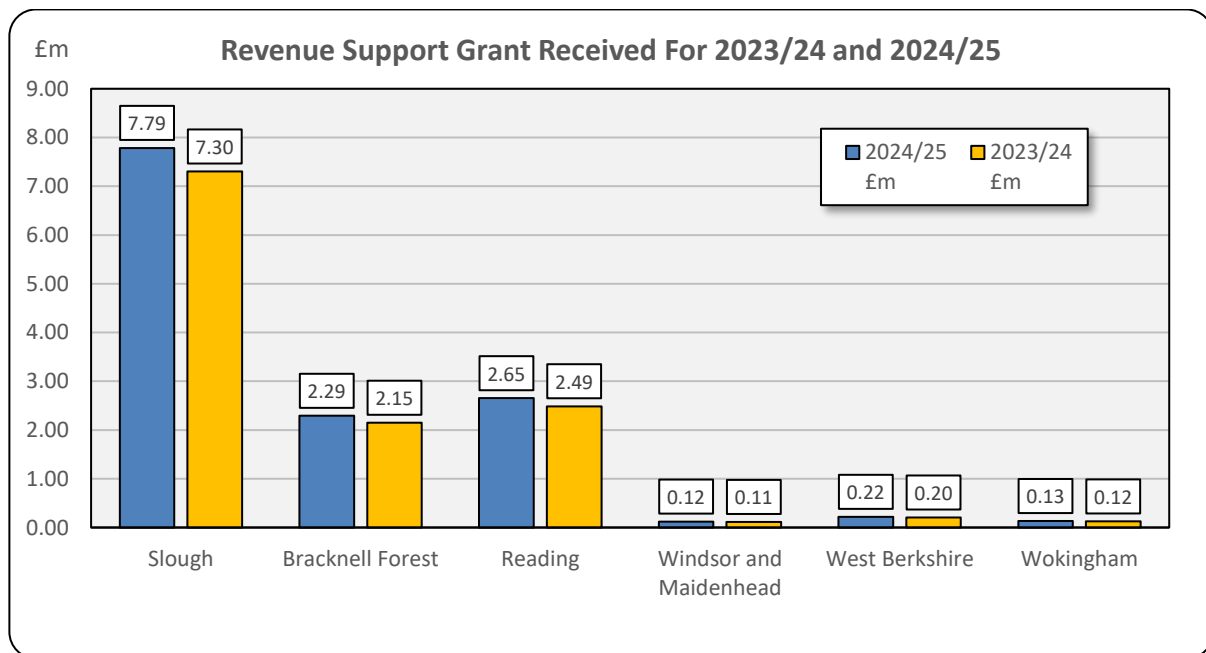
## Revenue Support Grant (RSG)

RSG was previously the significant un-ringfenced grant that supported the Council's ongoing revenue expenditure. From 2013/14 it has been incorporated within the settlement funding assessment (SFA) which Wokingham faced reductions in grant yearly and the complete removal of this grant since 2018/19. From 2023/24, have Wokingham seen some RSG allocation, increasing from £0.124m to £0.132m, an increase of £8,000.

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

However, following consistent representations made by this authority, we have been informed again through the finance settlement that negative RSG will not be enacted in 2024/25 (similar to 2023/24). The funding position is unclear from 2025/26 onwards and Wokingham will need to continue to make representations regarding the new methodology for financing local authorities to ensure we secure a fair and viable ongoing funding settlement from the Government.

The graph below compares the RSG allocations over the past two years across Berkshire Councils. Although the increases are similar in % terms, the actual increases are different with Wokingham only receiving an additional £8k.

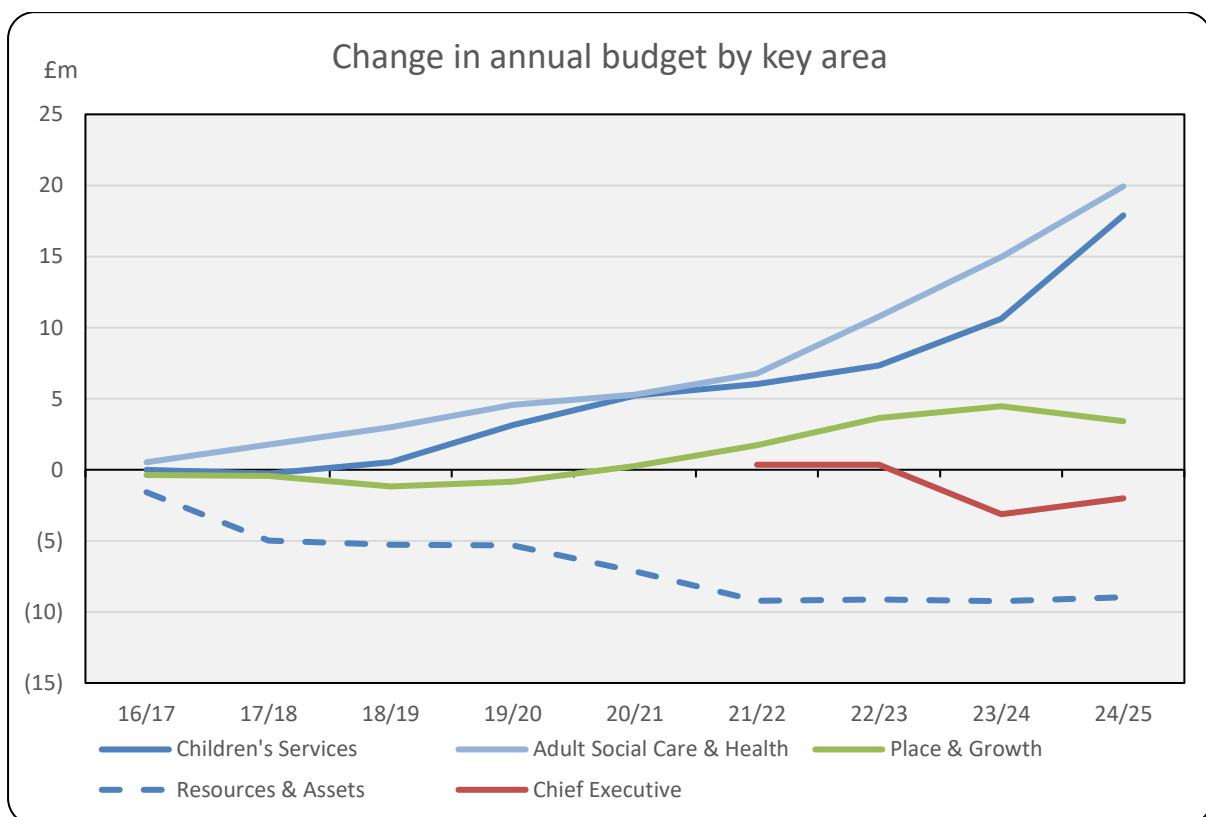


## Appendix 2;

### Delivering through financial governance and ongoing efficiency

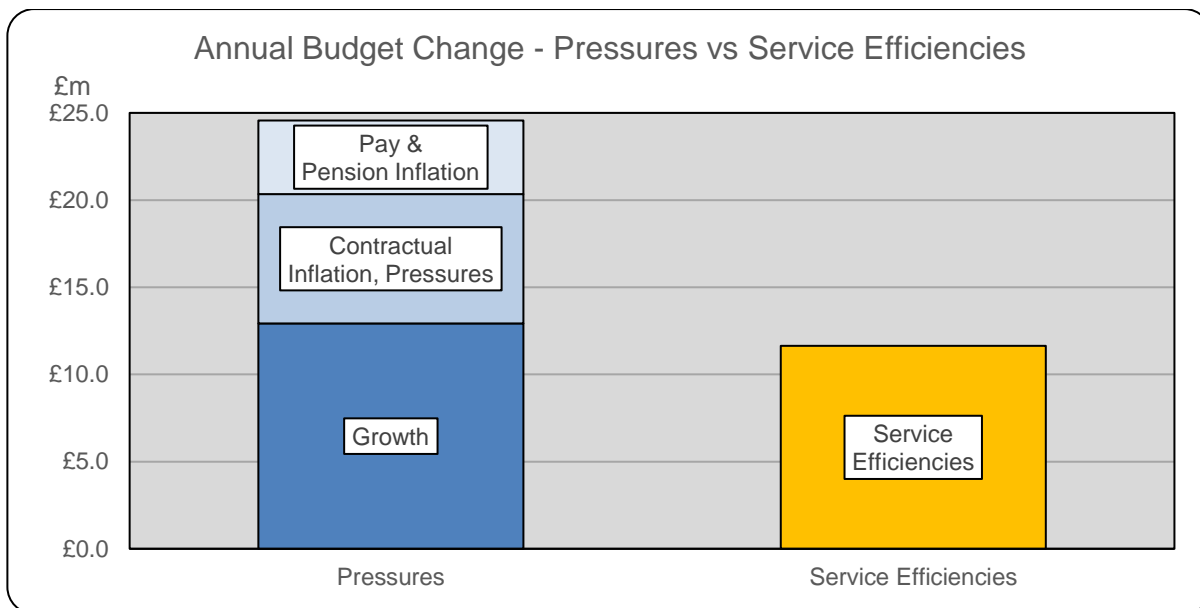
Across the many varied and complex services the Council provide, there will be pressures and risks as well as efficiencies and opportunities to reduce costs or to deliver more value from current resources. Often efficiency initiatives are required to meet additional demand and service need without the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

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



The annual change in budget is shown below. For 2024/25, the total pressures outweigh the service efficiencies. The difference will be required to be funded via council tax rises. The detail budget changes have formed part of the information provided to Community and Corporate Overview and Scrutiny Committee throughout the budget process.

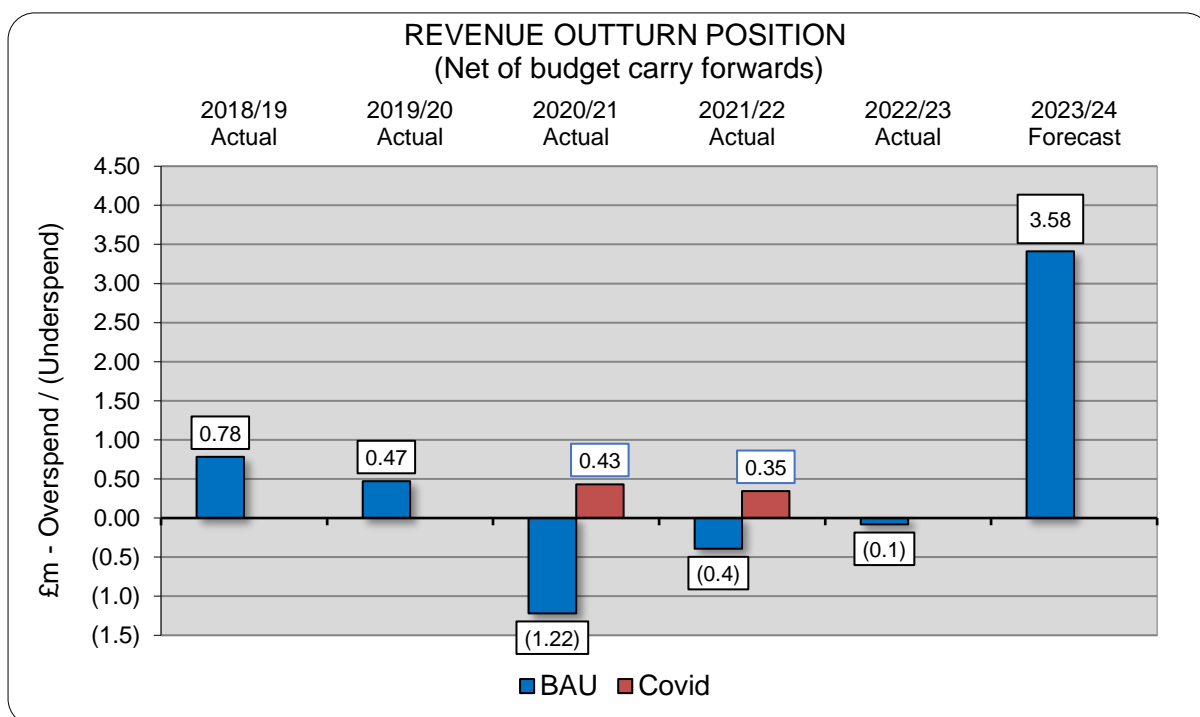




\* Service Efficiencies are designed to reduce costs whilst maintaining services to the public.

### Mitigating Service and Budget Pressures

Over the past number of financial years, the Council have faced a number of demand led pressures in year and more recently, the financial impact from inflation, temporary accommodation and demand in Childrens Services. These underlying pressures are considered as part of the budget process. The forecast budget variance in 2023/24 currently shows a combined overspend of £3.575m compared to the budget approved in February 2023, based on December 2023 monitoring.



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

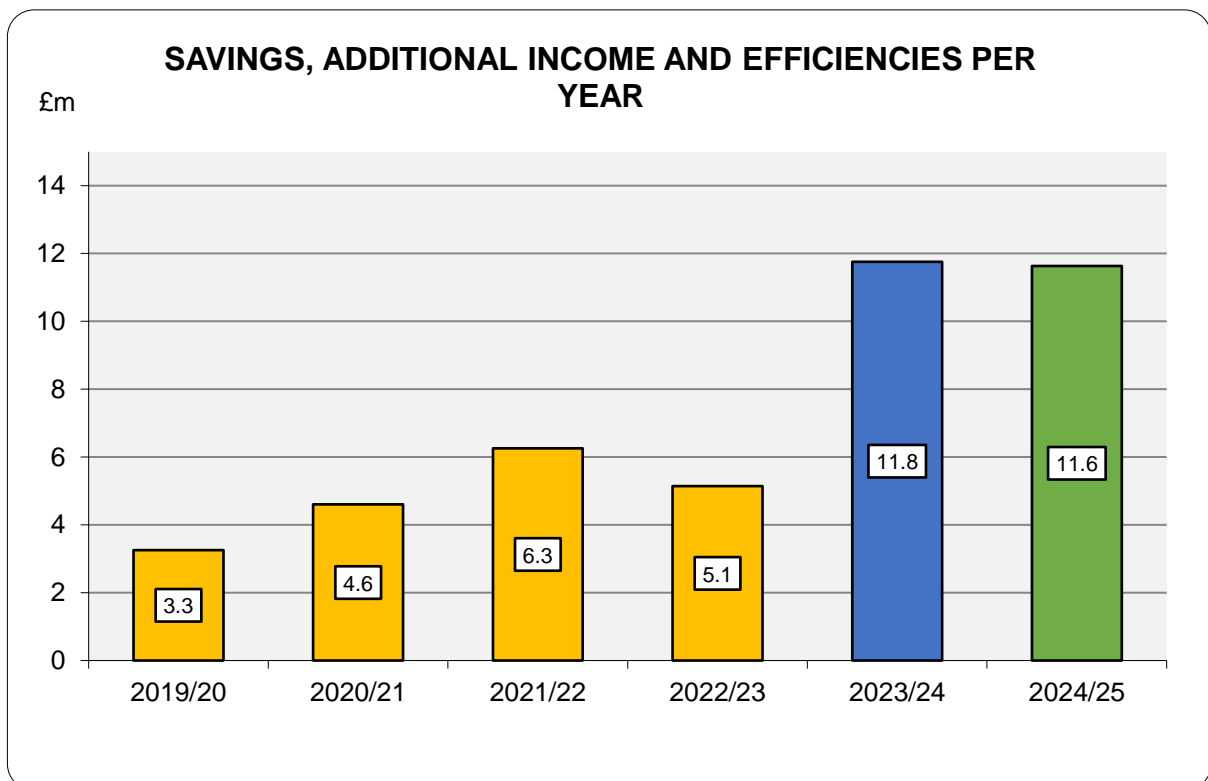
Extensive work is currently underway to manage the in-year 2023/24 position and to bring the current forecast back to a balanced position. This is critical in order to maintain appropriate reserves. Current activity includes;

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

### **Delivering Efficiency and Income Generation**

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

The total savings, efficiencies and income generation that have been identified in setting the council tax in previous years are shown below, along with planned savings required in the 2024/25 three year medium term financial plan. Efficiencies are used to fund growth, inflation and reductions in Government grants whilst allowing the Council to maintain frontline services.



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

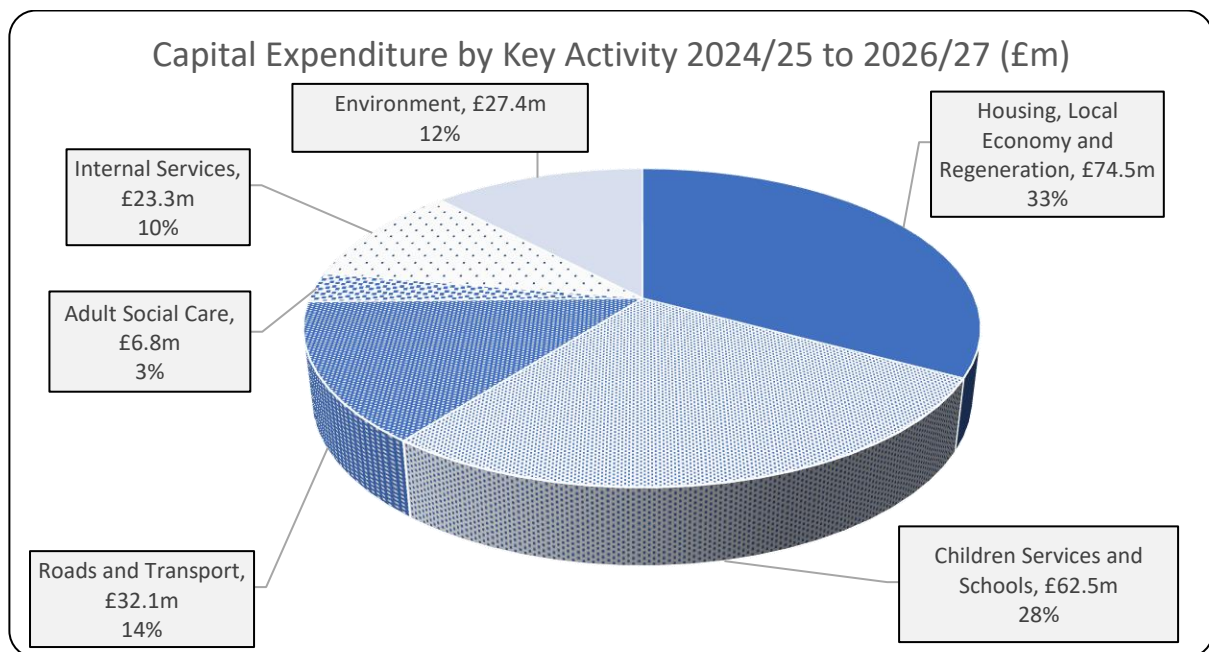
## Appendix 3;

### Capital Programme – Investing in the Borough

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

#### Spend Analysis

The graph below shows the capital expenditure planned for the next 3 years by key activity area. This excludes any previously approved budget that has will be carried forward into future years. In total the Council plan to invest a further £227m (including HRA) over the next 3 years.



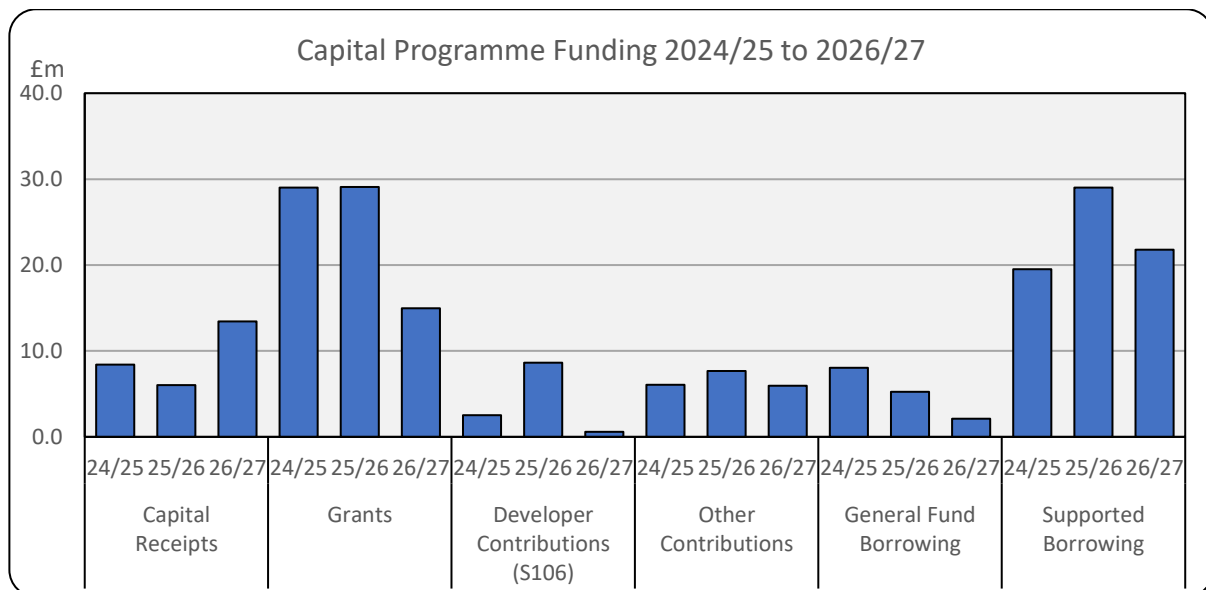
As highlighted above, significant investment is planned across schools, roads and transport, housing, local economy, and regeneration.

## Funding Capital Investment

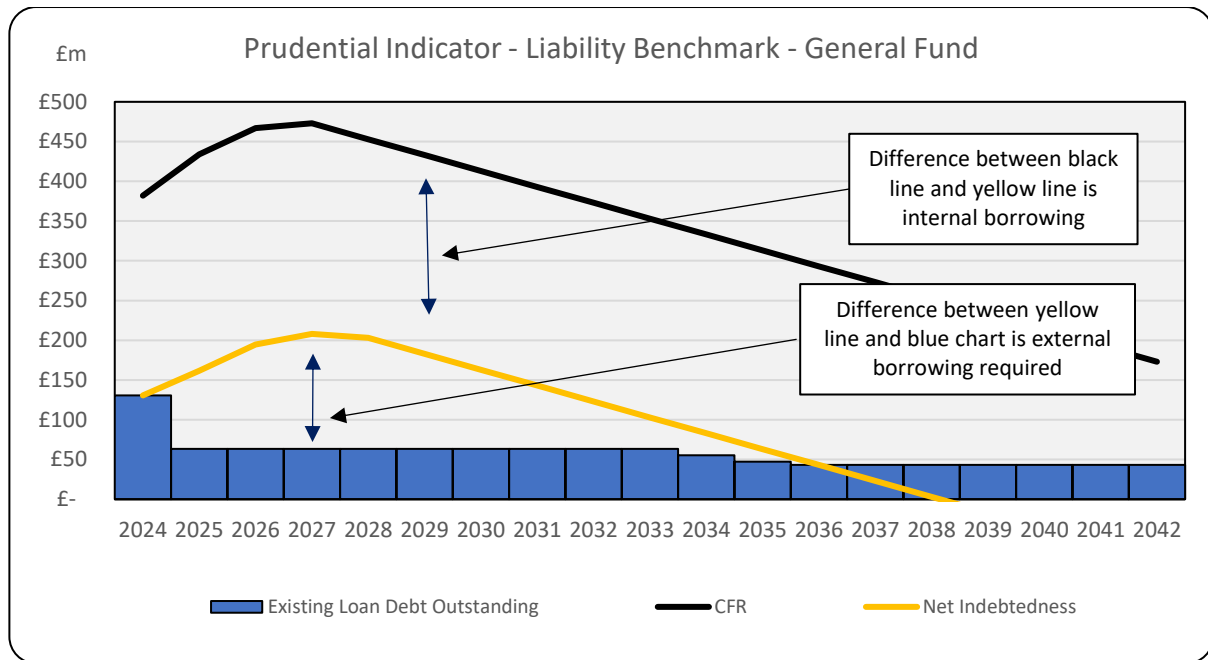
There is currently a gap in funding for the capital programme over the full MTFP period, however year 1 of the programme is fully funded. The longer-term budget gap will be addressed through a combination of expenditure reductions, reprofiling of projects and seeking to maximise funding resources.

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

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



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



*Note – the CFR line excludes capital budgets that are currently included in the capital programme as ‘permission to spend’ budgets which will be approved subject to viable business cases.*

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

## Appendix 4;

### Dedicated Schools Grant

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

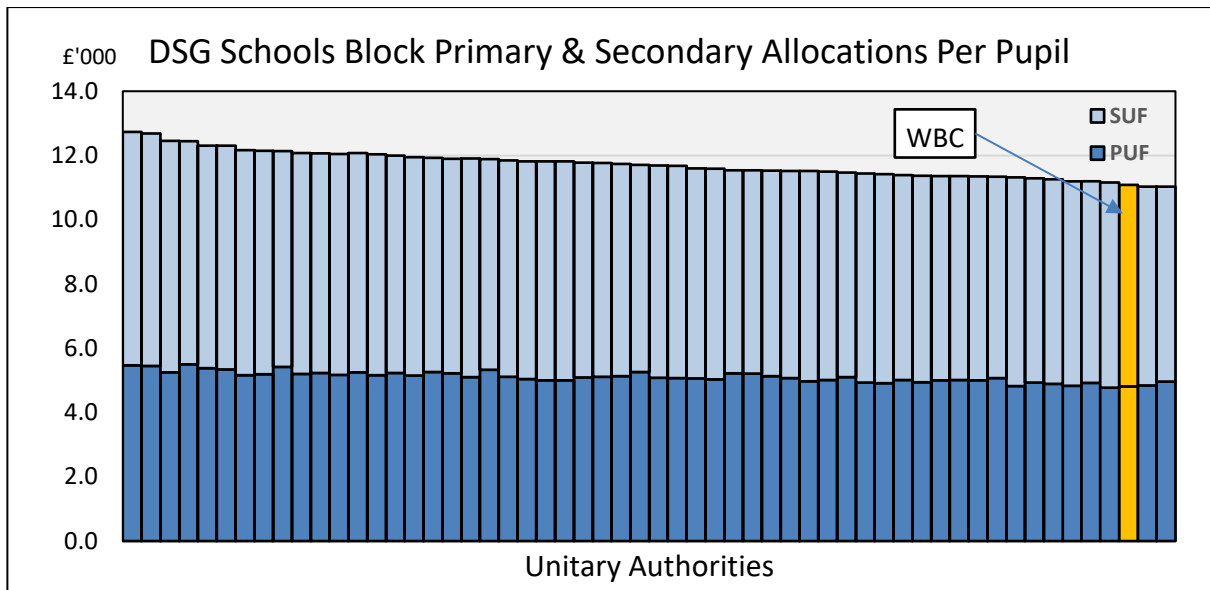
The following pages explain further how the grants are calculated and distributed. They also show Wokingham's grants in comparison to some other unitary authorities

The amount for 2024/25 was notified to the authority by the Department for Education (DfE) in December 2023. However, a proportion of this amount is in respect of free schools and must be paid to them. The actual DSG allocation available to the Council for 2024/25 is £197.34m, compared to £180.59m in 2023/24. The increase to 2024/25 is accounted for by increased funding on both two-unit costs, one for primary unit cost (PUF) and one for secondary unit cost (SUF), as well as an increase in Early Years funding due to the extension of the age range of the free entitlement. The DfE created a centrally retained schools block for the Council to carry out its statutory duties which includes an element of the old education support grant.

DSG funding has increased for 2024/25 for all four blocks. This much needed funding increase is welcomed by the Council and all of our schools and will help contribute to the day-to-day funding of services.

| <b>Block</b>                  | <b>2023/24<br/>£,000</b> | <b>2024/25<br/>£,000</b> | <b>Change<br/>£,000</b> | <b>Change<br/>%</b> |
|-------------------------------|--------------------------|--------------------------|-------------------------|---------------------|
| Schools Block                 | 138,780                  | 146,763                  | 7,983                   | 5.8%                |
| High Needs Block              | 28,160                   | 29,544                   | 1,384                   | 4.9%                |
| Early Years Block             | 12,608                   | 19,953                   | 7,345                   | 58.3%               |
| Central School Services Block | 1,039                    | 1,081                    | 42                      | 4.0%                |

The actual 2024/25 PUF is £4,813 and SUF is £6,272 per pupil compared to £4,579 (PUF) and £5,936 (SUF) in 2023/24. Wokingham continues to receive one of the lowest funding amounts of all unitary authorities.



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

- Schools Block – expenditure on day to day running of schools.
- High Needs Block – expenditure on high needs including independent special schools. This area has seen significant financial pressures due to growing demand and complexity in cases.
- Early Years Block – expenditure in relation to providing to early year settings including funding for free entitlement for 2, 3 and 4 years old, and 9-month-olds from September 2024.
- Central Schools Services Block – expenditure in relation to statutory services such as school admissions and education support services.

Of the £146.7m in the Schools Block, £1.4m is proposed to be retained for the Growth Fund, funding new and growing schools. Schools Forum approved a 0.5% transfer from the Schools Block to the High Needs Block which equates to £734k. The remaining £144.6m is allocated to individual school budgets based on the local funding formula, which all schools have been consulted on, and was presented to Schools Forum for final approval on the 10th January.

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

The current school profile is as follows:

|                    | <b>Number of Schools</b> | <b>Total Number on Roll</b> | <b>Draft Budget 2024/25 £,000</b> |
|--------------------|--------------------------|-----------------------------|-----------------------------------|
| Maintained Schools | 27                       | 9,142                       | 46,089                            |
| Academies          | 38                       | 17,504                      | 98,541                            |
| <b>TOTAL</b>       | <b>65</b>                | <b>26,646</b>               | <b>144,630</b>                    |

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



## Appendix 5;

### Key Financial Risks with Mitigations and Controls

| Risk  | Mitigation and Controls   |
|---|---|
| Adult Social Care placement costs, market sufficiency and inflation pressures     | Rising demand, a struggling external market and cost pressures, including from Living Wage increases are adding to a position where the service is experiencing significant demand and increased complexity of cases. Various approaches are progressing to manage the position including additional in-house provision to manage cost and the external market. |
| Additional statutory costs of Children in Care                                    | We are experiencing significant increases in demand and a number of management actions are in place to mitigate the risks including targeted service work to support children to remain at home and working with partners to manage and reduce costs of placements.   |
| One-year financial settlement   | Working with central govt, professional orgs and other local authorities to best understand future options and implications. MTFP includes a number of assumptions and contingencies.   |
| Increasing interest rates and debt charges  | The treasury team work with external experts to continually review and update borrowing and lending strategies. Investments are reviewed and modelled against various scenarios. Holding high levels of earmarked reserves supports the Council in minimising external debt costs through a greater level of internal borrowing.                                |
| Inflationary pressures – including pay and contracts                              | Specific corporate support is in place to assist contract management and procurement. MTFP includes provision for increases as best understood.   |
| Dedicated Schools Grant deficit   | Actively involved in Safety Valve potential opportunity. Continually review service models and efficiency opportunities. MTFP includes further annual funding.  |
| Cost of living pressures  | Ongoing engagement with community partners to provide support and wherever possible proactive interventions.  |
| Specific service pressures; Home to School Transport Unaccompanied Asylum Seekers | Detailed budget monitoring and forecasting. Support to services to review and innovate in service delivery models. Where appropriate lobbying to central government for appropriate funding.  |

## Reserves and Balances

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

| Reserve                                      | Purpose  | Policy  | Estimated Level @ end of March         | Benefit   | Opportunity Cost  |
|--|--|---|--|---|---|
| <b>General Fund Reserves:</b>                |  |   |  |   |   |
| <b>General Fund</b><br>(Statutory)<br>∞<br>∞ | Resource available to meet future running costs for non-housing services | <ul style="list-style-type: none"> <li>Policy based on a combination of financial risks and Audit Commission guidance as follows:</li> <li>Risk assessments of budgets</li> <li>To enable stability in longer term financial planning</li> </ul>                              | 2025 £8.9m<br>2026 £8.9m<br>2027 £8.9m | Provides: <ul style="list-style-type: none"> <li>General contingency for unavoidable or unforeseen expenditure</li> <li>Stability for longer term planning</li> <li>Interest on Balances helps to reduce costs to the taxpayer: For example, interest on balances @ 4.5% = £45k per £1m.</li> </ul> | <ul style="list-style-type: none"> <li>Could be used to fund one off General Fund expenditure which would result in loss of interest £45k per £1m</li> <li>Could be used instead of borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m</li> </ul> |
| <b>Insurance Fund</b><br>(Earmarked Reserve) | This is used to fund claims below the excess limits in the policies      | <ul style="list-style-type: none"> <li>Needs to be at a level where provision could sustain claims in excess of current claims history</li> <li>May have to meet claims incurred but not yet reported</li> <li>May have to meet any uninsured / uninsurable losses</li> </ul> | 2025 £2.4m<br>2026 £2.0m<br>2027 £1.6m | <ul style="list-style-type: none"> <li>Used to fund deductibles / excesses in order to minimise premiums</li> <li>Provides the Supply Teacher Scheme</li> <li>Helps maintain current rates charged to schools</li> <li>Interest earned builds up the reserves</li> </ul>                            | <ul style="list-style-type: none"> <li>Fund could be used to fund one off General Fund expenditure</li> </ul>   |

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

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

| Reserve   | Purpose  | Policy   | Estimated Level @ end of March            | Benefit  | Opportunity Cost   |
|---|--|--|---|--|--|
| <b>Fairer Funding Review</b><br><b>(Earmarked Reserve)</b><br><br>191 | Required to mitigate unknown risks from future local government finance settlements including removal of new homes bonus, impact from levelling up agenda, reduction in core spending power, risk of negative revenue support grant, etc.  | <ul style="list-style-type: none"> <li>Monitor risk from fairer funding review and future local government finance settlement</li> </ul> | 2025 £16.8m<br>2026 £16.8m<br>2027 £16.8m | <ul style="list-style-type: none"> <li>Provides mitigation against unknown risks from fairer funding review</li> </ul>                           | <ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul> |
| <b>Town Centre Regeneration</b><br><b>(Earmarked Reserve)</b>         | Required to mitigate the annual impact where fluctuations in market conditions may have an adverse impact on annual rental income (e.g. long term covid impact, national / local economy, etc). Reserve is also required to mitigate risks associated with the long-term capital financing costs of the regeneration (interest and debt repayments). | <ul style="list-style-type: none"> <li>Ensure town centre income over longer term covers all costs of regeneration</li> </ul>            | 2025 £7.5m<br>2026 £6.5m<br>2027 £5.5m    | <ul style="list-style-type: none"> <li>Provides stability against impact market conditions can have on rent income and interest costs</li> </ul> | <ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul> |

| Reserve  | Purpose  | Policy  | Estimated Level @ end of March            | Benefit   | Opportunity Cost   |
|--|--|---|---|---|--|
| <b>Commuted Sums</b><br><br><b>(Earmarked Reserve)</b>     | These are amounts received from developers for the maintenance of open spaces, parks and natural greenspaces (SANGs)           | <ul style="list-style-type: none"> <li>There is no policy on the level of balances due to the nature of developer works and CIL agreements</li> <li>All contracts are unique to each developer and will vary depending on the nature of the particular project and may be subject to planning permissions etc.</li> </ul> | 2025 £24.0m<br>2026 £24.0m<br>2027 £24.0m | <ul style="list-style-type: none"> <li>Used to maintain parks and open spaces so avoiding service spend</li> <li>Interest to be used in a specified and agreed manner</li> <li>Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m</li> </ul> | <ul style="list-style-type: none"> <li>Money cannot be used for other purposes</li> </ul>      |
| <b>Forward Funding</b><br><br><b>(Earmarked Reserve)</b>   | Offset impact where infrastructure required ahead of developer contributions being received                                    | <ul style="list-style-type: none"> <li>Reserve held to offset annual differences between capital investment costs and receipt of developer contributions</li> </ul>   | 2025 £21.9m<br>2026 £20.4m<br>2027 £18.9m | <ul style="list-style-type: none"> <li>Infrastructure can be delivered ahead of developer receipt</li> </ul>  | <ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul> |
| <b>Children Services</b><br><br><b>(Earmarked Reserve)</b> | Held to support current and future risks around children services, demand management, transformation and efficiency programmes | <ul style="list-style-type: none"> <li>Support one off investment to generate ongoing savings</li> </ul>  | 2025 £0.8m<br>2026 £0.6m<br>2027 £0.3m    | <ul style="list-style-type: none"> <li>Support resources to deliver savings</li> </ul>  | <ul style="list-style-type: none"> <li>Could be used to support revenue expenditure</li> </ul> |

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

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



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

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

| Reserve  | Purpose  | Policy  | Estimated Level @ end of March            | Benefit  | Opportunity Cost   |
|--|--|---|---|--|--|
| <b>Capital Reserves:</b>   |  |   |   |  |  |
| <b>Usable Capital Receipts (Excluding right to buy) (Statutory)</b>  | Proceeds of fixed asset sales and repayments of other loans/grants available to meet future capital requirements and to act as a contingency           | <ul style="list-style-type: none"> <li>The current policy is to ensure that balances are sufficient to cover the first year of the capital programme (including urgent health &amp; safety issues that may arise during the year)</li> </ul>  | 2025 £2m<br>2026 £2m<br>2027 £2m          | <ul style="list-style-type: none"> <li>To finance future capital schemes</li> <li>This provides stability for longer term planning</li> <li>Interest on balances helps to reduce costs to the taxpayer.</li> </ul> | <ul style="list-style-type: none"> <li>Loss of interest income</li> </ul>  |
| <b>Usable Capital Receipts (Right to buy element)</b>  | The council's share of HRA sale receipts are ring fenced for One for One Replacement   | <ul style="list-style-type: none"> <li>Housing sales receipts must be used for social housing within the Borough</li> </ul>   | 2025 £1m<br>2026 £1m<br>2027 £1m          | <ul style="list-style-type: none"> <li>Government's commitment to ensure that the receipts on every additional home sold under the Right to Buy are used to fund its replacement</li> </ul>                        | <ul style="list-style-type: none"> <li>Will be used to help fund the HRA reinvestment in new homes for affordable rent</li> </ul>  |
| <b>Developer Contributions (S106 and Community Infrastructure Levy (CIL) and Revenue to Capital Contributions)</b> | <p>Money received from developers as part of their development obligations</p> <p>A time lag exists between receipt and design/delivery of schemes</p> | <ul style="list-style-type: none"> <li>There is no policy on the level of balances due to the nature of the contributions</li> <li>Aim to fund schemes identified within the 3 year capital programme / 5 year capital vision</li> <li>All contracts are unique to each developer and will vary depending on the nature of the particular project</li> <li>Balances may increase due to restrictions on how contributions may be spent, and matching these to schemes within the capital programme</li> </ul> | 2025 £92.9m<br>2026 £88.9m<br>2027 £84.9m | <ul style="list-style-type: none"> <li>Avoid short term borrowing @ 5.0% = £50k per £1m but loss of interest of £45k per £1m</li> </ul>  | <ul style="list-style-type: none"> <li>S106 Monies can only be used for purposes specified in the agreement</li> <li>S106 Contributions might be time restricted therefore if not utilised may need to be repaid to the developer</li> <li>Could be used instead of borrowing, but loss of interest</li> </ul> |

| Reserve  | Purpose   | Policy  | Estimated Level @ end of March         | Benefit  | Opportunity Cost   |
|--|---|---|--|--|--|
| <b>Ring Fenced Reserves:</b>                                   |   |   |  |  |  |
| <b>Housing Revenue Account (HRA)</b><br><br><b>(Statutory)</b> | Resources available to meet future running costs for council houses | <ul style="list-style-type: none"> <li>Local Government and Housing Act 1989 section 76 (3) forbids a year end deficit on the HRA</li> <li>Balance is determined by level of risk associated with the budget</li> <li>Current recommended minimum level of reserves is £1m</li> </ul> | 2025 £1.1m<br>2026 £1.1m<br>2027 £1.1m | <ul style="list-style-type: none"> <li>Provides general contingency for unavoidable or unforeseen expenditure or fall in income</li> <li>Stability for longer term planning and for meeting the decent homes standard</li> <li>Interest on Balances helps to reduce costs. 5% Interest = £50k per £1m</li> </ul> | <ul style="list-style-type: none"> <li>Could be used to fund HRA Capital expenditure to help meet decent homes standard which would result in loss of interest £45k per £1m</li> <li>Could be used to fund HRA debt repayment</li> </ul> |
| 198  |   |   |  |  |  |
| <b>Major Repairs Reserve</b><br><br><b>(Statutory)</b>         | This records the unspent balance of HRA Capital projects            | <ul style="list-style-type: none"> <li>Use of Capital to meet Decent Homes Standard</li> <li>Redevelopment and regeneration of the council's housing stock</li> </ul>   | 2025 £0.1m<br>2026 £0.1m<br>2027 £0.1m | <ul style="list-style-type: none"> <li>Provides capital to invest in stock to meet the government's Decent Homes Standard policy</li> <li>Provides general contingency for unavoidable or unseen expenditure</li> </ul>  | <ul style="list-style-type: none"> <li>Will be used to fund HRA capital expenditure to help meet decent homes standard</li> </ul>  |

## GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2024/25

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

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

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

The local tax Band D rate of £1,839.26 is a 2.99% core increase in council tax and a 2.00% increase which forms the Adult Social Care precept.

## GRAND SUMMARY - GENERAL FUND PROPOSED BUDGET 2024/25

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

|   | 2023/24<br>Restated<br>Estimate<br>£ | 2023/24<br>Local Tax Rate<br>£ | 2024/25<br>Estimate<br>£ | 2024/25<br>Local Tax Rate<br>£ |
|---|--------------------------------------|--------------------------------|--------------------------|--------------------------------|
| Adult Social Care                               | 66,362,850                           | 870.37                         | 71,453,840               | 927.85                         |
| Chief Executive                                 | 10,253,970                           | 134.48                         | 11,888,280               | 154.37                         |
| Childrens Services                              | 42,773,540                           | 560.99                         | 50,806,260               | 659.74                         |
| Place & Growth                                  | 53,769,220                           | 705.20                         | 47,261,940               | 613.71                         |
| Resources & Assets                              | 6,923,430                            | 90.80                          | 8,918,970                | 115.82                         |
| Depreciation Charges                            | (23,190,880)                         | (304.15)                       | (18,670,160)             | (242.44)                       |
| <b>Total Net Expenditure</b>                    | <b>156,892,130</b>                   | <b>2,057.68</b>                | <b>171,659,130</b>       | <b>2,229.05</b>                |
| Appropriation to / (from) Balances              | 6,272,420                            | 82.26                          | 695,076                  | 9.03                           |
| Contribution to DSG Deficit Recovery            | 1,250,543                            | 16.40                          | 2,586,270                | 33.58                          |
| <b>Borough Council Requirement</b>              | <b>164,415,093</b>                   | <b>2,156.35</b>                | <b>174,940,476</b>       | <b>2,271.66</b>                |
| Income:   |                                      |                                |                          |                                |
| Government Support / Business Rates             | (27,976,943)                         | (366.92)                       | (30,674,483)             | (398.32)                       |
| New Homes Bonus                                 | (1,865,430)                          | (24.47)                        | (1,124,765)              | (14.61)                        |
| Council Tax Collection Fund Surplus             | (1,000,000)                          | (13.12)                        | (1,500,000)              | (19.48)                        |
| <b>Council Tax for Borough Council Purposes</b> | <b>133,572,720</b>                   | <b>1,751.84</b>                | <b>141,641,228</b>       | <b>1,839.26</b>                |
| <b>General Fund Balance Estimates</b>           |                                      |                                |                          |                                |
| Brought Forward                                 | 9,109,000                            |                                | 6,998,000                |                                |
| In Year Variation                               | (3,575,000)                          |                                | 0                        |                                |
| Budgeted increase                               | 1,464,000                            |                                | 1,902,000                |                                |
| Carried Forward                                 | 6,998,000                            |                                | 8,900,000                |                                |
| <b>Council Tax Base</b>                         | <b>76,247.1</b>                      |                                | <b>77,009.9</b>          |                                |

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

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

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

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

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

## GROSS INCOME AND EXPENDITURE

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

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

### Notes

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



# SERVICE NARRATIVES - ADULT SOCIAL CARE 2024/27

## 1. SERVICE AIMS

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

## 2. SERVICE SCOPE

The work of Adult Social Care is driven by the Care Act 2014, which sets out the Duties and Powers of local authorities. The key emphasis of The Care Act (2014) is to promote wellbeing, with general responsibilities including preventing, reducing and delaying needs, providing information and advice, market shaping and commissioning of adult care and support to meet eligible needs, managing provider failure and other service interruptions. Delivery requires a collaborative approach, working particularly closely with our Health and Voluntary and Community Sector partners as we progress towards integrated health and social care services.

Adults Services are supported by.

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

- **Strategic Commissioning:** Supports transformational change through commissioning high quality, cost effective and outcome-based services that ensure the right level of support is provided at the right time, in the right place and at the right cost.
- **Contracts, Performance and Assurance:** Develops and maintains a Contract Management Framework for Adult Social Care, ensuring best practice in contract management. Oversight of the contracting service ensuring that legislative and procedural agreements are always adhered to.
- **Operation Commissioning (inc. Intelligence Purchasing):** Responsible for commissioning placements for vulnerable adults and children across a number of different provisions, including residential, nursing care, supported living, fostering services and Post 16.

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

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

In 2022/23:

- 21.1% of working age people with a learning disability in Wokingham Borough are in paid employment (including supported employment) in 2022/23, compared to 4.8% for the England average in 2021/22. Our rank was number 2 from all local authorities.
- 492 older adults (aged 65 and over) per 100,000 whose long-term support needs met by admission to residential and nursing care homes in 2021-22 compared to 538.5 England average in 2021/22
- 87.7% of service users in Wokingham Borough with a learning disability in 2022/23 are living on their own or with their family compared to 78.8% England average in 2021/22.
- 1,084 people were assessed in 2022/23 (including strength-based assessments)
- 1,013 people were reviewed in 2022/23
- 2,458 people received long term services throughout 2022/23

### **3. SERVICE PRIORITIES**

To support the delivery of the Council Plan and Community Vision the service priorities are focussed on Providing Safe and Strong Communities, and Enriching Lives, Delivering the Right Homes in the Right Places, and Being the Best we can be. We are proud of the diversity of our borough, and that people are living longer and are healthier. We are committed to supporting all adults who have care and support needs to be as independent as possible in a way that works for them throughout their lives.

Our strategy is focused on the following priorities:

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

Over the last 36 months the Council has faced considerable challenges. Most notably, due to COVID-19, Brexit, and the ongoing Cost of Living Crisis. This has presented a huge opportunity to rethink, redesign, and reorientate care.

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

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

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

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

## 4. BUDGET SUMMARY

### REVENUE

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

### CAPITAL

Capital schemes include the following:

- Adult social care accommodation transformation: This will address the accommodation needs of our clients, and meet any future increased demand, to ensure that suitable services are available;
- Replacement of Day Services for adults;
- Adult Social Care – community equipment;
- Nursing call bell system; and,
- Facilitation of better health for residents of new developments: to oversee project design to enable this.

## 5. SERVICE PRESSURES AND RISKS

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

- Market pressures and inflation:

There are significant pressures within the Adults Social Care market, including growth in demand and complexity, placing increased pressure on the local authority finance and the sustainability of care providers. This has been exacerbated by increases in inflation and the National Living Wage. These pressures affect capacity in the market, reducing care providers ability to take new packages of care and limit staff cover arrangements.

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

- NHS and Social Care Systems Pressures:

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

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

## **6. TRANSFORMATION AND EFFICIENCIES**

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

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

# SERVICE NARRATIVES: CHIEF EXECUTIVE'S OFFICE 2024/27

## 1. SERVICE AIMS

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

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

## 2. SERVICE SCOPE

### Customer Excellence

- Manages frontline customer interactions with over 74,000 calls, 30,000 emails and 6,000 web chats a year.
- Delivers 300 weddings, 70 citizenship ceremonies and registers the births and deaths for the borough, generating an income of approximately £250,000 each year.
- Provides a range of library services across ten sites including access to digital services via computers with 500,000 visits a year.

### Change

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

### IT and Digital

- Provides the Council's technical infrastructure, software, applications and hardware, supporting and maintaining the Council's 48 network locations and 130 servers. function supports approximately 2,000 IT users (WBC, Optalis and WHL), 20,400 IT Service calls and 51 software applications.
- Designs, develops, tests and manages the Council's digital customer interfaces to help manage demand, including the Council's corporate website, several service specific websites and the community directory (visited 5,341,013 times).
- Designs, develops, tests and manages the customer relationship management system (CRM) which enables customer shift to a more cost-effective channel.
- Runs a Digital Adoption and Inclusion Programme to act as a digital enabler for staff and customers.

## **Insight, Strategy & Inclusion**

- Develops and co-ordinates a strategic framework and strategic forward plan to ensure key policies, strategies and plans are aligned to the Council Plan priorities, reviewing and refreshing the Council Plan as required.
- Leads on organisational service planning, ensuring consistency and alignment with the MTFP planning process.
- Co-ordinates quarterly performance reports to senior managers and councillors, along with the Council's annual report.
- Provides horizon scanning and Business Intelligence to support the organisation's decision-making, strategy development and change programmes.
- Ensures the Council meets the Public Sector Equality Duty and develops its approach to equalities, diversity, and inclusion, in line with the Equality Framework for Local Government.
- Implements the Tackling Poverty Strategy with the Hardship Alliance and supports the response to the cost-of-living crisis.

## **Community and Partnerships**

- Co-ordinates the Council's relationships with town and parish councils and the borough's Voluntary and Community Sector (VCS).
- Works with partner organisations to provide services and support that lead to better health outcomes across communities.
- Collaborates as equals with various partners across communities, to inform strategies and approaches aligned to need.
- Engages our residents in community-based initiatives and volunteering to promote and enable community power.

## **Communications**

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

## **Human Resources and Organisational Development**

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

### 3. SERVICE PRIORITIES

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

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

### 4. BUDGET SUMMARY

#### REVENUE

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

#### CAPITAL

Capital schemes include the following:

- IT – Hardware: provision of equipment such as laptops, audio visual and other peripherals to enable staff to deliver services whether remote or in the office;
- IT – Security: Funding of security projects to protect the Council's digital and technology assets from continued cyber threats;

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

## **5. SERVICE PRESSURES AND RISKS**

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

- Managing expectations from residents, and the voluntary and community sector around what can be delivered.
- Managing increasing levels of demand.
- Many contracts in place are subject to the Consumer / Retail Price Index which is currently above the budgeted levels.
- Multiple systems / websites purchased internally but outside of the IT / Digital Framework and require retrospective support or integrations.
- External cyber threats to the Council. A Cyber incident would cause reputational and financial damage to the wider Council and would impact the delivery of services to the borough’s residents and customers.
- Managing the expectations and wellbeing of the workforce in line with financial efficiencies to be achieved.

## **6. TRANSFORMATION AND EFFICIENCIES**

The Chief Executive’s Directorate is leading, enabling, and facilitating the change programmes, and supporting directorate transformations; including Children’s Services, Safety Valve, Adult Social Care and Place & Growth.

Other areas of focus are:

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



# SERVICE NARRATIVES: CHILDREN'S SERVICES 2024/27

## 1. SERVICE AIMS

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

We aim to achieve this by:

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

## 2. SERVICE SCOPE

### Social Work and Early Help:

- Provides Support, Help and Intervention for some of Wokingham's most vulnerable children delivered by social work teams, children's centres, respite care, therapeutic and practical support, a youth offending team; foster care and adoption services.
- Delivers support which is either statutory or preventative to stop needs escalating to the point of needing statutory intervention.
- Works closely with children, families, schools, health, the police and range of other community services.
- As at the end October 2023:
  - 131 children and young people are subject to a Child Protection Plan;
  - 132 are children in care for whom WBC is a corporate parent;
  - 389 children are supported through child in need plans;
  - 132 young people are care leavers between the ages of 18 and 25; and
  - 383 children are in receipt of Early Help support.

### Education and SEND:

Through a range of statutory and chargeable activity:

- Champions positive outcomes for all children and young people attending Wokingham schools and settings by facilitating and promoting strong education partnership;
- Supports Wokingham children for whom WBC has a legal responsibility including those in care and with additional needs placed in schools outside the Borough;
- Promotes, supports and challenges maintained schools and academies to raise achievement levels;
- Secures effective early years and childcare provision;
- Assesses the needs of children and young people with Special Educational Needs and Disabilities (SEND), and issues Education, Health and Care Plans (EHCP) where the threshold of need is met;
- Administers the School Admissions service for the Borough's maintained schools and academies;
- Ensures sufficiency of school places;
- Works with the Council's Transport Unit to ensure effective and efficient delivery of home to school transport assistance

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

### **Quality Assurance and Safeguarding Standards (QASS):**

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

### **3. SERVICE PRIORITIES**

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

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

## 4. BUDGET SUMMARY

### REVENUE

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

### CAPITAL

Capital schemes include the following:

- Capital investment in the provision of Special Education (SEND) to best meet needs across primary and secondary, with a focus on additional capacity for children with challenging behaviour and Autistic Spectrum Disorder (ASD) and those with social emotional and mental health needs;
- Secondary School extension projects to meet the need of additional places in the borough;
- Primary School extension projects to meet the need of additional places in the borough;
- Sixth Form expansion to meet the need of additional places in the borough;
- New and improved accommodation for care leavers requiring residential support including Care Leaver Target Operating Model, to provide cost-effective accommodation solutions in Wokingham for the growing number of care leavers, especially former Unaccompanied Asylum-Seeking Children;
- Schools' maintenance planned improvements and suitability issues;
- Schools Devolved Formula – to carry out specific capital works on schools
- Children in Care Equipment;
- Short Breaks and Longer Term Care for Children with Disabilities Target Operating Model - cost effective short breaks and longer term care provision in Wokingham for Children with Disabilities, through commissioning of a range of in borough provision.

## **5. SERVICE PRESSURES AND RISKS**

For Children's Services particular impacts and challenges are:

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

## **6. TRANSFORMATION AND EFFICIENCIES**

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

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

# SERVICE NARRATIVES: PLACE & GROWTH SERVICE

## 2024/27

### 1. SERVICE AIMS

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

### 2. SERVICE SCOPE

#### Economy & Housing

- Works in partnership with our business community to support the vitality of the borough's towns and high streets in the face of current economic challenges.
- Implements employment skills plans in collaboration with local developers and businesses, such as Shinfield Studios.
- Leads the development and implementation of the Housing Strategy, enables and commissions affordable housing, including that tailored to different client groups, and manages the Registered Provider partnership with eight Housing Associations.
- Leads on strategic housing matters, evidence, policies and initiatives, providing advice and guidance and liaison with Homes England, securing external funding for major projects, including for homelessness and rough sleeping; oversees the governance, and delivery of the regeneration of Gorse Ride ensuring liaison with residents and involvement of stakeholders.
- Supports residents most in need with their Housing Needs including those that face homelessness and rough sleeping, delivering statutory homelessness duties, allocations of new properties (Council and housing associations), temporary accommodation management, and licensee management of mobile home sites.
- Provides all aspects of the Landlord functions for Wokingham Borough Council social housing tenants and acts as managing agent for the wholly owned Housing Associations, Berry Brook Homes, and Loddon Homes.
- Collects rent and service charges; manages tenancy agreements, sheltered housing, and leaseholders and provides day-to-day Statutory Landlord repairs and general repairs, and planned maintenance.
- Assesses and delivers statutory Decent Homes works and Disabled Facilities Grants works and adaptations.
- Provides Tenant Engagement through a range of statutory, formal and informal approaches
- Co-ordinates the development of the Berkshire Prosperity Board and works collaboratively at local level to meet shared economic priorities including employment and skills, business engagement, sustaining thriving town centres and promoting the borough as a place for foreign investment and growth; and at a sub-regional level on economic development initiatives including business start-ups, Superfast Broadband and Berkshire Net Zero.
- Promotes Wokingham as a borough, and supports arts and culture, through partnership working.
- Leads on the Council's response to the Climate Emergency, embedding in all operations and services through providing specialist advice; delivers promotional activity and engagement to raise awareness and encourage behavioural change among our residents and businesses.

## **Environment and Safety:**

- Provides regulatory services for environmental health, licensing, trading standards, and Emergency Planning, including co-ordinating the response and recovery phases of major incidents.
- Delivery of key projects such as Waste Collection Changes and service re-procurement.
- Manages major contracts for Grounds Maintenance, Street Cleansing, and Waste Collection for refuse and recycling from every household, and the delivery of the 25-year Private Finance Initiative (PFI) for Waste Disposal with Bracknell and Reading Councils (re3), through the Joint Waste Board and PFI governance arrangements.
- Manages the Council's cemeteries, parks, open spaces, country parks and other countryside sites, including the multi-activity centre at Dinton pastures.
- Inspects and carries out necessary works to Council-owned trees and play areas.
- Provides specialist advice on trees and landscaping, built heritage, ecology, and green infrastructure; and delivers operational tree management, maintenance of the public rights of way and the Council's drainage assets including over 30,000 gullies, 5,000 manholes, and 320km of drainage pipe network; and capital projects for greenways and play areas.
- Provides domestic abuse services, giving support to victims of domestic abuse, those who recognise they are abusive in their relationship and want to change and support to children who witness domestic abuse.
- Works with communities to deal with crime and anti-social behaviour hotspots and to reduce the harm caused by domestic abuse, and reduce serious crimes such as violence, knife crime and exploitation.
- Delivers and contributes to numerous Strategies such as Domestic Violence, White Ribbon, Community Safety Partnership, Environment Strategy.
- Leads on Anti-Social Behaviour response (Environmental Crime, Domestic Violence, Neighbourhood issues, Nuisance).

## **Highways and Transport**

- Maintains approximately 450 miles of highway, 16,000 streetlights, 30,000 highway drains and 6,000 signs.
- Keeps the Borough moving through day to day Traffic Management of the network and effective coordination of roadworks, planned and emergency works.
- Provides strategic transport planning to ensure a coherent approach across the borough, in line with national and regional objectives, including carbon reduction and electric vehicle infrastructure.
- Oversees parking enforcement and our contract with NSL and managing our off-street car parking assets.
- Provides specialist transport input to the delivery of development proposals, through determining around 1,800 applications a year, and oversees the implementation of transport projects.
- Co-ordinates all works on the public highway ensuring they are completed safely, with minimum disruption.
- Deals with day-to-day traffic and parking management, and with traffic offence enforcement.
- Maintains the highway assets including roads, footpaths and bridges, streetlighting and street furniture, and designs and delivers the capital projects to meet the Council's statutory highways duties including the £58m Major Highway programme for the delivery of the South Wokingham Distributor Road, and reviews and delivers schemes in line with planning obligations and developer contributions.

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

### **Planning Service:**

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

### **3. SERVICE PRIORITIES**

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

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

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

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

#### 4. BUDGET SUMMARY

##### REVENUE

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

##### CAPITAL

Capital schemes include the following:

- Road safety and traffic management – providing facilities to improve road safety for all users, reduce congestion, improving the efficiency of the transport network, promote and provide access to sustainable modes of transport;
- Highway carriageways – building new and resurfacing roads and footways in the borough;
- Highway drainage – carry out major projects and remedial works to highways drainage network where flooding problems have been highlighted;
- Traffic signal upgrade programme – continued upgrade of old and obsolete equipment, therefore giving the opportunity of installing low energy equipment and up to date controller systems;
- Active Travel and Bus Priority, and implementation of Local Cycling and Walking Infrastructure Plan;



- Highways footway structural maintenance programme – resurfacing of footways to extend the life of the asset, improve its condition and increase surface water run-off thereby improving pedestrian safety;
- Maintenance of highway structures including bridges & embankments and vehicle restraint systems (VRS);
- Provide Affordable Housing, 1 and 2 bedrooms flats at Wellington Road;
- Continued investment in the waste collection arrangements including food waste service;
- Mandatory disabled facility grants;
- Implementation of residential parking zones (including on street parking), in towns and near stations;
- Refurbishment and Extension - 48 Oxford Road. Wokingham (Non HRA Asset); and
- Rooks Nest Wood (SANG) Extension - deliver a 33ha strategic SANG to mitigate impacts arising from smaller scale development proposals on WBC owned land.

## **5. SERVICE PRESSURES AND RISKS**

For Place and Growth particular impacts and challenges are:

- Contract inflation, supply chain issues and shortages of qualified staff in key professional areas.
- Increase in demand in housing needs due to economic pressures.
- Continued increase in presentation of victims of domestic abuse.
- Risks in failing to progress the Local Plan with pressures on the five-year land supply for housing – along with continuing uncertainties regarding any national planning reform.
- Staff retention and recruitment particularly in key professions such as Building Control, Highways and Planning.
- Economic sustainability of public transport due to economic pressures.
- Impending future procurement of key contracts are likely to result in increased contract costs for the same level of service.
- Securing budgeted level of income from charged services to the public.

## **6. TRANSFORMATION AND EFFICIENCIES**

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

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

# SERVICE NARRATIVE: RESOURCES & ASSETS 2024/27

## 1. SERVICE AIMS

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

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

## 2. SERVICE SCOPE

### Finance

- Co-ordinates budget setting and provides financial advice on a revenue account of £269m per annum gross, capital of £102m per annum and Housing Revenue Account (HRA) of £17m per annum gross.
- Invests an average of £96m per annum and manages borrowing of £264m.
- Makes over 43,500 salary payments to staff (including schools) each year.
- Collects council tax of c£164 million from over 74000 homes, business rates of c£70 million and over £23 million per annum on sundry debtor accounts.
- Provides financial support to over 6,000 residents through housing benefit and council tax relief totalling c£4.3 million.
- Provides governance and support across the organisation for all Procurement, contract management and Commercial activity.

### Commercial Property

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

## **Governance**

- Services a range of daytime and evening meetings including Individual Executive Member decisions and appeals and reviews.
- Runs the authority's annual elections, along with Parliamentary and other national elections and referenda such as for parish councils.
- Employs and trains hundreds of casual staff at election time and runs an annual canvas of all 74,000 properties in the borough
- Internal Audit is a statutory function bringing a systematic approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- Investigations - into incidents of fraud, code of conduct breaches, whistleblowing allegations and other suspected irregularities.
- Provides legal advice, and guidance, with more than 1,300 transactions, advice, or cases during the year. Prosecutes, defends, and enforces the Council's rights.

## **Sport & Leisure**

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

### **3. SERVICE PRIORITIES**

Through its activities, the Resources and Assets directorate supports the entire council to deliver all priorities within the Council Plan, through

- providing a council wide approach to the financial challenges and solutions,
- ensuring appropriate governance is in place and adhered to and
- providing expertise in contract management.

The Sports and Leisure team promotes residents engaging in active health cultural and social opportunities, and improvements in health and wellbeing.

The Resources and Assets Directorate's focus will be to:

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

- Develop and deliver a pipeline of commercial and procurement improvement workstreams and embed improved governance and good practice.
- Maximise collection of revenue collection including Council Tax and Business Rates.
- Support development of budget challenge/efficiency approach.
- Develop and deliver asset management and service asset management plans.
- Protect the Council's asset interests.
- Manage the commercial property estate to provide a commercial income stream.
- Review and rationalise the Council asset portfolio – to ensure aligned to Council needs including future headquarters.
- Deliver green energy and energy reduction regeneration programme (3 years)
- Deliver major capital programmes and projects including – Gorse Ride II, Barkham Solar Farm and Toutley East Care Home.
- Review current Leisure operating model and alignment to wider culture offer – including consideration of alternative sourcing options for key services.
- Ensure Leisure contract performance to key service target and ongoing alignment with wider Health and Leisure Strategy.
- Approve a holistic playing pitch strategy
- Extend wider engagement cross the Borough to support delivery of Health outcomes.
- Deliver increase in participant numbers - from inactive groups within Leisure Strategy.
- Maximise grant income.
- Deliver key income streams from key Leisure and Health Activity

#### 4. BUDGET SUMMARY

##### REVENUE

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

##### CAPITAL

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

## **5. SERVICE PRESSURES AND RISKS**

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

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

## **6. TRANSFORMATION AND EFFICIENCIES**

- Supporting the Council's overall transformation and efficiency programme) and individual projects (including Safety Valve.)
- Leading on the rationalisation of corporate accommodation.
- Delivering additional income through improved collection processes.
- Continuing to develop and support internal governance and skills across the organisation; finance, procurement, commercialisation, constitutional.
- Improving financial return on Treasury Management activity.
- Implementing Program of process efficiency across finance support activity.
- Delivering Sport and Leisure Transformation Programme.

## Summary of Budget Movements 2024/2025

The following table shows how the 2024/25 budget has been calculated starting from the 2023/24 budget. The table includes additional budget to maintain / improve services, special items (one off expenditure budget), service efficiencies and any adjustments / additions.

|  | Adult Social<br>Services<br>£'000 | Chief<br>Executive<br>£'000 | Children's<br>Services<br>£'000 | Place &<br>Growth<br>£'000 | Resources &<br>Assets<br>£'000 | Total<br>£'000 |
|--|-----------------------------------|-----------------------------|---------------------------------|----------------------------|--------------------------------|----------------|
| <b>2023/2024 Service Budget<br/>(excluding Capital &amp; Internal recharges)</b> | <b>62,736</b>                     | <b>9,482</b>                | <b>34,455</b>                   | <b>33,552</b>              | <b>16,667</b>                  | <b>156,892</b> |
| <b>Adjustments/Additions</b>   |                                   |                             |                                 |                            |                                |                |
| Exclusive one off revenue items in 2023/24 (Special Items)                       | (800)                             | (1,407)                     | (1,395)                         | (1,367)                    | (370)                          | (5,339)        |
| Inflation for non-pay activities   | 4,259                             | 200                         | 1,305                           | 1,400                      | 263                            | 7,426          |
| Pay Inflation ( <b>Note 1</b> )  | 0                                 | 0                           | 0                               | 0                          | 4,228                          | 4,228          |
| Adjustments between services (e.g. budget reallocations inc.)                    | (290)                             | 2,464                       | 400                             | (471)                      | (1,511)                        | 590            |
| Additional minimum revenue provision   | 0                                 | 0                           | 0                               | 0                          | 1,500                          | 1,500          |
| <b>Total</b>   | <b>3,168</b>                      | <b>1,256</b>                | <b>310</b>                      | <b>(438)</b>               | <b>4,110</b>                   | <b>8,405</b>   |

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

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

|  | Adult Social<br>Services<br>£'000 | Chief<br>Executive<br>£'000 | Children's<br>Services<br>£'000 | Place &<br>Growth<br>£'000 | Resources &<br>Assets<br>£'000 | Total<br>£'000 |
|--|-----------------------------------|-----------------------------|---------------------------------|----------------------------|--------------------------------|----------------|
| <b>Special Items</b>   |                                   |                             |                                 |                            |                                |                |
| Demand Management - resource investment to deliver change  | 700                               | 0                           | 0                               | 0                          | 0                              | 700            |
| Minimum Income Guarantee (MIG) Changes to Charging   | 150                               | 0                           | 0                               | 0                          | 0                              | 150            |
| Budget required to develop and deliver effective Digital Services  | 0                                 | 150                         | 0                               | 0                          | 0                              | 150            |
| Customer Experience role to deliver CX Learning Programme  | 0                                 | 52                          | 0                               | 0                          | 0                              | 52             |
| Inclusion Officer  | 0                                 | 52                          | 0                               | 0                          | 0                              | 52             |
| Delay in Placement Delivery 2023/24  | 0                                 | 0                           | 400                             | 0                          | 0                              | 400            |
| Education Management System  | 0                                 | 0                           | 195                             | 0                          | 0                              | 195            |
| Transformation Programme   | 0                                 | 0                           | 1,630                           | 0                          | 0                              | 1,630          |
| Car Parking Income   | 0                                 | 0                           | 0                               | 150                        | 0                              | 150            |
| Consultancy Support for Residents Parking Zones Project  | 0                                 | 0                           | 0                               | 96                         | 0                              | 96             |
| Planning and Enforcement Staffing Costs  | 0                                 | 0                           | 0                               | 169                        | 0                              | 169            |
| Residents Parking Zones - including Parking Permits  | 0                                 | 0                           | 0                               | 300                        | 0                              | 300            |
| Specialist service advice for procurement  | 0                                 | 0                           | 0                               | 200                        | 0                              | 200            |
| Waste Collection Service Changes   | 0                                 | 0                           | 0                               | 550                        | 0                              | 550            |
| Commercial Portfolio   | 0                                 | 0                           | 0                               | 0                          | 100                            | 100            |
| Investment & Estates property pressures from depressed market  | 0                                 | 0                           | 0                               | 0                          | 100                            | 100            |
| One off growth to support leisure income recovery  | 0                                 | 0                           | 0                               | 0                          | 30                             | 30             |
| Review of Boxing Hub Model   | 0                                 | 0                           | 0                               | 0                          | 50                             | 50             |
| <b>Total</b>   | <b>850</b>                        | <b>254</b>                  | <b>2,225</b>                    | <b>1,465</b>               | <b>280</b>                     | <b>5,074</b>   |
| <b>Funded by the following Service Efficiencies</b>  |                                   |                             |                                 |                            |                                |                |
| Demand management - review of existing packages and spend, utilisation of prevention services                          | (535)                             | 0                           | 0                               | 0                          | 0                              | (535)          |
| Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation | (100)                             | 0                           | 0                               | 0                          | 0                              | (100)          |
| Maximising appropriate benefits for all clients  | (35)                              | 0                           | 0                               | 0                          | 0                              | (35)           |
| Maximising integration funding to support delivery of hospital discharge services                                      | (600)                             | 0                           | 0                               | 0                          | 0                              | (600)          |
| Minimum Income Guarantee (MIG) Changes to Charging   | (250)                             | 0                           | 0                               | 0                          | 0                              | (250)          |
| Optalis Efficiencies   | (100)                             | 0                           | 0                               | 0                          | 0                              | (100)          |
| Securing health income for residents   | (500)                             | 0                           | 0                               | 0                          | 0                              | (500)          |
| Change in application support arrangements   | 0                                 | (28)                        | 0                               | 0                          | 0                              | (28)           |
| Customer Service efficiencies - Process Redesign   | 0                                 | (160)                       | 0                               | 0                          | 0                              | (160)          |
| Data and Insight service efficiencies  | 0                                 | (25)                        | 0                               | 0                          | 0                              | (25)           |
| Human Resource efficiencies  | 0                                 | (75)                        | 0                               | 0                          | 0                              | (75)           |
| Implementation of Software defined wide area network   | 0                                 | (25)                        | 0                               | 0                          | 0                              | (25)           |
| Review of Council policies   | 0                                 | (100)                       | 0                               | 0                          | 0                              | (100)          |
| Building a Permanent Social Worker Workforce   | 0                                 | 0                           | (150)                           | 0                          | 0                              | (150)          |
| Home to School Transport   | 0                                 | 0                           | (500)                           | 0                          | 0                              | (500)          |
| Local care leaver accommodation  | 0                                 | 0                           | (416)                           | 0                          | 0                              | (416)          |

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



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

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

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

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

### THREE YEAR BUDGET FORECAST

|  | 2024/2025<br>£'000 | 2025/2026<br>£'000 | 2026/2027<br>£'000 |
|--|--------------------|--------------------|--------------------|
| <b>Growth</b>  |                    |                    |                    |
| <b>Adult Social Care</b>   |                    |                    |                    |
| Care & support - manage increasing demand in numbers and complexity  | 3,160              | 5,160              | 7,160              |
| Prevention - investment in preventative services   | 40                 | 140                | 240                |
| <b>Chief Executive</b>   |                    |                    |                    |
| Budget required to deliver sustainable organisational change   | 490                | 490                | 490                |
| <b>Children's Services</b>   |                    |                    |                    |
| Building a Permanent Social Worker Workforce   | 0                  | 170                | 170                |
| Home to School Transport   | 4,018              | 4,465              | 5,043              |
| Managing and Meeting demand in numbers and complexity  | 711                | 877                | 997                |
| New Models of Support for Children with Disabilities   | 325                | 510                | 720                |
| Placement Growth   | 2,086              | 3,385              | 4,894              |
| <b>Place &amp; Growth</b>  |                    |                    |                    |
| Additional work to manage overhanging vegetation and maintain footpaths  | 95                 | 80                 | 70                 |
| Concessionary travel - reimbursement costs   | 70                 | 70                 | 70                 |
| Highways and Transport staff based budget correction   | 0                  | 191                | 191                |
| Historic electricity saving  | 0                  | 176                | 176                |
| Housing Benefit income for Bed & Breakfast   | 100                | 300                | 300                |
| Income generation through commercialisation across the directorate   | 68                 | 68                 | 68                 |
| Making Climate Emergency Officer Posts Permanent   | 75                 | 103                | 103                |
| New Contract Manager role Environment and Safety   | 70                 | 70                 | 70                 |
| Review access to free parking at Carnival multi-story Car Park   | 0                  | 120                | 120                |
| Routing Software - Home to School Transport  | 20                 | 20                 | 20                 |
| Street light electrical testing  | 50                 | 50                 | 50                 |
| To provide sufficient funding to support the Emergency Duty Officers   | 35                 | 35                 | 35                 |
| <b>Resources &amp; Assets</b>  |                    |                    |                    |
| Demand pressures in Democratic & Electoral Services  | 50                 | 50                 | 50                 |
| Forecast external audit fees   | 100                | 100                | 100                |
| Increased demand/support through Council Tax Relief Scheme   | 100                | 100                | 100                |
| Laurel Park Pavilion running costs   | 25                 | 25                 | 25                 |
| Leisure Service reduced income/usage   | 500                | 530                | 530                |
| Review of Commercial Property capitalisation   | 632                | 632                | 632                |
| Wokingham Town Centre Regeneration Portfolio   | 100                | 100                | 100                |
| <b>Total Growth</b>  | <b>12,920</b>      | <b>18,017</b>      | <b>22,524</b>      |
| <b>Savings</b>   |                    |                    |                    |
| <b>Adult Social Care</b>   |                    |                    |                    |
| Demand management - review of existing packages and spend, utilisation of prevention services                          | (535)              | (2,335)            | (3,235)            |
| Learning disability review - better utilisation of contracts, recommissioning services and better use of accommodation | (100)              | (200)              | (200)              |
| Maximising appropriate benefits for all clients  | (35)               | (35)               | (35)               |
| Maximising integration funding to support delivery of hospital discharge services                                      | (600)              | (800)              | (1,000)            |
| Minimum Income Guarantee (MIG) Changes to Charging   | (250)              | (250)              | (250)              |
| Optalis Efficiencies   | (100)              | (120)              | (120)              |
| Securing health income for residents   | (500)              | (700)              | (700)              |
| <b>Chief Executive</b>   |                    |                    |                    |
| Change in application support arrangements   | (28)               | (28)               | (28)               |
| Consolidation of contact centres   | 0                  | (50)               | (50)               |
| Customer Service efficiencies - Process Redesign   | (160)              | (160)              | (160)              |
| Data and Insight service efficiencies  | (25)               | (25)               | (25)               |
| Human Resource efficiencies  | (75)               | (75)               | (75)               |
| Implementation of Software defined wide area network   | (25)               | (25)               | (25)               |
| Review of Council policies   | (100)              | (100)              | (100)              |

THREE YEAR BUDGET FORECAST

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

THREE YEAR BUDGET FORECAST

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

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

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

|  | Best Case     | Most Likely as per Budget | Worst Case    | Relative Risk (difference between most likely and worst case) |                 |               |
|--|---------------|---------------------------|---------------|---|-----------------|---------------|
|  | £'000         | £'000                     | £'000         | Low<br>£'000  | Medium<br>£'000 | High<br>£'000 |
| <b>Adult Social Care</b>   |               |                           |               |   |                 |               |
| Learning disability - unknown high cost pressures  | 27,300        | 27,500                    | 28,100        | 100   | 300             | 200           |
| Mental health - unknown high cost pressures  | 2,300         | 2,400                     | 2,700         | 100   | 150             | 50            |
| Physical disability - unknown high cost pressures  | 5,500         | 5,600                     | 6,000         | 100   | 200             | 100           |
| Older people - increases above expected levels (including self funders with depleted funds)                | 16,800        | 17,100                    | 17,600        | 100   | 200             | 200           |
| Market pressures arising from inflation / cost of living   | 0             | 0                         | 1,000         | 300   | 400             | 300           |
| Risk of market failure   | 0             | 0                         | 1,500         | 900   | 300             | 300           |
| NHS and Social Care system pressures   | 0             | 0                         | 1,000         | 500   | 300             | 200           |
| <b>TOTAL Adult Social Care</b>   | <b>51,900</b> | <b>52,600</b>             | <b>57,900</b> | <b>2,100</b>  | <b>1,850</b>    | <b>1,350</b>  |
| <b>Chief Executive</b>   |               |                           |               |   |                 |               |
| Supplier mandated hosting of Tier A software applications  | 160           | 160                       | 360           | 50  | 50              | 100           |
| Change to market value linked to infrastructure costs  | 460           | 460                       | 550           | 20  | 30              | 40            |
| Software contract inflation costs(IT)  | 1,560         | 1,560                     | 2,000         | 100   | 140             | 200           |
| Increased efficiency programmes within the Organisation requiring additional support i.e. Comms/HR/PM      | 1,000         | 1,000                     | 1,200         | 50  | 50              | 100           |
| Directorate Programme savings delivery   | (50)          | (50)                      | 0             | 10  | 10              | 30            |
| <b>Total Adult Social Care</b>   | <b>3,130</b>  | <b>3,130</b>              | <b>4,110</b>  | <b>230</b>  | <b>280</b>      | <b>470</b>    |
| <b>Children's Services</b>   |               |                           |               |   |                 |               |
| Additional placements for children & young people above expected, including dispersal of UASC (demand led) | 8,200         | 8,300                     | 9,300         | 200   | 300             | 500           |
| Direct payments and Community Support increased activity and costs (demand led)                            | 870           | 900                       | 1,000         | 30  | 50              | 20            |
| Difficulty in recruiting essential frontline posts with permanent staff resulting in higher cost agency    | 550           | 630                       | 930           | 100   | 100             | 100           |
| Home to School Transport (demand led)  | 9,800         | 9,900                     | 10,500        | 100   | 200             | 300           |
| Legal costs through Joint Legal Team (demand led)  | 820           | 870                       | 1,200         | 50  | 110             | 170           |
| Adoption costs (demand led)  | 450           | 450                       | 540           | 10  | 20              | 60            |
| Emergency Duty Service (children's & adults) (demand led)  | 300           | 300                       | 370           | 20  | 30              | 20            |
| Unaccompanied asylum seeking children (demand led)   | 0             | 0                         | 1,400         | 400   | 500             | 500           |
| <b>TOTAL Children's Services</b>   | <b>20,990</b> | <b>21,350</b>             | <b>25,240</b> | <b>910</b>  | <b>1,310</b>    | <b>1,670</b>  |

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

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

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

232

# GENERAL FUND RESERVES – POLICY STATEMENT

## 1 Definition / Purpose

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

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

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

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

## 2 Policy (Criteria for Calculating Fund Requirement)

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

There is no generally applicable minimum level of reserves, although, previous guidance from the Audit Commission suggested a crude measure as 5% of net expenditure (excluding the Dedicated Schools Grant) as a minimum.

Good financial management practice requires a budget risk assessment to inform the level of reserves. Such a risk assessment is undertaken on an annual basis (as part of the budget setting process) and is detailed on the previous page. Although it should not be seen as an exact science, it provides an informed assessment of the level of risk inherent in the budgets (value and likelihood). The assessment of the budget contained in the MTFP for 2024/25 indicates that balances of at least £10m would be required to provide for budget risks identified as high and medium. The recommended level of balances (below) is based on this.

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

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

## 3 Budget Risk Analysis

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

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

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

£15.7m – upper limit (High/Medium/Low risks)

## HOUSING REVENUE ACCOUNT - REVENUE BUDGET

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

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

Note 1. The contribution from HRA revenue to Major Repairs

Note 2. Based on current and forecast loan portfolio

Note 3. Repayment of HRA loans taken during self financing

Note 4. Additional revenue contribution to fund capital programme

Note 5. Reserve balances guided by assessments of financial risks



## HOUSING REVENUE ACCOUNT CAPITAL BUDGET

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

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

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

Note 2. Revenue contribution to fund capital programme

Note 3. Estimated receipts from right to buy sales

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

## BUDGET VARIABLES AND FINANCIAL RISK ANALYSIS 2024/25 - TO INFORM THE LEVEL OF HOUSING REVENUE ACCOUNT RESERVES

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

|   | Best Case     | Most Likely as per Budget | Worst Case    | Relative Risk (difference between most likely and worst case) |              |            |
|---|---------------|---------------------------|---------------|---|--------------|------------|
|   | £'000         | £'000                     | £'000         | Low £'000   | Medium £'000 | High £'000 |
| <b>Housing Revenue Account (Resources &amp; Assets )</b>  |               |                           |               |   |              |            |
| Risk of contractor failure to revenue budget  | 3,500         | 3,500                     | 4,000         | 200   | 200          | 100        |
| Risk of contractor failure to capital budget  | 10,600        | 10,600                    | 11,200        | 250   | 250          | 100        |
| Failure to deliver safe services to tenants, leaseholders, shared owners, site dwellers and licensees | 0             | 0                         | 300           | 150   | 100          | 50         |
| Climate / natural disasters - impacts on properties   | 0             | 0                         | 200           | 150   | 50           | 0          |
| Increase in rent arrears due to cost of living crisis   | 0             | 0                         | 300           | 100   | 100          | 100        |
| Change to requirements of Regulatory framework and standards for Social Housing                       | 0             | 0                         | 150           | 150   | 0            | 0          |
| <b>TOTAL Housing Revenue Account</b>  | <b>14,100</b> | <b>14,100</b>             | <b>16,150</b> | <b>1,000</b>  | <b>700</b>   | <b>350</b> |

236

# HOUSING REVENUE ACCOUNT RESERVES - POLICY STATEMENT

## 1 Definition / Purpose

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

The balance serves two additional purposes:-

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

|                                   | £m  |
|-----------------------------------|-----|
| Balance as at 31st March 2023     | 1.1 |
| Estimated Balance 31st March 2024 | 1.1 |
| Estimated Balance 31st March 2025 | 1.1 |
| Estimated Balance 31st March 2026 | 1.1 |
| Estimated Balance 31st March 2027 | 1.1 |

This excludes any capital balances.

## 2 Policy (Criteria for Calculating Fund Requirement)

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

The Council aim to have 5% of gross expenditure recommended as a minimum to hold in reserve which currently indicates a reserve level of £1.0m.

The HRA reserve will be reviewed on an annual basis and considered against a budget risk analysis to ensure that the current balance is above the minimum level as recommended by the policy.

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

## 3 Budget Risk Analysis

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

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

## DEDICATED SCHOOLS GRANT BUDGET

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

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

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

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

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

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

# CAPITAL PROGRAMME 2024 to 2027 and Prudential Indicators

## 1 Process

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

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

## 2 Capital Programme

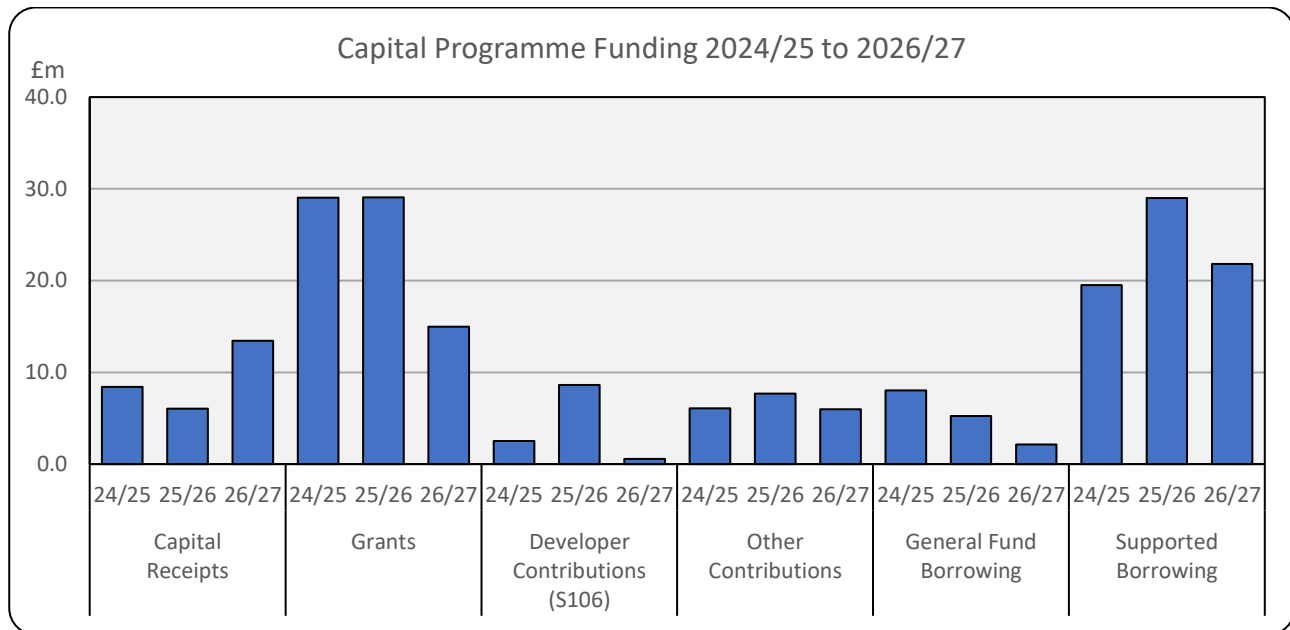
An overview of the proposed programme over the next three years is shown below. Further detail of the Capital Programme allocation of individual projects across key areas, and key area sub - categories is contained in the schedules further on in this section of the Medium Term Financial Plan and can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

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

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

### 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.



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

The capital programme currently has a budget shortfall of c£8.5m over the next three years which includes a fully funded year 1 (2024/25) programme. This shortfall is made up of a budget shortfall against the capital programme highlighted above (£520.1m less £511.6m). This shortfall over three years will be balanced through a combination of reducing or reprofiling capital expenditure, additional CIL income from potential new developments and by maximising capital funding opportunities such as bidding for capital grants.

## 4 Capital Strategy

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

## 5 Prudential Indicators

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

The Prudential Indicators and limits for 2024/25 to 2026/27 are set as:

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

The ratios above are explained in more detail in the Treasury Management Strategy 2024/25 and form a key part of our treasury management activities. These ratios are monitored and reviewed throughout the year.

## 6 Capital Financing Requirement (CFR)

The Capital Financing Requirement reflects the Council's underlying need to borrow for a capital purpose. It shows the total estimated capital expenditure that has not been resourced from capital or revenue sources. The Council's general fund CFR from 2024/25 to 2026/27 is demonstrated in the table below.

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

This can be broken down further into supported and general fund borrowing. A significant part of the Council's capital programme is either self-financing or makes a surplus where the income generated is greater than the cost of financing and therefore is available to fund other council services. These are referred to as "supported borrowing". General fund borrowing is funded through existing base budget and supports general investment to maintain Council assets and continue to provide services to customers and residents.

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



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

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

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

**CAPITAL PROGRAMME 2024/25 to 2026/27**

The following table sets out by key area, the Councils Capital Programme for the next three years. The HRA Capital programme is also included under Housing, Local Economy and Regeneration, sub section Housing Delivery.

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

244

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

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

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

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

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

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

**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

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

**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

| Key Areas - by Sub Category                | Project Name                                       | Project Description  | Carry Forwards 2023/24 | Year 1 2024/25 | Year 2 2025/26 | Year 3 2026/27 | Total         |
|--|--|--|------------------------|----------------|----------------|----------------|---------------|
| Housing Delivery                           | Care Leaver Supported Accommodation: Seaford Court | To provide a setting to meet the needs of vulnerable children.   | 730                    | 1,470          | 1,530          | 0              | 3,730         |
|  |  | <b>Housing Delivery Total</b>  | <b>730</b>             | <b>1,470</b>   | <b>1,530</b>   | <b>0</b>       | <b>3,730</b>  |
| Improvement to Existing Facilities         | Schools Maintenance                                | Capital improvements and suitability issues  | 0                      | 630            | 630            | 630            | 1,890         |
|  | Schools Devolved Formula                           | Specific government grant to carry out capital works, controlled by schools                                | 0                      | 250            | 250            | 250            | 750           |
|  | Equipment for Disabled Children                    | Purchase / replace equipment that is provided to children in care in line with our children in care pledge | 0                      | 200            | 200            | 200            | 600           |
|  | School Kitchens                                    | Improve various school meals kitchens including delivery of the universal free school meal programme       | 0                      | 50             | 50             | 50             | 150           |
|  | ICT Equipment for Children in Care                 | Purchase / replace equipment that is provided to children in care in line with our children in care pledge | 0                      | 32             | 32             | 32             | 96            |
|  | Schools Access                                     | To improve access provision to schools   | 38                     | 0              | 0              | 0              | 38            |
|  |  | <b>Improvement to Existing Facilities Total</b>  | <b>38</b>              | <b>1,162</b>   | <b>1,162</b>   | <b>1,162</b>   | <b>3,524</b>  |
| Service Improvements                       | Capitalisation of Analysts and Report Developers   | Investment in business analysts part of continued change programme   | 0                      | 138            | 138            | 138            | 414           |
|  | Capita IT System                                   | Children's Services IT system  | 0                      | 0              | 192            | 192            | 384           |
|  | Children in Care Website Upgrade                   | Improvement to children in care website  | 21                     | 0              | 0              | 0              | 21            |
|  |  | <b>Service Improvements Total</b>  | <b>21</b>              | <b>138</b>     | <b>330</b>     | <b>330</b>     | <b>819</b>    |
| <b>Children Services and Schools Total</b> |  |  | <b>11,701</b>          | <b>28,320</b>  | <b>26,563</b>  | <b>7,652</b>   | <b>74,235</b> |

248

**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

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

**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

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



**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

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

**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

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

**CAPITAL PROGRAMME 2024/25 to 2026/27 - Detail**

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

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

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

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

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

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

# CAPITAL FUNDING

## 1 Definition / Purpose

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

Any surplus resources will be held in the following:

- Capital receipts reserve
- Capital grants and contributions unapplied reserve

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

## 2 Policy (Criteria for Calculating Fund Requirement)

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

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

Funding streams available to the Council consists of:

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

## FIVE YEAR CAPITAL VISION 2024/25 to 2028/29

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

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



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



## COMMERCIALISATION AND VALUE FOR MONEY

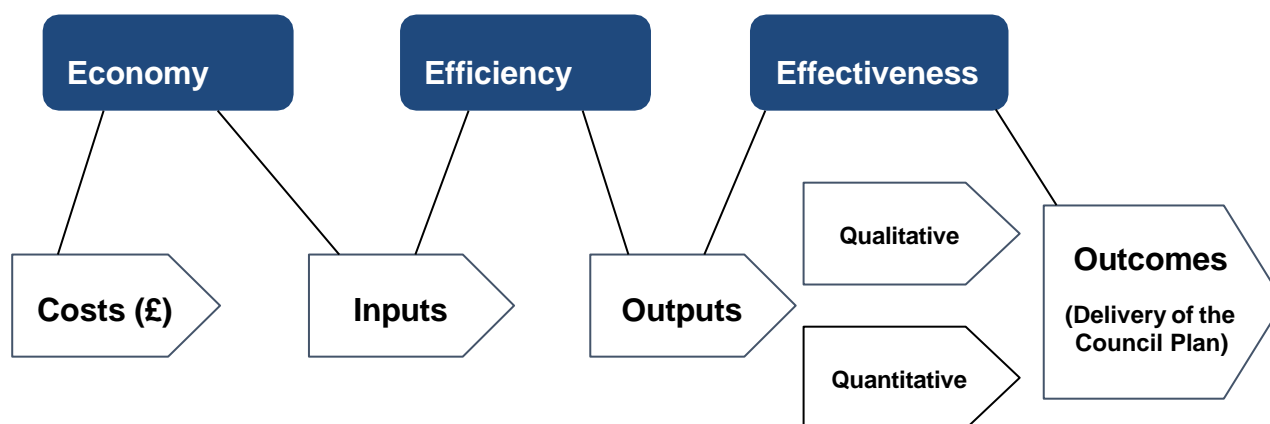
**Value for money starts with identifying a demonstrable need and that need is a high priority for the Council**

### Commercialisation

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

### Value for Money

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



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

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

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

# COUNCIL TAX BACKGROUND INFORMATION

## 1 Council Tax – Valuation Bands

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

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

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

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

## 2 Council Tax – Exempt Dwellings

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

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

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

### 3 Council Tax - Discounts

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

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

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

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

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

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

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

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

### 4 Council Tax – People with Disabilities

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

### 5 Council Tax - Reduction

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

## 6 Council Tax – Premium

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

- Properties empty for at least 1 years (but less than 5 years), the maximum long-term empty homes premium is 100%.
- Properties empty for at least 5 years (but less than 10 years), the maximum long-term empty homes premium is 200%.
- Properties empty for at least 10 years, the maximum long-term empty homes premium is 300%.

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

### Properties Occupied (Periodically) - Second Homes

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

## 7 Council Tax Base

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

From this figure an adjustment is made:

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

The resulting figure is the Band D equivalent Tax base.

## 8 Council Tax Rate

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

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

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

## 9 Precepts and Collection Fund Surplus / Deficit

Wokingham Borough Council also collects council tax on behalf of the Police and Crime Commissioner for Thames Valley, and the Royal Berkshire Fire and Rescue Authority. The precepts for 2023/24 and 2024/25 are set out below.

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

### Collection Fund Surplus

A calculation has to be made of the estimated surplus/deficit on the Council Tax Collection Fund at 31st March 2024. The calculation is required by legislation to be made by 15th January. The surplus / deficit is required to be apportioned between the precepting authorities pro rata to the previous year's precept. As at the 31st March 2024 the collection fund expects to achieve a surplus of £1,775,990 therefore the distribution of the surplus between the precepting authorities is:-

Wokingham Borough Council – £1,500,000

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

Royal Berkshire Fire Authority - £65,000

## PARISH PRECEPTS 2024/25

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

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

## COUNCIL TAX BY BAND AND PARISH 2024/25

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

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

\* Percentage increases based on total 2023/24 council tax level, as per legislation

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

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

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

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

## BUDGET MANAGEMENT PROTOCOL

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

### Roles & Responsibilities:

#### Budget Manager

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

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

#### Directors

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

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



### **Corporate Leadership Team**

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

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

### **Members**

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

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

### **S151 Officer (Chief Finance Officer)**

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

## **BUDGET MANAGEMENT - ESSENTIAL PRACTICE FOR BUDGET MANAGERS**

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

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

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

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

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

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

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

# Glossary of Terms

## **Adult Social Care (ASC) Precept**

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

## **Apprenticeship Levy**

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

## **Autumn Statement**

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

## **Business Rates Retention Scheme (BRRS)**

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

## **Care Act 2014**

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

## **Community Infrastructure Levy (CIL)**

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

## **Core Spending Power**

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

## **Council Tax Freeze Grant**

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

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

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

### **Education Services Grant (ESG)**

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

### **Formula Grant**

The previous name for Revenue Support Grant (RSG).

### **Local Government Funding Settlement**

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

### **Medium Term Financial Plan (MTFP)**

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

### **Ministry of Housing, Communities & Local Government (MHCLG)**

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

### **National Funding Formula**

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

### **New Homes Bonus**

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

### **Northern Powerhouse**

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

### **Precept**

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

### **Prudential Code**

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

### **Revenue Support Grant (RSG)**

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

### **'Rolled-in' Grant**

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

### **Section 106 Contributions**

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

### **Settlement Funding Assessment (SFA)**

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

### **Strategic Development Locations (SDLs)**

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

### **Summary of Budget Movements**

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

### **Unitary Authority**

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

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