



NOTICE OF MEETING

The Executive

Tuesday 23 February 2016, 5.00 pm

Council Chamber, Fourth Floor, Easthampstead House, Bracknell

To: The Executive

Councillor Bettison (Chairman), Councillor Dr Barnard (Vice-Chairman), Councillors D Birch, Brunel-Walker, Mrs Hayes MBE, Heydon, McCracken and Turrell

ALISON SANDERS

Director of Corporate Services

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Published: 15 February 2016



The Executive
Tuesday 23 February 2016, 5.00 pm
Council Chamber, Fourth Floor, Easthampstead House,
Bracknell

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AGENDA

	Page No
1. Apologies	
2. Declarations of Interest	
Any Member with a Disclosable Pecuniary Interest or an Affected Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.	
3. Minutes	
To consider and approve the minutes of the meeting of the Executive held on 9 February 2016.	3 - 12
4. Urgent Items of Business	
Any other items which, pursuant to Section 100B(4)(b) of the Local Government Act 1972, the Chairman decides are urgent.	
5. Capital Budget 2016/17	
To recommend the 2016/17 Capital Programme to Council.	13 - 28
6. Revenue Budget 2016/17	
To recommend the 2016/17 Revenue Budget to Council.	29 - 158
7. General Fund Revenue Budget 2016/17 - Further Savings Proposals	
To consider a report seeking approval to consult on a range of further savings proposals that will contribute towards the delivery of a sustainable revenue budget for 2016/17 and beyond.	159 - 180

**EXECUTIVE
9 FEBRUARY 2016
5.00 - 5.25 PM**



Present:

Councillors Bettison (Chairman), D Birch, Brunel-Walker, Mrs Hayes MBE, Heydon and McCracken

Apologies for absence were received from:

Councillors Dr Barnard and Turrell

26. Declarations of Interest

There were no declarations of interest.

27. Minutes

RESOLVED that the minutes of the meeting of the Executive on 26 January 2016 together with the accompanying decision records be confirmed as a correct record and signed by the Leader.

28. Executive Decisions

The Executive considered the reports submitted on the items listed below and the decisions taken are recorded in the decision sheets attached to these minutes and summarised below:

Item 5. School Admission Arrangements and Designated Areas for 2017/18

RESOLVED that:

- i. the outcomes of the consultations into admissions arrangements be noted
- ii. that the feeder primary school admission criterion be removed from community secondary school admission arrangements be agreed
- iii. that no change be made to existing shared designated areas: Binfield and Warfield / Whitegrove; Warfield and Whitegrove; College Town and Owlsmoor; New Scotland Hill and St Michael's Sandhurst be agreed
- iv. that additional shared areas are appropriate for Quelm Park/Lawrence Hill between Sandy Lane and Warfield primary schools; for Temple Park between Meadow Vale and Binfield Learning Village primary schools; for the western half of the current Garth Hill College area between Binfield Learning Village (secondary) and Garth Hill College; for the Amen Corner North development area between Binfield CE and the new Amen Corner North primary schools; and for the TRL development between Crowthorne CE and Hatch Ride and Oaklands primary schools be agreed
- v. the designated areas to be set for 2017/18 admissions onwards as shown in Annex 2 of the Director of Children, Young People and Learning's report for primary schools and Annex 3 of the Director of Children, Young People and Learning's report for secondary schools be agreed.

- vi. the admission arrangements for 2017/18 entry to community and, where applicable, voluntary controlled schools shown in Annexes 4 to 8 of the Director of Children, Young People and Learning's report be approved

Item 6. Outcome of the Consultation on the Future Provision of Services at Heathlands Residential Care Home and Day Centre

RESOLVED that

- i. the residential and day care service currently provided at Heathlands be re-provided in the independent sector.
- ii. further detailed work with the residents and their families commence with a view to securing alternative residential, nursing or day care provision.

Item 7. Agency Workers Framework 2016-2020 - Tender Outcome

RESOLVED that the Agency Worker Contract be awarded to Tenderer D as detailed in the confidential annex to the Director of Adult Social care, Health and Housing's report.

29. Exclusion of Public and Press

RESOLVED that pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2012 and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of items 9 and 10 which involve the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

- (3) Information relating to the financial or business affairs of any particular person.

Item 9. Commercial Investment Property Acquisition in Bracknell

RESOLVED that:

- i. The Executive authorises the Chief Officer: Property to negotiate the acquisition of a commercial park at a final price to be agreed by the Executive Member for Transformation and Finance in conjunction with the Chief Executive.
- ii. The Executive note the (estimated) price and support the release of funding by the Council for the acquisition.

Item 10. Potential Acquisition of former Magistrates Court

RESOLVED that:

- i. The Executive authorises the Chief Officer: Property to negotiate the acquisition of the Magistrates Court on the Heads of Terms at Paragraph 5.6 of the Director of Corporate Services report.
The Executive authorises the Chief Officer: Property to agree variations in the Heads of Terms with the agreement of the Executive Member for Transformation and Finance in conjunction with the Director of Corporate Services.

**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I057455
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1. **TITLE:** School Admission Arrangements and Designated Areas for 2017/18

2. **SERVICE AREA:** Children, Young People and Learning

3. **PURPOSE OF DECISION**

To agree the admission arrangements and designated areas to apply in the 2017/18 academic year..

4. **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

That:

- i. the outcomes of the consultations into admissions arrangements be noted
- ii. that the feeder primary school admission criterion be removed from community secondary school admission arrangements be agreed
- iii. that no change be made to existing shared designated areas: Binfield and Warfield / Whitegrove; Warfield and Whitegrove; College Town and Owlsmoor; New Scotland Hill and St Michael's Sandhurst be agreed
- iv. that additional shared areas are appropriate for Quelm Park/Lawrence Hill between Sandy Lane and Warfield primary schools; for Temple Park between Meadow Vale and Binfield Learning Village primary schools; for the western half of the current Garth Hill College area between Binfield Learning Village (secondary) and Garth Hill College; for the Amen Corner North development area between Binfield CE and the new Amen Corner North primary schools; and for the TRL development between Crowthorne CE and Hatch Ride and Oaklands primary schools be agreed
- v. the designated areas to be set for 2017/18 admissions onwards as shown in Annex 2 of the Director of Children, Young People and Learning's report for primary schools and Annex 3 of the Director of Children, Young People and Learning's report for secondary schools be agreed.
- vi. the admission arrangements for 2017/18 entry to community and, where applicable, voluntary controlled schools shown in Annexes 4 to 8 of the Director of Children, Young People and Learning's report be approved

7. **REASON FOR DECISION**

If admission arrangements are required to change, there is a statutory responsibility to consult widely and take views expressed into account. Therefore with expanded and new schools likely to open in September 2017 there has been a need to consult in 2015 and for revised admission arrangements to be set by the end of February 2016.

Statutory and non-statutory consultation took place between 1 September and 20 November 2015.

8. ALTERNATIVE OPTIONS CONSIDERED

None. There is a statutory requirement for consultation and the formal agreement of arrangements.

9. PRINCIPAL GROUPS CONSULTED: Parents, Town and Parish Councils, schools, dioceses, local 'own admission authorities', governing bodies, partners and other stakeholders.

10. DOCUMENT CONSIDERED: Report of the Director of Children, Young People & Learning.

11. DECLARED CONFLICTS OF INTEREST: None

Date Decision Made	Final Day of Call-in Period
9 February 2016	16 February 2016

**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I0057606
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1. **TITLE:** Outcome of the Consultation on the Future Provision of Services at Heathlands Residential Care Home and Day Centre

2. **SERVICE AREA:** Adult Social Care, Health & Housing

3. **PURPOSE OF DECISION**

To present for decision recommendations falling out of the public consultation undertaken on future options for Heathlands Residential Home, based in Wildridings Bracknell.

4 **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

That

- i. the residential and day care service currently provided at Heathlands be re-provided in the independent sector.
- ii. further detailed work with the residents and their families commence with a view to securing alternative residential, nursing or day care provision.

7. **REASON FOR DECISION**

As people with dementia continue to be supported to live in the community for longer, increasingly, therefore when people with dementia move into a care home setting their needs are more complex and often can only be met through nursing care. There has, therefore, been an increase in the number and proportion of nursing care placements being commissioned as opposed to residential care placement.

Bracknell Forest Council, in partnership with the Clinical Commissioning Groups, will continue to commission services that support a shift away from residential care to personalised social care in community settings, supporting people to live independently, and safely to deliver the principles within Bracknell Forest Joint Commissioning Strategy for Dementia 2014-2019.

The necessary investment required to undertake a major refurbishment/ redevelopment and bring Heathlands up to standard would not be economically viable, and would also mean people would need to be moved for a period of time which would create unacceptable disruption to their lives.

Heathlands has been operating with a number of vacant beds since mid 2014 and as 1st June 2015 the home was operating with less than 50% occupancy. Currently there are 10 people permanently placed in Heathlands. These people, over time, would be likely to be moving out of Heathlands if and when their needs cannot be met. There has also been a

drop in attendance at the Day Centre by 40% over the last 12 months.

The Council is having to meet the challenge of an ageing population and increased demand for support within a climate of budgetary and funding constraints. It is, therefore, essential that services are sustainable, cost effective and deliver best value for money.

The Executive are reminded that even if the recommendations are accepted people will still continue to receive a service to meet their needs. This proposal is not about cutting the level of support to older people, but about providing it in a different way to ensure a better environment for people and ensure efficient and effective working.

If the recommendations are accepted, then the department will work with individuals and their families to secure alternative accommodation and support.

The consultation has demonstrated that people would like to keep Heathlands open as they feel it is an established part of the community and would leave a physical gap. There is recognition that change is a very emotional issue and it would be detrimental to the individuals affected. The Council recognised that the proposal to consult might cause concern for the people in Heathlands, their families and the staff. Extra support has been provided throughout the consultation and will continue to be provided through this time and after the decisions is made.

8. **ALTERNATIVE OPTIONS CONSIDERED**

No change in service will mean that this service would continue to be costly and unsustainable and would commit the Council to additional capital expenditure.

To refurbish/redevelop Heathlands and invest in a major re development programme would require considerable investment. It is clear that the upgrade cost would be very significant.

Consideration had been given to sell or lease Heathlands to another provider. This would be difficult due to the limitations and constraints of the building and the investment required to address these issues and secure a market position.

9. **PRINCIPAL GROUPS CONSULTED:** Public

10. **DOCUMENT CONSIDERED:** Report of the Director of Adult Social Care, Health & Housing

11. **DECLARED CONFLICTS OF INTEREST:** None

Date Decision Made	Final Day of Call-in Period
9 February 2016	16 February 2016

**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I057980
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1. **TITLE:** Agency Workers Framework 2016-2020 - Tender Outcome

2. **SERVICE AREA:** Corporate Services

3. **PURPOSE OF DECISION**

To agree the new provider for the Agency Workers Framework..

4 **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

That the Agency Worker Contract be awarded to Tenderer D as detailed in the confidential annex to the Director of Adult Social care, Health and Housing's report.

7. **REASON FOR DECISION**

To ensure, that the Council has an effective and reliable contractor offering an efficient and reliable service to hiring managers minimising the need for intervention by Council officers, and which delivers best value for money.

To ensure that the Council adopts, in accordance with the principles of Category Management, a solution which addresses the needs of the whole Council and maximises the Council's spending power, delivering both direct savings and process improvements.

To ensure that the Council has a contract in place which facilitates continued compliance with the Agency Workers Regulations

8. **ALTERNATIVE OPTIONS CONSIDERED**

None considered. Continued use of the ESPO framework is consistent with the principles of Category Management and enables the Council access to a well developed market and mature contractual process. Furthermore, there are 7 established Managed Service Providers available on Lot 1 of the framework which has enabled a robust competition to be undertaken for Council requirements.

The ESPO Framework embodies current best practice with regard to the management of Agency Workers and it has been tendered and awarded in full compliance with the Public Contracts Regulations 2015.

9. **PRINCIPAL GROUPS CONSULTED:** Officers

10. **DOCUMENT CONSIDERED:** Report of the Director of Adult Social Care, Health & Housing

11. **DECLARED CONFLICTS OF INTEREST:** None

Date Decision Made	Final Day of Call-in Period
9 February 2016	9 16 February 2016

**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I058407
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1. **TITLE:** Commercial Investment Property Acquisition in Bracknell

2. **SERVICE AREA:** Corporate Services

3. **PURPOSE OF DECISION**

To seek approval and release of funding for the acquisition of a commercial investment property within the Borough

4 **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

That:

- i. The Executive authorises the Chief Officer: Property to negotiate the acquisition of a commercial park at a final price to be agreed by the Executive Member for Transformation and Finance in conjunction with the Chief Executive.
- ii. The Executive note the (estimated) price and support the release of funding by the Council for the acquisition.

7. **REASON FOR DECISION**

The Council is facing unprecedented reductions in it's funding to support the delivery of services. The Council's central government funding grant has recently been further reduced. The funding gap is now £26m over four years.

The Council has launched its new four year Council Plan and the narrative is clear in how services will be delivered, prioritised and funded. Value for money is a core feature of the new plan.

An area being considered by an increasing number of authorities to support funding shortfalls is commercial property investment in order to deliver an income stream.

This Council, through the work of the Transformation Board and its sub group – Income Generation, is tasked with developing a Property Investment Strategy as one such means of providing sustainable income sources to support the funding of direct services.

The timing of this investment opportunity is some way ahead of the work of the sub group, but such is the buoyant state of the commercial market in the south east of the UK that we have to give full consideration to this rare opportunity at this time.

8. **ALTERNATIVE OPTIONS CONSIDERED**

Remain as we are, and forgo the opportunity of the acquisition.

9. **PRINCIPAL GROUPS CONSULTED:** Corporate Management Team
10. **DOCUMENT CONSIDERED:** Report of the Director of Corporate Services
11. **DECLARED CONFLICTS OF INTEREST:** None

Date Decision Made	Final Day of Call-in Period
9 February 2016	16 February 2016

**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I058408
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1. **TITLE:** Potential Acquisition of former Magistrates Court

2. **SERVICE AREA:** Corporate Services

3. **PURPOSE OF DECISION**

To seek approval for the aquisition of the former magistrates court.

4 **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

That:

- i. The Executive authorises the Chief Officer: Property to negotiate the acquisition of the Magistrates Court on the Heads of Terms at Paragraph 5.6 of the Director of Corporate Services report.
- ii. The Executive authorises the Chief Officer: Property to agree variations in the Heads of Terms with the agreement of the Executive Member for Transformation and Finance in conjunction with the Director of Corporate Services.

7. **REASON FOR DECISION**

The acquisition of this site together with a pre-emptive option currently under negotiation with the Police would potentially give the Council virtual control of the entire area surrounding Easthampstead House for a future comprehensive redevelopment scheme. This would be the preferred position for achieving maximum value for the Easthampstead House/Town Square site.

8. **ALTERNATIVE OPTIONS CONSIDERED**

Remain as we are, and forgo the opportunity of the acquisition. This would make the future disposal of the Town Square site more difficult to action and less valuable as it wouldn't be completely under the Council's ownership and any potential bidder for Easthampstead House would need to plan redevelopment alongside a third party.

9. **PRINCIPAL GROUPS CONSULTED:** Town Centre Regeneration Committee

10. **DOCUMENT CONSIDERED:** Report of the Director of Corporate Services

11. **DECLARED CONFLICTS OF INTEREST:** None

Date Decision Made	Final Day of Call-in Period
9 February 2016	16 February 2016

**TO: THE EXECUTIVE
23 FEBRUARY 2016**

**CAPITAL PROGRAMME 2016/2017 - 2018/2019
Borough Treasurer/Chief Executive**

1 PURPOSE OF DECISION

- 1.1 As part of the Council's financial and policy planning process, the Executive issued draft Capital Programme proposals for 2016/17 - 2018/19 for consultation on 16 December 2015. The main focus was inevitably departmental spending needs for 2016/17, although future year's schemes do also form an important part of the programme. This report sets out the proposed capital programme, following the consultation exercise, for consideration by the Executive prior to submission to the Council on 24th February 2016.
- 1.2 The revenue implications of the recommendations in this report are reflected in the subsequent report on the Council's revenue budget proposals. Any revisions to the proposals put forward for each service would also need to be reflected in the revenue budget report.

2 RECOMMENDATIONS

That the Executive:

2.1 Recommends to the Council

- a) **General Fund capital funding of £59.983m for 2016/17 in respect of those schemes listed in Annexes A – E.**
- b) **The inclusion of an additional budget of £1m for Invest to Save schemes.**
- c) **The inclusion of £2.440m of expenditure to be funded from S106 as outlined in paragraph 5.33.**
- d) **That those schemes that attract external grant funding are included within the Capital Programme at the level of funding received.**

2.2 Agrees that capital schemes that require external funding can only proceed once the Council is certain of receiving the grant.

2.3 Reviews the indicative programme for 2017/18 and 2018/19 in the light of resources available and spending priorities in December 2016.

3 REASONS FOR RECOMMENDATIONS

- 3.1 The reasons for the recommendations are set out in the report.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The alternative options are considered in the report.

5 SUPPORTING INFORMATION

Capital Resources

- 5.1 Each year the Council agrees a programme of capital schemes. In the past these schemes have been funded from three main sources:
- the Council's accumulated capital receipts
 - Government Grants
 - other external contributions
- 5.2 The Local Government Act 2003 brought in radical changes to the financing of capital expenditure and from that date, the Government no longer issued borrowing approvals. Instead, under a new "prudential framework", Councils can set their own borrowing limits based on the affordability of the debt.
- 5.3 As the Council's accumulated capital receipts have been fully utilised, the Council returned to a position of internal borrowing in 2010 and as such a revenue contribution is required each year to repay this internal borrowing. Once the Council's current level of investments is exhausted the Council will need to borrow externally.
- 5.4 The Council's estimated total usable capital receipts at 31st March 2016 are zero. As a debt free authority the Council is partly reliant on capital receipts to fund its capital programme, although interest generated from capital receipts can also help support the revenue budget in the short term. The Council still receives a share of any Right-To-Buy proceeds from Bracknell Forest Homes in addition to a share of capital receipts from the VAT Shelter scheme.
- 5.5 The proposed capital programme for 2016/17 has been developed, therefore, on the assumption that it will be funded by a combination of Government grants, other external contributions and borrowing in addition to £5m of capital receipts. With such a large programme there is a likelihood that the Council may need to borrow externally however this will depend largely on the progress made at Binfield Learning Village, Coral Reef and the availability of cash balances held throughout the year. Internal resources will be used in the first instance and borrowing from external sources (eg the PWLB or the Green Investment Bank) will be used when necessary. The financing costs associated with the General Fund Capital Programme have been provided for in the Council's revenue budget plans which also appear on tonight's agenda.

New Schemes

- 5.6 Within the general financial framework outlined above, Service Departments have considered new schemes for inclusion within the Council's Capital Programme for 2016/17 – 2018/19. Given that both capital and revenue resources are under pressure, each Department has evaluated and prioritised proposed schemes into broad categories in line with the Council's Asset Management Plan. Having done this, only the very highest priority schemes and programmes are being recommended for inclusion in the Capital Programme.

Town Centre

- 5.7 Following the conclusion of the Development Agreement with Bracknell Regeneration Partnership (BRP) in January 2015 the Council set out its own planned investment on wider Town Centre infrastructure as part of the 2015/16 Capital Programme. These investment plans follow through into 2016/17 and

beyond and are an essential investment in the future development and economic prosperity of the Borough.

- 5.8 Similarly in order to facilitate transport movements around the Borough, including the planned Town Centre redevelopment, it is necessary to continue to fund a number of town centre highway works and infrastructure schemes. As such a funding need of £2.0m has been identified in the 2016/17 proposals with further commitments required in future years to ensure that the regenerated town centre functions as a “whole centre” and not just as an isolated shopping outlet. As such spending levels of around £2m per annum are likely to be required until the new Northern Retail Quarter area is open and, importantly, established for trading. This additional expenditure is aimed at maximising the positive experience of visiting the regenerated town centre and of promoting further investment in the Borough.
- 5.9 All of these items have a much wider impact than the new development itself and will benefit the whole Borough. However the expenditure needs to be co-ordinated with the specific work that BRP are planning to carry out.

Binfield Learning Village

- 5.10 The Binfield Learning Village is a priority for the Council, as without it there will not be enough school places for young people who live in the Borough. The programme will deliver statutory places required in the Borough alongside meeting the need for new housing and the associated community facilities. The plans for the development continue to be progressed and the main construction works will shortly be tendered in the market and an update will be provided once these have been evaluated. The figures included in the Capital Programme are based on the initial estimates and are prior to the addition of inflation which it was always recognised would be calculated from the time of the original estimates to the date of the contract award. With the heightened level of demand for construction in the South East of England over the last 24 months this could add up to 15% to the final cost, which was recognised when Members agreed to proceed with the scheme.

Coral Reef Transformation

- 5.11 The main roof structures at Coral Reef are complex and have required extensive monitoring and maintenance for the latter part of its life. The contracts for the main works to replace the roof are currently out to tender and the evaluation will be reviewed by Executive later in 2016. The figures included in the Capital Programme, based on initial estimates, are prior to the addition of inflation which it was always recognised would be calculated from the time of the original estimates in Quarter 1 2014 up to the date of the contract award. As noted above this could add up to 15% to the final budgeted cost which was recognised when Members agreed to proceed with the scheme and will be agreed once the tendered bids have been evaluated.

Old Magistrates' Court Property

- 5.12 Funding is requested to acquire the former magistrates' court at £650,000 for the freehold premises. The Council is seeking to acquire this site to join with its own holdings for a significant and comprehensive future phase to support the development and vitality of the new town centre. There will be limited provision for some claw-back if sold/developed within 3 years, but this is unlikely to happen. Funding for this request also includes legal costs (£15,000), stamp-duty (£35,000) and refurbishment costs (£75,000) needed if the property is to be used pending any future redevelopment.

Other Unavoidable & Committed schemes

- 5.13 This category covers schemes which must proceed to ensure that the Council is not left open to legal sanction and includes items relating to health and safety issues, new legislation etc. Committed schemes also include those that have been started as part of the 2015/16 Capital Programme. Also included within this category are those schemes that were previously funded from the General Fund Revenue Account, but which by their nature could be legitimately capitalised, thereby reducing pressure on the revenue budget. Schemes in this category form the first call on the available capital resources.
- 5.14 Within these categories, provision has been made to address the rolling programme of disabled access requirements to Council buildings (£0.035m). The works have been identified through independent access audits and have been prioritised to meet the needs of users of these buildings. Significant progress has been made in past years and a programme of works has been planned across a range of service areas.

Maintenance (Improvements and capitalised repairs)

- 5.15 An assessment has been made of the condition of the Council's property assets to arrive at an estimate of the outstanding maintenance works required. An assessment is made of the state of each building element and its repair priority with a condition rating and repair urgency. Works categorised as 1C and 1D include those that are deemed to be in a poor or bad condition and where there is a need to undertake urgent maintenance.
- 5.16 The figures below are based on the information held in the Construction and Maintenance Groups' property management system. They have been adjusted to exclude those works that are already budgeted for within existing 2015/16 schools and corporate planned maintenance programmes.

The priorities can be broken down as follows:

Maintenance Backlog

		£ (000)	£ (000)
Schools	Priority 1C & 1D	4,799	
	Priority 2C & 2D	8,919	
	Lower Priorities	22,600	36,318
Corporate Properties	Priority 1C & 1D	1,677	
	Priority 2C & 2D	4,187	
	Lower Priorities	10,300	16,164
Total		<u>10,300</u>	<u>52,482</u>

Schools

- 5.17 Historically the Schools Maintenance Programme has been funded from the Capital Maintenance grant allocation from the Department for Education (DfE). The allocation from the DfE for 2016/17 of £2.105m will be used to tackle the highest priority items identified in the condition surveys indicated above.

Non-schools

- 5.18 From an initial analysis of the work required it is clear that some works, whilst urgent, cannot be legitimately capitalised and must be met from a revenue budget. An allowance of £200,000 is available in the 2016/17 Revenue Budget proposals to meet these liabilities.

- 5.19 In line with the policy adopted last year the Asset Management Group has considered only those works that fall within categories 1C and 1D. Given the current financial constraints on both the revenue and capital budgets an allocation of £1.670m is recommended to address the most pressing 1C & 1D works whilst accepting that this will not meet all of the Council's immediate backlog needs but places a focus on tackling the highest priority items first. The implications of not meeting all of these priorities due to budget constraints are likely to be seen in later years with a greater risk of more extensive repairs needed to rectify maintenance issues.

Rolling programmes

- 5.20 These programmes cover more than one year and give a degree of certainty for forward planning schemes to improve service delivery. They make an important contribution towards the Council's established Asset Management Plans.

Other Desirable Schemes

- 5.21 In addition to the schemes identified in the above categories, each service has requested funding for other high priority schemes that meet the needs and objectives of their service. The net cost of schemes which attract partial external funding are included in the schemes put forward.

Invest-To-Save Schemes

- 5.22 These are schemes where the additional revenue income or savings arising from their implementation exceeds the Council's borrowing costs. In the past the Council has allocated £1m per annum to fund potential Invest-to-Save (ITS) schemes that may present themselves during the year. However in addition to this, two significant schemes have come forward that are best considered within the overall programme as a whole. These are to invest £1m on a new Chapel at the Cemetery and Crematorium and to redevelop the Waymead Flats at a cost of £0.580m creating additional emergency accommodation for care leavers.

Additional Chapel

- 5.23 Over the past five years, business at the Cemetery and Crematorium has grown significantly at the expense of local competitors. This growth is believed to be largely due to the investment, attractiveness of the site and the attitude of the staff. All of the feedback received from funeral directors confirms that they are promoting Easthampstead Park Cemetery and Crematorium as their preferred facility. A second chapel could potentially double capacity and generate income to recover the capital investment and deliver future additional income. A feasibility report has been commissioned and an operationally acceptable solution has been devised and costed. The proposal includes for additional car parking with the minimal visual impact to the grounds. The estimated cost would be £1m.
- 5.24 It is believed that demand for the facility will increase both as a result of population growth and the diminishing burial plots as local churchyards reach capacity. In order to fund the investment, a net income stream of approximately £67,000 per annum will be required based on a 25 year life and current interest rates for a 25-year loan of 3.5%. Based on past performance and future demand it is believed this level of additional cremations can be easily met. Annual running costs of the Chapel are estimated to be in the region of £60,000 and include Business Rates (£16,000), Utilities (£10,000), Staffing (£24,000), Cleaning (£5,000) and miscellaneous expenditure (£5,000). To fund this level of net income an additional 15 cremations a month would need to be undertaken generating income of £127,000 per annum.

5.25 The existing Chapel is currently supporting up to 150 cremations a month and as such there is scope to increase the net income from the new facility in future years. Any additional income over and above that needed to payback the initial investment will be used to support the budget savings required by the Council over the medium-term and will be monitored as part of the Council's normal budget monitoring processes.

Waymead Flats

5.26 Waymead Flats is currently void and a plan is proposed to refurbish the property in order to provide accommodation for a supported housing group (Care Leavers) which in turn will generate revenue savings for the Council. Through a combination of rental income and savings in the current budget for care leavers accommodation an Invest-to-Save bid can be successfully developed that will bring back into use Waymead Flats as a viable asset and improve the level of service provided by the Council. In addition, by working closely with a Registered Social Landlord who will take a long-lease of the newly refurbished Waymead Flats, this proposal offers the opportunity of developing an additional site for redevelopment.

5.27 These two schemes are proposed for inclusion within the Council's 2016/17 Capital Programme and a further £1m made available for opportunities that arise during the year.

Changes since Consultation

5.28 The schools programme continues to be reviewed and prioritised reflecting progress on existing schemes and the most effective timing of the future programme. The 3-year programme has been updated to reflect this. The Council also secured an additional £2m from the Local Enterprise Partnership to be spent on Town Centre Infrastructure works as part of the redevelopment. These changes have been reflected in the external financing section.

5.29 The Executive agreed on 9th February 2016 to support the purchase of a local commercial investment property to provide a revenue income stream to support the Council's budget. An amount of £4.5m has been added to the overall programme to cover the full costs of this acquisition with the assumption that the financing costs will be met from the rental income of the property and the net surplus be used to support the revenue budget.

5.30 A request for additional funding for Downshire Homes has come forward during the consultation period. The Downshire Homes Board has been reviewing its business plan in light of the current housing market which has seen property prices increase beyond that modelled in the original business plan. Consequently Downshire Homes has now requested an additional £446,000 in loan finance. The Board believes the business case remains viable with this additional funding and the savings that the Council would stand to make by avoiding bed and breakfast costs would also be unchanged.

5.31 The Council's initial budget proposals were published for consultation ahead of the Local Government Finance Settlement. The Settlement included previously unannounced changes to the distribution of resources amongst authorities depending on the different sets of services provided by them and their relative ability to raise income through council tax locally. This has had a significant detrimental effect on the level of central government funding that the Council had been expecting. The impact of these changes is dealt with in a separate report on tonight's agenda. The report considers, subject to consultation, reducing

expenditure on a number of schemes and reviewing the scope, timing and financing of others.

Capital Programme 2016/17 – 2018/19

- 5.32 A summary of the cost of schemes proposed by Departments is set out in the table below and in Annex A. A detailed list of suggested schemes within the draft capital programme, together with a brief description of each project, for each service is included in Annexes B – F. Total Council funding amounts to £59.983m.

Capital Programme 2016/17-2018/19				
Annex	Service Area	2016/17 £000	2017/18 £000	2018/19 £000
B	Adult Social Care, Health & Housing	9,673	500	0
C	Children, Young People & Learning	36,813	21,864	2,250
D	Corporate Services	4,665	0	0
E	Council Wide	6,493	3,780	2,144
F	Environment Culture & Communities	22,185	12,606	6,509
	Total Capital Programme	79,829	38,750	10,903
	Externally Funded	19,846	16,201	4,414
	Total request for Council funding	59,983	22,549	6,489

Externally Funded Schemes

- 5.33 A number of external funding sources are also available to fund schemes within the capital programme. External support has been identified from two main sources:

Government Grants

A number of capital schemes attract specific grants. It is proposed that all such schemes should be included in the capital programme at the level of external funding that is available.

A significant element of the grant-funded capital programme relates to the planned investment in Schools. The schools investment programme included in this report reflects the highest priority schemes identified by the Department and the Education Capital Programme Board. Excluding Binfield Learning Village, the total identified investment for Schools is £12.462m.

A second key constituent of capital grant funding relates to the Highway Maintenance and Integrated Transport Block. Grant approvals of £2.28m are currently anticipated for 2016/17.

Section 106 (£2.440m)

Each year the Council enters into a number of agreements under Section 106 of the Town & Country Planning Act 1990 by which developers make a contribution towards the cost of providing facilities and infrastructure that may be required as a result of their development. Usually the monies are given for work in a particular area and/or for specific projects. The total money available at present, which is not

financially committed to specific projects, is £3.8m, although conditions restricting its use will apply to almost all of this.

Officers have identified a number of schemes that could proceed in 2016/17, where S106 funding becomes available. These are summarised below

Department	Schemes	Budget
		<i>£000</i>
ASCHH	Affordable Housing	501
CYPL	Various School Schemes	949
ECC	Leisure & Culture	125
ECC	Local Transport Plan	865
	Total	2,440

The level of new funding available through Section 106 is expected to reduce in the future following the introduction of the Community Infrastructure Levy (CIL). However the more flexible CIL funding should offset this reduction.

On-going Revenue Costs

- 5.34 Schemes may have associated on-going revenue costs and tend to become payable in the year after implementation. As such these costs will be included within the Council's Commitment Budget for 2016/17. These total £36,000 and relate to the licence and maintenance contracts associated with the new IT hardware investment.

Funding Options

- 5.35 Following the transfer of the housing stock in 2008, the Council's capital receipts are limited to miscellaneous asset sales, the contribution from the VAT Shelter Scheme and Right-to-Buy claw back agreed as part of the transfer and the new Community Infrastructure Levy (CIL).
- 5.36 The Council introduced CIL in April 2015 and it is expected that this will begin to generate capital receipts in the latter half of 2015/16. It is difficult to estimate the potential amount of CIL that will be generated as this will depend on the delivery of additional housing development in the Borough, which is to a large extent outside of the control of the authority. However based on the most recent housing trajectory estimates and knowledge of development schemes that will come forward in the next 18 months, it is estimated that £2m is an appropriate assumption for 2016/17.
- 5.37 The Council will also be bringing forward the sale of land at Sandy Lane during 2016/17. The aim is to market the land with the benefit of outline planning permission which should maximise the potential receipt. However this will increase the time taken to dispose of the site and at this stage it is not certain that this can be achieved in 2016/17, as such it has been excluded from the projected value of receipts in 2016/17 but factored into future years. It is also hoped that other small scale miscellaneous receipts will arise over the year.
- 5.38 The proposed capital programme for 2016/17 has been developed, therefore, on the assumption that it will be funded by a combination of £5m of capital receipts, Government grants, other external contributions and borrowing. The financing costs associated with the cash-profiled Capital Programme have been provided for in the Council's revenue budget plans. Should any additional capital receipts be generated in 2016/17 these will be used to mitigate the revenue cost of the capital programme.
- 5.39 Given the level of investment proposed in 2016/17, in particular Binfield Learning Village and Coral Reef, it is inevitable that the Council will be required to borrow

externally over the short-to-medium term. The timing of this will depend on the level of surplus cash held by the Council which will be used in the first instance to fund the Capital Programme commitments.

- 5.40 The use of Council's cash-balances is known as internal borrowing and the Capital Finance regulations require the Council, through the General Fund, to set aside an amount, the Minimum Revenue Provision (MRP), which would be broadly equivalent to the amount the Council would need to re-pay if it borrowed externally. Any external borrowing will also require MRP in addition to an interest charge depending on the maturity of the loan.
- 5.41 If any amendments are made to the capital programme, the revenue consequences will need to be adjusted accordingly. Executive Members will therefore need to consider the impact of the capital programme as part of the final revenue budget decisions.
- 5.42 Following the introduction of the Prudential Borrowing regime local authorities are able to determine the level of their own capital expenditure with regard only to affordability on the revenue account. In practice this represents the amount of borrowing they can afford to finance, and will necessitate taking a medium-term view of revenue income streams and capital investment needs.
- 5.43 To achieve its aim of ensuring that capital investment plans are affordable, prudent and sustainable, the Local Government Act requires all local authorities to set and keep under review a series of prudential indicators included in the CIPFA Prudential Code for Capital Finance in Local Authorities. The Capital Programme recommended in this report can be sustained and is within the prudential guidelines. Full Council will need to agree the prudential indicators for 2016/17 to 2018/19 in February 2016, alongside its consideration of the specific budget proposals for 2016/17 and the Council's medium-term financial prospects.
- 5.44 Members will need to carefully balance the level of the Capital Programme in future years against other revenue budget pressures and a thorough review, including the prioritisation of those schemes planned for 2017/18 onwards, will need to be undertaken during next summer.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The authorisation for incurring capital expenditure by local authorities is contained in the legislation covering the service areas. Controls on capital expenditure are contained in the Local Government Act 2003 and regulations made thereunder.

Borough Treasurer

- 6.2 The financial implications are contained within the report.

Equalities Impact Assessment

- 6.3 The Council's budget proposals impact on a wide range of services. A detailed consultation was undertaken on the draft budget proposals published in December to provide individuals and groups the opportunity to provide comments. Where necessary, impact assessments on specific schemes within the capital programme will be undertaken before work commences.

Strategic Risk Management Issues

- 6.4 The most significant risk facing the Council is the impact of the capital programme on the revenue budget. All new spending on services will need to be funded from

new capital receipts or borrowing from internal resources whilst these are available. The Council still has substantial cash resources, but with interest rates so low they do not contribute significantly to the Council's revenue budget however they do enable the Council to avoid borrowing in the external market (where interest rates are in excess of 3%). The financing costs associated with the Capital Programme reflect this. This effect is compounded by future year's capital programmes. As revenue resources are limited it is clear that a capital programme of this magnitude may not be sustainable in the medium term. The generation of capital receipts in future years may mitigate the impact on the revenue budget, but as the timing and scale of these receipts is uncertain their impact is unlikely to be significant.

- 6.5 There are also a range of risks that are common to all capital projects which include:
- Tender prices exceeding the budget
 - Planning issues and potential delays
 - Uncertainty of external funding
 - Building delays due to unavailability of materials or inclement weather
 - Availability of staff with appropriate skills to implement schemes
- 6.6 These can be managed through the use of appropriate professional officers and following best practice in project management techniques.

7 CONSULTATION

- 7.1 See the General Fund Revenue Budget 2016/17 report on tonight's agenda outlining the results of the budget consultation

Background Papers

None

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CAPITAL PROGRAMME - ADULT SOCIAL CARE, HEALTH & HOUSING

	2016/17 £000	2017/18 £000	2018/19 £000
Committed			
Older person accommodation and support services strategy	400	0	0
Local Housing Company	6,466	0	0
	6,866	0	0
Unavoidable			
	0	0	0
Maintenance			
See Council Wide	0	0	0
Rolling Programme / Other Desirable			
Capital Programme for Housing	1,525	500	0
	1,525	500	0
TOTAL REQUEST FOR COUNCIL FUNDING	8,391	500	0
Invest-to-Save			
Waymead Flats	580	0	0
	580	0	0
External Funding			
Community Capacity Grant	201	0	0
Capital Programme for Housing - S106	501	0	0
TOTAL EXTERNAL FUNDING	1,282	0	0
TOTAL CAPITAL PROGRAMME	9,673	500	0

CAPITAL PROGRAMME - CHILDREN YOUNG PEOPLE & LEARNING

	2016/17	2017/18	2018/19	TOTAL
	£000	£000	£000	£000
Committed				
Priestwood Early Years Facility - Non Schools	70	70	0	140
	70	70	0	140
Unavoidable				
	0	0	0	0
Rolling Programme / Other Desirable				
Multi Agency Safeguarding Hub - Non Schools	32	0	0	32
Total	32	0	0	32
TOTAL REQUEST FOR COUNCIL FUNDING (Ex BLV)	102	70	0	172
Binfield Learning Village	23,300	10,300	1,000	34,600
TOTAL REQUEST FOR COUNCIL FUNDING (including BLV)	23,402	10,370	1,000	34,772
External Funding - DfE basic Need Grant*				
Binfield Learning Village	0	1,000	1,000	2,000
Warfield Expansion (Warfield West)	616	0	tbc	616
Crowthorne Expansion (TRL)	16	912	tbc	928
Amen Corner North	168	247	tbc	415
Warfield East	11	20	tbc	31
Amen Corner South	8	58	tbc	66
Edgbarrow Expansion	3,798	1,555	tbc	5,353
Great Hollands Expansion	3,732	697	tbc	4,429
Surge Classrooms	22	0	tbc	22
Sandhurst Redevelopment	108	0	tbc	108
Ascot Heath Redevelopment	226	813	tbc	1,039
Jennett's Park FFE	5	5	tbc	10
The Pines Expansion - Phase 2	65	525	tbc	590
Wildmoor Heath Kitchen	11	0	tbc	11
Easthampstead Park Expansion	906	1,786	tbc	2,692
Eastern Road	13	12	tbc	25
Wildmoor Heat Expansion	0	15	tbc	15
Project Management Office (PMO)	325	300	tbc	625
Inflation on future schemes	0	867	tbc	867
	10,030	8,812	1,000	19,842
External Funding - Other				
Schools Capital Maintenance Grant	2,105	2,105	0	4,210
	2,105	2,105	0	4,210
Section 106	250	250	250	750
Section 106 (over £50k) - Great Hollands	66	0	0	66
Section 106 (over £50k) - Easthampstead Park	285	0	0	285
Section 106 (over £50k) - Warfield Expansion	134	0	0	134
Section 106 (over £50k) - Binfield Learning Village	214	0	0	214
Devolved Formula Capital (estimate)	327	327	tbc	654
	1,276	577	250	1,753
TOTAL EXTERNAL FUNDING	13,411	11,494	1,250	25,807
TOTAL CAPITAL PROGRAMME	36,813	21,864	2,250	60,579

CAPITAL PROGRAMME - CORPORATE SERVICES / CHIEF EXECUTIVE

	2016/17 £000	2017/18 £000	2018/19 £000
Committed			
Commercial Property Investment	4,500	0	0
	<u>4,500</u>	<u>0</u>	<u>0</u>
Unavoidable			
Financial Systems Upgrade (Agresso)	50	0	0
	<u>50</u>	<u>0</u>	<u>0</u>
Maintenance			
See Council Wide	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Rolling Programme / Other Desirable			
Disposal of Land at Sandy Lane	100	0	0
Capita Payment Portal - Surcharge Module	15	0	0
	<u>115</u>	<u>0</u>	<u>0</u>
TOTAL REQUEST FOR COUNCIL FUNDING	<u>4,665</u>	<u>0</u>	<u>0</u>
External Funding			
TOTAL EXTERNAL FUNDING	<u>0</u>	<u>0</u>	<u>0</u>

CAPITAL PROGRAMME - COUNCIL WIDE

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Committed				
Town Centre Redevelopment	3,300	1,400	0	4,700
Town Centre Redevelopment - Stamp Duty	0	300	0	300
	3,300	1,700	0	5,000
Unavoidable				
Microsoft Office Licences	60	0	0	60
Multi Functional Device & Desktop Printer Refresh	24	24	20	68
Network Refresh	57	50	50	157
Server Refresh	45	98	35	178
Desktop Services Estate Management	423	269	430	1,122
Server Anti-Virus/Intrusion Prevention	65	0	0	65
Access Improvement Programme (Equalities Act)	35	0	0	35
Asbestos	30	30	0	60
	739	471	535	1,745
Maintenance				
Buildings Planned Maintenance Programme	1,670	1,600	1,600	4,870
	1,670	1,600	1,600	4,870
Rolling Programme / Other Desirable				
Purchase of Magistrates' Court Building	775	0	0	775
Replacement of JEL Building Mgt System Controls	9	9	9	27
	784	9	9	802
TOTAL REQUEST FOR COUNCIL FUNDING	6,493	3,780	2,144	12,417
External Funding				
TOTAL EXTERNAL FUNDING	0	0	0	0
TOTAL CAPITAL PROGRAMME	6,493	3,780	2,144	12,417

CAPITAL PROGRAMME - ENVIRONMENT CULTURE AND COMMUNITIES

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Committed				
LED Streetlights	3,650	3,650	0	7,300
Roads & Footway Resurfacing #	200	200	200	600
Equipment Replacement Downshire Golf Complex #	35	35	35	105
Maintenance Car Parks #	190	190	190	570
	4,075	4,075	425	8,575
Unavoidable				
Disabled Facility Grants - Mandatory	180	250	300	730
Land Drainage	80	100	100	280
Leisure Replacement Catering System	92	0	0	92
	352	350	400	1,102
Town Centre Highway Works				
Town Centre Highway Works	2,000	2,000	2,000	6,000
	2,000	2,000	2,000	6,000
Coral Reef Transformation				
Coral Reef Roof and Flumes	8,358	574	0	8,932
	8,358	574	0	8,932
Maintenance				
Refurbishment / Replacement in Leisure Sites	150	150	150	450
BLC Main Sports Hall Refurbishment	75	0	0	75
Maintenance of Play Areas	70	70	70	210
Update Traffic Signal Infrastructure	200	200	200	600
	495	470	470	1,435
Rolling Programme / Other Desirable				
Trees and Woodland Management	75	50	50	175
Bracknell Athletics Track Replacement	0	200	0	200
Bracknell Athletics Track Replacement Lighting	0	180	0	180
Bracknell Library Introduction Self Service	97	0	0	97
	172	430	50	652
TOTAL REQUEST FOR COUNCIL FUNDING	15,452	7,899	3,345	26,696
Invest-to-Save				
Cemetery & Crematorium Additional Chapel	1,000	0	0	1,000
	1,000	0	0	1,000
External Funding				
Highways Maintenance	1,560	1,512	1,369	4,441
Local Growth Fund - Martins Heron	0	1,400	0	1,400
Integrated Transport & Maintenance	720	720	720	2,160
Section 106 Schemes (LTP)	865	500	500	1,865
LEP Funding - Town Centre Highway Works	2,000	0	0	2,000
Disabled Facilities Grants (cash grant to be confirmed)	300	300	300	900
Sustainable Alternative Natural Green Space (SANGS)	150	150	150	450
Section 106 Leisure & Culture (smaller schemes)	125	125	125	375
Bracknell Library Introduction Self Service	13	0	0	13
	5,733	4,707	3,164	13,591
TOTAL EXTERNAL FUNDING	6,733	4,707	3,164	14,591
TOTAL CAPITAL PROGRAMME	22,185	12,606	6,509	41,287

Part Capitalisation of Revenue

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**TO: THE EXECUTIVE
23 FEBRUARY 2016**

**GENERAL FUND REVENUE BUDGET 2016/17
Chief Executive/Borough Treasurer**

1 PURPOSE OF REPORT

- 1.1 As part of the Council's financial and policy planning process, the Executive agreed draft revenue budget proposals for 2016/17 as the basis for consultation on 15 December 2015.
- 1.2 Over the course of the last two months a number of issues have also become clearer, in particular the details of the Local Government Financial Settlement. This report therefore builds on the draft budget proposals agreed by the Executive in December, in the light of the consultations and the details of the Settlement itself, to set out the basis of the Executive's final budget proposals for 2016/17. These will be submitted to the Council for approval on 24 February 2016.
- 1.3 The recommendations of this report are, in part, dependent upon proposals to be considered elsewhere on this agenda in respect of the Capital Programme 2016/17 – 2018/19. Changes to the proposals included within that report may therefore necessitate revisions to the 2016/17 General Fund revenue budget proposals set out below. Should this happen a short adjournment of the meeting might be required.

2 RECOMMENDATIONS

That the Executive, in recommending to Council a budget and Council Tax level for 2016/17:

- 2.1 **Confirms the original budget proposals, subject to the revisions in section 8.3 and those decisions to be taken elsewhere on this agenda on the capital programme;**
- 2.2 **Agrees the provision for inflation of £0.765m (section 8.2);**
- 2.3 **Agrees the additional budget proposals as set out in Annexe A and Annexe D and in sections 6.2, 6.3, 7.3 and 7.4;**
- 2.4 **Agrees that the Council should fund the Schools budgets at the level set out in section 9.1 subject to any amendments made by the Executive Member for Children, Young People and Learning following the receipt of definitive funding allocations for Early Years and High Needs pupils;**
- 2.5 **Includes a general contingency of £1.000m, use of which is to be authorised by the Chief Executive in consultation with the Borough Treasurer in accordance with the delegations included in the Council's constitution (section 10.6);**
- 2.6 **Subject to the above recommendations, confirms the draft budget proposals;**
- 2.7 **Approves the Net Revenue Budget before allowance for loss of interest from any use of balances as set out in Annexe G;**

- 2.8 Agrees a £5.161m contribution from revenue balances (before loss of interest on use of balances) to support revenue expenditure;**
- 2.9 Recommends that the Council Tax requirement, excluding Parish and Town Council precepts, be set as £49.795m;**
- 2.10 Recommends a 3.99% increase in the Council Tax for the Council’s services and that each Valuation Band is set as follows:**

Band	Tax Level Relative to Band D	£
A	6/9	758.40
B	7/9	884.80
C	8/9	1011.20
D	9/9	1137.60
E	11/9	1390.40
F	13/9	1643.20
G	15/9	1896.00
H	18/9	2275.20

- 2.11 Recommends that the Council approves the following indicators, limits, strategies and policies included in Annexe E:**
- **The Prudential Indicators and Limits for 2016/17 to 2018/19 contained within Annexe E(i);**
 - **The Minimum Revenue Provision (MRP) Policy contained within Annexe E(ii);**
 - **The Treasury Management Strategy Statement, and the Treasury Prudential Indicators contained in Annexe E(iii);**
 - **The Authorised Limit Prudential Indicator in Annexe E(iii);**
 - **The Investment Strategy 2016/17 to 2018/19 and Treasury Management Limits on Activity contained in Annexe E(iv);**
- 2.12 Approves the virements relating to the 2015/16 budget as set out in Annexe H and recommends those that are over £0.100m for approval by Council.**

3 REASONS FOR RECOMMENDATIONS

The recommendations are designed to enable the Executive to propose a revenue budget and Council Tax level for approval by Council on 24 February.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1** Background information relating to the options considered is included in the report.

SUPPORTING INFORMATION**5 Basis of Draft Budget Proposals**

- 5.1 At its meeting on 15 December 2015, the Executive considered the overall position facing the Council in setting a budget for 2016/17. At the time the Executive agenda was published, the Provisional Local Government Financial Settlement had not been announced and therefore the report was based on a number of assumptions regarding government funding.
- 5.2 In this broad context, the Executive published its draft budget proposals and these have been consulted on with the public, the Council's Overview & Scrutiny Commission and Scrutiny Panels, with town and parish councils, business ratepayers, the Schools Forum and voluntary organisations.
- 5.3 In the face of significant reductions in public expenditure in general and in grants to Local Government in particular, the scope to invest in new service provision was severely restricted. Many of the pressures accommodated in the budget package are simply unavoidable and respond only to changing demographic trends.
- 5.4 As in previous years, economies focused as far as possible on central and departmental support rather than on front line services. However, since it became a Unitary Authority in 1998 the Council has successfully delivered savings of more than £65m in total. Against this background of continually bearing down on costs and driving to improve efficiency it is becoming increasingly difficult to find further savings in "back-office" areas, which would not compromise the Council's ability to function effectively.
- 5.5 The draft budget proposals suggested an approach for inflation. The draft proposals, which reflect the new Council Plan, are summarised in Table 1.

Table 1: Draft Budget Proposals

Department	Commitment Budget 2016/17	Capital programme & Changes in investment income	Inflation	Service Pressures / Economies	Change in Contingency	New Homes Bonus / Business Rates	Business Rates transfer from Reserve	Draft Budget 2016/17
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Social Care, Health and Housing	37,102	0	0	-2	0	0	0	37,100
Children, Young People and Learning	26,783	0	0	-518	0	0	0	26,265
Corporate Services / Chief Executive's	7,432	0	0	-415	0	0	0	7,017
Environment, Culture & Communities	34,014	0	0	-898	0	0	0	33,116
Non Departmental / Council Wide	-24,596	-34	800	495	-1,000	-600	-6,528	-31,463
Total	80,735	-34	800	-1,338	-1,000	- 600	-6,528	72,035

6 Local Government Finance Settlement

6.1 Overview

6.1.1 Historically the Provisional Local Government Settlement was published in late November, giving authorities adequate time to incorporate the funding allocations into their budget proposals. However over the last few years the timetable has slipped further and further into December. This adds to the uncertainties faced by Council's with respect to their funding streams and hampers the budget consultation process.

6.1.2 This year the Provisional Settlement was published on the 17 December 2015 followed by the Final Settlement on the 8 February 2016. As such the budget proposals, agreed as the basis for consultation on 15th December 2015, were based on a number of assumptions regarding government funding

6.1.3 In the event, the figures eventually released in the Settlement resulted in a further reduction of £2.388m on the level of government funding assumed to be received by the Council. This significant further cut in grant reflects the decision by the Government to change the distribution methodology used in allocating central government support. As part of the 2016/17 Settlement the Government chose to include the relative levels of Council Tax collected within the grant calculation. As such those authorities deemed to have a relatively larger tax base or a greater reliance on Council Tax income experienced a larger cut in Revenue Support Grant (RSG). There was no indication in the run up to the Provisional Settlement that such a substantial change would be introduced and this has surprised many authorities. The government also chose to include a number of specific grants, in particular the 2015/16 Council Tax Freeze grant and previous years funding for the Care Act 2014, within the Council's Funding Assessment, which in turn has led to an even greater reduction than might otherwise be the case. This methodology change will also lead to greater cuts in 2017/18 than had been assumed.

6.1.4 As such the Funding Assessment for Bracknell Forest in 2016/17 is -£26.687m (comprising -£11.283m RSG and -£15.404m baseline funding from Business Rates). This is a £5.261m reduction in funding from that received in 2015/16. In terms of RSG this reflects a 32% cut in central government support and a 16.5% reduction when comparing the combination of RSG and retained Business Rates income and represents the largest ever annual cut to the Council's grant income.

6.2 Specific Grants

6.2.1 From 2013/14 almost all Specific Grants have been rolled into the Baseline Funding that Council's receive with only a minority administered outside of the formula mechanism. Individual grants continue to be rolled into RSG as outlined in paragraph 6.1.3.

6.2.2 Two of the largest Specific Grants received by the Council are the ring-fenced Public Health Grant and the NHS funding to support social care and benefit health. The Public Health Grant for 2016/17 will be -£4.262m followed by -£4.157m (indicative) in 2017/18. These figures include the full year equivalent of the budget for children aged 0-5 which was funded for 6 months in 2015/16. After taking this and the 2015/16 in-year savings into account these represent further reductions of 2.25% and 2.5% respectively. With regards to NHS funding, it has been assumed that the pooling of health and social care services budgets under the Better Care Fund will have a neutral impact on the Council's revenue budget.

- 6.2.3 The Council continues to benefit from the New Homes Bonus (NHB) and following the publication of the final figures total income of -£3.899m has been included in the budget proposals (-£6k higher than previously reported). However, the government is consulting on changes to the NHB to take effect from 2017/18. The consultation contains a number of options for increasing the focus on delivery of new homes and freeing up resources to be recycled within the local government settlement to support authorities with particular pressures, such as adult social care, following the outcome of the 2015 Spending Review. It also sets out proposals for reducing the number of years for which NHB is paid from the current 6 years to 4 years.
- 6.2.4 The Education Services Grant (ESG) is paid to fund education support services which local authorities provide centrally to maintained schools but for the most part academies must secure independently; for example, human resources, financial supervision and asset management. It is not a ring-fenced grant: authorities and academies are free to decide how it is spent based on their individual circumstances. The general funding rate has been cut by £10 per pupil from £87 to £77 for mainstream schools in 2016/17. This combined with Brakenhale becoming an academy on 1 April 2016 will result in an overall reduction in ESG of £0.206m (to -£1.496m). This is the first step towards making the £600 million savings from ESG announced in the 2015 Spending Review.
- 6.2.5 As part of the Final Local Government Finance Settlement published on 8 February, the Government announced a new Transition Grant payable over two years which is designed to ease the impact of the formula grant changes outlined in section 6.1. The Council will receive -£0.934m in 2016/17 and -£0.914m in 2017/18.
- 6.2.6 Information on a number of smaller Specific Grants is still awaited. The only significant allocation that has been confirmed relates to Housing Benefit Administration Subsidy grant which has been reduced by £0.041m to -£0.346m in 2016/17.
- 6.3 Business Rates
- 6.3.1 A third important income stream for the Council is Business Rates, a proportion of which is retained locally following the introduction of the Business Rates Retention reforms in April 2013. The level of Business Rates changes each year due to inflationary increases in the multiplier (0.8% for 2016/17) and local growth or decline as local businesses and economic conditions expand or contract. The Government sets a baseline level of funding against which any growth or reduction is shared between local and central government.
- 6.3.2 The Government has announced that by 2020, local government will be able to retain 100% of Business Rates, RSG will be phased out and local government will be expected to take on new responsibilities. The government will abolish the Uniform Business Rate and give councils the power to cut Business Rates to boost economic activity in their areas. The Department for Communities and Local Government will consult on changes to the local government finance system to pave the way for the implementation of the 100% Business Rates retention. Currently the Council collects significantly more Business Rates than it is allowed to keep (although presumably a baseline will need to be established under the new arrangements) and only receives approximately a quarter of any Business Rates growth. However, until the finer details of the scheme are announced, any potential benefits need to be viewed with caution bearing in mind the need to take on new responsibilities, the overall deficit reduction programme and the increased exposure to volatility from appeals and business movements that will arise as a consequence.

- 6.3.3 During 2013/14 a large multi-national company transferred on to the Council's valuation list which materially increased the level of Business Rates collected locally. The 2015/16 base-budget was supported by an on-going transfer of £3m from this additional income on top of a one-off transfer of £3.988m from accumulated surpluses held in the Business Rates Equalisation Reserve. This company has successfully appealed against the rateable value of its business and details are awaited on the impact of the appeal from the Valuation Office. The timing of this information is uncertain but for the budget projections it has been assumed that a reduction of up to 50% in rateable value will result from the appeal. A significant deficit is now projected on the Business Rates element of the Collection Fund as a result.
- 6.3.4 Taking into account the baseline funding level published in December and factoring in local circumstances, the budget projections assume income of -£30.587m (-£17.541m after tariff and levy payments). There is a risk associated with these projections due to the impact of the outstanding appeals, the Town Centre regeneration and changes in the local economic conditions; however officers monitor total yield, revaluations, changes-in-circumstances, appeals and refunds on a monthly basis. The Council will also receive Section 31 grant to cover the loss of income resulting from capping the Business Rates increase to 2% in 2015/16 and a number of Business Rate Reliefs (-£0.557m after tariff adjustments). The National Non-Domestic Rates Return 1 (NNDR1) 2016/17 attached at Annexe J provides further details.
- 6.4 Future Funding
- 6.4.1 The Provisional Settlement set out an indicative 4-year funding profile, with further reductions in RSG in 2017/18 through to 2019/20. However the consultation process indicated that these indicative grant levels would only be offered to those councils that requested the 4-year Settlement and produced an efficiency plan. The Council is waiting further guidance from the Government noting that the offer has since been qualified in that it will be subject to changes to the Spending Review assumptions, transfer of functions and unforeseen events. Councils will have until Friday 14 October 2016 to respond to the offer of a 4-year Settlement.
- 6.4.2 The Government also launched a consultation on the New Homes Bonus with proposals to transfer funding from this grant to the new improved Better Care Fund that councils will begin to receive additional funding for in 2017/18 (£100m available) through to 2019/20 (£1.5bn available). The New Homes Bonus consultation runs through to March 2016 and officers are evaluating the various options, all of which are likely to result in a reduction in grant from 2017/18 onwards.
- 6.4.3 The Government also re-affirmed its plans to move towards 100% Business Rates retention by the end of the Parliament. There is very little information available as to how this will be achieved and it is likely to be extremely complex and lead to a number of distributional changes. In the intervening period the Government will also undertake a Business Rates revaluation in 2017, which it has promised to be cost-neutral overall, however there are clearly likely to be further risks and uncertainties linked to potential appeals.
- 6.4.4 As such, even with the promise of a 4-year Settlement, the outlook remains increasingly uncertain with the outcome of the return of Business Rates to local authorities a major area of concern.

7 Council Tax and Collection Fund

- 7.1 The Council Tax Base for 2016/17 has been calculated as 43,772 (Band D equivalents). Following the acceptance of Council Tax Freeze Grant and the resultant zero increase for the last five years, Council Tax at present levels would therefore generate total income of -£47.884m in 2016/17.
- 7.2 The Government limits Council Tax increases by requiring councils to hold a local referendum for any increases equal to or in excess of a threshold percentage which is normally included in the Local Government Financial Settlement. The threshold percentage has been set at 2% for 2016/17. As a council with Social Care responsibilities, it will now also be possible for Council Tax to be raised by a further 2% to support Social Care pressures providing certain criteria are met. Every 1% increase in Council Tax would generate approximately -£0.479m of additional income.
- 7.3 A surplus will be generated on the Council Tax element of the Collection Fund in the current year, primarily due to a lower than expected take up of the Local Council Tax Benefit Support Scheme. The Council's share of this surplus which can be used to support the 2016/17 budget is -£0.425m. This figure is unchanged from the draft budget proposals.
- 7.4 A deficit will be generated on the Business Rates element of the Collection Fund and the Council's share has been declared as £11.803m. This deficit will not increase the budget gap as it will be funded from a one-off transfer out of the Business Rates Equalisation Reserve. The transfer required is £1.287m more than that assumed in the draft budget proposals which is reflected in Table 3.

8 Developments since the Executive Meeting on 15 December 2015

8.1 Consultation

- 8.1.1 The Executive's draft budget proposals have been subject to a process of public consultation since their publication in December. During the consultation period, the draft proposals have also been scrutinised by the Council's Overview & Scrutiny Commission and Scrutiny Panels. Extracts from the minutes of these meetings are attached as Annexe B and show the Commission broadly supported the draft proposals presented.
- 8.1.2 The draft fees and charges for 2016/17 have also been considered by the Overview and Scrutiny Commission and Scrutiny Panels and no significant issues were raised. As part of the consultation it was discovered that two land charges fees were omitted (Copy search £25 and Extra parcel fee £5) along with the fees for hiring the Syrett Small Ceremony Room for marriages or civil partnerships (£75-£200 depending on the day). The fees for naming ceremonies or the renewal of vows in the Syrett Large Ceremony Room on a Friday, Saturday and Sunday were also incorrectly stated (fees excluding VAT should have been £187.50 for a Friday, £204.17 for a Saturday and £229.16 for a Sunday/Bank Holidays). Amendments will be included in the papers presented to Council.
- 8.1.3 The Schools' Forum considered the Executive's proposals relating to the Children, Young People and Learning department at its meeting on 14 January. Its members requested that the Executive be made aware of their concerns regarding the proposed cuts to services with respect to their long term impact on young people and the potential for future cost increases.

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8.1.4 The draft budget proposals were published on the Council's web site and letters were sent to business ratepayers drawing their attention to the consultation. A total of 12 responses were received including a detailed response from Labour. The responses were mixed and a number of specific concerns were expressed. A summary of the responses received is included at Annexe C.

8.2 Inflation

8.2.1 The Executive established a framework for calculating an appropriate inflation provision at its December meeting. Inflation allowances have been reviewed further by the Borough Treasurer and the Corporate Management Team and as a consequence the inflation provision has been reduced to £0.765m. The Departmental analysis is shown in Table 2.

Table 2: Inflation Allocations

Department	2016/17 £'000
Adult Social Care, Health and Housing	390
Children, Young People and Learning (excluding schools)	201
Corporate Services / Chief Executive's Office	142
Environment, Culture and Communities	32
Non Departmental / Council Wide	0
Total	765

8.2.2 This is a saving of -£0.035m compared to the draft budget proposals. Inflation on schools' expenditure is provided for within the Dedicated Schools Budget expenditure, which is funded by the Dedicated Schools Grant.

8.3 Other Revisions to the Draft Budget Proposals

8.3.1 As outlined above, in the two months since the Executive published the draft budget proposals more information has inevitably become available. Details of the suggested amendments to the draft budget proposals are set out in paragraphs a) to i) below with the net impact being a decrease in the net revenue budget for 2016/17 of £0.284m. These changes have been reflected in the full budget proposals set out in Annexe D and the Commitment Budget (Annexe A).

a) Adult Social Care, Health and Housing - re-provision of the services provided at Heathlands Residential Care Home and Day Centre

The 9 February Executive agreed to re-provide in the independent sector the residential and day care service currently delivered at Heathlands. This will generate savings of -£0.500m.

b) Adult Social Care, Health and Housing - Council Tax Hardship Fund

The 15 December Executive agreed that the hardship fund should be increased by £0.010m to £0.020m as part of the changes to the Local Council Tax Benefit Scheme.

c) Corporate Services – discretionary Council Tax Discount

The saving relating to the removal of the one month discretionary Council Tax discount for empty properties has now been incorporated into the Council Tax

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Base and forms part of the income stream generated from Council Tax. It is therefore no longer shown as a saving under Corporate Services (£0.150m).

- d) Environment, Culture and Communities –waste disposal PFI
The latest waste projections have resulted in an upward revision to the cost included in the Commitment Budget (£0.031m).
- e) Environment, Culture and Communities – Golf Simulator Invest to Save scheme
The introduction of a golf simulator at Downshire Golf Club will generate a new income scheme. The additional net income (-£0.09m) will more than cover the revenue impact of the capital transaction included under Non Departmental budgets.
- f) Council Wide – Bracknell Forest Supplement
The Employment Committee on the 16 December 2015 agreed to increase the supplement by 40p to £8.25 per hour from 1 April 2016. Although not directly pegged to the National Living Wage the supplement aims to keep in line with it. The additional cost has been built into the Commitment Budget (£0.041m).
- g) Non Departmental / Council Wide - 2016/17 Capital Programme
For consistency, the impact of the 2016/17 Capital Programme on investment income has now been reflected in the Commitment Budget. As outlined in section 9.3, the reduction in interest earned has increased by £0.033m to £0.074m since the draft proposals.
- h) Non Departmental / Council Wide – Council Tax Support to Parish and Town Councils
The lower take-up of the Local Council Tax Benefit Support Scheme has enabled the support to Parishes to be reduced without impacting on their income levels (-£0.040m). One of the additional savings proposals included elsewhere on the agenda recommends that the payments should be stopped.
- i) Non Departmental / Council Wide – Senior Management Restructure
The -£0.200m savings from a senior management restructure have now been allocated between Environment, Culture and Communities (-£0.105m) and Adult Social Care, Health and Housing (-£0.095m).

8.3.2 The Executive are asked to confirm that there are no further budget proposals that they wish to change following the consultation period.

9 Other Budget Issues

9.1 Schools Budget

9.1.1 Whilst spending on the Schools Budget is funded by the ring fenced Dedicated Schools Grant (DSG), and therefore outside of the Council's funding responsibilities, councils retain a legal duty to set the overall level of the Schools Budget. In deciding the relevant amount, councils must plan to spend at least to the level of estimated DSG. The policy of the Council is to fund the Schools Budget up to the level of grant income, with the Executive Member for Children, Young People and Learning responsible for agreeing individual service budgets.

9.1.2 From April 2013, the DSG was split into three notional blocks – schools (which includes delegated school budgets and a small number of centrally managed

services) and early years, both of which have their own per pupil funding rate, and the high needs block for pupils with needs above £10,000 which is adjusted each year based on actual numbers of pupils, capped to the level of national DSG. The allocations are not ring-fenced to each block, so more or less can be planned to be spent within each element, but a ring-fence continues on the DSG as a whole so that it can only be spent on the functions defined within the School Funding Regulations.

- 9.1.3 The Department for Education (DfE) has yet to provide a complete update on grant funding in the Early Years or High Needs Block. For the Schools Block, as in previous years, a “cash flat” settlement has been confirmed, with funding only to be adjusted to reflect changes in pupil numbers. With a confirmed increase in mainstream schools of 291 (1.9%), the Schools Block element of DSG will increase by £1.246m to £66.522m with a total provisional DSG allocation for all three blocks in 2016/17 of £83.424m.
- 9.1.4 Many of the financial difficulties faced by the council on non-school services also impact on schools, with pressures arising on pay and other inflationary cost increases, a 1% full year effect increase in contributions to the teachers’ pension fund and increases in National Insurance contributions which coupled with other increases and the “cash flat” funding settlement indicate a significant average cost pressure next year on individual school budgets.
- 9.1.5 In the longer term, further cost pressures will arise from the school building programme which is responding to new housing developments. These new schools will generally open with relatively low pupil numbers and will need additional financial support until pupil numbers grow to a sustainable level. This pressure will ordinarily need to be managed through the DSG and even with inflationary increases in funding settlements now expected over the next four years, reductions to individual school budgets to finance future, unavoidable pressures, cannot be ruled out. The impact of the Government’s proposed consultation on a national funding formula for schools is also unknown at this stage.
- 9.1.6 Decisions around the final balance of the budget between spending by schools and that on services managed by the Council is the responsibility of the Executive Member for Children, Young People and Learning, although the Schools Forum must be consulted, and in certain circumstances, agree to budget proposals.

9.2 Pensions

- 9.2.1 Accounting standards on the treatment of pension costs (IAS19) require the inclusion within the total cost of services of a charge that represents the economic benefits of pensions accrued by employees. To simplify the presentation of the budget proposals the IAS19 adjustment has not been incorporated at this stage, although it will be included in the supporting information to the Council meeting on 24 February. This will not impact upon the Council’s net overall budget or the level of Council Tax.

9.3 Investments

- 9.3.1 The Council generates interest each year from investing its accumulated cash reserves and working capital. The two factors that influence the amount of interest earned are interest rates and the average level of cash balances held over the year.
- 9.3.2 Investment returns are likely to remain relatively low during 2016/17 and for some time to come compared to historic averages rates. The Bank of England in its latest Inflation Report (November 2015) forecast the Bank Rate to remain unchanged at 0.5% during the next nine months before starting to rise in the last months of 2016.

With inflation low and predicted to stay low for the next 12 months, the decision to raise rates by the Bank of England will be a difficult one with risks coming from concerns on declining global trade and geo-political tensions. Given the Council's approach to managing risk and keeping investments limited to a maximum of 6 months maturity (based on current market conditions) with the exception of the part-nationalised UK Banks (364 days), the opportunity to achieve rates in excess of the Bank Rate is limited.

- 9.3.3 The 2016/17 budget is therefore based on an average rate of return of approximately 0.5% on its investments and reflects the lower cash balances as a result of the proposed 2016/17 Capital Programme. This programme is substantially larger than any previous plans and includes some major long-term projects (Binfield Learning Village, Local Housing Company, Street Lighting Replacement) that will span a number of years and which are reliant on a range of complex factors including agreements with partners, planning approvals and other issues outside of the control of the Council. The timing of the cash-flows related to these schemes will to a large extent be dependent on these factors. Given that taken together these major schemes cannot be funded completely from existing resources and will require external borrowing to complete, the projection of investment income is particularly difficult this year.
- 9.3.4 Maximum use of internal cash will be used in the first instance before going to the external market for borrowing, the timing of which will depend largely on the progress made on completing the major capital projects. However over the last two years underlying cash balances have been higher than usual, enabling the Council to earn a greater income than budgeted (this has been reported as part of the budget monitoring process). It has also enabled the Council to maximise the opportunity of paying pension contributions 12 months in advance (rather than monthly in arrears) benefitting from a much higher return than could be achieved in the cash markets.
- 9.3.5 Taking these factors into account (the higher cash balances, the low interest rates and the benefit from pension pre-payments) the net impact of the capital programme, excluding the Binfield Learning Village, is an economy of -£0.001m, a gain of -£0.075m from the higher than expected cash balances less the £0.074m pressure from the Capital Programme (now included in the Commitment Budget).
- 9.3.6 There is an expectation that the cash flows required to complete the Binfield Learning Village will require external finance and this has been allowed for in the Commitment Budget (£0.075m).
- 9.3.7 There is a risk, however, that the Council's cash-flow will differ from past years as a result of the reforms to Business Rates Retention which has a dramatic impact on the cash-profile of the Council. With a number of outstanding large scale appeals and the shortly to be announced reforms to Business Rates this area represents a further layer of uncertainty.
- 9.3.8 As such any change in interest rates or cash balances will clearly have an impact on the overall investment income generated by the Council and may require the Council to borrow externally sooner than expected. It is difficult to estimate the impact given this transition between internal and external borrowing. Long-term interest rates are at historical lows with 25-year Public Works Loan Board rates at 3.5% compared to an internal investment return of 0.5%.
- 9.3.9 The 2016/17 Treasury Management Report attached as Annexe E re-affirms the strategy adopted by the Executive in December 2015 that governs the amount, duration and credit worthiness of institutions that the authority will place investments

with during 2016/17. As such the Council will only place deposits with the most highly rated UK Banks and Building Societies, alongside the part-nationalised UK Banks, up to a limit of £7m and for a maximum period of 364 days (for part-nationalised UK Banks). Additionally the Council will be able to invest up to £7m with AAA Money Market Funds and other UK Local Authorities and an unlimited amount through the Government Debt Office Management Deposit Facility. The Annual Investment Strategy is shown in part (iv) of Annex E. Following the review by the Governance and Audit Committee on the 27 January 2016, the Treasury Management Strategy remains unchanged from that consulted on in December.

9.3.10 The Local Government Act 2003 introduced a revised framework for capital expenditure and financing, underpinned by CIPFA's Prudential Code for Capital Finance in Local Authorities. The Code requires the Council to set a number of prudential indicators and limits relating to affordability, capital investment and treasury management. These require Council approval and are included at Annexe E (i) and within the Treasury Management Strategy Statement at Annexe E (iii).

9.3.11 The capital programme is being considered separately on tonight's agenda and proposes council funded capital expenditure of £59.983m and an externally funded programme of £19.846m in 2016/17. After allowing for projected receipts of approximately £5m in 2016/17 and carry forwards, the additional revenue costs will be £0.074m in 2016/17 and £1.052m in 2017/18. These figures include on-going costs associated with the maintenance and support of IT capital purchases. Costs will need to be revised at the meeting if the Executive decides on a different level of capital spending.

9.3.12 The Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision or MRP), although it is also allowed to undertake additional voluntary payments. The regulations issued by the Department for Communities and Local Government (DCLG) require full Council to approve an MRP Policy in advance of each year. The Council is therefore recommended to approve the MRP Policy set out in Annexe E (ii) to the Treasury Management Strategy. The MRP policy has been drawn up to ensure the Council makes prudent provision for the repayment of borrowings (in accordance with the Regulations) and at the same time minimises the impact on the Council's revenue budget. The MRP policy was reviewed by the Governance and Audit Committee at its meeting on 27 January 2016 and no changes were proposed.

9.3.13 As capital expenditure is incurred which cannot be immediately financed through capital receipts or grant, the Council's borrowing need (its Capital Financing Requirement) and its MRP will increase. In practice the Council is unlikely to borrow externally in the short term as it has sufficient revenue investments, arising from the Council's reserves and balances to cover this expenditure. However it will still need to make a charge to revenue for this "internal borrowing".

9.3.14 The draft budget proposals included an estimate of £1.853m for the Minimum Revenue Provision required to be made in 2016/17. This figure remains unchanged. The actual charge made in 2016/17 will be based on applying the approved MRP policy to the 2015/16 actual capital expenditure and funding decisions.

9.4 Capital Charges

9.4.1 Capital charges are made to service departments in respect of the assets used in providing services and are equivalent to a charge for depreciation. The depreciation charges are included in the base budget figures and are important as they represent the opportunity cost to the Council of owning fixed assets. They must therefore be

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considered as part of the overall cost of service delivery, particularly when comparisons are made with other organisations. It is also important that these costs should be recognised when setting the level of fees and charges.

- 9.4.2 Capital charges do, however, represent accounting entries and not cash expenditure. The Council is therefore able to reverse the impact of these charges “below the line”, i.e. outside service department costs, thereby reducing the net revenue budget whilst not directly affecting the overall cost of each individual service. This means that the charges do not affect the level of Council Tax. The capital charges in 2016/17 total £13.844m which is a decrease of £0.195m compared to the current year. This decrease primarily relates to the downward revaluation of schools partly offset by additional charges from capital expenditure in 2015/16.
- 9.4.3 Changes to capital charges do affect internal services recharges (see below) and have therefore not been incorporated into the budget proposals in this report at this stage, although they will be included in the supporting information to the Council meeting on 24 February.

9.5 Internal Services Recharges

- 9.5.1 Members’ decisions on the capital programme may affect capital charges and this will determine the overall cost of services in 2016/17. Due to their corporate nature, some services do not relate to a single service department, e.g. finance, IT, building surveyors, health and safety advisers etc. The budgets for these services are changed only by the specific proposals impacting on the departments responsible for providing them (mainly Corporate Services). However, all such costs must be charged to the services that receive support from them.
- 9.5.2 The impact of changes in recharges for internal services is entirely neutral across the Council as a whole, since the associated budgets are also transferred to the services receiving them. The overall level of recharges is dependent upon the Executive’s budget proposals being approved.

10 Statement by the Borough Treasurer

- 10.1 Under the Local Government Act 2003, the Borough Treasurer (as the Council’s Section 151 Officer) must report to Members each year at the time they are considering the budget and Council Tax on:

- a) The robustness of estimates; and
- b) The adequacy of reserves.

In addition, CIPFA guidance on Local Authority Reserves and Balances states that a statement reporting on the annual review of earmarked reserves should be made to Council at the same time as the budget. The statement should list the various earmarked reserves, the purpose for which they are held and provide advice on the appropriate level.

Robustness of estimates

- 10.2 The annual statement on the robustness of the estimates formalises the detailed risk assessments that are undertaken throughout the year and which are a standard part of the budget preparations and are included in the Council’s Strategic Risk Register.

This identifies a number of key risk areas including:

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- financial and economic factors, in particular the need to maintain services whilst achieving significant savings and to promote economic activity in the Borough;
- the impact of demand led services and the need to forecast changes and reshape service delivery to meet changing needs;
- staffing and the need to recruit, train and retain staff with the relevant skills and expertise;
- IT infrastructure availability, compliance and information accuracy;
- potential for the Information Commissioner to impose fines if personal sensitive data is misused or stolen;
- failure to design, monitor and control the implementation of major programmes and projects;
- business continuity incidents;
- effective safeguarding of children and vulnerable adults;
- effective maintenance of assets including the highways infrastructure;
- working effectively with partners, residents, service users, the voluntary sector and local businesses;
- impact of litigation and legislation;
- town centre regeneration.

The budget includes resources sufficient to enable the Council to monitor these key risks and where possible to minimise their effects on services in accordance with the strategic risk action plans. Specific risk reduction measures that are in place include the following:

- **Budget Setting Process**
 - Production and regular monitoring of a robust medium-term financial strategy.
 - Regular analysis of budgets to identify legislative, demographic, essential and desirable service pressures / enhancements.
 - Detailed consideration of budgets by officers and Members to identify potential budget proposals.
 - Robust scrutiny of budget proposals prior to final agreement.
 - Ensuring adequacy and appropriateness of earmarked reserves.
- **Budget Monitoring**
 - Robust system of budgetary control with regular reporting to the Corporate Management Team (CMT) and through the Quarterly Service Reports (QSRs) to Members.
 - Exception reports to the Executive.
 - Regular review of the Councils' budget monitoring arrangements by both internal and external audit to ensure they remain fit for purpose.
 - Taking corrective action during the year to ensure the budget is delivered every year (as in 2009/10, 2006/07, 2005/06 and 2000/01).
 - Specific regular review by Group Accountants of particularly volatile budget areas.

10.3 The Borough Treasurer receives regular updates from Group Accountants on the largest and most volatile budget areas which could place the overall budget most at risk and makes arrangements to report these through the regular monthly budget monitoring process. The most significant risks in the 2016/17 budget have been identified as the following:

- **Demographics** – the number of “demand” led adult and child client placements, the rising cost and numbers of looked after children, increasing support pressures

resulting from people living longer, the impact of new housing developments and changing service provision of social care encouraging people to seek support;

- **Income** - specifically in Planning and Building Control Fees, Leisure Facilities, Car Parks, Commercial Property, Land Charges and Continuing Health Care funding. Significant income streams are reliant on customer demand and physical infrastructure remaining operational, placing a heavy reliance on planned and reactive maintenance being adequate;
- **Major schemes / initiatives** – progress with the Town Centre redevelopment, Coral Reef improvements, Waste Management PFI, major school redevelopment proposals (Binfield Learning Village in particular) and the implementation of savings proposals such as the conversion of street lighting to LED;
- **Inflation** – the provision is based on estimates of inflationary pressures at the current time;
- **Treasury Management** – return on investments is affected by cash flow and the level of the Bank rate. There is also a high degree of uncertainty around the timing at which the Council will commence borrowing;
- **Uninsured losses** – the Council's insurances cover foreseeable risks. However, some risks are uninsurable, including former County Council self-insured liabilities and mandatory excesses;
- **Contractual Issues** – disputes, contract inflation (in particular rates for care providers) and renewal of major contracts;
- **Legislative Changes** – for example, the transference of risks resulting from the retention of Business Rates by councils and the localisation of Council Tax support, the introduction of the Better Care Fund and its impact on funding and the way services will be delivered in the future, the implementation of responsibilities under the Care Act 2014 and Children and Families Act 2014, and the transition to universal credit;
- **Independent external providers** – changes in provision by independent service providers may result in increased costs to the Council;
- **Service interdependencies** – the potential impact of service reductions in one area on the demand for other services provided by the Council;
- **External inspections** – improvements identified through external inspection;
- **Safeguarding** – failure to adequately safeguard vulnerable people could result in cost pressures.
- **Schools Budget** – the impact of schools becoming academies on Education Services Grant and income generated from selling services.

- 10.4 The probability of some of the above risks occurring is high. However it is unlikely that all will occur at the same time as has been evidenced in the demand led budgets over the past few years. The measures in place, set out in paragraph 9.2, lead the Borough Treasurer and CMT to conclude that the budget proposals have been developed in a sound framework and are therefore robust. However, it needs to be recognised that not all adverse financial issues can be foreseen looking almost fifteen months ahead, e.g. the impact of changes in demand led services or severe weather conditions. It is therefore prudent to include, as in previous years, a contingency sum within the budget proposals.

Contingency

- 10.5 In setting the budget for 2015/16, the level of general contingency was increased to £2.000m. Within the draft budget proposals for 2016/17 the Contingency was reduced to £1.000m, although it was recognised that this would need to be reviewed.
- 10.6 The Chief Executive and CMT have reflected upon the outlook for the economy as a whole and its impact on the Council and the risks contained within the proposed budget. Whilst the Council continues to face uncertain times the level of risk and

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uncertainty for 2016/17 can be managed through the £1.000m Contingency recommended by the Borough Treasurer and available reserves.

Earmarked Reserves

- 10.7 Earmarked Reserves are sums of money which have been set aside for specific purposes. These are excluded from general balances available to support revenue or capital expenditure. The Council had £30.289m in Earmarked Reserves at the start of 2015/16 which were approved by the Governance and Audit Committee in September 2015. The Borough Treasurer has undertaken a review of existing earmarked reserves and Annex F sets out each reserve considered. The Borough Treasurer will review again the earmarked reserves in light of the changing risks facing the Council as part of the 2015/16 closedown process and any changes will be presented to the Executive and the Governance and Audit Committee as part of the closure of the accounts.

11 Net Revenue Budget

- 11.1 Table 3 summarises the budget changes for each Department, assuming that all items outlined above and detailed in Annexes A to F are agreed, but before changes to capital charges, pension costs and internal services recharges are incorporated within service department budgets.

Table 3: summary of budget changes

	Inflation (Section 7.2)	Revisions to draft budget proposals (Sections 8.3, and 7.4)	Changes to Specific Grants (Section 6.3)	Total Changes Identified
	£'000	£'000	£'000	£'000
Adult Social Care, Health and Housing	390	-578	41	-147
Children, Young People and Learning (excluding schools)	201	5	206	412
Corporate Services / Chief Executive's	142	150	2	294
Environment, Culture & Communities	32	-54	0	-22
Non Departmental / Council Wide	-800	-1,094	-413	-2,307
TOTAL	-35	-1,571	-164	-1,770

These figures are added to the draft proposals to produce a final budget proposal for each department. This is summarised in Table 4.

Table 4: Draft Budget Proposal 2016/17

Department	2016/17 Draft Proposals (Table 1)	Changes Identified (Table 3)	Revised Budget Proposals
	£'000	£'000	£'000
Adult Social Care, Health and Housing	37,100	-147	36,953
Children, Young People and Learning (excluding schools)	26,265	412	26,677
Corporate Services / Chief Executive's	7,017	294	7,311
Environment, Culture & Communities	33,116	-22	33,094
Non Departmental / Council Wide	-31,463	-2,307	-33,770
Total	72,035	-1,770	70,265

11.2 The Net Revenue Budget in 2016/17 if the Executive agreed all of these proposals would be £70.265m before the loss of interest on any revenue balances that might be used. This compares with income of -£63.193m from RSG and Business Rates baseline funding (-£26.687m), the Collection Fund – Council Tax surplus (-£0.425m) and Council Tax at the 2015/16 level (-£47.884m) less the deficit of £11.803m on the Collection Fund – Business Rates. The Net Revenue Budget is therefore £7.072m above the level of income for 2016/17.

12 Funding the Budget Proposals

12.1 Members can choose to adopt any or all of the following approaches in order to bridge the remaining gap:

- an increase in Council Tax;
- an appropriate contribution from the Council's revenue reserves, bearing in mind the Medium Term Financial Strategy;
- identifying further expenditure reductions.

12.2 Council Tax

12.2.1 Each 1% increase in Council Tax in 2016/17 will generate approximately -£0.479m of additional revenue towards the budget gap. It is recommended that the Council increase Council Tax by 3.99%; a general increase of 1.99% plus a further 2% increase to support Social Care pressures. These are the maximum increases permissible under the current guidance without a referendum. This will generate additional income of -£1.911m and reduce the budget gap to £5.161m. All grant projections assume that councils with responsibility for Adult Social Care will levy the specific 2% Council tax increase the Government has made available to support Social Care pressures.

12.3 Use of Balances

12.3.1 The Council needs to maintain reserves to aid cashflow and to protect itself from fluctuations in actual expenditure and income. An allowance for cashflow is reasonably easy to calculate. However, an allowance for variations against planned expenditure is more difficult.

Unrestricted

- 12.3.2 In deciding the level of any contribution from balances, the Executive will wish to have regard to the level of balances available. The Council's General Fund balance at the start of 2016/17 is expected to be £12.0m. This is made up as follows:

Table 5: General Balances as at 31 March 2016

	£m
General Fund	10.9
Planned use in 2015/16	(0.9)
2016/17 forecast under spend	2.0
TOTAL Estimated General Balances	<u>12.0</u>

- 12.3.3 The Council has, in the past, planned on maintaining a minimum prudential balance of £4m. It is prudent when considering the use of reserves to not only consider the current year's budget but also future years' pressures.
- 12.3.4 The fact that the Government introduced significant changes to the RSG system with no advance notice in late December means that it has simply not been possible to develop, consult on and implement a series of proposals that respond to the increased budget gap imposed upon the Council. Given this, it is recommended that the Council makes a contribution of £5.161m from General Reserves to bridge the remaining budget gap in 2016/17. This approach is set out in Annexe G.
- 12.3.5 Such a significant use of balances is not sustainable over the medium term and as a consequence a range of additional savings proposals will have to be implemented to, at least in part, replenish these reserves. However both good practice and the Council's constitution suggest such proposals should be subject to consultation rather than simply imposed. They are, therefore, set out in a second revenue budget report elsewhere on the agenda. These significant savings will enable the use of balances to be reduced but the late notice of the funding reduction means that they will be consulted upon outside the usual budget setting timeframe.

13 Preceptors' Requirements

- 13.1 On the 29 January 2016 the Thames Valley Police and Crime Panel met to determine the 2016/17 budget for the Thames Valley Police and Crime Commissioner (TVPCC). The tax for a Band D property for the TVPCC will increase by 1.99% to £166.96 in 2016/17. The Royal Berkshire Fire Authority (RBFA) will not determine its budget and precept for 2016/17 until 17 February. The tax for a Band D property for RBFA in 2015/16 was £60.66. The Parish Councils have yet to set their precepts for 2016/17. These totalled £2.781m in 2015/16 with an average tax of £65.15 for a Band D property. The Parish Council, Police and RBFA precepts will be reported to the Council meeting on 24 February 2016.

14 Summary of Matters for Decision

- 14.1 Annexe G outlines the Council's Council Tax Requirement based on the draft budget proposals. The outcome of the Executive's deliberations will be recommended to the Council meeting on 24 February regarding the budget and Council Tax level for 2016/17. These will be incorporated in the formal Council Tax resolution required by the Local Government Finance Act 1992 as amended. However, the following matters need to be determined at this stage in order to allow the Executive to recommend a budget to the Council for 2016/17:

Unrestricted

- (a) confirmation of the draft budget proposals, taking account of issues raised during the consultation period (section 8.1) and revisions identified to reflect current information (sections 6.2, 6.3, 7.3, 7.4), set out in detail in Annexes A and D;
 - (b) confirmation of the impact of changes in investment rates on the budget (section 9.3);
 - (c) the level of the corporate contingency (section 10.6);
 - (d) the level of Council Tax increase (section 12.2);
 - (e) subject to (a) to (d) above and decisions considered elsewhere on the agenda, to determine the appropriate level of revenue reserves to be retained and the consequent use of balances to support the budget in 2016/17 (section 12.3).
- 14.2 As outlined above, dependent upon the decisions made by the Executive concerning these issues, it may be necessary to adjourn the meeting to enable officers to calculate the appropriate figures to include in the recommendations.
- 14.3 A detailed budget book will be prepared during March exemplifying the budget at the level of detail required to support the scheme of virement. This will be sent to all members.
- 15 Budget Monitoring - Virement requests
- 15.1 A virement is the transfer of resources between two budgets but it does not increase the overall budget approved by the Council. Financial Regulations require formal approval by the Executive of any virement between £0.050m and £0.100m and of virements between departments of any amount. Full Council approval is required for virements over £0.100m. A number of virements have been made since the December Executive meeting which require the approval of the Executive or Full Council. These have been previously reported to the Corporate Management Team who recommends them to the Executive and the Council for approval. They have been included in the Quarterly Service Reports. Details of the virements are set out in Annexe H.

16 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

Borough Solicitor

- 16.1 In carrying out all of its functions, including the setting of the budget, the Council must comply with the Public Sector Equality Duty set out in the Equality Act 2010. That duty requires the Council to have due regard to the need to:-
- a) eliminate discrimination , harassment, victimisation and any other conduct that is prohibited by the Act;
 - b) advance equality of opportunity between persons who share a "relevant protected characteristic" and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Unrestricted

"Relevant protected characteristics" are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation. As to (b) above due regard has to be had in particular to the need to:-

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The Equality Impact Assessments annexed to this report have been prepared in order to assist the Council to meet the Equality Duty in considering the budget.

Borough Treasurer

- 16.2 The setting of the 2016/7 budget and Council Tax has presented the Council with a unique set of financial challenges following the publication of the Final Local Government Finance Settlement. In order to set a legal budget within the statutory timescales the used of £5.161m of general balances is recommended.
- 16.3 Such an approach would not usually be supported by the Section 151 officer as it would result in an unsustainable budget and almost certainly mean that the Council could not deliver its Medium Term Financial Strategy.
- 16.4 A further report appears elsewhere on tonight's agenda recommending a range of savings proposals totalling -£3.784m (including Public Health savings of -£0.367m) that can be delivered during 2016/17 and used to replenish the Council's general balances. On the assumption that these savings proposals will be agreed and implemented during 2016/17 the recommendations contained in this report can be supported.

Equalities Impact Assessment

- 16.5 The Council's budget proposals impact on a wide range of services. A detailed consultation was undertaken on the draft budget proposals published in December to provide individuals and groups the opportunity to provide comments.
- 16.6 Equality impact assessments are attached at Annexe I.

Strategic Risk Management Issues

- 16.7 The Borough Treasurer's Statement in Section 10 sets out the key risks facing the Council's budget and the arrangements in place to manage these risks, including maintaining an appropriate level of reserves and contingency.

17 CONSULTATION

- 17.1 Details of the consultation process and responses received are included in section 7.1.

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Commitment Budget 2016/17 to 2020/21

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	2020/21 £'000
Adult Social Care, Health and Housing						
Approved Budget	33,386	33,424	33,289	33,279	33,279	33,279
Fixed civil penalties - failure to declare changes in circumstances		10				
Tenterden Lodge - Bed and Breakfast Accommodation		-162				
Capital Invest to Save 2016/17 - Waymead Flats			-10			
Increase in Bracknell Forest Supplement		7				
Council Tax Hardship Fund		10				
Net Inter Departmental Virements	38					
Adult Social Care and Health Adjusted Budget	33,424	33,289	33,279	33,279	33,279	33,279
Children, Young People and Learning						
Approved Budget	15,622	15,648	16,741	16,730	16,740	16,730
Suitability surveys		-20		20	-20	
Schools Music Festival		-10	10	-10	10	-10
Recruitment and retention of social workers in Children's Social Care		1118	26			
Capital Invest to Save 2016/17 and additional savings - Waymead Flats			-47			
Increase in Bracknell Forest Supplement		5				
Net Inter Departmental Virements	26					
Children, Young People and Learning Adjusted Budget	15,648	16,741	16,730	16,740	16,730	16,720
Corporate Services / Chief Executive's Office						
Approved Budget	14,243	14,362	14,203	14,159	14,188	14,239
Vacating Seymour House/Ocean House		-14				
Borough Elections		-80			80	
Residents Survey		29	-29	29	-29	29
Councillors access to the Local Government Pension Scheme		-3				
Legal Services income relating to S106 agreements		8				
Facilities Management Category Savings		-50				
Revenue impact of 2015/16 Capital Programme - ICT costs		6				
Capital Invest to Save 2015/16- ICT Backup System		-35	-15			
Tenterden Lodge - impact on Home to School Transport		-20				
Net Inter Departmental Virements	119					
Chief Executive / Corporate Services Adjusted Budget	14,362	14,203	14,159	14,188	14,239	14,268
Environment, Culture and Communities						
Approved Budget	24,305	24,330	24,423	24,047	24,231	24,383
Waste Disposal PFI		297	255	252	231	244
Local Development Framework		-39	-130	-26		
Capital Invest to Save 2006/07 - Easthampstead Park		-1	-1	-1	-1	-1
Car Parking income			-80			
London Road Landfill Site			-14			
Capital Invest to Save 2014/15 - Easthampstead Park outdoor wedding gazebo			-13			
Capital Invest to Save 2015/16 - IDOX Regulatory Services ICT system		-9	-3			
Capital Invest to Save 2015/16 - Street Lighting LED		-175	-376	-41	-25	-17
Capital Invest to Save 2016/17 - Additional Chapel at Easthampstead Cemetery and Crematorium			-14		-53	
Capital Invest to Save 2015/16 - Golf Simulator at Downshire Golf Club		-9				
Increase in Bracknell Forest Supplement		29				
Net Inter Departmental Virements	25					
Environment, Culture and Communities Adjusted Budget	24,330	24,423	24,047	24,231	24,383	24,609
Total Service Departments	87,764	88,656	88,215	88,438	88,631	88,876
Non Departmental / Council Wide						
Approved Budget	-8,377	-8,585	-7,814	-6,093	-5,284	-4,572
2015/16 Capital Programme (Full Year Effect) - Interest		40				
Minimum Revenue Provision		364	868	230	400	100
2015/16 Use of Balances (Full Year Effect) - Interest		2				
Ceasing to pay Pension Fund contributions in advance			100			
Increase in employers Pension Fund contributions		256	300	300	300	300
Interest on External Borrowing		75	343	279	12	
2016/17 Capital Programme - Interest		74	74			
Revenue impact of 2016/17 Capital Programme - ICT costs			36			
Council Tax Support to Parish and Town Councils		-40				
Net Inter Departmental Virements	-208					
Non Departmental / Council Wide Adjusted Budget	-8,585	-7,814	-6,093	-5,284	-4,572	-4,172
TOTAL BUDGET	79,179	80,842	82,122	83,154	84,059	84,704
Change in commitment budget		1,663	1,280	1,032	905	645

For management purposes budgets are controlled on a cash basis. The following figures which are used for public reports represent the cost of services including recharges and capital charges:

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2016/17 £'000	2017/18 £'000
Adult Social Care and Health	37,254	37,119	37,109	37,109	37,109	37,109
Children, Young People and Learning	25,695	26,788	26,777	26,787	26,777	26,767
Corporate Services	7,591	7,432	7,388	7,417	7,468	7,497
Environment, Culture & Communities	33,972	34,065	33,689	33,873	34,025	34,251
Non Departmental/Council Wide	-25,333	-24,562	-22,841	-22,032	-21,320	-20,920
	79,179	80,842	82,122	83,154	84,059	84,704

MINUTE EXTRACTS OF OVERVIEW AND SCRUTINY COMMISSION AND PANELS CONCERNING THE 2016/17 BUDGET CONSULTATION

Children, Young People and Learning Overview and Scrutiny Panel – 11 January 2016

The Panel considered key themes and priorities for Children, Young People and Learning as outlined in the Council's draft budget proposals for 2016/17.

The Executive agreed the Council's draft budget proposals for 2016/17 at its meeting on 15 December 2015 as the basis for consultation with the Overview and Scrutiny Commission, Overview and Scrutiny Panels and other interested parties. The consultation period would expire on 31 January 2016, after which the Executive would consider the representations made at its meeting on 9 February 2016, before recommending the budget to Council.

Attached to the report were relevant extracts from the 2016/17 Revenue Budget and Capital Programme. The extracts were comprised of Revenue Budget Report, Commitment Budget, Draft Revenue Budget Pressures, Draft Revenue Budget Savings Proposals, Proposed Fees and Charges, Capital Programme Report and Summary and Proposed Capital Schemes.

The Panel was advised that notification of the Government grant had been received subsequent to the draft budget proposals being agreed as the basis for consultation and as the settlement was lower than expected it would be necessary for further savings to be identified.

Members focused their attention on the draft revenue budget pressures and savings. Attention was drawn to savings arising from additional income streams, reduced placement costs for Looked After Children and efficiencies resulting from revised delivery of services and support totalling £714,000. Budget pressures, which related to the Multi-Agency Safeguarding Hub (MASH), Post 16 Education Transport and Special Educational Needs (SEN), amounted to £246,000.

In response to related questions and discussion the following points were made:

- There had been an underspend in the Emergency Duty Team budget for several years and the proposed saving did not constitute a service reduction.
- The proposed reduction to Youth Justice support to parenting services would be partially compensated by work in other areas such as the Early Help Offer and Children's Centres and by signposting to other forms of support.
- As there had been low take up of some aspects of the Information, Advice and Guidance to young people service, the related contract had been reduced to achieve a saving and some services brought in-house to improve service provision and value for money.
- Efficiencies and cost reductions in the commissioning of the Joint Legal Team that provided a Berkshire wide service hosted by Reading Borough Council had been sought.
- As part of the on-going process to improve efficiency, a review of the youth offer had resulted in a saving of £58,000. The service would continue to provide targeted work and other measures to support emotional health and wellbeing included bids to NHS England and the Clinical Commissioning Group's Innovations Fund, focused work in

schools stemming from the Autism Strategy and training of professionals and volunteers through the Parents' Project.

- The streamlining of the management structure of the Children's Centres would increase consistency and efficiency.
- There was a budget pressure associated with the MASH which facilitated improved and more rapid decision making and information sharing consistently across Berkshire.
- The mandatory conversion of SEN Statements into Education Health Care Plans was a significant task requiring additional staff and posed a budget pressure.
- The Capital Programme included Phase 1 of the expansion of The Brakenhale School which included qualification for a grant associated with the condition survey.

Environment, Culture and Communities Overview and Scrutiny Panel – 12 January 2016

Although there was a need for further savings to be identified following notification of the Government grant settlement, the Panel was invited to scrutinise the firm budget proposals before it and the Director of Environment, Culture and Communities presented a report on the key themes and priorities for Environment, Culture and Communities as outlined in the draft budget proposals for 2016/17. The initial preparations for the budget had focussed on the Council's Commitment Budget for 2016/17 – 2020/21, bringing together existing expenditure plans, taking account of approved commitments and the ongoing effects of service developments and efficiencies that were agreed when the 2015/16 budget was set.

A number of changes were proposed to the Commitment Budget since it was last considered by the Executive, amounting in total to an increase for the Council of £1.032m. Of particular interest to the Panel were a departmental saving resulting from the Street Lighting Invest to Save Scheme (-£0.175m) and updated Waste Disposal projections based on the latest tonnages for recycling (£0.179m). The Panel also noted the draft revenue budget pressures for the Department totalling £263,000 for 2016/17, although these were more than outweighed by savings proposals amounting to £1,161,000.

Arising from questions and discussion, the Panel noted the following in relation to the budget pressures and savings proposals:

- In response to the reduction in income at Bracknell Leisure Centre (due to competition from small scale local gyms), plans were in hand to enhance the offer included within the Platinum Card package through discounts on catering and other facilities and working with staff to improve the all round customer experience for users. Officers were recommended to publicise the new package as widely as possible, and particular mention was made of obtaining copy in 'Town & Country' and other local newsheets.
- An outline of the duties of the posts of Strategic Planner (New Communities) and Development Engineer was given, together with reasons for continued funding for them.
- The dispute in relation to the waste contract had been settled and the additional recycle income was now assured.
- The additional income from increasing charges for brown bin emptying relied in part on continuing to sign up new customers for the service.

- The increases in Cemetery and Crematorium fees and charges were felt to be reasonable and had been set taking into account the fees charged by neighbouring authorities and the quality of the service offered in Bracknell Forest which was valued and appreciated by users.
- The e+card savings arose from lower running costs rather than any reduction in the discounts offered.

Turning to the Capital Programme, the Panel noted that total capital spending proposed for Environment, Culture and Communities in 2016/17 amounted to £20.185m (of which £4.733m was external funding). The most significant project was the Coral Reef Transformation at an estimated £8.358m in 2016/17. The tender process for the project had been reset with prices from contractors now due in by 8 March 2016. The purchase of the former Magistrates Court building (£775,000) would increase the Council's landholding to support a possible future phase of town centre development. Referring to the new schemes in the programme, Members requested further information on the location of the amenity land adjacent to Crowthorne Road where it was proposed to fell ageing pines and replant native, deciduous trees, and the sites of the road junctions earmarked for traffic signal preventative maintenance. The Panel expressed its support for the Invest-to-Save scheme to provide an additional chapel at the Easthampstead Cemetery and Crematorium.

Health Overview and Scrutiny Panel – 14 January 2016

The Panel received and considered a report providing information regarding the Draft Budget Proposals 2016/17.

The Director commented that the key things to consider from the budget were:

- the Public Health budget reduction from the Department of Health
- The Council taking on public health responsibilities for 0-5 year olds
- the creation of a 0-19 year old Public Health service
- use of the surplus to support Social Care services

Arising from a question regarding service changes due to budget reduction, the Director confirmed that some services would operate differently to become more cost-effective. The Public Health team had been constructed so that many services could be done in house. Some Public Health services, such as Chlamydia Screening, had been expensive and it was believed that there were more cost-effective ways to promote Sexual Health.

There would be income generation from the Time for Change commission across Berkshire, and savings were being made by encouraging community assets to run Health and Wellbeing events for themselves. Lisa McNally reassured the Panel that she was not concerned by the budget cuts.

Adult Social Care and Housing Overview and Scrutiny Panel – 19 January 2016

The Panel considered key themes and priorities for Adult Social Care and Housing as outlined in the Council's Draft Budget Proposals for 2016/17.

The Executive had agreed the Council's draft budget proposals for 2016/17 at its meeting on 15 December 2015 as the basis for consultation with the Overview and Scrutiny Commission, Overview and Scrutiny Panels and other interested parties. The consultation period would run until 31 January 2016, after which the Executive would consider the

representations made at its meeting on 9 February 2016, before recommending the budget to Council.

Attached to the report were extracts from the 2016/17 Revenue Budget and Capital Programme. The extracts comprised the Revenue Budget Report, Commitment Budget, Draft Revenue Budget Pressures, Draft Revenue Budget Savings Proposals, Proposed Fees and Charges, Capital Programme Report and Summary and Proposed Capital Schemes.

Particular attention was drawn to the budget pressures for 2016/17, which were common to most local authorities:

- An estimated £256k would be needed to cover the additional costs now falling on the Council for recipients of care who were previously in receipt of payments from the Independent Living Fund (now closed).
- An estimated £358k would be needed to fund known numbers of young people moving into Adult Social Care during the year, many of whom would require high cost care packages.
- An estimated £94k was needed to fund residential placements owing to a combination of limited capacity in the local market and increasing costs for home care providers.

In response to Members' questions, the following points were made:

- The Council did not place people in red-flagged care homes.
- The new charging policy for adult social care services would end the financial assessment for couples; all financial assessments would be carried out as they were for single people. A saving estimated at £100k was expected as a result of an increased level of recipient contributions. There were 50 couples affected in Bracknell Forest and letters and/or home visits were proposed to explain the new arrangements.
- A saving estimated at £340k was expected to be achieved through the review of high cost care packages to ensure services did not exceed the assessed need. Reviews were carried out at least annually and it was common for people's needs to change over time.
- There may be a slight variation in the anticipated saving of £15k associated with the Local Housing Company.

Overview and Scrutiny Commission – 28 January 2016

The Commission considered a report that set out draft budget proposals for 2016/17. It was reported that the Executive would be considering all representations made at its meeting on 9 February 2016, before recommending the budget to Council.

The Borough Treasurer delivered a presentation and made the following points:

- He reported that the provisional local government settlement had been surprising and caught many local authorities off guard and was set to change the landscape of local government over the next four years. Whilst the Council had been told to expect a 25 to 40% cut in central government funding over the next four years, the ensuing cut in funding had been closer to 80%. Representations were being made to the Government both by officers and politically.
- Unlike previous years the Council's budget setting process would need to continue over a longer period to deal with this late addition to budget pressures.
- He stated that the draft budget proposals before Members would be important to deliver the Council's medium term financial plan.

- Capping of Council tax increases still applied.
- Resource allocation was now central to all Government decisions; in particular affluent areas would be expected to find more of their own resources. This contained some unrealistic assumptions, for example on the level of new house building.
- £2.4m additional savings would need to be made by the Council in the first year, followed by £1.7m in the following year.
- A precedent had been set by the Government as there had been no pre cursors to indicate that funding would be slashed this significantly. The Council would now need to develop a set of additional proposals to make more immediate savings. The Commission would have an opportunity to consider these additional proposals on 10 March 2016.

The Director of Corporate Services reported that her department had worked hard to ensure they did not have any budget pressures. Savings proposed amounted to £750,000, this was on the back of 20% of savings that had already been made by the Corporate Services Department and the Chief Executive's Office. This had been achieved through a combination of staff reductions and efficiencies.

In response to Members queries it was reported that:

- Home to School transport included the funding of adults who accompanied each young child to school.
- There may be opportunities where Business Rates could be increased and this would be considered where appropriate.
- The Assistant Chief Executive reported that the budget pressure in the Chief Executive's Office would be reduced as a result of additional budget proposals.
- The Borough Treasurer reported that National Insurance contributions had increased for both employees and employers.
- The Director of Corporate Services reported that the culture and climate of the organisation was currently one of austerity and reducing costs and making savings wherever possible.
- It was reported that printing leaflets externally had not been explored as the shared printing service had been working well and had reduced costs significantly across the Council. This service would be reviewed after a year.
- Building maintenance surveying work had been externalised as this was more cost-effective, but the alternative of in-house surveyors was kept under review.

The Chairman stated that he was surprised by the low rates charged by the Council's legal services team for their services and that this was in need of review as higher rates should be pursued. He stated that other charges should also be considered as well as those services that the Council did not currently charge for. The Borough Treasurer reported that the Transformation Programme would be considering all of these issues and income generation more generally. This would include a variety of options, such as, for example, investing in property to generate income.

In response to Members queries, it was reported that the Agresso system was coming to the end of its life and a new version would need to be installed.

The Commission endorsed the comments made in the minute extracts from Overview & Scrutiny Panels and the draft budget proposals before them with the caveat that further draft budget proposals would be put before them on 10 March 2016 for consideration.

SUMMARY OF RESPONSES TO THE COUNCIL'S 2016/17 BUDGET CONSULTATION

- The 2016/17 budget proposals were placed on the Council's website on 16 December 2015. During the consultation period, eight responses were received via the website.
- Respondents were asked to score the Council's capital investment plans and savings proposals from strongly agree through to strongly disagree. The following table summarises the responses:

Question	Strongly Disagree / Disagree	Neutral	Strongly Agree / Agree
To what extent do you agree with the proposed efficiency savings?	5	0	3
To what extent do you agree with the Council's proposals to generate additional income?	3	0	5
To what extent do you agree with the Council's proposals for changes to services?	5	0	3
To what extent do you agree with the Council's plans to include the five listed areas in the first phase of any additional savings?	4	2	2
To what extent do you agree with the Council's capital spending proposals?	2	2	4

- In addition to scoring the specific questions some additional comments were also received on the budget proposals:

Efficiency Savings

- Appalled to see such a reduction in Adult Social Care posts.
- No indication as to the social or economic impact of reducing the chance of those people/citizens/service users impacted from contributing to our society and sustaining a viable quality of life.
- These are not financial savings, these are cuts against our society and communities
- Rather see increased taxes rather than decrease the benefits our society gains from the current level of taxation.
- Adult Social Care is a crucial service and although savings could be made by a redesign of services the quality must not be compromised.
- They make the Council less efficient.

- There should be more Senior Leadership cut backs and less back office. The back office are the ones who actually do the work and will be stressed and demoralised as it is.
- The Council can be more efficient with the staff currently available.
- There should be a bigger cut in senior officer posts and all senior leadership salaries should be reduced significantly.

Additional Income

- I do not see proposals here beyond headlines.
- It is good to see partnerships with neighbouring councils, likewise the empty property exception.
- No indication as to what increased usage of cemetery and crematoria means, likewise amending charges for couple with relation to Adult Social Care is meaningless without a description and this this part of the consultation is invalid.
- Agree with all, other than cemetery and crematoria. Don't charge bereaved families more. It's hard enough dealing with the bereavement without yet more costs.
- Cemetery and Crematoria use could easily be increased by opening them up for pet burials and cremations.

Changes to Services

- I assume this is not the act of reviewing high cost packages rather removing or reducing packages.
- Reducing cost of placements – does this equate to removing the number of placements, the quality of placements or is there a previously undeclared inefficiency to be targeted?
- Redesign of service without changing the quality.
- Less for Looked after Children, more for Adult Social Care.
- The Council needs to ensure young and vulnerable adults are protected.
- Reviewing cost packages is not enough – all high cost packages should be eliminated.

Further Savings

- If you need to make further savings do not do it at the cost of our society.
- It is short sighted to reduce funding and thus reduce the output or quality of output of any of these (areas).
- Housing Benefit should be the first to be cut
- Adult Social Care Commissioning – Agree, do more work yourself to save money.
- Highways and Transport – Disagree, more should be spent here not less.
- Housing Benefits – Strongly Agree, get rid of all benefits for single parents. Make them get a job and pay their way like respectable citizens do. Unfair just because they have a child they get everything paid for. Because of them you have to cut back on other areas. Make them work and look after their own children, or make them get adopted or put in a children's home.
- Cultural and Leisure Services – Disagree, nothing to do as it is.

- Public Health – Disagree, waiting times are awful, Bracknell Urgent Care Centre is amazing. Don't destroy it.
- All benefits paid from council tax should be stopped immediately, otherwise Bracknell Forest is simply a magnet for con-contributors who drain resources.

Capital Programme

- The supporting documentation is insufficient to enable consultees to form opinions beyond glib box ticking.
- Proposals should go further in cutting non-core spending, e.g. to arts groups, children's clubs, South Hill Park, Mayor.

Other Comments

- Council tax is already too high and too much money is wasted on non-essential functions.

4. Four additional responses were also received via the post or email. Three are summarised below with the fourth from the labour councillor Mary Temperton attached in full.

Resident

- Increase of 2% in Council tax and a further 2% to help with the increasing cost of Adult Social Care services.
- Additional income should be obtained by reviewing all the services the Council provides e.g. further charges for brown bin collection. The charges for car parking should be reviewed to remove the losses.
- Parking on estates should be let to interested parties with lockable hinged posts so those paying have exclusive use.
- Allowances to Councillors should be reviewed especially for those who do not attend meetings. From 11 July 2015 to 3rd January 2016 only one Executive member was present at all meetings and only 12 other Councillors attended all meetings.
- The grant scheme for each Councillor should be discontinued.
- The usual annual grant to South Hill Park should be independently considered.
- Not having a Resident's Survey in 2016/17 would save £29k.

Downshire Homes

- Initial request for additional funding to support the purchase of properties in light of increasing house prices above those taken into consideration in the original business plan.

Public governors of Berkshire Healthcare NHS Foundation Trust

- We support greater collaboration between health service providers and the closer integration of services such as health and social care.

- There is already a good deal of evidence about the adverse effects of reducing social care for the increasing number of frail elderly people in the community. We welcome current collaboration between local authority and health service leaders to address this issue.
- Any reductions in other local authority services – for example in preventing substance misuse, in supporting and ‘signposting’ accommodation for adults recovering from mental illness or in grants to voluntary organisations which help vulnerable adults and children – are likely to have similar ‘knock-on’ effects. These should be minimised where at all possible.
- We believe that decision about local service budgets should be made only after full consideration and informed debate about the potential consequences for vulnerable people and those who care for them. They should also take into account the interdependence of local services and the financial and other challenges faced by local health service providers.

Labour Response on 2016/17 Budget Proposals

Once again I acknowledge the difficulties of preparing definite budget papers relying on the guidelines and hints from the Government indicating the range of likely cuts. It has been the norm in the past few years for the Council to receive no definite Government Financial Settlement before the budget has to go out for consultation, so I recognize that this year, as in recent years, the assumptions made throughout by the Treasurer are as realistic as possible. I also appreciated the time and effort put in over the past year to prepare these papers and the careful consideration behind all the proposed reductions

Nationally, a cut of £6.1bn (53%) between now and 2019/2020, further cuts in Public Health Grant, a £600m cut in Education Service Grant and the allocation of the other grants not yet determined, is very bad news. There is also to be no increase in the Dedicated Schools Grant-despite schools having to cost in the increased contributions to the teachers' pension fund and National Insurance contributions- resulting in a 4.5% average reduction for each school in funds available to spend on the children. There is also to be no increase in the fund to support High Needs youngsters.

I also appreciate that the Council has trimmed its sails in 'back room efficiencies' and there is little capacity to do more except by reorganizing whole departments. I have noticed the effects of this reduction in my own projects. Response is now taking much longer- even for issues such as failed legionella testing. The published reduction in staffing costs of £800k is very worrying.

The Government will allow a 2% Council Tax increase to be spent fully on relieving Adult Social Care pressure. I would support this increase being considered if Bracknell Forest meets the prescribed restrictions.

With a gap of £6.04m I support a rise in Council Taxes in order that front line services can be secured. An increase of more than 2% would necessitate a referendum, at huge cost, and almost certainly result in a NO vote. This would add extra pressures to the Council, not least in the need to repay any extra money collected. A no-win situation! An increase of 1.99% would mean less than 50p a week for a band D household and raise £1m. There is a tax rebate scheme for those unable to meet this.

This would also increase the base revenue amount, so reducing risk in future years.

I support the use of some of the reserves but know that once spent, they cannot be used again.

I also realize that some further service cuts need to be made as there is just no money available to continue as we were.

The rise of the New Town Centre and all that has been achieved to make this possible is welcomed and celebrated. I fully appreciate the financial involvement the Council has had to commit to this in order to make it happen.

I support all the Council is doing to try and support the homeless by providing temporary accommodation in Bracknell. This supports them emotionally at a very difficult time and enables their children to continue their education without the need to transport them in. It also reduces the payout to private landlords- a win, win situation, if there are any wins with homelessness.

I think I support the move to Dennis Pilcher House and the transfer of service formerly provided at the Bridgewell Centre, but the O&S panel has had little information about this.

The projects involving the New Chapel and Coral Reef involve huge investments and the need to borrow. I accept the projected returns on these projects justify the outlay, but am concerned about the risk over the final costs resulting from the soaring costs of construction. The LED lighting project is welcomed. I just wish more such green energy projects had been included in the New Town redevelopment. I support the refurbishment of the Waymead Flats to support our care Leavers.

The Binfield Village Learning Centre is an ideal education provision but I regret its build demands using Residents' taxes, then it is handed over to an Academy Trust- lock stock and barrel- and the residents are left with paying the interest on the borrowed money. Having been through the Academy Trust applications tendering to run this provision, if all Local Authority schools do indeed have to become academies, I am disappointed that Bracknell Forest has not had the aspiration to set up its own Academy Trust, as Cambridge did. Having been the Lead in the report on Governance, I am confident that most Governors would now support this. It would prevent different schools being run by different Trusts- all in competition with each other, and certainly not focusing on being a' local school for a local community.'

School Places provision is a real pressure and I hope the Government Grant for the Investment in Schools reflects the increased costs in construction.

I support the need to fell some of the mature pine trees adjacent to Crowthorne Road(Mill Lane to Nine Mile road) but urge that a few be taken out at a time rather than fell a whole area as these trees do provide a noise barrier for the houses that back onto this stretch of road.

The Proposals for Self Service at Bracknell Library seem to support longer opening hours and will be welcomed by shoppers visiting the new Town Centre. I will watch this development with great interest.

The Council commissions a biennial survey of residents. I suggest this is dropped for the next two years, saving £29K p.a., and another survey commissioned when the New Town is completed and residents have experienced the effects of the proposed cuts. To do it next year seems unnecessary after the very positive response for the last survey.

The proposal to cut £340K as a result of the review of high cost care packages to ensure services provided do not exceed the assessed need, presumes that some of the packages were assessed wrongly, so reductions can be made. Or maybe the criteria used have now been changed? If care is removed from clients, when will a new review be held to check the outcome of their new package is not detrimental to their safety and wellbeing? This has to be before the regular annual review and would therefore cost extra money. Has this been budgeted for?

The fact that money can be taken from the budget for LAC reflects the success of all the interventions preventing the need to take young children into care. The pressure now is with older children and teenagers. Early Intervention has worked and yet £72k is to be removed from the Children Centres budget. The suggested streamlining removes the centre manager position and replaces it with a 'Virtual manager' serving all centres. I am not satisfied that this will provide robust management, ensuring the centres remain on an improving trajectory. Will 'Home Start', so effective in preventing breakdown in young families, be funded by £20K?

The removal of £58K from youth provision is also very concerning. I accept that the focused work now done with young people at risk of drug, alcohol, CSE and emotional ill health is excellent but this has turned youth work into social work. There is still a need, as recognized in the Local Children's Safeguarding Board's annual report, for drop in centres where young people can meet adults, chat and open up.

There is no mention in the budget of the Youth Hub. Surely this is a vital inclusion for provision for the Youth of Bracknell Forest, and now promised for over four years.

The Local Children's Safeguarding Board's annual report also praised the work of the Youth Justice team. I am concerned that the reduction in support for their work with parents will reduce their effectiveness.

I celebrate the end of the Members Pension Scheme and also that there has been no increase in the cost of Special Responsibility Allowances, leading to the underspend. I support the proposal that full Council tax be charged on empty properties. I support the increase in the Bracknell Forest Supplement, helping the lowest paid employees to come off benefits.

There is no mention of any fund for estate parking throughout Bracknell Forest. This is usually matched by Bracknell Forest Homes and has helped increase the number of parking spaces. Is this to be removed?

There is no mention of the funding for South Hill Park. Whilst sports facilities support health and physical wellbeing, South Hill Park supports the mental wellbeing of many residents. For me it is the Jewel in Bracknell Forest's Crown and, together with Coral reef, has put Bracknell on the map.

I fully understand the effects of the serious reduction in funding from central government.

In order to maintain front line services, I support the raising of the council tax by 1.99% to provide £1m, increasing the band D household contribution by less than 50p per week. I would also accept the 2% increase to support Adult Social Care should Bracknell Forest be eligible and if it releases funds for other pressured areas. The tax rebate schemes must be retained, however, to support those who cannot meet the increases. Increasing the council tax would increase the base revenue income and support future budgets.

These proposals are much less precise than normal, despite the fact that the settlement in the last few years has never been released before the middle of December.

The Council has an estimated £10m available in General reserves at 31 March 2016. In the past few years the Council has always underspent by about £3m. The Council is therefore in a good position to use some of these balances towards funding the gap. The budget does not mention whether the Council is proposing to raise the Council Tax or keep it the same. Neither does it state how much of the balances are proposed to be used to fund the gap of £6.04m. It is hard to comment on the use of balances without this information.

Cllr Mary Temperton
Jan 17 2016

ADULT SOCIAL CARE, HEALTH AND HOUSING

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Vacant staff posts not filled</p> <p>Vacant staff posts in Joint Commissioning and Business Intelligence will no longer be filled, with duties redistributed over the remaining team.</p>	-80		
<p>Head of Service</p> <p>Reduction in one Heads of Service post. The post is currently filled by an interim and existing duties can be redistributed over the remaining Heads of Service.</p>	-65		
<p>Property Budget</p> <p>Based on the previous year's outturn the full budget for property maintenance should not be required on an ongoing basis.</p>	-30		
<p>Training</p> <p>The training budget, which has not been fully utilised in previous periods, will be reduced.</p>	-10		
<p>Local Housing Company</p> <p>Establishment of a Local Housing Company which will acquire properties for leasing to recipients of Learning Disability related care. This will reduce rents currently paid to external providers.</p>	-15		
<p>Housing Related Support Contracts</p> <p>Re-tendering of Housing Related Support Service contracts will be widened to incorporate the Public Health befriending service which should reduce costs.</p>	-40		
<p>Adult Social Care Charging Policy for Couples</p> <p>The charging policy for adult social care services will be amended so that the financial assessment for couples is no longer offered. Instead all financial assessments will be carried out as they are for single people. This change will increase the level of recipient contributions.</p>	-100		
<p>Adult Social Care skill mix / restructure</p> <p>A departmental restructure has been proposed that has included identification of posts that can be filled by staff with fewer professional qualifications, and thereby at a lower grade.</p>	-30		

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Adult Social Care Packages</p> <p>High cost care packages will be reviewed to ensure the services provided do not exceed the assessed need.</p>	-340		
<p>Re-structure of the Departmental Management Team¹</p> <p>The Departmental Management Team will be restructured by expanding the portfolios for Chief Officers. As a result, the Head of Performance and Resources post will no longer be required and will be deleted.</p>	-95		
<p>Heathlands</p> <p>The residential care and day care services currently provided at Heathlands will be re-provisioned from the private sector. The care home will be closed and current residents will be placed with external providers.</p>	-500		
<p>Former recipients of the Independent Living Fund (ILF)</p> <p>The Independent Living fund closed on 30 June 2015. A number of recipients of care from the Council were in receipt of ILF funding, and it was therefore income taken into account when calculating client contributions. Although specific grant was received to cover the additional costs to the Council up to 31 March 2016, from 2016/17 it is likely the Council will have to meet these costs from the existing budget.</p>	256		
<p>Young people moving into Adult Social Care</p> <p>Known individuals who will transfer from Children, Young People and Learning during the year and who will often require high cost care packages.</p>	358		
<p>Capacity in the residential care market</p> <p>The Council is finding it increasingly difficult to make residential placements at the ordinary rate. This is due to a combination of limited capacity in the local market and increasing costs for care home providers. As a result there is a budget shortfall arising from the increasing unit cost of residential placements.</p>	94		
ADULT SOCIAL CARE, HEALTH AND HOUSING TOTAL	-597	0	0

¹ Shown under Council Wide savings in the budget consultation papers

CHILDREN, YOUNG PEOPLE AND LEARNING

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Additional income</p> <p>A number of services are exceeding their income targets, or identifying new opportunities for income generation, either through improved trading, or additional external contributions. Where this is expected to continue, budgets will be increased accordingly. This relates to Community Learning (£50,000), the Larchwood short break unit (£32,000) and aspects of support to the Schools Budget (£10,000).</p>	-92		
<p>Looked After Children</p> <p>The strategy put in place over the past three years to reduce costs continues to be successful. The number of children placed with in-house foster carers and therefore less expensive placements has increased from 61% in March 2012 to 64% at September 2015. There has also been an increase in the number of children being placed permanently outside the care system at minimal cost through either an Adoption or Special Guardianship Order. It has also been possible to de-escalate some young people from high cost residential placements to Independent Fostering. Savings are also continuing to be achieved through commissioning where a rigorous and challenging approach continues to result in savings.</p>	-275		
<p>Revised delivery of services and support</p> <p>As part of the on-going process to improve efficiency, a number of services have been reviewed to consider alternative ways for their delivery or opportunities for cost reductions through reduced take up or general efficiencies. The main reviews of service relate to the Early Help Offer where the Children's Centres management structure has been streamlined (£72,000) along with the youth offer (£58,000), and the Joint Legal Team that provides a Berkshire wide service, hosted by Reading Borough Council (£40,000).</p> <p>Other changes are proposed to Information, Advice and Guidance to young people where service provision can be reduced in response to evidence of low uptake (£70,000), Children's Social Care specialist contracts and externally commissioned assessments (£30,000), Youth Justice support to parenting services (£27,000), the share of cost from the Emergency Duty Team that provides an out of hours social work service (£25,000), the Finance Team (£20,000), and general Departmental resources used to respond to new initiatives (£5,000).</p>	-347		

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Multi-agency Safeguarding Hub (MASH)</p> <p>A MASH is designed to improve sharing of information indicating risk between appropriate agencies. MASH's are being established both nationally and within the Thames Valley region and are showing good outcomes both for children and the councils involved by ensuring all known concerns are highlighted at an early stage. The pressure relates to the Council's costs and a contribution to those being incurred by Thames Valley Police.</p>	50		
<p>Special Educational Needs (SEN)</p> <p>Statutory guidance in the SEN Code of Practice 2014 requires all SEN Statements to be converted into Education Health Care Plans before April 2018. Grants have been available in the previous two financial years to support the necessary staffing increase but there is no indication that these will continue. 190 statements will be required to be converted within the next financial year, to a shorter, 20 week timeframe which it is estimated will require additional short term capacity of 4.5 Full Time Equivalent staff. This will be funded from earmarked reserves.</p>	146	-73	-73
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	-518	-73	-73

CORPORATE SERVICES / CHIEF EXECUTIVE'S OFFICE

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Finance</p> <p>The Audit Commission confirmed a reduction in the contract costs before being wound down on 31 March 2015 of £0.035m. In addition there has been a reduction of £0.016m for the audit costs of the certification of the Housing Benefit subsidy claim.</p>	-51		
<p>Finance/Human Resources</p> <p>Annual licence costs reduced following the implementation of the new HR/Payroll system. The total saving is split evenly between HR and Finance</p>	-20		
<p>Finance</p> <p>Reduction in costs following the retender of the banking service contract</p>	-18		
<p>Legal Services</p> <p>The increased income target is based on the assumption that income will be maintained at current levels. However, this is a demand led service and there can be no assurance that the existing levels of income will continue.</p>	-23		
<p>ICT</p> <p>Renegotiated software support contracts, including Zenworks, and network maintenance costs have resulted in a saving. The assumption is the estate remains the same, however if it increases annual support and licencing costs also increase.</p>	-72		
<p>ICT</p> <p>New contract with BT for fixed line telephony on a call inclusive tariff has resulted in a saving of £0.010m. Further the re-negotiation of the wide area network connection contract has reduced costs by £0.012m.</p>	-22		
<p>Property Services</p> <p>The electric vehicle will reduce fuel charges. However, we may have to reduce charges on the new vehicle as it is cheaper to run.</p>	-5		
<p>Member & Mayoral Services</p> <p>Members' allowances have been previously underspent and</p>	-13		

REVENUE BUDGET PROPOSALS

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000																								
there has been no increase in the cost of Special Responsibility Allowances for the new administration.																											
<p>Revenue Services</p> <p>Implementation of the Surcharging module of the Capita payments system would allow the Council to pass the charge for using a credit card back to the customer. Currently the use of credit cards is costing the authority approximately £37,600 per annum (based on June 2015 income, managed through the Capita payment system). Failure to implement these changes would result in a significant pressure on the Revenues budget, as the allocated budget falls far short of the costs anticipated in 2015/2016 and 2016/2017 due to an increase in charges by banks.</p>	-11																										
<p>Property Services</p> <p>Home to School Transport savings are anticipated following the review of school runs, new tender process and the review of the services.</p>	-60																										
<p>Electoral Services</p> <p>This was seasonal spend on temporary staff used to support the canvass which has changed with the advent of Individual Electoral Registration.</p>	-3																										
<p>Human Resources</p> <p>Reduction in Occupational Health budget. This may result in longer turn around times on occupational health appointments/more limited availability of the Occupational Health Advisor.</p>	-5																										
<p>Departmental Posts</p> <p>The Department will reduce it's Full Time Equivalent (FTE) establishment in the following areas:</p> <table border="0" data-bbox="143 1646 869 1915"> <tr> <td>Finance</td> <td>FTE 1.0</td> <td>£0.031m</td> </tr> <tr> <td>Community Safety Team</td> <td>FTE 1.0</td> <td>£0.021m</td> </tr> <tr> <td>Member & Mayoral Services</td> <td>FTE 0.6</td> <td>£0.007m</td> </tr> <tr> <td>Registration Services</td> <td>FTE 0.4</td> <td>£0.008m</td> </tr> <tr> <td>Customer Services</td> <td>FTE 1.0</td> <td>£0.037m</td> </tr> <tr> <td>Digital Services</td> <td>FTE 0.5</td> <td>£0.012m</td> </tr> <tr> <td>Human Resources</td> <td>FTE 0.5</td> <td>£0.018m</td> </tr> <tr> <td>Property Services</td> <td>FTE 1.0</td> <td>£0.015m</td> </tr> </table> <p>These vacant posts currently help the Department achieve its managed vacancy target. By reducing the number of vacancies held there will be a need to slow the recruitment process</p>	Finance	FTE 1.0	£0.031m	Community Safety Team	FTE 1.0	£0.021m	Member & Mayoral Services	FTE 0.6	£0.007m	Registration Services	FTE 0.4	£0.008m	Customer Services	FTE 1.0	£0.037m	Digital Services	FTE 0.5	£0.012m	Human Resources	FTE 0.5	£0.018m	Property Services	FTE 1.0	£0.015m	-149		15
Finance	FTE 1.0	£0.031m																									
Community Safety Team	FTE 1.0	£0.021m																									
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Property Services	FTE 1.0	£0.015m																									

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
generally and there will be less flexibility to enable the recruitment to critical service posts which may need to be held vacant for longer leading to potential non-delivery of key objectives.			
Departmental Supplies & Services Reduction in various supplies and services budgets across the Department	-84		
Departmental Indirect Employee and Travel Costs Reduction in mileage, training, seminars and subsistence across the Department.	-9		
Departmental Income There have been above inflation increases to Digital Services, Unified Training and Transport income targets in line with 2015/16 estimated income.	-12		
Departmental Third Party Payments The costs of the Lord Lieutenants Office joint arrangement with Reading have fallen and the Molly Millars joint arrangement with Wokingham has come to an end.	-22		
Human Resources The Councils policy of Disclosure and Barring Service re-checks of existing staff will be revised to require them only for posts where there is a statutory requirement for them to be carried out.	-27		
Human Resources Renewing the licencing agreement with Learning Pool, which expires in February 2016. Learning Pool provide the e-learning platform for the Council. The Council's Learning & Development strategy is to develop e-learning as an alternative/supplementary approach to traditional forms of learning/training. The new e-learning system has the ability to link into the new iTrent HR system which presents opportunities to improve business processes.	15		
Home To School Transport Fewer available places in schools are leading to children being allocated places in schools which may not be nearest to their home address. This is a particular problem for primary school children as they are not expected to travel alone so bus passes are also issued to parents.	20		

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Finance</p> <p>Due to an increase in insurance premiums together with the increase in the annual provision for insurance claim excess payments.</p>	105		
<p>Chief Executive's Office</p> <p>Cost of providing the Business and Enterprise Team, a new priority area of work for the Council, agreed by members in December 2013. The first two years of the team has been funded from the Economic Development Reserve, as agreed by the Executive, on the basis that the costs would be brought into the revenue budget for 2016/17.</p> <p>The cost includes two Full Time Equivalent posts, together with funding to promote the Council's priorities including inward investment and work to support local firms.</p>	151		
<p>Post 16 Education Transport¹</p> <p>New legislation under the Children and Families Act 2014 extended an individual's right for educational support from age 19 to 25. The new legislation does not however extend the duties placed on a Council to provide transport for Post 16 learners. The net pressure seen is as a result of the discretionary transport policy being available to the extended number of older SEN learners who are continuing on educational courses. It is anticipated that a new Transport Policy for implementation in September 2016 will need to consider charging for transport for new Post 16 learners.</p>	50		
CORPORATE SERVICES / CHIEF EXECUTIVE TOTAL	-265	0	15

¹ Shown under Children, Young People and Learning in the budget consultation papers

ENVIRONMENT, CULTURE AND COMMUNITIES

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Local Development Framework (LDF)</p> <p>Reduction in consultancy budget. Additional evidence gathering will need to be undertaken in- house which will put pressure on the small team in place to deliver the comprehensive Local Plan. It introduces the possibility of delay.</p>	-100		
<p>Planning Policy</p> <p>Restructure of the planning service will result in a reduction in 1 Team leader post.</p>	-50		
<p>Reduction in Energy Management</p> <p>Reduction in management and redefinition of the energy management/ climate change role and relocation of Energy Management to Property Services.</p>	-50		
<p>Development Control</p> <p>A series of minor changes within the planning section but which will reduce officer capacity.</p>	-38		
<p>Development Control</p> <p>Removal of the microfiche archiving budget. Information on planning applications pre 1993 are still on microfiche and will not therefore be available electronically.</p>	-16		
<p>Transport Strategy & Implementation</p> <p>Reduction in Contracted Services, Publicity and Marketing and Summer Cycling Training budgets.</p>	-33		
<p>Sustainable Urban Drainage Systems (SUDS)</p> <p>Funding for the Building Control Trainee is now to be provided from Building Control income.</p>	-20		
<p>Waste PFI Contract</p> <p>Assuming the legal dispute is settled, additional recycle income will be received.</p>	-86		
<p>Waste Recycling</p> <p>Additional income from increasing the charges for brown bin emptying by £10 which will reduce the overall subsidy for the provision of the service.</p>	-100		

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
Public Realm Contracts Final efficiency savings realised from the Landscape & Street Cleansing contracts.	-65		
Environment Enhancements Reduction in the budget for enhancement schemes.	-10		
Car Parks As a result of the installation of LED lighting in Charles Square car park and the closure of escalators, there will be a reduction in energy costs.	-11		
Car Parks Additional income from the sale of tickets to the contractors working on the redevelopment of the Town Centre.	-17		
Cemetery & Crematorium Increase in fees & charges	-120		
Parks & Countryside Income derived from a new partnership with a neighbouring council.	-213		
Libraries Savings can be made as a result of further staff efficiencies.	-10		
The Look Out Additional income to be achieved.	-70		
Policy & Resources – Finance Team Deletion of Assistant Head of Finance post.	-42		
Policy & Resources Deletion of Programme & Project Manager post.	-48		
Policy & Resources – Business Systems Reclassification of a GIS officer post to a GIS technician.	-7		

REVENUE BUDGET PROPOSALS

Annexe D

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
E+Card Reduction in consultancy, card purchasing and discount booklet budgets.	-25		
Departmental Services Reduction in general office services budget.	-10		
Departmental IT Reduction in IT related budgets.	-20		
Re-structure of the Departmental Management Team¹ As a result of a review of the senior management, one Chief Officer post has been removed from the structure.	-105		
Bracknell Leisure Centre Reduction in income caused by rapid expansion of several small scale local leisure facilities.	145		
Trading Standards Loss of primary authority relationship with a large local company has resulted in reduced income.	8		
Coroners Service There have been a number of changes to this service, a joint arrangement with the other authorities in Berkshire, which has resulted in increased costs.	11		
Planning & Transportation Strategic Planner (New Communities) post - Project Management, Master planning and implementation expertise for Major Development Sites	56		
Planning & Transportation Development Engineer post to carry out additional work in respect of major development sites.	43		
ENVIRONMENT, CULTURE AND COMMUNITIES TOTAL	-1,003	0	0

¹ Shown under Council Wide savings in the budget consultation papers

COUNCIL WIDE

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Earmarked Reserves</p> <p>Statutory guidance in the SEN Code of Practice 2014 requires all SEN Statements to be converted into Education Health Care Plans before April 2018. 190 statements will be required to be converted within the next financial year, to a shorter, 20 week timeframe which it is estimated will require additional short term capacity of 4.5 FTE staff. This has been shown as a pressure under the Children, Young People and Learning Department but will be funded from a transfer out of earmarked reserves.</p>	-146	73	73
<p>Employers National Insurance Contributions</p> <p>Removal of the contracted out rebate for occupational pension schemes will significantly increase employer National Insurance contributions. The Council has no option but to implement this change in legislation.</p>	841		
COUNCIL WIDE TOTAL	695	73	73

TREASURY MANAGEMENT REPORT

- 1.1 The Local Government Act 2003 requires the Council to “have regard to” the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.
- 1.2 This report outlines the Council’s prudential indicators for 2016/17 – 2018/19 and sets out the expected treasury operations for this period. It fulfils four key legislative requirements:
- The reporting of the prudential indicators setting out the expected capital activities at Annex E(i) (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities).
 - The Council’s Minimum Revenue Provision (MRP) Policy at Annex E(ii), which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007);
 - The Treasury Management Strategy Statement which sets out how the Council’s treasury service will support the capital decisions taken above, the day to day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the Authorised Limit, set out in Annex E(iii), the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term.
 - The Annual Investment Strategy which sets out the Council’s criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the DCLG Investment Guidance and is shown in Annex E(iv).
- 1.3 There are few changes between this report and that presented last year. The following highlights are noted to aid comparison
- The Council’s primary investment objectives are the safeguarding of its principal whilst ensuring adequate liquidity. As global economies emerge from very uncertain times the Council will continue to use the highest quality counterparties and maintain short-duration maturities of less than 12 months. As such there are no changes to the Council’s Investment Criteria from the previous year.
 - Interest rates are unlikely to return to their pre-crisis level of 5% in the foreseeable future. Indeed interest rates are unlikely to rise above 1% in the next 12 months. As such the Council’s rate of return on investments is unlikely to be materially impacted by interest rate movements in the next 12 months – a position similar to 2015/16.
 - The Council has embarked on a period of significant capital expenditure in the Borough that exceeds that which has gone before. This expenditure will require external borrowing and as such the Council will require a strategy for managing this. The Council is fortunate to be undertaking this expenditure at a time when borrowing rates are near an historical low. This expenditure is reflected in a number of the Prudential Indicators and has been allowed for in the General Fund Revenue Account.

The Capital Prudential Indicators 2016/17 – 2018/19

The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and produce prudential indicators. Each indicator either summarises the expected capital activity or introduces limits upon that activity, and reflects the outcome of the Council's underlying capital appraisal systems.

Within this overall prudential framework there is an impact on the Council's treasury management activity – as it will directly impact on borrowing or investment activity and as such the Treasury Management Strategy for 2016/17 to 2018/19 complements these indicators. Some of the prudential indicators are shown in the Treasury Management Strategy to aid understanding.

The Capital Expenditure Plans

The Council's capital expenditure plans are summarised below and this forms the first of the prudential indicators. A certain level of capital expenditure is grant supported by the Government; any decisions by the Council to spend above this level will be considered unsupported capital expenditure. This capital expenditure needs to have regard to:

- Service objectives (e.g. strategic planning);
- Stewardship of assets (e.g. asset management planning);
- Value for money (e.g. option appraisal);
- Prudence and sustainability (e.g. implications for external borrowing and whole life costing);
- Affordability (e.g. implications for the council tax);
- Practicality (e.g. the achievability of the forward plan).

The revenue consequences of capital expenditure, particularly the unsupported capital expenditure, will need to be paid for from the Council's own resources.

This capital expenditure can be paid for immediately (by applying capital resources such as capital receipts, capital grants, or revenue resources), but if these resources are insufficient any residual capital expenditure will add to the Council's borrowing need.

The key risks to the plans are that the level of Government support has been estimated and is therefore maybe subject to change. Similarly some estimates for other sources of funding, such as capital receipts, may also be subject to change over this timescale. For instance anticipated asset sales may be postponed due to external factors, similarly the proceeds from the Right-to-Buy sharing agreement with Bracknell Forest Homes will also be impacted on by the wider economy.

The Council is asked to approve the summary capital expenditure projections below. This forms the first prudential indicator:

Capital Expenditure	2016/17 Estimate £000	2017/18 Estimate £000	2018/19 Estimate £000
Capital Expenditure	75,329	38,750	10,903
Financed by:			
Capital receipts	5,000	9,000	4,200
Capital grants & Contributions	19,846	16,201	4,414
Net financing need for the year	50,483	13,549	2,289

The Council's Borrowing Need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. The capital expenditure above which has not immediately been paid for will increase the CFR. Due to the nature of some of the capital expenditure identified above (ie grant), an element will be immediately impaired or will not qualify as capital expenditure for CFR purposes. As such the net financing figure above may differ from that used in the CFR calculation.

The Council is required to pay off an element of the accumulated General Fund capital spend each year through a revenue charge (the Minimum Revenue Provision - MRP), although it is also allowed to undertake additional voluntary payments (VRP). No additional voluntary payments are planned.

The Council is asked to approve the CFR projections below:

	2016/17 Estimate £000	2017/18 Estimate £000	2018/19 Estimate £000
Capital Financing Requirement			
Opening CFR	68,878	113,282	134,389
Movement in CFR	44,404	21,107	193

Movement in CFR represented by			
Net financing need for CFR purposes #	46,583	24,669	4,000
Less MRP/VRP and other financing movements	2,179	3,562	3,807
Movement in CFR	44,404	21,107	193

2017/18 includes impact of carry-forward from 2016/17

CLG Regulations have been issued which require full Council to approve an MRP Statement in advance of each year. The Council is recommended to approve the MRP Statement attached in Annex E(ii)

Affordability Prudential Indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Estimates of the ratio of financing costs to net revenue stream.

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate
Ratio	-0.12%	0.30%	0.39%

The estimates of financing costs include current commitments and the proposals in the Capital Programme Budget report.

Incremental impact of capital investment decisions on the Council Tax

This indicator identifies the revenue costs associated with proposed changes to the three year capital programme compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

	Forward Projection 2016/17	Forward Projection 2017/18	Forward Projection 2018/19
Council Tax - Band D	£4.79	£6.41	£1.47

Minimum Revenue Provision (MRP) Policy Statement

The concept of the Minimum Revenue Provision (MRP) was introduced when the Local Government Capital Finance System was changed on 1 April 1990. This required local authorities to assess their outstanding debt and to make an annual charge to the General Fund of 4% of the General Fund Debt.

Department for Local Government & Communities (DCLG) issued regulations in 2008 which require a local authority to calculate for the current financial year an amount of MRP which it considers “prudent”. The broad aim of a prudent provision is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits or in the case of borrowing supported by government, reasonably commensurate with the period implicit in the determination of the grant. The Council can choose to charge more than the minimum.

It is a requirement of these new regulations that full Council approve an annual MRP Statement of its policy on making MRP.

As capital expenditure is incurred which cannot be immediately financed through capital receipts or grant the Council’s borrowing need (its Capital Financing Requirement) will be positive and an MRP will be required. Historically the Council has not needed to borrow externally as it has had sufficient revenue investments to fund the capital programme. However it has still needed to make a charge to revenue for this “internal borrowing”.

The move to International Financial Reporting Standards (IFRS) in local government brought more PFI schemes on balance sheet and resulted in some leases (or parts of leases) being reclassified as finance lease instead of operating leases. These contracts would become subject to the requirement to provide MRP. IFRS requires these changes to be accounted for retrospectively. With the result that an element of the rental or service charge payable in previous years will be taken to the balance sheet to reduce the liability. On its own this change would result in a one-off increase to the capital financing requirement, and an equal increase in revenue account balances. This is not seen as a prudent course of action and as such the guidance recommends the inclusion in the annual MRP charge of an amount equal to the amount that has been taken to the balance sheet to reduce the liability, including the retrospective element in the first year.

The guidance sets out four options for making MRP. It envisages that authorities can distinguish between borrowing that is “supported” (through the RSG system) and other “unsupported or prudential” borrowing. The first two methods should only be used for “supported” borrowing

- 1) The regulatory method. This involves following the existing practice outlined in the former DCLG regulation. For the Council this is essentially the same as the CFR method.
- 2) The CFR Method. This involves setting the MRP equal to 4% of the Capital Financing Requirement at the end of the preceding year.
- 3) The Asset Life Method. This method requires MRP to be charged over the asset life. The asset life is determined in the year MRP commences and is not changed. MRP will not be charged until the asset becomes operational. Therefore it will be possible to take an MRP holiday for those assets in construction.

- 4) The Depreciation Method. This requires the MRP to equal the actual depreciation based on standard accounting procedures.

Recommended Policy

In setting the 2016/17 budget and beyond the following policy is recommended:

- 1) There will be a presumption that capital receipts will be allocated to the appropriate assets in relation to the constraints of the medium term financial strategy.
- 2) The Council will identify the level of “supported borrowing” and use the CFR Method i.e. 4% of this figure as part of the MRP charge. The supported borrowing will be used in full irrespective of the service block the funding was allocated in the grant settlement and will also be allocated to the appropriate assets in relation to the constraints of the medium term financial strategy.
- 3) For the remaining “unsupported borrowing” the Council will use the asset life method.

The actual charge made in the year will be based on applying the above policy to the previous year’s actual capital expenditure and funding decisions. Therefore the 2016/17 charge will be based on 2015/16 capital out-turn.

The recommended policy is consistent with approach that the Council has adopted in previous years, minimising the impact on the revenue budget whilst ensuring that prudent provision is made for repayment of internal borrowings.

TREASURY MANAGEMENT STRATEGY STATEMENT

The Treasury Management service is an important part of the overall financial management of the Council's affairs. The prudential indicators in Annex E(i) consider the affordability and impact of capital expenditure decisions, and set out the Council's overall capital framework. The Treasury Management service considers the effective funding of these decisions. Together they form part of the process which ensures the Council meets its balanced budget requirement under the Local Government Finance Act 1992.

The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice - 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). This Council has adopted the revised Code.

As a result of adopting the Code the Council also adopted a Treasury Policy Statement. This adoption is the requirement of one of the prudential indicators.

The Code of Practice requires an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. A further treasury report is produced after the year-end to report on actual activity for the year, and a new requirement of the revision of the Code of Practice is that there is a mid-year monitoring report.

This strategy covers:

- The Council's debt and investment projections;
- The Council's estimates and limits on future debt levels;
- The expected movement in interest rates;
- The Council's borrowing and investment strategies;
- Treasury performance indicators;
- Specific limits on treasury activities;

Debt and Investment Projections 2015/16 – 2018/19

The borrowing requirement comprises the expected movement in the CFR and any maturing debt which will need to be re-financed. As a result of the significant investment planned by the Authority over the next three years the Council will be required to borrow externally during the period 2016/17 to 2018/19. However the exact timing of this borrowing will depend on the progress made in completing the major schemes. As such this table below highlights the expected change in investment balances.

	2015/16 Estimated	2016/17 Estimated	2017/18 Estimated	2018/19 Estimated
External Debt				
Debt at 31 March	0	£27m	£35m	£33m
Investments				
Investments at 31 March	£20m	0	0	0

Limits to Borrowing Activity

Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits. For the first of these the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2016/17 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Borough Treasurer reports that the Council has complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

The Authorised Limit for External Debt

A further key prudential indicator represents a control on the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been exercised.

The Council is asked to approve the following Authorised Limit:

Authorised limit	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate
Borrowing	£108m	£128m	£129m
Other long term liabilities	£16m	£16m	£15m
Total	£124m	£144m	£144m

Operational Boundary for External Debt

The Authority is also recommended to approve the Operational Boundary for external debt for the same period. The proposed Operational Boundary is based on the same estimates as the Authorised Limit but reflects directly the estimate of the most likely but not worst case scenario, without the additional headroom included within the Authorised Limit to allow for unusual cash movements.

Operational Boundary	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate
Borrowing	£103m	£123m	£124m
Other long term liabilities	£16m	£16m	£15m
Total	£119m	£139m	£139m

Borrowing in advance of need.

The Borough Treasurer may do this under delegated power where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or meet budgetary constraints. Whilst the Borough

Treasurer will adopt a cautious approach to any such borrowing, where there is a clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund future debt maturities. Risks associated with any advance borrowing activity will be subject to appraisal in advance and subsequent reporting through the mid-year or annual reporting mechanism.

Expected Movement in Interest Rates

The Council has appointed Capita as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives their central view on the future levels of the Bank Rate

Medium-Term Rate Estimates (averages)

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2015	0.50	2.30	3.60	3.60
Mar 2016	0.50	3.00	3.70	3.70
Jun 2016	0.75	3.10	3.80	3.80
Sep 2016	0.75	3.20	3.90	3.90
Dec 2016	1.00	3.30	4.00	4.00
Mar 2017	1.00	3.40	4.10	4.10
Jun 2017	1.25	3.50	4.20	4.20
Sep 2017	1.50	3.50	4.30	4.30
Dec 2017	1.50	3.50	4.30	4.30
Mar 2018	1.75	3.50	4.30	4.30

* Borrowing Rates

UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were the strongest growth rates of any G7 country; the 2014 growth rate was also the strongest UK rate since 2006 and the 2015 growth rate is likely to be a leading rate in the G7 again, probably being second to the US. However, quarter 1 of 2015 was weak at +0.4% though there was a rebound in quarter 2 to +0.7% before weakening again to +0.5% in quarter 3. The November Bank of England Inflation Report included a forecast for growth to remain around 2.5 – 2.7% over the next three years, driven mainly by strong consumer demand as the squeeze on the disposable incomes of consumers has been reversed by a recovery in wage inflation at the same time that CPI inflation has fallen to, or near to, zero since February 2015 this year. Investment expenditure is also expected to support growth. However, since the August Inflation report was issued, worldwide economic statistics have distinctly weakened and the November Inflation Report flagged up particular concerns for the potential impact on the UK.

The Inflation Report was notably subdued in respect of the forecasts for inflation; this was expected to barely get back up to the 2% target within the 2-3 year time horizon. However, once the falls in oil, gas and food prices over recent months fall out of the 12 month calculation of CPI, there will be a sharp tick up from the current zero rate to around 1 percent in the second half of 2016. The increase in the forecast for inflation at the three year horizon was the biggest in a decade and at the two year horizon was the biggest since February 2013. There is considerable uncertainty around how quickly inflation will rise in the next few years and this makes it difficult to forecast when the MPC will decide to make a start on increasing Bank Rate.

However what is certain is that investment returns are likely to remain relatively low during 2016/17 and beyond.

Borrowing Strategy 2016/17

The Council still will retain investments of at least £15m moving into 2016/17, however given the level of capital investments planned by the authority for 2016/17 and beyond, it will be required to borrow externally within the next 12 to 24 months and probably before the end of 2016/17. The Borough Treasurer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it is considered that there is a significant risk of a sharp fall in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and short term borrowing will be considered.
- if it is felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in the anticipated rate to US tapering of asset purchases, or in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.

However given the current short-term projections for interest rates, any borrowing undertaken in the next 24 months is likely to be of a longer maturity. Any decisions will be reported to the Executive and the Governance & Audit Committee at the next available opportunity.

As such the Authorised Limit for External Debt has been set to enable the Council to manage its cash flow effectively through the use of temporary borrowing, in the unlikely event that this should be necessary.

Investment Strategy 2016/17 – 2018/19

Investment Policy

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code").

Key Objectives

The Council's investment strategy primary objectives are safeguarding the repayment of the principal and interest of its investments on time first and ensuring adequate liquidity second – the investment return being a third objective. Following the economic background outlined in the Treasury Management Strategy, the current investment climate has one over-riding risk consideration that of counterparty security risk. As a result of these underlying concerns officers are implementing an operational investment strategy which maintains the tightened controls already in place in the approved investment strategy.

Investment Counterparty Selection Criteria

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration.

After this main principle the Council will ensure:

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

In accordance with the Investment Guidance, the Council will, in considering the security of proposed investments, follow different procedures according to which of two categories, Specified or Unspecified, the proposed investment falls into.

Specified Investments offer high security and high liquidity and are:

- ◆ Denominated, paid and repaid in sterling;
- ◆ Not long term investments, i.e. they are due to be repaid within 12 months of the date on which the investment was made;
- ◆ Not defined as capital expenditure; and
- ◆ Are made with a body or in an investment scheme which has been awarded a high credit rating by a credit rating agency or are made with the UK Government or a Local Authority in England, Wales, Scotland or Northern Ireland.

Non-Specified Investments are those which do not meet the definition of Specified Investments.

In accordance with guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings,

watches and outlooks published by all three ratings agencies with a full understanding of what these reflect in the eyes of each agency. Using Capita's ratings service, potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.

Furthermore, the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings. This is fully integrated into the credit methodology provided by the advisors, Capita Asset Services in producing its colour codings which show the varying degrees of suggested creditworthiness.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk. The intention of the strategy is to provide security of investment and minimisation of risk.

Investment instruments identified for use in the financial year are listed in appendix under the 'specified' and 'non-specified' investments categories.

Creditworthiness policy

This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

The main rating agencies (Fitch, Moody's and Standard & Poor's) have, through much of the financial crisis, provided some institutions with a ratings "uplift" due to implied levels of sovereign support. Commencing in 2015, in response to the evolving regulatory regime, all three agencies have begun removing these "uplifts" with the timing of the process determined by regulatory progress at the national level. The process has been part of a wider reassessment of methodologies by each of the rating agencies. In addition to the removal of implied support, new methodologies are now taking into account additional factors, such as regulatory capital levels. In some cases, these factors have "netted" each other off, to leave underlying ratings either unchanged or little changed. A consequence of these new methodologies is that they have also lowered the importance of the (Fitch) Support and Viability ratings and have seen the (Moody's) Financial Strength rating withdrawn by the agency.

In keeping with the agencies' new methodologies, the rating element of our own credit assessment process now focuses solely on the Short and Long Term ratings of an institution. While this is the same process that has always been used for Standard

& Poor's, this has been a change in the use of Fitch and Moody's ratings. It is important to stress that the other key elements to our process, namely the assessment of Rating Watch and Outlook information as well as the Credit Default Swap (CDS) overlay have not been changed.

It is important to stress that these rating agency changes do not reflect any changes in the underlying status or credit quality of the institution. They are merely reflective of a reassessment of rating agency methodologies in light of enacted and future expected changes to the regulatory environment in which financial institutions operate. While some banks have received lower credit ratings as a result of these changes, this does not mean that they are suddenly less credit worthy than they were formerly. Rather, in the majority of cases, this mainly reflects the fact that implied sovereign government support has effectively been withdrawn from banks. They are now expected to have sufficiently strong balance sheets to be able to withstand foreseeable adverse financial circumstances without government support. In fact, in many cases, the balance sheets of banks are now much more robust than they were before the 2008 financial crisis when they had higher ratings than now. However, this is not universally applicable, leaving some entities with modestly lower ratings than they had through much of the "support" phase of the financial crisis.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following maturities .

Dark pink	5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
Light pink	5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months
Green	100 days
No colour	not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

	Colour (and long term rating where applicable)	Money and/or % Limit	Time Limit
Banks	orange	£7m	1 yr
Banks – part nationalised	blue	£7m	1 yr
Banks	red	£7m	6 months
Banks	green	£7m	100 days
Banks	No colour	£0m	0 days
Debt Management Account Deposit Facility	AAA	£7m	6 months
Local authorities	n/a	£7m	1 yr
Money market funds	AAA	£7m	liquid
Enhanced money market funds with a credit score of 1.25	Dark pink / AAA	£7m	liquid
Enhanced money market funds with a credit score of 1.5	Light pink / AAA	£7m	liquid

Our creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue influence to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of short term rating F1, long term rating A-, viability rating of A-, and a support rating of 1 There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored in real time. The Council is alerted to changes to ratings of all three agencies through its use of our creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on government support for banks and the credit ratings of that supporting government

In the normal course of the council's cash flow operations it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.

The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded however the current investment limits for 2016/17 restrain all investments to less than 1 year. Any amendment to this strategy will require the credit-criteria to be amended to include a long-term rating. This will be addressed through the formal approval by Council of a revised Treasury Management Strategy and Annual Investment Strategy.

Country and Sector Considerations

Due care will be taken to consider the country, group and sector exposure of the Council's investments. The current investment strategy limits all investments to UK Banks, Building Societies and Local Authorities, in addition to Sterling denominated AAA Money Market Funds. The list of banks and building societies currently available to the Council is limited to Lloyds, Barclays, Santander, Royal Bank of Scotland, HSBC and Nationwide.

Economic Investment Considerations

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates. The UK Bank Rate is forecast to remain unmoved through to late 2016.

The criteria for choosing counterparties set out above provides a sound approach to investment in "normal" market circumstances. Whilst Members are asked to approve this base criteria above, under the exceptional current market conditions the Borough Treasurer may temporarily restrict further investment activity to those counterparties considered of higher credit quality than the minimum criteria set out for approval. These restrictions will remain in place until the banking system returns to "normal" conditions. Similarly the time periods for investments will be restricted.

Examples of these restrictions would be the greater use of the Debt Management Deposit Account Facility (a Government body which accepts local authority deposits), Money Market Funds, and strongly rated institutions. The credit criteria have been amended to reflect these facilities.

Sensitivity to Interest Rate Movements

Future Council accounts will be required to disclose the impact of risks on the Council's treasury management activity. Whilst most of the risks facing the treasury management service are addressed elsewhere in this report (credit risk, liquidity risk, market risk, maturity profile risk), the impact of interest rate risk is discussed but not quantified. The table below highlights the estimated impact of a 1% change in interest rates to the estimated treasury management income for next year.

	2016/17 Estimated + 1%	2016/17 Estimated - 1%
Revenue Budgets	£'000	£'000
Investment income	100	-100

Treasury Management Limits on Activity

There are four further treasury activity limits, which were previously prudential indicators. The purpose of these are to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs/improve performance. The indicators are:

Upper limits on variable interest rate exposure – This identifies a maximum limit for variable interest rates based upon the debt position net of investments

Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates.

Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

Total principal funds invested for greater than 364 days – These limits are set with regard to the Council's liquidity requirements and are based on the availability of funds after each year-end.

The Council is asked to approve the limits:

	2016/17	2017/18	2018/19
Interest rate Exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	£103m	£123m	£124m
Limits on variable interest rates based on net debt	£103m	£123m	£124m
Maturity Structure of fixed interest rate borrowing 2015/16			
	Lower	Upper	
Under 12 months	0%	100%	
12 months to 2 years	0%	100%	
2 years to 5 years	0%	100%	
5 years to 10 years	0%	100%	
10 years and above	0%	100%	
Maximum principal sums invested > 364 days			
Principal sums invested > 364 days	£m 0	£m 0	£m 0

Performance Indicators

The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. For 2016/17 the Council does not expect to enter into any substantial long-term borrowing and as such the relevant benchmark will relate only to investments and will be the "7 Day LIBID Rate". The results of these indicators will be reported in the Treasury Annual Report.

Treasury Management Advisers

The Council uses Capita Asset Services as its treasury management consultants. The Council recognises that responsibility for treasury management decision remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subject to regular review.

Member and Officer Training

The increased Member consideration of treasury management matters and the need to ensure officers dealing with treasury management are trained and kept up to date requires a suitable training process for Members and officers. Following the nomination of the Governance and Audit Committee to examine and assess the effectiveness of the Treasury Management Strategy and Policies, initial training was provided and additional training has been undertaken as necessary. Officer training is carried out in accordance with best practice and outlined in TMP 10 Training and Qualifications to ensure that all staff involved in the Treasury Management function are fully equipped to undertake the duties and responsibilities allocated to them

SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated.

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Rating **	Circumstance of use	Maximum period
Debt Management Agency Deposit Facility* (DMADF) * this facility is at present available for investments up to 6 months	No	Yes	Govt-backed	In-house	364 Days
Term deposits with the UK government or with Local Authority in England, Wales, Scotland or Northern Ireland with maturities up to 364 Days	No	Yes	High security although LAs not credit rated.	In-house and by external fund managers subject to the guidelines and parameters agreed with them	364 Days
Term deposits with credit-rated deposit takers (banks and building societies), including callable deposits, with maturities up to 364 Days	No	Yes	<i>As per list of approved Counterparties</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them	364 Days
Certificates of Deposit issued by credit-rated deposit takers (banks and building societies) : up to 364 Days. <i>Custodial arrangement required prior to purchase</i>	No	Yes	<i>As per list of approved Counterparties</i>	To be used by external fund managers only subject to the guidelines and parameters agreed with them	364 Days
Gilts : up to 364 Days	No	Yes	Govt-backed	To be used by external fund managers only subject to the guidelines and parameters agreed with them	364 Days

Unrestricted

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Rating **	Circumstance of use	Maximum period
Money Market Funds <i>These funds do not have any maturity date</i>	No	Yes	<i>AAA Rating by Fitch, Moodys or S&P</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them	The period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements
Forward deals with credit rated banks and building societies < 1 year (i.e. negotiated deal period plus period of deposit)	No	Yes	<i>As per list of approved Counterparties</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them. Tracking of all forward deals to be undertaken and recorded.	1 year in aggregate
Commercial paper <i>[short-term obligations (generally with a maximum life of 9 months) which are issued by banks, corporations and other issuers]</i> <i>Custodial arrangement required prior to purchase</i>	No	Yes	<i>As per list of approved Counterparties</i>	To be used by external fund managers only subject to the guidelines and parameters agreed with them	9 months
Treasury bills <i>[Government debt security with a maturity less than one year and issued through a competitive bidding process at a discount to par value] Custodial arrangement required prior to purchase</i>	No	Yes	Govt-backed	To be used by external fund managers only subject to the guidelines and parameters agreed with them	1 year

NON-SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated.

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/ Loan Capital?</u>	<u>Repayable/ Redeemable within 12 months?</u>	<u>Security / Minimum credit rating **</u>	<u>Circumstance of use</u>	<u>Maximum maturity of investment</u>
Deposits with Authority's Banker where credit rating has dropped below minimum criteria	Where the Council's bank no longer meets the high credit rating criteria set out in the Investment Strategy the Council has little alternative but to continue using them, and in some instances it may be necessary to place deposits with them, these deposits should be of a very short duration thus limiting the Council to daylight exposure only (i.e. flow of funds in and out during the day, or overnight exposure).	No	Yes	n/a	In-House	364 Days
Term deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment. (B) (i) Illiquid : as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk : potential for greater deterioration in credit quality over longer period	No	No	<i>As per list of approved Counterparties</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them	5 Years
Certificates of Deposit with credit rated deposit takers (banks and building societies) with maturities greater than 1 year <i>Custodial arrangement required prior to purchase</i>	(A) (i) Although in theory tradable, are relatively illiquid. (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of CD which could negatively impact on price of the CD.	No	Yes	<i>As per list of approved Counterparties</i>	To be used by external fund managers only subject to the guidelines and parameters agreed with them	5 years

Unrestricted

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/</u> <u>Loan</u> <u>Capital?</u>	<u>Repayable/</u> <u>Redeemable</u> <u>within 12</u> <u>months?</u>	<u>Security /</u> <u>Minimum Credit</u> <u>Rating?</u>	<u>Circumstance of</u> <u>use</u>	<u>Maximum</u> <u>maturity of</u> <u>investment</u>
Callable deposits with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Enhanced income ~ Potentially higher return than using a term deposit with similar maturity. (B) (i) Illiquid – only borrower has the right to pay back deposit; the lender does not have a similar call. (ii) period over which investment will actually be held is not known at the outset. (iii) Interest rate risk : borrower will not pay back deposit if interest rates rise after deposit is made.	No	No	<i>As per list of approved Counterparties</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them	<i>5 years</i>
UK government gilts with maturities in excess of 1 year <i>Custodial arrangement required prior to purchase</i>	(A) (i) Excellent credit quality. (ii) Very Liquid. (iii) If held to maturity, known yield (rate of return) per annum ~ aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.	No	Yes	Govt backed	To be used by external fund managers only subject to the guidelines and parameters agreed with them	<i>10 years including but also including the 10 year benchmark gilt</i>

Unrestricted

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/ Loan Capital?</u>	<u>Repayable/ Redeemable within 12 months?</u>	<u>Security / Minimum credit rating **</u>	<u>Circumstance of use</u>	<u>Maximum maturity of investment</u>
Forward deposits with credit rated banks and building societies for periods > 1 year (i.e. negotiated deal period plus period of deposit)	(A) (i) Known rate of return over period the monies are invested ~ aids forward planning. (B) (i) Credit risk is over the whole period, not just when monies are actually invested. (ii) Cannot renege on making the investment if credit rating falls or interest rates rise in the interim period.	No	No	<i>As per list of approved Counterparties</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them. Tracking of all forward deals to be undertaken and recorded.	<i>5 years</i>
Deposits with unrated deposit takers (banks and building societies) but with unconditional financial guarantee from HMG or credit-rated parent institution : any maturity	(A) Credit standing of parent will determine ultimate extent of credit risk	No	Yes	<i>As per list of approved Counterparties</i>	In-house and by external fund managers subject to the guidelines and parameters agreed with them	<i>1 year</i>

Reserves & Balances Policy Statement

As part of the financial planning process the Council will consider the establishment and maintenance of reserves and balances. In setting these, account is taken of the key assumptions underpinning the budget and financial strategy, together with the Council's financial management arrangements. Key factors considered include;

- Cash flow
- Assumptions on inflation and interest rates
- Level and timing of capital receipts
- Demand led pressures
- Planned economies
- Risk associated with major projects
- Availability of other funding (e.g. insurance)
- General financial climate

Reserves and Balances can be held for a number of purposes

General Balances

Balance	Purpose	Policy	Value
General Fund	Provides general contingency for unavoidable or unforeseen expenditure and to cushion against uneven cash flows and provides stability in longer term financial planning.	Policy based on a risk assessment of budget and medium term financial plans. Historically £4m has been considered to be the minimum prudent level. Using balances to support expenditure results in a loss of investment income.	March 13 £12.982m March 14 £9.813m March 15 £10.961m March 16 £12.000m March 17 £10.500m

Earmarked Reserves

Earmarked Reserves are sums of money which have been set aside for specific purposes. These are excluded from general balances available to support revenue or capital expenditure. The Council has the following earmarked reserves:

Reserve	Purpose	Policy	Value
Insurance and other Uninsured Claims	This provides cover for the excess payable on claims under the Council's insurance policies (self insurance). It also provides for any potential future claims not covered by existing policies, including contractual disputes and legal claims.	Needs to be at a level where the provision could sustain claims in excess of current claims history	March 13 £2.266m March 14 £2.639m March 15 £2.731m March 16 £2.731m March 17 £2.731m
Budget Carry Forward	Used to carry forward approved unspent monies to the following year.	Budget Carry Forwards are permitted only in accordance with the scheme set out in financial regulations.	March 13 £0.449m March 14 £0.719m March 15 £0.202m March 16 £0.000m March 17 £0.000m
Cost of Structural Change	The reserve gives an opportunity to fund the one-off additional costs arising from restructuring before the benefits are realised.	This reserve will be used to meet organisational wide and departmental restructures where there are demonstrable future benefits.	March 13 £1.975m March 14 £1.664m March 15 £1.469m March 16 £0.600m March 17 £0.400m
Schools' Balances	These funds are used to support future expenditure within the Dedicated Schools Block and include individual school balances.	Balances are permitted to be retained by Schools under the Schools Standards & Framework Act 1998. Policies are set and the reserves are managed by schools and the LEA has no practical control over the level of balances.	March 13 £4.471m March 14 £4.371m March 15 £4.013m March 16 £4.013m March 17 £4.013m
Discretionary School Carry Forwards	The statutory requirement to carry forward school balances has been extended to cover those held for the Language & Literacy Unit, Pupil Referral Units and the Schools Specific Contingency as set out in the financial	Budget Carry Forwards are permitted in accordance with the scheme set out in financial regulations.	March 13 £0.102m March 14 £0.068m March 15 £0.074m March 16 £0.074m March 17 £0.074m

Reserve	Purpose	Policy	Value
	regulations.		
Unused Schools Budget Balance	The Schools Budget is a ring fenced account, fully funded by external grants, the most significant of which is the Dedicated Schools Grant. Any under or overspending remaining at the end of the financial year must be carried forward to the next year's Schools Budget and as such has no impact on the Council's overall level of balances.	This reserve is held for specific accounting reasons. The funds in this reserve are ring fenced and cannot be used for any other purpose.	March 13 £0.517m March 14 £0.950m March 15 £0.208m March 16 £0.415m March 17 £0.500m
SEN Resource Units	An earmarked reserve set up in 2012/13 from the under spend on the Schools Budget to fund building adaptations required to develop SEN (special education needs) resource units.	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 13 £0.490m March 14 £0.490m March 15 £0.490m March 16 £0.261m March 17 £0.060m
Schools Job Evaluation	An earmarked reserve set up in 2012/13 from the under spend on the Schools Budget to help finance any additional costs that may arise in schools from the implementation of the Bracknell Forest Supplement.	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 13 £0.285m March 14 £0.285m March 15 £0.117m March 16 £0.000m
School Meals Re-tender	An earmarked reserve set up in 2013/14 from the under spend on the Schools Budget to cover the costs of the re-tender exercise.	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 14 £0.040m March 15 £0.040m March 16 £0.040m March 17 £0.040m
School Expansion Rates	An earmarked reserve set up in 2013/14 from the under spend on the Schools Budget to help finance the increase in Business Rates arising from school expansions. School budgets are	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive	March 14 £0.112m March 15 £0.196m March 16 £0.350m March 17 £0.500m

Reserve	Purpose	Policy	Value
	normally set on a provisional figure and the reserve will absorb the differences between provisional and actual figures.	member for Children, Young People and Learning.	
Education Library Service	A joint arrangement with other Berkshire authorities for the Education Library Service. This reserve is used for the provision of future equipment.	The reserve is held in order to finance the renewal or maintenance of specific items of equipment and reduces pressure on maintenance budgets in one particular year. Use of the reserve is subject to the agreement of the Council's participating in the joint arrangement.	March 13 £0.110m March 14 £0.089m March 15 £0.063m March 16 £0.063m March 17 £0.000m
Repairs & Renewals	The Council has accumulated funding in an earmarked reserve from service charges paid by tenants at Longshot Lane, Forest Park and Liscombe.	The reserve is held in order to finance future improvement works thereby reducing pressure on maintenance budgets.	March 13 £0.046m March 14 £0.051m March 15 £0.066m March 16 £0.066m March 17 £0.066m
Building Regulation Chargeable Account	A statutory ring fenced account which over time must breakeven.	This reserve is held for specific accounting reasons. The funds in this reserve are ring fenced and cannot be used for any other purpose. The account is currently in deficit and therefore there is no balance on the reserve.	March 13 £0.000m March 14 £0.000m March 15 £0.000m March 16 £0.000m March 17 £0.000m
Commutated Maintenance of Land	Money is received and set aside for the ongoing maintenance of land transferred to the Council under Section 106 agreements.	The reserve will be used to cover the cost of maintaining land transferred to the Council under Section 106 agreements.	March 13 £0.217m March 14 £0.239m March 15 £0.643m March 16 £1.032m March 17 £0.782m
S106 and Travel Plan Monitoring	Money is received and set aside to cover the costs of monitoring developers' compliance with Section 106 agreements, including any travel plan requirements.	The reserve will be used to cover the cost of monitoring developers' compliance with Section 106 agreements, including any travel plan requirements.	March 13 £0.099m March 14 £0.109m March 15 £0.120m March 16 £0.120m March 17 £0.120m

Reserve	Purpose	Policy	Value
Financial Systems Upgrade	A reserve to meet additional revenue costs arising from the upgrade of Agresso to version 5.5.	The reserve will be used to meet costs arising from phase two of the upgrade.	March 13 £0.049m March 14 £0.040m March 15 £0.040m March 16 £0.000m March 17 £0.000m
Property Searches Chargeable Account	A reserve created for a statutory ring fenced account which over time must breakeven.	This reserve is held for specific accounting reasons. The funds in this reserve are ring fenced and cannot be used for any other purpose.	March 13 £0.063m March 14 £0.117m March 15 £0.133m March 16 £0.140m March 17 £0.140m
Business Rates Equalisation	A reserve to manage the volatility in business rates income expected to result from the localisation of business rates in April 2013.	The reserve will be used to smooth the impact of changes in business rate income on the annual budget including levy payments and further appeals. The sum set aside for the 2014/15 Collection Fund deficit accounts for £6.127m of the total.	March 13 £2.000m March 14 £0.000m March 15 £13.700m March 16 £14.300m March 17 £1.750m
Transformation	A reserve to support investment in service innovation and improvements.	The reserve will be used to meet the upfront costs of transformation.	March 13 £0.435m March 14 £0.500m March 15 £0.480m March 16 £0.300m March 17 £0.150m
Demographic Pressures and Projects	A reserve to fund future demographic pressures and projects within Adult Social Care.	The reserve will be used to smooth the impact of demographic changes and to meet the upfront cost of projects designed to create efficiencies and service improvements.	March 13 £0.759m March 14 £0.709m March 15 £0.477m March 16 £0.477m March 17 £0.377m
Revenue Grants Unapplied	A reserve to hold unspent revenue grants and contributions where there are no outstanding conditions.	The reserve will be used to match the grant income to the associated expenditure.	March 13 £1.802m March 14 £1.941m March 15 £2.083m March 16 £2.200m March 17 £2.200m

Reserve	Purpose	Policy	Value
Early Intervention	A reserve to support initiatives that focus on early intervention and preventative work.	The reserve will be used to meet the upfront cost of initiatives focusing on early intervention and preventative work.	March 13 £0.465m March 14 £0.353m March 15 £0.289m March 16 £0.259m March 17 £0.134m
Economic Development	A reserve to support economic development.	This reserve will be used to support and increase local economic prosperity.	March 13 £0.456m March 14 £0.550m March 15 £0.279m March 16 £0.000m March 17 £0.000m
School Masterplans and Feasibility Studies	A reserve to meet the cost of masterplans and feasibility studies for schools expansion.	Any upfront costs incurred prior to a decision being taken to construct an asset may need to be met from revenue.	March 13 £0.300m March 14 £0.500m March 15 £0.500m March 16 £0.500m March 17 £0.500m
Repairs and Maintenance	A reserve to address 1D priorities (urgent works required to assets which are life expired and/or in serious risk of imminent failure) which are revenue rather than capital in nature.	The reserve will be used for high priority revenue repairs and maintenance.	March 13 £0.500m March 14 £0.494m March 15 £0.187m March 16 £0.000m March 17 £0.000m
Residents Parking Scheme	A reserve to meet the cost of the trial scheme in six zones surrounding Bracknell Town Centre.	To meet the cost of the trial scheme in the first two years of operation.	March 14 £0.140m March 15 £0.140m March 16 £0.000m March 17 £0.000m
Members Initiatives	A reserve to fund another round of small projects (£0.015m per member) based on members' knowledge of local ward priorities or in conjunction with partners and other stakeholders.	The reserve will be used for local ward priorities identified by members	March 14 £0.630m March 15 £0.207m March 16 £0.000m March 17 £0.000m

Reserve	Purpose	Policy	Value
Public Health Reserve	Under the conditions of the Public Health grant, any under spend of the ring fenced grant can be carried over via a reserve into the next financial year.	The reserve will be used to fund Public Health priorities and projects.	March 14 £0.286m March 15 £0.399m March 16 £0.193m March 17 £0.100m
Better Care Fund Reserve	A new reserve to help meet the cost of Better Care Fund priorities and projects.	The reserve will be used to fund Better Care Fund priorities and projects.	March 15 £0.945m March 16 £1.300m March 17 £1.100m

Unusable Revenue Reserves

Certain reserves are kept to manage the accounting processes and do not represent usable resources for the Council.

Balance	Purpose	Policy	Value
Collection Fund Adjustment Account	A reserve required to reflect Collection Fund changes included in the SORP 2009. The balance represents the difference between the Council Tax income included in the Income and Expenditure Account and the amount required by regulation to be credited to the General Fund.	This balance is held for specific accounting reasons.	March 13 £0.209m March 14 £6.474m March 15 -£5.851m March 16 -£2.000m March 17 £0.000m
Accumulated Absences Account	A reserve which absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year (e.g. annual leave and flexi-time entitlement carried forward at 31 March). Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.	This balance is held for specific accounting reasons.	March 13 -£5.198m March 14 -£5.108m March 15 -£5.692m March 16 -£5.000m March 17 -£5.000m
Pensions	Reflects the Council's share of the Royal County of Berkshire Pension Fund's assets and liabilities. Contributions will be adjusted to ensure any projected deficit is funded.	This balance is held for specific accounting reasons.	March13 -£145.949m March14 -£164.072m March15 -£223.895m March16 -£223.895m March17 -£223.895m

PROVISIONAL BUDGET SUMMARY STATEMENT
Subject to amendment in the light of final budget decisions

Line		2015/16	2016/17
		£'000	£'000
	Bracknell Forest's Expenditure		
1	Adult Social Care and Health	37,216	36,953
2	Children, Young People and Learning	25,669	26,677
3	Chief Executives /Corporate Services	7,472	7,311
4	Environment, Culture & Communities	33,947	33,094
5	Corporate Wide Items (to be allocated)	405	1,294
6	Sub-Total	104,709	105,329
7	Non Departmental Expenditure		
8	Contingency provision	2,000	1,000
9	Debt Financing Costs (Minimum Revenue Provision)	1,489	1,853
10	Levying Bodies	108	108
11	Interest	(124)	(9)
12	Pension Interest Cost & Administration Expenses	7,251	7,251
13	Other Services	463	424
14	Business Rates Growth	(5,893)	(2,694)
15	Contribution from Capital Resources	(300)	(300)
16	Capital Charges	(14,039)	(14,039)
17	Contribution from Pension Reserve	(11,120)	(11,120)
18	Contribution to/(from) Earmarked Reserves	(1,542)	(12,702)
19	New Homes Bonus grant	(3,292)	(3,899)
20	Local Services Support Grant	(26)	(3)
21	Council Tax Freeze Grant	(505)	0
22	Transition Grant	0	(934)
23	Net Revenue Budget	79,179	70,265
24	Movement in General Fund Balances	(932)	(5,161)
25	Net Revenue Budget after use of balances	78,247	65,104
26	Less - External Support		
27	Business Rates	(15,277)	(15,404)
28	Revenue Support Grant	(15,670)	(11,283)
29	Collection Fund Adjustment – Council Tax	(412)	(425)
30	Collection Fund Adjustment – Business Rates	(182)	11,803
31	Bracknell Forest's Council Tax Requirement	46,706	49,795
32	Collection Fund		
33	Bracknell Forest's Requirement	46,706	49,795
34	divided by the Council Tax Base ('000)	42.69	43.77
35	Council Tax at Band D (excluding Parishes)		
36	Bracknell Forest	£1,093.95	£1,137.60

Departmental Virements over £50,000

Debit	Credit	Explanation
£'000	£'000	
		<u>Adult Social Care, Health and Housing</u>
		Virement to align the Community Response and Reablement budget with the approved Better Care Fund plan. This was not done earlier in the year as further work was required to reconcile the budget within the Better Care Fund plan to the Council budget.
	-159	Director - Other Grants, Reimbursements
	-40	Social Care Activities - Employees
	-300	Community, Response & Reablement - Other Grants, Reimbursements
158		Director - Third Party Payment
159		Director - Other Income
40		Social Care Activities - Supplies & Services
142		Community, Response & Reablement - Employees
		To bring all advocacy costs into one area to align with CIPFA's suggested structure of accounting. As advocacy costs fall across all primary support reasons, a new budget heading within Chief Officer: Adults & Commissioning budget has been created.
	-63	Learning Disability - Third Party Payments
	-20	Physical Support - Third Party Payments
	-10	Mental Health - Third Party Payments
93		Information & Early Intervention - Third Party Payments
592	-592	Total

Virements between Departments

Total	Explanation
£'000	
	<u>Adult Social Care, Health and Housing</u>
19	Transfer from the Preventing Domestic Abuse budget within Corporate Services to Adult Social Care Health Support for the Berkshire Women's Aid contract from 1 September 2015.
58	As part of the mainstreaming public health funding proposals, project expenditure and budget will be transferred to Public Health.
-1	Centralisation of secure waste budgets.
	<u>Corporate Services / CX Office</u>
-19	Transfer from the Preventing Domestic Abuse budget to Adult Social Care Health Support for the Berkshire Women's Aid contract from 1 September 2015.
2	Centralisation of secure waste budgets.
	<u>Children, Young People and Learning</u>
-55	Revenue contribution to Capital for the purchase of solar panels at Garth Hill College.
-45	As part of the mainstreaming public health funding proposals, project expenditure and budget will be transferred to Public Health.
	<u>Environment, Culture and Communities</u>
-13	As part of the mainstreaming public health funding proposals, project expenditure and budget will be transferred to Public Health.
-1	Centralisation of secure waste budgets.
	<u>Non-Departmental</u>
55	Revenue contribution to Capital for the purchase of solar panels at Garth Hill College.
0	Total Virements

Local Council Tax Reduction Scheme Full Equality Impact Assessment



1. Introduction

- 1.1 This Full Equality Impact Assessment looks at the Council's proposals to revise the elements of the Local Council Tax Reduction Scheme. It is based on primary research with existing council tax benefit customers. That consultation took place over a twelve week period via the Council's consultation portal. Given the nature of the survey and responses it is not possible to say that the findings are statistically significant.
- 1.2 Having concluded an equalities impact screening in July 2015 , which is included at the end of this impact assessment,it was recognised that there was a need to undertake a full equality impact assessment.
- 1.3. A full copy of all the responses to the consultation has been lodged in the group rooms and is not provided as part of this report due to the size of the documents. Full copies can be provided upon request.

2. Background

- 2.1 The following changes to the Local Council tax reduction scheme are proposed,
- 2.1.1. It is proposed that the maximum council tax reduction that anyone will be entitled to will be 80%. The current scheme has a maximum reduction of 91.5% which is available for households who have no earned income.
- 2.1.2. It is proposed that child maintenance received by households is taken into account when calculating household income. At present the child maintenance received by households is disregarded when calculating income to determine the discount a household receives on their council tax. This proposal will affect single parents in the main. It should be recognised that single parents who do not receive any child maintenance will have a reduction on their council tax the same of those who do, all other circumstances being the same, and thus could be considered to be disadvantaged by the current approach.
- 2.1.3. Thirdly, it is proposed that the income for self employed people will be calculated on the basis of national living wage 12 months after they have started trading. This is based on the assumption that people would not trade and achieve an income below the national living wage when they have started a business and traded for 12 months as it would be in their interest to seek employment that paid at least the national living wage.
- 2.1.4. Lastly, it is proposed to increase earned income disregards by £ 5 a week. This will mean that an additional £ 5 of earned income will not be taken into account when calculating household income to use when assessing the council tax discount a household is entitled to. This may mitigate some of the previous proposals for those households with earned income.

- 2.2. The Council set up a series of questions on its consultation portal to encourage the community to respond to the proposed changes to the local Council tax reduction scheme. All existing Council Tax Reduction Scheme customers were individually written to encouraging them to respond to the proposals. Customers who visited Time Square were offered the opportunity to go on line or complete a hard copy of the consultation questions. Social media was used to promote the consultation as was the Council's website. There were 98 individual response and 33 organisational responses. In terms of the individual response 51% were from customers of the scheme and 49% were from members of the community who do not receive a discount from the scheme.

3. Consultation responses

- 3.1 The figures reported in the following tables do not show 100% return due to non inclusion of do not know responses. The consultation responses have been broken down into the elements of the community who may be adversely affected by the proposals.
- 3.2. There were 102 responses in total to the consultation of which 3 were from organisations rather than individuals. Just over 50% of the responses were from customers of the local Council tax reductions scheme.
- 3.3. The demographics of the response are set out in the following table,

Demographic	Number responding
A single parent	23
Receiving child maintenance	13
Of working age	65
In employment	43
Self employed	4
Of pensionable age	9

4. Age

- 4.1 Overall the older the age group the more likely they were to agree that the Council should balance expenditure on the Council Tax Reduction Scheme against the spend on other services. It should be remembered that the proposals will only affect working age households.
- 4.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services.

Agreed	Disagree	Neither agree or disagree
Under 18	Under 18	Under 18
50	50	
18-34	18-34	18-34
46	23	30
35-49	35-49	35-49
36	24	34
50-64	50-64	50-64
29	43	28

65-79	65-79	65-79
66	22	11
80+	80+	80+
30	50	20

4.3 Proposal 1 – reduce maximum CT liability to 80%

In terms of reducing the reduction of Council Tax liability so that everyone had to pay 20% of their Council Tax older age groups though this was fair compared to the younger groups.

Thought it fair	Thought it unfair	Thought it neither fair or unfair
Under 18	Under 18	Under 18
	100	
18-34	18-34	18-34
53	39	8
35-49	35-49	35-49
32	59	4
50-64	50-64	50-64
27	67	7
65-79	65-79	65-79
22	55	22
80+	80+	80+
50	40	10

4.4 Proposal 2 – assumed self-employed people earn minimum hourly rate

Again more of the older age groups thought this proposal was fair compared to younger groups.

Thought it fair	Thought it unfair	Thought it neither fair or unfair
Under 18	Under 18	Under 18
	100	
18-34	18-34	18-34
23	61	16
35-49	35-49	35-49
32	48	10
50-64	50-64	50-64
20	48	7
65-79	65-79	65-79
33	33	11
80+	80+	80+
70	20	10

4.5 Proposal 3 – increase income disregards for working age people

In contrast to the previous question this proposal was thought to be fair by younger groups perhaps reflecting their desire to keep more earned income.

Thought it fair	Thought it unfair	Thought it neither fair or unfair
Under 18	Under 18	Under 18
50		
18-34	18-34	18-34
70	7	7
35-49	35-49	35-49
40	32	16
50-64	50-64	50-64
35	34	15
65-79	65-79	65-79
43	56	
80+	80+	80+
60	20	20

4.6 Proposal 4 – include income from child maintenance payments

This proposal was thought to be unfair by younger groups particularly those under 18 and those 35-49 years old.

Thought it fair	Thought it unfair	Thought it neither fair or unfair
Under 18	Under 18	Under 18
	100	
18-34	18-34	18-34
54	38	
35-49	35-49	35-49
45	51	2
50-64	50-64	50-64
27	39	20
65-79	65-79	65-79
43	78	0
80+	80+	80+
50	30	20

5. Gender

- 5.1 Women who responded were more in agreement that the cost of the council tax reduction scheme should be balanced against cost of other services.

	% female who agreed	% female who disagree	% female who neither agree or disagree
The Council should balance the amount spent on Council Tax Scheme compared with what it spends on other services	48	21	30

- 5.2 Of the proposals women were less in agreement with the proposal to reduce everyone's reduction to 20% and also to include child maintenance as income.

	% female who agreed	% female who disagree	% female who neither agree or disagree
Proposal 1- reduce maximum Council Tax liability to 80%	35	52	6
Proposal 2 – assumed self-employed people earn minimum hourly rate	45	31	8
Proposal 3 – increase income disregards for working age people	54	22	17
Proposal 4 – include income from child maintenance payments	35	57	3

- 5.3 Men were less supportive of balancing the cost of the scheme against the cost of other services.

	% male who agreed	% male who disagree	% male who neither agree or disagree
The Council should balance the amount spent on Council Tax Scheme compared with what it spends on other services	33	41	26

- 5.4 Men were least supportive of the maximum reduction being reduced to 20% and also using assumed national minimum wages levels to calculate self employed income

	% male who agreed	% male who disagree	% male who neither agree or disagree
Proposal 1- reduce maximum Council Tax liability to 80%	25	64	7
Proposal 2 – assumed self-employed people earn minimum hourly rate	20	57	10

Proposal 3 – increase income disregards for working age people	25	45	15
Proposal 4 – include income from child maintenance payments	43	46	7

6. Ethnicity

6.1 The highest response was from the British ethnic group who thought it was fair to balance the costs of the scheme with the cost of other services.

6.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
English/Welsh/Scottish/Northern Irish/British	42	27	31
Gypsy/Irish Traveller	0	0	0
Show people/Circus	0	0	0
Any other white background	67	33	0
White & Black Caribbean	0		
White & Black African	0		
White & Asian	100	0	0
Any other mixed background	0	0	0
Indian	0	50	50
Pakistani	0		
Nepali	0		
Bangladeshi	0		
Chinese	0		
Filipino	0		
African	0		
Caribbean	0		
Any other black background	0	0	0
Arab	0	0	100
Other ethnic group	42	17	42
Any other Asian background	0	0	100

6.3 None of the ethnic groups who responded were in favour of this proposal.

6.4 Proposal 1 – reduce maximum CT liability to 80%

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
English/Welsh/Scottish/Northern Irish/British	33	56	6
Gypsy/Irish Traveller			
Show people/Circus			
Any other white background	0	67	33
White & Black Caribbean			
White & Black African			
White & Asian	0	100	0
Any other mixed background			

Indian	0	100	0
Pakistani			
Nepali			
Bangladeshi			
Chinese			
Filipino			
African			
Caribbean			
Any other black background			
Arab	0	100	0
Other ethnic group	58	33	8
Any other Asian background	0	100	0

6.5 Proposal 2 – assumed self-employed people earn minimum hourly rate

Again no ethnic groups were in favour of this proposal.

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
English/Welsh/Scottish/Northern Irish/British	29	48	9
Gypsy/Irish Traveller			
Show people/Circus			
Any other white background		67	33
White & Black Caribbean			
White & Black African			
White & Asian	0	0	100
Any other mixed background			
Indian	0	100	0
Pakistani			
Nepali			
Bangladeshi			
Chinese			
Filipino			
African			
Caribbean			
Any other black background			
Arab	0	100	0
Other ethnic group	50	17	8
Any other Asian background	50	17	8

6.6 Proposal 3 – increase income disregards for working age people

The majority of ethnic groups were in favour with this proposal.

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
English/Welsh/Scottish/Northern Irish/British	42	30	17
Gypsy/Irish Traveller			
Show people/Circus			
Any other white background	0	67	0
White & Black Caribbean			

White & Black African			
White & Asian	100	0	0
Any other mixed background			
Indian	50	0	50
Pakistani			
Nepali			
Bangladeshi			
Chinese			
Filipino			
African			
Caribbean			
Any other black background			
Arab	100	0	0
Other ethnic group	67	17	17
Any other Asian background			

6.7 Proposal 4 – include income from child maintenance payments

No ethnic groups thought this was fair more than unfair

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
English/Welsh/Scottish/Northern Irish/British	42	49	4
Gypsy/Irish Traveller			
Show people/Circus			
Any other white background	0	100	0
White & Black Caribbean			
White & Black African			
White & Asian	0	100	0
Any other mixed background	0	0	0
Indian	0	50	50
Pakistani			
Nepali			
Bangladeshi			
Chinese			
Filipino			
African			
Caribbean			
Any other black background			
Arab	0	100	0
Other ethnic group	42	25	17
Any other Asian background	0	100	0

7. Religion / belief

7.1 In terms of religion and belief not all religious groups were represented but of all groups thought that the Council should balance the cost of the scheme against the cost of other services.

7.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services.

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
None	43	17	28
Christian	45	18	36
Buddist			100
Jewish	100		
Hindu			100
Muslim			
Sikh			
Other	20	40	40

7.3 Proposal 1 – reduce maximum CT liability to 80%

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
None	39	44	10
Christian		63	
Buddist		100	
Jewish		100	
Hindu		100	
Muslim			
Sikh			
Other	20	80	

7.4 Proposal 2 – assumed self-employed people earn minimum hourly rate

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
None	36	44	13
Christian	43	49	9
Buddist			
Jewish		100	
Hindu		100	
Muslim			
Sikh			
Other	20	60	

7.5 Proposal 3 – increase income disregards for working age people

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
None	42	29	18
Christian	49	23	17
Buddist		100	
Jewish		100	
Hindu			100
Muslim			
Sikh			
Other	40	40	

7.6 Proposal 4 – include income from child maintenance payments

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
None	47	49	6
Christian	43	46	3
Buddist		100	
Jewish		100	
Hindu			100
Muslim			
Sikh			
Other	20	60	

8. Sexual orientation

8.1 All sexual orientation groups thought it was fair to balance the cost of the scheme against the costs of other services.

8.2 The Council should balance the amount spent on CT scheme compared with what it spends on other services

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
Heterosexual / straight	43	26	31
Gay man	100	0	0
Lesbian / gay woman	100	0	0
Bisexual	100	0	0
Prefer not to say	25	13	63
No answer	36	45	18

8.3 Proposal 1 – reduce maximum CT liability to 80%

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
Heterosexual / straight	37	52	6
Gay man	0	50	0
Lesbian / gay woman			
Bisexual			
Prefer not to say		88	
No answer	36	55	9

8.4 Proposal 2 – assumed self-employed people earn minimum hourly rate

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
Heterosexual / straight	31	45	8
Gay man	50	50	0
Lesbian / gay woman			
Bisexual	0	100	0

Prefer not to say	0	75	25
No answer	33	33	14

8.5 Proposal 3 – increase income disregards for working age people

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
Heterosexual / straight	40	30	18
Gay man	0	50	50
Lesbian / gay woman			
Bisexual	100	0	0
Prefer not to say	50	38	12
No answer	52	22	10

8.6 Proposal 4 – include income from child maintenance payments

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
Heterosexual / straight	45	45	6
Gay man	50	50	0
Lesbian / gay woman			
Bisexual	100	0	0
Prefer not to say	12	88	0
No answer	38	48	5

8.7 The Council should balance the amount spent on CT scheme compare with what it spends on other services

	Thought it fair	Thought it unfair	Thought it neither fair or unfair
Heterosexual / straight	43	26	31
Gay man	100		
Lesbian / gay woman	100		
Bisexual	100		
Prefer not to say	25	13	63
No answer	36	45	18

9. Health Problem or disability

9.1 The Council should balance the amount spent on CT scheme compared with what it spends on other services

Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
17	69	6

Are your day-to day activities limited because of your health problem or disability?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
35	35	31

9.2 Proposal 1 – reduce maximum CT liability to 80%

Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
17	69	6

Are your day-to day activities limited because of your health problem or disability?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
13	77	0

9.3 Proposal 2 – assumed self-employed people earn minimum hourly rate

Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
17	48	11

Are your day-to day activities limited because of your health problem or disability?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
10	52	3

9.4 Proposal 3 – increase income disregards for working age people

Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
27	45	14

Are your day-to day activities limited because of your health problem or disability?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
26	45	13

9.5 Proposal 4 – include income from child maintenance payments

Do you consider yourself to have a health problem or disability which has lasted, or is expected to last, at least 12 months?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
37	51	3

Are your day-to day activities limited because of your health problem or disability?		
Thought it fair	Thought it unfair	Thought it neither fair or unfair
32	52	3

10. Conclusions

- 10.1 Overall although there was recognition of the need to balance the costs of the council tax reduction scheme against the cost of other services. The consultation responses found 42% agreeing a balance should be struck between cost of scheme and the funding the Council devotes to other services compared with 28% who did not agree.

Reducing maximum discount to 80% of Council Tax Liability

- 10.2 Nearly twice as many people thought this was unfair compared to those who thought the proposal was fair. However, given the support to balance the cost of the scheme this proposal is recommended as a way in reducing the overall cost of the scheme in a fair way across all customers. Customers who are out of work and will have limited means to pay the increased council tax reduction due maximum reduction to 80% and have a disability or long term limiting illness will receive additional benefits to reflect those needs thus they should not be adversely affected by this proposal.

Assume self-employed people earn minimum hourly rate

- 10.3 Just under a third of respondents supported this proposal. The proposal will only take place for self employed who have been trading for a year. Officers will ensure such customers are aware of the potential change to their council tax reduction so as to mitigate any adverse impact. For those who lose a reduction due to this proposal the hardship fund can provide limited financial support based on financial hardship. The following proposal will also mitigate the impact. Therefore, this proposal is recommended.

Increase income disregards

- 10.4 Overall 44% of respondents supported this proposal. It provides additional income for working households and incentivises work and therefore it is recommended.

Include income from child maintenance payments in income calculations

- 10.5 Overall 40% of respondents supported this proposal compared to 49% who did not. It is fair that all income is included when calculating council tax reduction and so this proposal is recommended. The hardship fund will mitigate any hardship that results from introducing this proposal.

- 10.6 There were a number of comments that respondents made on the proposals. These are included in the full report lodged in the member's group rooms.

Mitigation of proposals

- 10.7 The report proposes changing the hardship fund so that households who face financial hardship due to the proposals can make an application for short terms financial help to allow them to regularise their finances. This will be extended to those who no longer receive a council tax reduction but did receive a reduction in the previous twelve months.
- 10.8 The customers who are self employed will have notice of the implementation of assumed income and the impact on their council tax reduction.
- 10.9 All households will be encouraged to contact the welfare and housing service on receipt of their revised council tax discount if the proposals are agreed. The welfare

and housing service will provide advice on how households can maximise their income to address.

Monitoring Arrangements

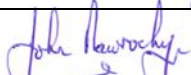
- 10.10 The impact of the proposals will be monitored on a quarterly basis. Reports will be run to identify the households who have had their council tax discount reduced and this will be compared to the households who have approached the Council due to financial hardship by protected groups where possible. Targeted promotion of the hardship scheme will be undertaken where it is shown that protected groups are not taking advantage of the hardship scheme.
- 10.11 Take up of the hardship scheme will be monitored on a quarterly basis by protected groups where possible.
- 10.12 The monitoring will be reported as part of the annual review of the scheme.
- 10.13 Publication of Equality Impact Assessment.
- 10.14 The EIA will be published on the Council's website.

Initial Equalities Screening Record Form

Date of Screening:	Directorate: ASCH&H		Section: Performance & Resources
1. Activity to be assessed	To amend the Adult Social Care charging policies to take account of new powers given to Local Authorities by the Care Act, and take account of new duties imposed on Local Authorities by the Care Act. To set charges for services to people not entitled to funding from the Council that ensures the Council does not subsidise those services.		
2. What is the activity?	<input checked="" type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input type="checkbox"/> Service <input type="checkbox"/> Organisational change		
3. Is it a new or existing activity?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing		
4. Officer responsible for the screening	Neil Haddock		
5. Who are the members of the screening team?			
6. What is the purpose of the activity?	To continue to charge for residential and nursing fees in line with mandatory guidance, and to set charges for services to people not entitled to funding from the Council to ensure the Council does not subsidise those services. To amend the charging policy in respect of people who are one part of a couple in line to be compliant with a change in regulations brought about by the Care Act.		
7. Who is the activity designed to benefit/target?	People who are assessed as needing social care support.		
Protected Characteristics	Please tick yes or no	Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.	What evidence do you have to support this? E.g. equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data
8. Disability Equality – this can include physical, mental health, learning or sensory disabilities and includes conditions such as dementia as well as hearing or sight impairment.	Y	People's eligibility for services is defined by the impact that that individual's disability or health condition has on them. People who need residential or nursing care will have more complex needs.	
9. Racial equality		N	People's eligibility for services is assessed on the basis of need. Equality monitoring suggests there is no bias on the basis of race in the outcome of assessments.
10. Gender equality	Y	People's eligibility for services is assessed on the basis of need. Equality monitoring suggests there	Statistics on the numbers of people supported by the Council indicate that a majority of people in

			is no bias on the basis of gender in the outcome of assessments. However, as the majority of people who need support are older people, and women live longer than men, women are more likely to be eligible for the services that the proposed continuing charging regime would apply to.	residential or nursing care are women.
11. Sexual orientation equality		N	People's eligibility for services is assessed on the basis of need. In Bracknell, numbers of people with different sexual orientation are too low to test for bias on the outcome of assessment. However, equality monitoring suggests there is no bias on the basis of race, gender, or age in the outcome of assessments, and it is therefore assumed that this is true across all protected characteristics.	
12. Gender re-assignment		N	People's eligibility for services is assessed on the basis of need. In Bracknell, numbers of people who have undergone gender re-assignment are too low to test for bias on the outcome of assessment. However, equality monitoring suggests there is no bias on the basis of race, gender, or age in the outcome of assessments, and it is therefore assumed that this is true across all protected characteristics.	
13. Age equality	Y		People's eligibility for services is assessed on the basis of need. Equality monitoring suggests there is no bias on the basis of age in the outcome of assessments. However, the majority of people who need support are older people, and in particular, the vast majority of people who need residential or nursing care are older people.	Statistics on the numbers of people supported by the Council in residential or nursing care indicate that the vast majority are defined as older people.
14. Religion and belief equality		N	People's eligibility for services is assessed on the basis of need. In Bracknell, numbers of people with different religions or beliefs are too low to test for bias on the outcome of assessment. However, equality monitoring suggests there is no bias on the basis of race, gender, or age in the outcome of assessments, and it is therefore assumed that this is true across all protected characteristics.	
15. Pregnancy and maternity equality		N	People's eligibility for services is assessed on the basis of need. However, as the majority of people who need support are older people, and women	

			live longer than men, women are more likely to be eligible for the services that the proposed continuing charging regime would apply to. However, given that this applies to older people (aged 65+), pregnancy and maternity is unlikely to apply.	
16. Marriage and civil partnership equality	Y		The proposal would negatively impact on the income levels of people living as a couple who have been financially assessed as a couple until now, but who would be assessed as a single person in future, where the main income and/or savings are held in the name of person being assessed. Mitigation will take the form of phasing in the changes.	Detailed information exists on the impact of the proposal on every individual; the vast majority of people are unaffected; those that are affected are some of the people living as a couple.
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.	None			
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	People with the protected characteristics of age or disability are the people who are most likely to need social care support, and therefore to be impacted by any charging regime.			
19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?	People with the protected characteristics of age or disability are the people who are most likely to need social care support, and therefore to be impacted by any charging regime. Approximately 500 people are supported in residential or nursing care in any one year. However, the proposal is to not change the existing charging arrangements.			
20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?		N	The power to charge people for social care services is enshrined in statute, and can only apply to people who, because of their disability, which will often be caused by conditions associated with ageing, need adult social care support.	
21. What further information or data is required to better understand the impact? Where and how can that information be obtained?				
22. On the basis of sections 7 – 17 above is a full impact assessment required?		N	The power to charge people for social care services is enshrined in statute, and can only apply to people who, because of their disability, which will often be caused by conditions associated with ageing, need adult social care support. The proposal for residential care is to continue charging in line with the currently mandated scheme, which becomes discretionary on 1 April 2015. The proposal in respect of the treatment of couples is to cease the discretionary scheme that had been	

			in place until 1 April 2015, as it is no longer lawful.
23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.			
Action	Timescale	Person Responsible	Milestone/Success Criteria
Means Assessment – all people who are eligible for services undergo a financial assessment to ensure that they do not pay more than they can reasonably afford.	Ongoing	Neil Haddock	
24. Which service, business or work plan will these actions be included in?	Performance & resources team plan.		
25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?			
26. Chief Officers signature.	Signature: 		Date: 27/11/15

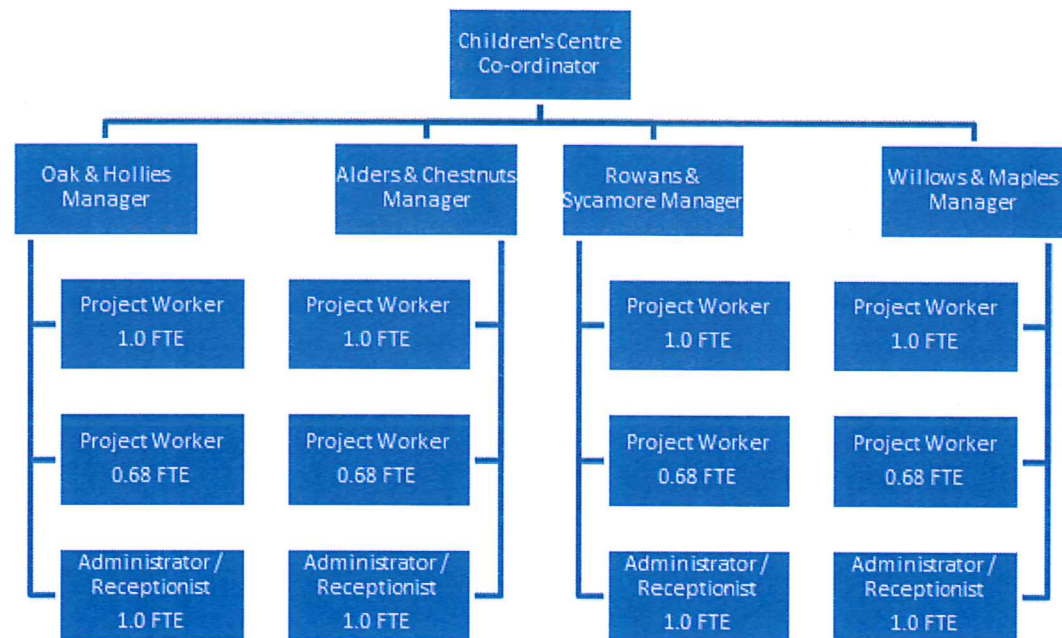
Initial Equalities Screening Record Form

Date of Screening: 23/11/15	Directorate: Strategy, Resources and Early Help	Section: Prevention and Early Intervention
1. Activity to be assessed	<p>To change the delivery model of Children's Centres in Bracknell Forest through a restructure of Children's Centre Services to achieve budget savings whilst enhancing frontline services and ensuring commissioned services continue at existing levels of delivery.</p> <p>By changing the existing delivery model from single centres to a group of 4 centres and rationalising management, frontline services will be strengthened whilst ensuring quality and capacity of services continue to improve and there will be a cohesive service across the authority</p>	
2. What is the activity?	<input type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input type="checkbox"/> Service <input checked="" type="checkbox"/> Organisational change	
3. Is it a new or existing activity?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing	
4. Officer responsible for the screening	Cherry Hall / Karen Frost	
5. Who are the members of the screening team?	Lorraine Collins and Heather Carter	
6. What is the purpose of the activity?	<p>Bracknell Forest Council has four Children's Centres which provide activities for under 5s and support and information for their families. They host services from a range of professionals depending on local need and parental choice.</p> <ul style="list-style-type: none"> • The Rowans & Sycamores Children's Centre is based on the site of Fox Hill Primary School serving the communities of Easthampstead, Wildridings Crown Wood, Harmans Water, Forest Park and Martins Heron • The Oaks & Hollies Children's Centre is based on the site of Great Hollands School serving the communities of Great Hollands, Wooden Hill, Jennett's Park, Birch Hill, Hanworth, Amen Corner, Binfield and Farley Wood • The Willows & Maples Children's Centre is based at Priestwood Youth Centre serving the communities of Priestwood, Bullbrook, Bracknell Town Centre, Winkfield, Warfield, North Ascot and Cranbourne • The Alders & Chestnuts Children's Centre is based on the site of College Town Infant and Junior Schools serving the communities of Sandhurst, Owlsmoor, College Town, Crowthorne, Little Sandhurst and New Scotland Hill <p>Examples of services available are:</p> <ul style="list-style-type: none"> • activities for under 5s • antenatal and post natal advice and support for parents and carers • family support and parental outreach • healthy child programme • information and guidance on breast feeding, hygiene, nutrition and safety • promoting positive mental health and emotional well-being • speech and language and other specialist support • support for healthy lifestyles • help in stopping smoking 	

- cultural support groups for families
- links with Jobcentre Plus
- information and advice on childcare and activities for young people
- links with local registered childminders
- Information and advice on e-safety

It is proposed to strengthen frontline delivery whilst reducing strategic and operational managers. Having one post of overarching Children's Centre Manager will facilitate cohesive delivery of services across the borough, whilst allowing creation of 4 new posts of Senior Project Workers to strengthen delivery of frontline services.

EXISTING STRUCTURE




	<p style="text-align: center;">PROPOSED STRUCTURE</p> <p>NB: FTE – Full time equivalent</p> <p>Posts highlighted in RED depict new roles, posts highlighted in GREEN depict additional hours to increase the frontline service in that area.</p>		
<p>7. Who is the activity designed to benefit/target?</p>	<p>Children aged 0-5 years and their families to promote positive outcomes and improve life chances.</p>		
<p>Protected Characteristics</p>	<p>Please tick yes or no</p>	<p>Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.</p>	<p>What evidence do you have to support this? E.g. equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data</p>

<p>8. Disability Equality – this can include physical, mental health, learning or sensory disabilities including conditions such as dementia.</p>		N	Neutral	<p>Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of disability. Health staff are co-located on 3 of the 4 CC sites enabling families to access health related appointments and enable information sharing and collaborative working to ensure family needs are met.</p> <p>The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic.</p> <p>Regardless of any disabilities, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.</p>
<p>9. Racial equality</p>		N	Neutral	<p>Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of race.</p> <p>The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic</p> <p>Regardless of race, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.</p>
<p>10. Gender equality</p>		N	Neutral	<p>Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of gender.</p> <p>The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic</p> <p>Regardless of gender, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.</p>
<p>11. Sexual orientation equality</p>		N	Neutral	<p>Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of sexual orientation. The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic</p> <p>Regardless of sexual orientation, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.</p>

12. Gender re-assignment		N	Neutral	Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of gender re-assignment. The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic
13. Age equality		N	Neutral	The proposed restructure of CC services will enhance frontline services. Children's Centres provide inclusive services for the target group detailed above. Therefore this proposal will make no change to the existing target age group. Regardless of age, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.
14. Religion and belief equality		N	Neutral	Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of religion and belief. The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic. Regardless of religion/beliefs, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.
15. Pregnancy and maternity equality		N	Neutral	The age range of the majority of users are children aged 0-5 years and their parents/carers. Midwives and health visitors run ante and post natal groups from the centre; parents are actively supported to access services to meet their needs. The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic There are existing staff on maternity leave. However, regardless of pregnancy/maternity, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.
16. Marriage and civil partnership equality		N	Neutral	Children's Centres provide inclusive services for children aged 0-5 years and their families, regardless of marital or

				civil partnership status. The proposed restructure of the Children's Centres will enhance frontline services hence this proposal will have no impact on this protected characteristic. Regardless of marriage/civil partnership status, it is anticipated that, due to existing vacancies, all current staff will be able to be accommodated within the proposed new structure.
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.	Children centre staff will be affected by the proposals to restructure. However, due to natural wastage of Children's Centre staff over the last year, it is envisaged there will be sufficient posts available for all existing staff in the proposed structure.			
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	N/A			
19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?	N/A			
20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?		N	N/A	
21. What further information or data is required to better understand the impact? Where and how can that information be obtained?	N/A			
22. On the basis of sections 7 – 17 above is a full impact assessment required?		N	As frontline services will be enhanced co-ordinating management of the four centres under a single manager and by the creation of four senior project worker posts there is no requirement to proceed to a full EIA.	
23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.				

Action	Timescale	Person Responsible	Milestone/Success Criteria
Equivalent or greater number of permanent (frontline) posts to be created in the restructure	April 2016	Karen Frost	All existing CC employees will have the opportunity to either continue within existing post (where applicable) or apply for redeployment within the new structure. Salary protection will apply (where applicable).
24. Which service, business or work plan will these actions be included in?	Prevention and Early Help		
25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?			
26. Chief Officers signature.	Signature: 		Date: 26/11/15

Initial Equalities Screening Record Form

Date of Screening: 25/11/2015	Directorate: CYPL		Section: L & A
1. Activity to be assessed	Reduction in spend on commissioned services for young people who are NEET		
2. What is the activity?	<input type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input checked="" type="checkbox"/> Service <input type="checkbox"/> Organisational change		
3. Is it a new or existing activity?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing		
4. Officer responsible for the screening	Virtual School Head – Kashif Nawaz		
5. Who are the members of the screening team?	Virtual School Head – Kashif Nawaz		
6. What is the purpose of the activity?	<p>The aim of the service is to support those young people of school age and are at risk becoming NEET as well as supporting those who are 16 – 18 years old and are NEET. The current contract is due to expire on 31 March 2016. A contract was made under the framework agreement for Comprehensive Careers, Advice, Information and Guidance awarded to Adviza (formerly Connexions Thames Valley), commencing on 1 September 2012 and expiring on 31 August 2016. The value of the order is to be reduced which means that the LA budget for supporting services to young people who are NEET in the borough will also be reduced by £70k. Actual services to young people however, will not be reduced and this will continue to be delivered.</p>		
7. Who is the activity designed to benefit/target?	Young people across the ages of 14 – 18 years old.		
Protected Characteristics	Please tick yes or no	Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.	What evidence do you have to support this? E.g. equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data
8. Disability Equality – this can include physical, mental health, learning or sensory disabilities and includes conditions such as dementia as well as hearing or sight impairment.	N	No	All young people are provided with the same service and there is no evidence of any differential due to disability?
9. Racial equality	N	No	No young person will feel an impact from a racial equality perspective. All those involved come from a diverse number of backgrounds. Everyone will continue to be treated sensitively in regards to their

				needs.
10. Gender equality		N	No	All young people are provided with the same service and there is no evidence of any differential due to gender
11. Sexual orientation equality		N	No	Based on information relating to gender, staff are aware of individual needs and can adapt their service to meet this.
12. Gender re-assignment		N	No	All young people are provided with the same service and there is no evidence of any differential due to gender
13. Age equality		N	No	The service set up to support young people of school age through to 18 year olds. This will continue to be the case
14. Religion and belief equality		N	No	Individual support plans reflect the religious and cultural beliefs of individuals using this service. Staff are therefore aware of how these needs can be followed through.
15. Pregnancy and maternity equality		N	No	The service currently supports expectant mothers and families and will continue to do so. There will be no change in the current level of support available to them.
16. Marriage and civil partnership equality		N	No	The service does not differentiate between those who are either single, married or in a civil partnership – this will continue to remain the case as staff are fully trained to meet individual needs.
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.	No further information available at this time			
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	No impact identified			

<p>19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?</p>	<p>N/A</p>		
<p>20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?</p>	<p>Y</p>	<p>N</p>	<p>N/A</p>
<p>21. What further information or data is required to better understand the impact? Where and how can that information be obtained?</p>	<p>Monitor trends over time through monthly information reports. This is reported through the Performance management board in CYPL at DMT.</p>		
<p>22. On the basis of sections 7 – 17 above is a full impact assessment required?</p>		<p>N</p>	<p>There are no areas of impact recorded hence a full impact assessment is not required.</p>
<p>23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.</p>			
<p>Action</p>	<p>Timescale</p>	<p>Person Responsible</p>	<p>Milestone/Success Criteria</p>
<p>24. Which service, business or work plan will these actions be included in?</p>			
<p>25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?</p>	<p>Please list</p>		
<p>26. Chief Officers signature.</p>	<p>Signature:</p>		<p>Date:</p>

Initial Equalities Screening Record Form

Date of Screening: 23.11.15		Directorate: CYPL		Section: YOS	
1. Activity to be assessed		Withdrawal of dedicated parenting service (1 F/T post) for parents/carers of young offenders and those at risk of offending			
2. What is the activity?		<input type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input checked="" type="checkbox"/> Service <input type="checkbox"/> Organisational change			
3. Is it a new or existing activity?		Existing			
4. Officer responsible for the screening		Karen Roberts			
5. Who are the members of the screening team?		Jo Graves			
6. What is the purpose of the activity?		It is proposed that this service is withdrawn to achieve budget savings. The service deals with casework providing advice and support to parents/carers of young offenders and those at risk of entering the youth justice system for the first time. There are currently approximately 15 open cases, 2 of which are statutory parenting orders. Parents are mainly women and men from white British ethnic background, some may have disabilities, and many are single parents. Age range is approx.30 – 50. There is no set profile of parents of this client group, some struggle with low income, unemployment, poverty issues, whilst others are affluent, professional members of the community.			
7. Who is the activity designed to benefit/target?		Parents and carers of young offenders and those at risk of offending.			
Protected Characteristics	Please tick yes or no	Is there an impact?		What evidence do you have to support this? E.g. equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data	
		Y		Y	<p>The withdrawal of this service will negatively affect all groups of service users, there is no differential impact.</p> <p>There will be no dedicated parenting service to address issues for parents whose children and young people are offending or are at risk of offending and entering the youth justice system. These parents will need to be referred in to other teams who provide parenting (i.e. FIT) who are currently experiencing high demand. Having a dedicated</p>
8. Disability Equality – this can include physical, mental health, learning or sensory disabilities including conditions such as dementia.		Y		Y	<p>The withdrawal of this service will negatively affect all groups of service users, there is no differential impact.</p> <p>There will be no dedicated parenting service to address issues for parents whose children and young people are offending or are at risk of offending and entering the youth justice system. These parents will need to be referred in to other teams who provide parenting (i.e. FIT) who are currently experiencing high demand. Having a dedicated</p>

				parenting worker for YOS enables the service to work in a joined up way with families, rather than just focussing on the young offender, which is clearly more effective in addressing the offending behaviour as the parents often have issues which contribute to the young person's risk of offending and reoffending.
9. Racial equality	Y		Y	See above
10. Gender equality	Y		Y	See above
11. Sexual orientation equality	Y		Y	See above
12. Gender re-assignment	Y		Y	See above
13. Age equality	Y		Y	See above
14. Religion and belief equality	Y		Y	See above
15. Pregnancy and maternity equality	Y		Y	See above
16. Marriage and civil partnership equality	Y		Y	See above
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.	No differential impact, will impact on all groups.			
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	N/A			

19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?	N/A		
20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?		N	No
21. What further information or data is required to better understand the impact? Where and how can that information be obtained?	None in relation to equalities		
22. On the basis of sections 7 – 17 above is a full impact assessment required?		N	The parenting service is offered on a voluntary basis except for the statutory parenting orders which will be absorbed into the YOS team when this post goes and the case managers will be allocated these Orders. The voluntary parenting interventions will be referred out to other teams to mitigate the impact, e.g. FIT, family focus and where the case is open to children's social care they will pick up the parenting/ family work. So the impact will be that there is no dedicated parenting service for YOS cases but they will be referred to other teams and may have to wait longer for intervention which may not coincide with the work being done by YOS with the young person.
23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.			
Action	Timescale	Person Responsible	Milestone/Success Criteria
Ensure that the voluntary parenting interventions are referred out to other teams to mitigate the impact, e.g. FIT, family focus and where the case is open to children's social care they will pick up the parenting/ family work.	From April 2016	YOS case managers	Cases are referred and service is provided
Statutory Parenting Orders will remain with YOS	From April 2016	YOS Operational Manager	Cases are allocated to YOS case managers
24. Which service, business or work plan will these actions be included in?	N/A		


25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?	N/A
26. Chief Officers signature.	<p style="text-align: center;"><i>Roma Hunt</i></p> <p>Signature: Date: 30.11.2015</p>

Initial Equalities Screening Record Form

Date of Screening: 26 th November	Directorate: CYPL		Section: Children's Social Care
1. Activity to be assessed	Post Diagnostic Service for CHILDREN 9-18 year olds diagnosed with ASD Commissioned by the LA via Berkshire Autistic Society Children and Young Peoples Group Parent Workshops		
2. What is the activity?	<input type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input checked="" type="checkbox"/> Service <input type="checkbox"/> Organisational change		
3. Is it a new or existing activity?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing		
4. Officer responsible for the screening	Sonia Johnson Head of Service Specialist Support		
5. Who are the members of the screening team?	Sonia Johnson and Jo Lillywhite, Short Breaks Manager		
6. What is the purpose of the activity?	<p>The children's group – is designed to enable children to learn what their diagnosis means and meet other children who have also been newly diagnosed and provide opportunities for friendships and activity.</p> <p>The parenting workshops - are designed to help parents whose children have received an autism diagnosis between the ages of 9 – 18 years.</p>		
7. Who is the activity designed to benefit/target?	Children who have been recently diagnosed with Autism and are over 9 years old.		
Protected Characteristics	Please tick yes or no	Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.	What evidence do you have to support this? E.g equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data
8. Disability Equality – this can include physical, mental health, learning or sensory disabilities including conditions such as dementia.	Y	The proposed decision not to commission this Service at the end of the current contract from April 2016 will impact provision for children with a new diagnosis of autism and their families. Potential areas for savings are: <ul style="list-style-type: none"> To the children's group 	<ul style="list-style-type: none"> At the time of undertaking the EIA there are currently no other providers in Bracknell Forest providing this exact service. This is an Early intervention service/Targeted Service and Target support / Early Help and FIT have been made aware of the proposal for CSC (T3) to stop funding this area of work. There is also a view of emotional health and

			<ul style="list-style-type: none"> To the parent works shops 	well being services for T2 and the lead of that work is also aware of this proposal.
9. Racial equality		N		The savings will impact equally across this group
10. Gender equality		N		The savings will impact equally across this group. However there were more boys in the cohort for 2014/15
11. Sexual orientation equality		N		The savings will impact equally across this group
12. Gender re-assignment		N		The savings will impact equally across this group
13. Age equality	Y		This is for post 9years old – there are similar services for children who are diagnosed earlier in their child hood.	This only impacts on those 9 – 18 years.
14. Religion and belief equality	Y	N		The savings will impact equally across this group
15. Pregnancy and maternity equality	Y	N	Not applicable	
16. Marriage and civil partnership equality	Y	N	No Applicable	
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.			Any reductions in the commissioning of this service may result in increased parent dissatisfaction and a reduction in opportunities for autistic disabled children and young people. For some children and families the impact may be greater – however those children would be eligible for an assessment via social care at T3 if that was the case they would not be left with unmet T3 (significant) need.	
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?			No	
19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is			In respect of age this service is designed to meet the needs of a restricted group ie over 9 years and under 18 years. The savings above may result in a reduced opportunity for some children and their families.	

<p>the difference in terms of its nature and the number of people likely to be affected?</p>	<p>The review undertaken by the CSST is that reductions to the Childrens Group will have a negative impact on newly diagnosed children with Autisms, well being and development.</p> <p>The take up of the parental workshops does not reflect the same.</p>		
<p>20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?</p>		<p>N</p>	<p>The LA is not required to provide this service within its Statutory Duties. It was provided in order to boost resilience for this group as a result of identified needed in 2012/13 as 3 year contract that is coming to and end.</p>
<p>21. What further information or data is required to better understand the impact? Where and how can that information be obtained?</p>	<p>When the service specification was prepared in 2012 there were 220 statemented children with a primary diagnosis of ASD and there was an anticipated increase generally in the number of diagnosis. We have been unable to obtain any supporting data from CAHMS in regard to diagnosis, to support us with capacity planning but I can confirm that the contract has provided parent training to 19 families (25 parents) during the last year 2014/15. This is less than in year 1. .</p> <p>There are currently 210 statemented children with a primary need of ASD. During the first 6 months of this financial year 4 parents have attended, with 3 providing positive feedback.</p> <p>Based on the information we have and the early intervention work that is available across the Borough through other teams (and the potential for them to meet the need for parent training for this age group). This is an area where savings can be made with limited or no impact. It is also relevant that BAS as a charity do provide such services themselves anyway.</p> <p>The weekly group for young people. Evidence of need, uptake and impact supports the recommendation to continue to commission BAS to provide is the weekly term time only group for CAYP DMT have agreed we can re-commission this as a variation to the contract.</p> <p>In the 2014/15 period, 39 children with ASD, over the age of 9 were given support. There were 11 females, 28 males, from 37 families.</p>		
<p>22. On the basis of sections 7 – 17 above is a full impact assessment required?</p>		<p>N</p>	<p>We are not progressing with the element of reduction that has a significant impact</p>
<p>23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.</p>			
<p>Action</p>	<p>Timescale</p>	<p>Person Responsible</p>	<p>Milestone/Success Criteria</p>

Contract review meeting with BAS to agree the variation for the children's groups	End of January 2015	Jo Lillywhite	Group continues to run
Further liaison with FIT/Targeted Services/CAMHS/ Emotional Health and well being strategic group to ensure that those providing the Boroughs T2 parenting support are aware mindful of this cohort of parents in provision planning.	End of December 2015	Jo Lillywhite	CAMHS / BAS have a point of contact for parenting support for those parents they want to sign post on
24. Which service, business or work plan will these actions be included in?			
25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?	<p>The overview report has been to CSCMT and DMT and the proposals approved.</p> <p>Contracts review meetings with BAS informed the outcomes of the overview report</p> <p>Overview report has been provided to the Chief Officer for Targeted support who is aware of the decision not to decommission the parenting workshops.</p>		
26. Chief Officers signature.	<p>Signature: </p> <p>Date: November 2015</p>		

Initial Equalities Screening Record Form

Date of Screening: 25 November 2015		Directorate: Corporate Services		Section: Customer Services	
1. Activity to be assessed		Implementation of the surcharging module of the Capita payments system.			
2. What is the activity?		<input type="checkbox"/> Policy/strategy <input checked="" type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input type="checkbox"/> Service <input type="checkbox"/> Organisational change			
3. Is it a new or existing activity?		<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing			
4. Officer responsible for the screening		Bobby Mulheir			
5. Who are the members of the screening team?		Bobby Mulheir, Sarah Kingston			
6. What is the purpose of the activity?		To enable charges for use of credit cards to be passed onto the customer, rather than incurred by the Council.			
7. Who is the activity designed to benefit/target?		All customers making payments to the Council using a credit card.			
Protected Characteristics		Please tick yes or no		Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.	
				What evidence do you have to support this? E.g. equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data	
8. Disability Equality – this can include physical, mental health, learning or sensory disabilities including conditions such as dementia.		Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	
9. Racial equality		Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	
10. Gender equality		Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	
11. Sexual orientation equality		Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	
12. Gender re-assignment		Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	

13. Age equality	Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	There is no evidence that any group of customers will be affected more by this change than any other group.
14. Religion and belief equality	Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	There is no evidence that any group of customers will be affected more by this change than any other group.
15. Pregnancy and maternity equality	Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	There is no evidence that any group of customers will be affected more by this change than any other group.
16. Marriage and civil partnership equality	Y	N	There will be additional costs incurred by all customers using a credit card to pay the Council.	There is no evidence that any group of customers will be affected more by this change than any other group.
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders, armed forces communities) and on promoting good community relations.	There may be a disproportionate effect on those on lower incomes, who may choose to make credit card payments as a way of managing their finances.			
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	No			
19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?	No difference identified			
20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?	Y	N		
21. What further information or data is required to better understand the impact? Where and how can that information be obtained?				
22. On the basis of sections 7 – 17 above is a full impact assessment required?	Y	N		
23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.				

Action	Timescale	Person Responsible	Milestone/Success Criteria
24. Which service, business or work plan will these actions be included in?			
25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?	None		
26. Chief Officers signature.	Signature: Bobby Mulheir		Date: 25 November 2015



Department for
Communities and
Local Government

NATIONAL NON-DOMESTIC RATES RETURN NNDR1 2016-17

Please e-mail to : ndr.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct authority name

Forms should be returned to the Department for Communities and Local Government by Sunday 31 January 2016

All figures should be entered in whole £

Please remember that a copy of this form, signed by your Chief Financial Officer / Section 151 officer should also be sent to your relevant Precepting Authorities, and Pool Leads (if applicable).

These instructions highlight the special features of the form and should be read in conjunction with the Guidance Notes and Validation notes.

Completing the form

1. The form can be set up for each individual local authority by selecting the appropriate authority name from the list. The example shows the local authority ZZZZ. Once a local authority name is selected the spreadsheet will automatically complete the data for the white cells with a blue border.

2. There are three different type of input cells:



* White, Black Border - these are blank for new data - Please ensure all white cells are filled before submitting the form including entering zeroes where appropriate.



* White background, green border - These cells are information cells and have the appropriate formula in them.



* White background, blue border - actual data entered by the Department for Communities and Local Government into these cells.

The Total column is greened out - there is no need to enter data in any of these cells.

In addition areas of the form are greyed out - especially for those authorities that do not have designated areas. Please do not enter data in these areas as this will cause delay as we will have to ask you to complete a revised form.

Entering data

3. All values in the form should be entered in whole £. Except for part 1 of the form, **receipts** (eg sums due to the billing authority from ratepayers, or central government) should always be entered as **positive numbers**. **Payments from the authority, or amounts foregone** (eg reliefs given to ratepayers) should always be entered as **negative numbers**.

4. Where possible, you will be prevented from entering data with the wrong sign (+ve when it should be -ve or vice versa).

Updates

We will use this area to list any updates to the form in the future if required

Checking the Validation Sheet

5. Once the form has been completed go to the validation sheet and check if any of the data require any further explanation. The data are compared with the NNDR1 for 2015-16 and if the change in number or percentage terms is higher or lower than we would normally expect you are asked to provide a an explanation for the change in the box provided.

For further details on the types of checks we do see *Validation notes for NNDR1 2016-17*.

Signing the Form

6. When the data have been checked and verified please email the complete file to ndr.statistics@communities.gsi.gov.uk

7. Print a copy of the form for signing by your Chief Financial / Section 151 Officer. The form can be printed by using the defined print area.

The signed copy should be forwarded as a pdf document by email to Dennis Herbert at the Department for Communities and Local Government using the email address above. NB We require just one copy of a signed form.

8. A copy of the form should also be sent to your NNDR contact at all your major precepting authorities.

9. If you experience any problems using the form please email ndr.statistics@communities.gsi.gov.uk

NATIONAL NON-DOMESTIC RATES RETURN - NDR1**2016-17**

Please e-mail to: nndr.statistics@communities.gsi.gov.uk by no later than **31 January 2016**.
In addition, a certified copy of the form should be returned by no later than **31 January 2016** to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Select your local authority's name from this list:

Bolsover
Bolton
Boston
Bournemouth
Bracknell Forest
Bradford

Authority Name
E-code
Local authority contact name
Local authority contact number
Local authority e-mail address

Bracknell Forest
E0301
Sarah Kingston
01344 352097
sarah.kingston@bracknell-forest.gov.uk

Ver 1.2

PART 1A: NON-DOMESTIC RATING INCOME**COLLECTIBLE RATES**

£

1. Net amount receivable from rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs and accounting adjustments

62,573,002

TRANSITIONAL PROTECTION PAYMENTS

2. Sums due to the authority

0

3. Sums due from the authority

0

COST OF COLLECTION (See Note A)

4. Cost of collection formula

149,777

5. Legal costs

0

6. Allowance for cost of collection

149,777

SPECIAL AUTHORITY DEDUCTIONS

7. City of London Offset : Not applicable for your authority

0

DISREGARDED AMOUNTS

8. Amounts retained in respect of Designated Areas. Not applicable for your authority

0

9. Amounts retained in respect of Renewable Energy Schemes (See Note B)

768

of which:

10. sums retained by billing authority

768

11. sums retained by major precepting authority

0

NON-DOMESTIC RATING INCOME

12. Line 1 plus line 2, minus lines 3 and 6 - 9

62,422,457

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1**2016-17**

Please e-mail to: nndr.statistics@communities.gsi.gov.uk by no later than **31 January 2016**.
In addition, a certified copy of the form should be returned by no later than **31 January 2016** to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Local Authority : **Bracknell Forest**

Ver 1

PART 1B: PAYMENTS

This page is for information only; please do not amend any of the figures

The payments to be made, during the course of **2016-17** to:

- i) the Secretary of State in accordance with Regulation 4 of the Non-Domestic Rating (Rates Retention) Regulations 2013;
- ii) major precepting authorities in accordance with Regulations 5, 6 and 7; and to be
- iii) transferred by the billing authority from its Collection Fund to its General Fund,

are set out below

	Column 1 Central Government	Column 2 Bracknell Forest	Column 3	Column 4 Berkshire Fire Authority	Column 5 Total
Retained NNDR shares	£	£	£	£	£
13. % of non-domestic rating income to be allocated to each authority	50%	49%	0%	1%	100%
Non-Domestic Rating Income for 2016-17					
14. Non-domestic rating income from rates retention scheme	31,211,228	30,587,004	0	624,225	62,422,457
15. (less) qualifying relief in Enterprise Zones	0	0	0	0	0
16. Not used this year					
17 TOTAL:	31,211,228	30,587,004	0	624,225	62,422,457
Other Income for 2016-17					
18. add: cost of collection allowance		149,777			149,777
19. add: amounts retained in respect of Designated Areas		0			0
20. add: amounts retained in respect of renewable energy schemes		768	0		768
21. add: qualifying relief in Enterprise Zones		0	0	0	0
22. add: City of London Offset		0			0
23. Not used this year					
Estimated Surplus/Deficit on Collection Fund	£	£	£	£	£
24. Estimated Surplus/Deficit at end of 2015-16	-12,043,921	-11,803,043	0	-240,878	-24,087,842
TOTAL FOR THE YEAR	£	£	£	£	£
25. Total amount due to authorities	19,167,307	18,934,506	0	383,347	38,485,160

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1**2016-17**

Please e-mail to: nndr.statistics@communities.gsi.gov.uk by no later than **31 January 2016**.
In addition, a certified copy of the form should be returned by no later than **31 January 2016** to the same email address

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Local Authority : **Bracknell Forest**

Ver 1

PART 1C: SECTION 31 GRANT (See Note C)

This page is for information only; please do not amend any of the figures

Estimated sums due from Government via Section 31 grant, to compensate authorities for the cost of changes to the business rates system announced in the 2013, 2014 & 2015 Autumn Statements

	Column 2 Bracknell Forest	Column 3	Column 4 Berkshire Fire Authority	Column 5 Total
	£	£	£	£
2015-16 Multiplier Cap				
26. Cost of 2% cap on 2015-16 small business rates multiplier	442,385	0	9,028	451,413
Small Business Rate Relief				
27. Cost of temporary doubling SBRR for 2016-17	248,544	0	5,072	253,616
28. Cost to authorities of maintaining relief on "first" property	4,971	0	101	5,072
"New Empty" Property Relief				
29. Cost to authorities of giving relief to newly-built empty property	0	0	0	0
"Long Term Empty" Property Relief				
30. Relief on occupation of "long-term empty" property	24,855	0	507	25,362
In lieu of Transitional Relief				
31. Payments in lieu of Transitional Relief	0	0	0	0
TOTAL FOR THE YEAR				
32. Amount of Section 31 grant due to authorities to compensate for reliefs	720,755	0	14,708	735,463

NB To determine the amount of S31 grant due to it, the authority will have to add / deduct from the amount shown in line 32, a sum to reflect the adjustment to tariffs / top-ups in respect of the multiplier cap (See notes for Line 32)

Certificate of Chief Financial Officer / Section 151 Officer

I confirm that the entries in this form are the best I can make on the information available to me and amounts are calculated in accordance with regulations made under Schedule 7B to the Local Government Act 1988. I also confirm that the authority has acted diligently in relation to the collection of non-domestic rates.

Name of Chief Financial Officer

or Section 151 Officer : Alan Nash

Signature : Alan nash

Date : 29/01/2016

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2016-17

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.2

Local Authority : Bracknell Forest

PART 2: NET RATES PAYABLE

You should complete column 1 only

GROSS RATES PAYABLE

(All data should be entered as +ve unless specified otherwise)

	Column 1 BA Area (exc. Designated areas) Complete this column	Column 2 Designated areas Do not complete this column	Column 3 TOTAL (All BA Area) Do not complete this column
	£	£	£
1. Rateable Value at <input type="text" value="16/01/2016"/>	<input type="text" value="169,276,932"/>	<input type="text" value="0"/>	<input type="text" value="169,276,932"/>
2. Small business rating multiplier <input type="text" value="48.4"/> for 2016-17 (pence)			
3. Gross rates 2016-17 (RV x multiplier)	<input type="text" value="81,930,035"/>	<input type="text" value="0"/>	<input type="text" value="81,930,035"/>
4. Estimated growth/decline in gross rates (+ = increase, - = decrease)	<input type="text" value="-9,527,242"/>	<input type="text" value="0"/>	<input type="text" value="-9,527,242"/>
5. Forecast gross rates payable in 2016-17	<input type="text" value="72,402,793"/>	<input type="text" value="0"/>	<input type="text" value="72,402,793"/>

TRANSITIONAL ARRANGEMENTS (See Note E) - Not applicable in 2016-17

6. Revenue foregone because increases in rates have been deferred (Show as -ve)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
7. Additional income received because reductions in rates have been deferred (Show as +ve)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
8. Net cost of transitional arrangements	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
9. Changes as a result of estimated growth / decline in cost of transitional arrangements (+ = decline, - = increase)	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
10. Forecast net cost of transitional arrangements	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

TRANSITIONAL PROTECTION PAYMENTS (See Note F) - Not applicable in 2016-17

11. Sum due to/(from) authority	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
---------------------------------	--------------------------------	--------------------------------	--------------------------------

MANDATORY RELIEFS (See Note G) (All data should be entered as -ve unless specified otherwise)

Small Business Rate Relief

12. Forecast of relief to be provided in 2016-17	<input type="text" value="-1,010,000"/>	<input type="text" value="0"/>	<input type="text" value="-1,010,000"/>
13. of which: relief on existing properties where a 2nd property is occupied	<input type="text" value="-10,000"/>	<input type="text" value="0"/>	<input type="text" value="-10,000"/>
14. Additional yield from the small business supplement (Show as +ve)	<input type="text" value="2,099,110"/>	<input type="text" value="0"/>	<input type="text" value="2,099,110"/>
15. Net cost of small business rate relief (line 12 + line 14)	<input type="text" value="1,089,110"/>	<input type="text" value="0"/>	<input type="text" value="1,089,110"/>

Charitable occupation

16. Forecast of relief to be provided in 2016-17	<input type="text" value="-2,500,000"/>	<input type="text" value="0"/>	<input type="text" value="-2,500,000"/>
--	---	--------------------------------	---

Community Amateur Sports Clubs (CASCs)

17. Forecast of relief to be provided in 2016-17	<input type="text" value="-5,000"/>	<input type="text" value="0"/>	<input type="text" value="-5,000"/>
--	-------------------------------------	--------------------------------	-------------------------------------

Rural rate relief

18. Forecast of relief to be provided in 2016-17	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
--	--------------------------------	--------------------------------	--------------------------------

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2016-17

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.2

Local Authority : Bracknell Forest

PART 2: NET RATES PAYABLE

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas)	Column 2 Designated areas	Column 3 TOTAL (All BA Area)
19. Forecast of mandatory reliefs to be provided in 2016-17 (Sum of lines 15 to 18)	-1,415,890	0	
20. Changes as a result of estimated growth/decline in mandatory relief (+ = decline, - = increase)	-700,000	0	
21. Total forecast mandatory reliefs to be provided in 2016-17	-2,115,890	0	-2,115,890
UNOCCUPIED PROPERTY (See Note H) (All data should be entered as -ve unless specified otherwise)			
Partially occupied hereditaments			
22. Forecast of 'relief' to be provided in 2016-17	-350,000	0	-350,000
Empty premises			
23. Forecast of 'relief' to be provided in 2016-17	-4,700,000	0	-4,700,000
24. Forecast of unoccupied property 'relief' to be provided in 2016-17 (Line 22 + line 23)	-5,050,000	0	
25. Changes as a result of estimated growth/decline in unoccupied property 'relief' (+ = decline, - = increase)	-958,901	0	
26. Total forecast unoccupied property 'relief' to be provided in 2016-17	-6,008,901	0	-6,008,901
DISCRETIONARY RELIEFS (See Note J) (All data should be entered as -ve unless specified otherwise)			
Charitable occupation			
27. Forecast of relief to be provided in 2016-17	-80,000	0	-80,000
Non-profit making bodies			
28. Forecast of relief to be provided in 2016-17	-75,000	0	-75,000
Community Amateur Sports Clubs (CASCs)			
29. Forecast of relief to be provided in 2016-17	0	0	0
Rural shops etc			
30. Forecast of relief to be provided in 2016-17	0	0	0
Small rural businesses			
31. Forecast of relief to be provided in 2016-17	0	0	0
Other ratepayers			
32. Forecast of relief to be provided in 2016-17	0	0	0
33. Relief given to Case A hereditaments		<i>of which:</i> 0	
34. Relief given to Case B hereditaments	0		

**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2016-17**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.2

Local Authority : Bracknell Forest

PART 2: NET RATES PAYABLE

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas)	Column 2 Designated areas	Column 3 TOTAL (All BA Area)
35. Forecast of discretionary relief to be provided in 2016-17 (Sum of lines 27 to 32)	-155,000	0	
36. Changes as a result of estimated growth/decline in discretionary relief (+ = decline, - = increase)	0	0	
37. Total forecast discretionary relief to be provided in 2016-17	-155,000	0	-155,000
DISCRETIONARY RELIEFS FUNDED THROUGH SECTION 31 GRANT (See Note K) (All data should be entered as -ve unless specified otherwise)			
"New Empty" properties			
38. Forecast of relief to be provided in 2016-17	0	0	0
"Long term empty" properties			
39. Forecast of relief to be provided in 2016-17	-50,000	0	-50,000
In lieu of Transitional Relief			
40. Payments to ratepayers in lieu of Transitional Relief in 2016-17		0	0
41. Forecast of discretionary reliefs funded through S31 grant to be provided in 2016-17 (Sum of lines 38 to 39)	-50,000	0	
42. Changes as a result of estimated growth/decline in Section 31 discretionary relief (+ = decline, - = increase)	0	0	
43. Total forecast of discretionary reliefs funded through S31 grant to be provided in 2016-17	-50,000	0	-50,000
NET RATES PAYABLE			
44. Forecast of net rates payable by rate payers after taking account of transitional adjustments, unoccupied property relief, mandatory and discretionary reliefs	£ 64,073,002	£ 0	£ 64,073,002

Checked by Chief Financial / Section 151 Officer :

**PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2016-17**

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.2

Local Authority : Bracknell Forest

PART 3: COLLECTABLE RATES AND DISREGARDED AMOUNTS
You should complete column 1 only

Column 1 BA Area (exc. Designated areas) Complete this column	Designated areas			Column 5 TOTAL (All BA Area) Do not complete this column	
	Column 2 Do not complete this column	Column 3 Do not complete this column	Column 4 Do not complete this column		
£	£	£	£	£	
NET RATES PAYABLE					
1. Sum payable by rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs	64,073,002	0	0	0	64,073,002
(LESS) LOSSES					
2. Estimated bad debts in respect of 2016-17 rates payable	-500,000	0	0	0	-500,000
3. Estimated repayments in respect of 2016-17 rates payable	-1,000,000	0	0	0	-1,000,000
COLLECTABLE RATES					
4. Net Rates payable less losses	62,573,002	0	0	0	62,573,002
DISREGARDED AMOUNTS					
5. Renewable Energy	768	0	0	0	768
6. Transitional Protection Payment		0	0	0	
7. Baseline		0	0	0	
DISREGARDED AMOUNTS					
8. Total Disregarded Amounts		0	0	0	Total Designated Areas 0

Checked by Chief Financial / Section 151 Officer : _____

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2016-17

All figures must be entered in whole £

If you are content with your answers please return this form to DCLG as soon as possible

Ver 1.2

Local Authority : Bracknell Forest

PART 4: ESTIMATED COLLECTION FUND BALANCE

OPENING BALANCE

1. Opening Balance (From Collection Fund Statement)

£

£

-12,503,829

BUSINESS RATES CREDITS AND CHARGES

2. Business rates credited and charged to the Collection Fund in 2015-16

70,903,339

3. Sums written off in excess of the allowance for non-collection

0

4. Changes to the allowance for non-collection

-300,000

5. Amounts charged against the provision for appeals following RV list changes

1,174,538

6. Changes to the provision for appeals

-10,788,725

7. Total business rates credits and charges (Total lines 2 to 6)

60,989,152

OTHER RATES RETENTION SCHEME CREDITS

8. Transitional protection payments received, or to be received in 2015-16

0

9. Transfers/payments to the Collection Fund for end-year reconciliations

0

10. Transfers/payments into the Collection Fund in 2015-16 in respect of a previous year's deficit

0

11. Total Other Credits (Total lines 8 to 10)

0

OTHER RATES RETENTION SCHEME CHARGES

12. Transitional protection payments made, or to be made, in 2015-16

-38,376

13. Payments made, or to be made, to the Secretary of State in respect of the central share in 2015-16

-36,005,761

14. Payments made, or to be made to, major precepting authorities in respect of business rates income in 2015-16

-720,115

15. Transfers made, or to be made, to the billing authority's General Fund in respect of business rates income in 2015-16

-35,285,645

16. Transfers made, or to be made, to the billing authority's General Fund; and payments made, or to be made, to a precepting authority in respect of disregarded amounts in 2015-16

-151,426

17. Transfers/payments from the Collection Fund for end-year reconciliations

0

18. Transfers/payments made from the Collection Fund in 2015-16 in respect of a previous year's surplus

-371,842

19. Total Other Charges (Total lines 12 to 18)

-72,573,165

20. Adjustment for 5-Year Spread

0

ESTIMATED SURPLUS/(DEFICIT) ON COLLECTION FUND IN RESPECT OF FINANCIAL YEAR 2015-16

21. Opening balance plus total credits, less total charges, plus adjustment for 5-year spread (Total lines 1, 7, 11, 19 & 20)

£

-24,087,842

Checked by Chief Financial / Section 151 Officer :

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**TO: THE EXECUTIVE
23 FEBRUARY 2016**

**GENERAL FUND REVENUE BUDGET 2016/17 – FURTHER SAVINGS PROPOSALS
Chief Executive/Borough Treasurer**

1 PURPOSE OF REPORT

- 1.1 To approve for consultation a range of further savings proposals that will contribute towards the delivery of a sustainable revenue budget for 2016/17 and beyond.

2 RECOMMENDATIONS

- 2.1 **That the Executive agree the further savings proposals set out in this report as the basis for consultation with the Overview & Scrutiny Commission and other interested parties or individuals.**
- 2.2 **That authority be delegated to the Director of Environment, Culture and Communities and the Executive Member for Culture, Corporate Services and Public Protection to agree the annual grant to South Hill Park within the financial limits specified in this report.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The recommendation allows the Executive to consult on a range of further savings proposals that will contribute towards the delivery of a sustainable revenue budget for 2016/17 and beyond, as required by the Council's Constitution and the Local Government Act 2003.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The range of options being considered is included in the report and its annexes.

SUPPORTING INFORMATION

5 BACKGROUND

- 5.1 The Council published its initial budget proposals for consultation on 16 December 2015. The outcome of that consultation, together with recommendations for setting a balanced budget and council tax in 2016/17 are set out elsewhere on tonight's agenda.
- 5.2 The scale of the initial budget proposals was entirely consistent with the guidance provided by Government throughout the late summer and autumn of 2015. They included economies of approximately £4m which left a potential budget gap of around £6.044m. Members were advised that to bridge this remaining gap any, or all, of the following options were available:

- An increase in Council Tax

- An appropriate contribution from the Council's revenue reserves, bearing in mind the Medium Term Financial Strategy
- Identifying further economies.

5.3 With regards to identifying additional economies, the Council established a Transformation Board to take the lead on reviewing the way in which all Council services are delivered over the next four years. This represents a continuous programme of work, with the aim of identifying significant savings that can be incorporated into the 2016/17 budget and beyond, in line with the Council Plan that was adopted by Council on 25 November 2015. In December, it was anticipated that a significant proportion of the £6.044m budget gap would be met from the following five service areas:

- Adult social care commissioning
- Highways and transport
- Welfare and housing
- Cultural and leisure services, and
- Public health

5.4 The work of the Transformation Board has to date identified potential economies of £2.183m from these areas for 2016/17. These are set out in more detail later in this report.

5.5 The Council's initial budget proposals were published for consultation ahead of the Provisional Local Government Finance Settlement which was announced on 17 December 2015. The Provisional Settlement for 2016/17 included previously unannounced changes to the distribution of resources amongst authorities depending on the different sets of services provided by them and their relative ability to raise income through council tax locally. The intention is to recognise both the rising costs of adult social care and the differing relative abilities of local authorities to raise income. The impact of this is for the significant cuts already announced by the Government in the November 2015 Spending Review to fall greatest on those authorities with a perceived ability to raise more income from council tax, of which Bracknell Forest is one. The consequence is that Bracknell Forest's Revenue Support Grant will be cut by 80% over the four year period of the settlement. This is against a backdrop of Government announcements prior to 17 December that signalled real terms reductions of up to 40% should be expected.

5.6 Of course, in reality, Councils' ability to raise more income is constrained by the Government's rules that local referenda are necessary for any general increase in excess of 2%. In its response to the consultation on the Settlement, the Council, along with the other Berkshire Councils, has made strong and compelling arguments for treating Berkshire more favourably. This has been reinforced through a delegation of Berkshire Leaders, headed by the Leader, in a meeting with the Minister for Local Government, Marcus Jones, MP. The Government announced the outcome of its consultation on the Provisional Local Government Finance Settlement on 8 February. Whilst the Council's Revenue Support Grant remains unchanged a new transitional grant has been introduced to assist those authorities that have been affected most severely by the changes to the distribution of resources. As such, the Council will receive transitional grant of £0.9m in both 2016/17 and 2017/18.

Unrestricted

- 5.7 The following table sets out the impact of the Settlement on the Council over the four year period of the Spending Review.

Additional Loss of Grant

	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Anticipated Revenue Support Grant Loss	3.0	2.5	2.0	1.5
Actual Revenue Support Grant Loss	5.4	4.2	2.0	1.7
Additional Revenue Support Grant Loss	2.4	1.7	0.0	0.2
Transitional Grant	0.9	0.9	0.0	0.0
ADDITIONAL LOSS OF GRANT	1.5	0.8	0.0	0.2

In overall terms this represents a further £2.5m loss of grant. The original forecasts contained in the Council's Medium Term Financial Strategy anticipated a budget gap of £22m over four years. This has now become £24.5m over four years and has become heavily front loaded.

- 5.8 Given the short time available to deal with this additional financial challenge, there are very few options available to the Council to set a legal and balanced budget. The report elsewhere on tonight's agenda is recommending an increased use of balances (£5.161m) to enable the Council to set its budget and council tax on 24 February. Such a significant use of balances is not sustainable over the medium term and as a consequence a range of additional savings proposals are set out below which will enable the Council to put money back into balances during 2016/17 and deliver the Medium Term Financial Strategy.

6 TRANSFORMATION BOARD – WORK PROGRAMME AND ADDITIONAL SAVINGS PROPOSALS

- 6.1 The Transformation Board began its work in late 2015. Initial activity concentrated on the development of a work programme comprising both strategic reviews and other projects. In tandem with this there was a focus on the identification of additional savings that could be implemented relatively quickly during 2016/17, contributing towards the £6.044m budget gap referred to in paragraph 5.2 above. The overall shape of the emerging work programme is set out in the table below:

Strategic Reviews	Other Projects
Council wide support services	Major property reviews
Early intervention/prevention	One Public Estate
Library review	Devolution
Leisure services review	SEN transport policy
Arts review	School improvement
Citizen and customer contact	NHS integration
Generating additional income	

- 6.2 With regard to the identification of additional savings, a range of proposals have been developed for consultation which are set out in detail in Annex A and summarised in the table below:

	2016/17	2017/18
	£000	£000
Adult social care commissioning	500	500
Welfare and housing	202	0
Public health	367	0
Highways and transport	1,114	142
Total	2,183	642

- 6.3 Public health is funded through a ring fenced grant. In addition to the funding reductions outlined earlier in this report, public health funding has been subject to reductions of £0.237m (6.2%) in the current financial year, with a further reduction of 2.3% in 2016/17 beyond. As a consequence, the savings of £0.367m are likely to be needed to manage public health spending to within the overall ring fenced grant and, as such, cannot contribute towards the budget gap of £6.044m. However, this still leaves proposed savings of £1.816m that can contribute towards the budget gap.

7 ADDITIONAL SAVINGS PROPOSALS AS A CONSEQUENCE OF THE SETTLEMENT

- 7.1 As outlined above the 2016/17 budget and council tax is being set using an increased contribution from balances. As such an approach is unsustainable in the medium term an additional range of savings proposals have been developed, which are capable of implementation during 2016/17. These will enable the Council to return money to balances in 2016/17 and contribute towards the savings that will be required to balance the 2017/18 budget.
- 7.2 These additional savings proposals comprise both revenue and capital economies. Whilst economies arising from reductions in capital expenditure will have little impact on the 2016/17 budget position they are an important component of the overall package as they deliver savings through reduced financing costs in later years.

Additional Revenue Savings Proposals

- 7.3 The additional savings proposals are set out in Annex B and summarised in the table below:

	2016/17 £000	2017/18 £000	2018/19 £000
Adult social care commissioning	500	0	0
Children centres	75	15	0
Early help offer	217	43	0
Grants to voluntary sector organisations	28	10	
Corporate Services/Chief Executive's Office	112	0	0
Economic development	100	0	0
Community safety	50	0	0
Highway maintenance	200	-110	-90
Book fund	100	0	0
South Hill Park grant	44	0	0
Parish council tax reduction support (Further £0.040m included in the Commitment Budget 2016/17)	175	0	0
Total	1,601	-42	-90

- 7.4 The proposed reduction in grant to South Hill Park will leave £394,281 available in 2016/17. It is proposed that the award of grant up to this amount, together with revisions to the Service Level Agreement to reflect the reduced level of grant, be delegated to the Director of Environment, Culture and Communities and the Executive Member for Culture, Corporate Services and Public Protection. In addition the Transformation Board will undertake a finance driven review of arts provision in the Borough including the role that South Hill Park plays in this. This review will be given priority with a target date of the end of June for its conclusion. The Transformation Board will also be prioritising a finance led strategic review of the library service. Although no specific proposals have been developed there is an expectation and a need for both reviews to identify ways to provide the respective services at significantly less cost. In addition to these two finance driven reviews further work will also be undertaken to establish whether the car parking charges at The Look Out are set at the optimum level.

Additional Capital Savings Proposals

- 7.5 The overall council funded capital programme for 2016/17 is £59.983m. The most significant scheme within the overall programme is the construction of Binfield Learning Village, which is required to deliver statutory school places, meeting the needs of new housing and the provision of associated community facilities. In 2016/17 a budget of £23.3m has been allocated to this scheme. Similarly, a budget of £8.358m has been allocated for the replacement roof and flumes at Coral Reef. Tenders for the works to Coral Reef are due to be returned in early March. Given the magnitude of these schemes and their consequent impact on the revenue budget both will be reviewed in terms of their scale, timing and financing early in the next financial year, together with the proposed youth arts facility and housing development on the Coopers Hill site.
- 7.6 More immediately it would be possible, subject to consultation, to reduce expenditure on four schemes included within the current capital programme. These are set out in Annex C and summarised in the table below:

	£000
Harmanswater Community Centre	800
Buildings Planned Maintenance	800
IT Schemes	300
Dennis Pilcher House	800
Total	2,700

- 7.7 It is estimated that the removal of the above schemes from the capital programme, together with the review of the scope, timing and financing of the Binfield Learning Village and Coral Reef schemes will generate revenue savings in financing costs of more than £0.3m in 2017/18 and in each subsequent year.

8 CONSULTATION ARRANGEMENTS

8.1 In accordance with the Council's Constitution a six week consultation period is required on all budget proposals. However, a number of the proposals outlined above have the potential to impact upon groups with protected characteristics under Equalities legislation or involve the voluntary sector. In these cases a longer, twelve week consultation process will be undertaken to assess the impact of these proposals, concluding with the completion of a full Equalities Impact Assessment before any final decisions are taken. Those proposals requiring a longer consultation period include:

- Housing Related Support Service for Older People (already completed)
- Children Centres
- Early Help Offer (including youth service, Homestart grant and voluntary sector grant support)
- Voluntary Sector Grants (Chief Executive's Office budget)
- Community Safety
- South Hill Park grant

8.2 The timetable for those proposals not requiring a full Equality Impact Assessment is as follows:

Date	Action
23 February 2016	Executive agrees proposals as basis for consultation
24 February 2016 to 5 April 2016	Consultation period
10 March 2016	Overview and Scrutiny Commission reviews budget proposals
10 May 2016	Executive considers representations made and recommends proposals to Council
13 July 2016	Council considers Executive's recommended proposals

- 8.3 The timetable for those proposals requiring a full Equality Impact Assessment is as follows:

Date	Action
23 February 2016	Executive agrees proposals as basis for consultation
24 February 2016 to 17 May 2016	Consultation period
10 March 2016	Overview and Scrutiny Commission reviews budget proposals
14 June 2016	Executive considers representations made and recommends proposals to Council
13 July 2016	Council considers Executive's recommended proposals

9 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

Borough Solicitor

- 9.1 The report identifies a number of proposals to assist the Council in meeting its savings requirements for 2016/17 and beyond. The process of lawfully managing service reductions is a challenge for many local authorities in the current financial landscape. It is important that each of the proposals as well as the procedures underpinning the delivery of each is consistent with Public law principle of fairness. This requires appropriate levels of consultation for each proposal and compliance with the following principles;

- Consultation must be undertaken at a time when proposals are at a formative stage
- Sufficient for the proposal must be given to allow intelligent consideration and response
- Adequate time must be given for a response
- The product of the consultation must be conscientiously taken into account in finalising the proposals

The consultation process set out in paragraph 8 of the report sensibly envisages a differentiated approach between those processes requiring an Equality Impact Assessment (12 weeks) and those which do not (6 weeks).

In addition to the Public consultation, where staffing reductions are proposed these will need to be undertaken in compliance with Employment law and internal HR procedures and will be set out in a separate report to the Employment Committee at the appropriate time.

Borough Treasurer

- 9.2 The financial implications of this report are included in the supporting information.

Equalities Impact Assessment

- 9.3 The further savings proposals included in this report impact on a wide range of services. In addition to a detailed budget consultation on all of the proposals, initial equalities screenings have been completed and full Equalities Impact Assessments will be undertaken on those proposals that have the potential to impact upon groups with protected characteristics, including those set out in paragraph 8.1. The completed documents can be found on the Council's website at <http://www.bracknell-forest.gov.uk/equalitiesassessmentandconsultation>

Strategic Risk Management Issues

- 9.4 The delivery of the savings proposals outlined in this report are crucial to the setting of a sustainable budget in 2016/17 and the achievement of the Council's Medium Term Financial Strategy.

10 CONSULTATION

Principal Groups Consulted

- 10.1 The Overview & Scrutiny Commission will be consulted on the budget proposals. Targeted consultation exercises will be undertaken with business rate payers, the Schools Forum, town and parish councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council's web site at <http://consult.bracknell-forest.gov.uk/portal>. There will also be a dedicated mailbox to collect comments.

Method of Consultation

- 10.2 There will be three specific methods of consultation:
- Through consideration of this report by the Overview & Scrutiny Commission
 - A web based consultation with residents, and
 - Through letters sent to targeted groups

Representations Received

- 10.3 None at this stage.

Unrestricted

Background Papers

Provisional and Final Local Government Finance Settlements

Contact for further information

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DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex A

ADULT SOCIAL CARE, HEALTH AND HOUSING

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Adult Social Care Commissioning</p> <p>Review of adult social care packages to identify where the current care provided can be redefined to better meet recipients' eligible needs and provide better value for money for the Council.</p>	-500	-500	
ADULT SOCIAL CARE COMMISSIONING TOTAL	-500	-500	

<p>Housing Bad Debt Provision</p> <p>The current budget for Housing Benefit bad debt should not be required to the same level as old legacy debt has now been largely written off.</p>	-102		
<p>Housing Related Support for Older People</p> <p>Following consultation a contract to provide housing related support for older people to prevent homelessness will be let. The range of support provided will be reduced compared to previous contracts and thus a saving can be achieved whilst maintaining support to those older people most in need.</p>	-100		
WELFARE AND HOUSING TOTAL	-202		

<p>Public Health – Substance Misuse</p> <p>Renegotiation of the current service contract should result in reduced costs.</p>	-121		
<p>Public Health - Falls</p> <p>Reduction in funding for the falls prevention service. Some elements of the service will instead be delivered in-house by the Public Health team.</p>	-65		
<p>Public Health – Miscellaneous Projects</p> <p>Reduction in the funding for the oral health promotion services provided through Berkshire Healthcare NHS Trust.</p>	-15		

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex A

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Public Health - Obesity</p> <p>Reduction in the funding for obesity services provided through Berkshire Healthcare NHS Trust.</p>	-32		
<p>Public Health – Sexual Health</p> <p>Reduction in the funding for Chlamydia screening provided through Berkshire Healthcare NHS Trust.</p>	-66		
<p>Public Health – Smoking</p> <p>Re-tender of the payment by results contract has put in place limits that the Council will pay in terms of stop smoking services.</p>	-68		
<p>PUBLIC HEALTH TOTAL</p>	-367	0	0

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex A

ENVIRONMENT, CULTURE AND COMMUNITIES

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
Highway Maintenance – There will be no wide scale resurfacing of footpath/cycleway on estate roads. Only £50k retained for urgent reactive and intervention work, patch repairs only on redefined lower intervention levels.	-200		
Highway Winter Service – Minimise budget provision, accept risk and potential need for contingency funding in exceptional years.	-100		
Highway Weedkilling – Cease all weeding killing on highways, footpaths and cycleways .Weeds will grow as detritus collects, street cleansing standards will be lowered and there is the potential of long term damage to surfaces.	-48		
Highway Maintenance – Continue with planned preventative maintenance using commuted sums received. Utilising commuted sums is a 2-3 year option only, further years planned maintenance would be funded from the integrated transport grant further and significantly delaying or completely deferring integrated transport measures.	-350		
Transport Capital Works – Continue with planned preventative maintenance by a significant reduction in highway improvement schemes, safe routes to school schemes and access improvements to employment areas. Part of the integrated transport grant will instead be used for planned preventative maintenance, allowing the equivalent revenue budget to be saved. This will lead to the reduction of 3 transport engineering posts, due to reduced capital works.	-200		
Transport Engineering – Cease work generated by public enquiries. £30K retained for 2 Traffic Regulation Orders (TRO's) per annum. Activity restricted to the provision of disabled parking bays, road safety related parking restrictions and unavoidable works linked to identifiable road safety issues. Significantly reduced level of response to any public/member enquiries unless considered to be serious health and safety issues.	-50		
Highway Drainage – Only urgent repairs to current drainage situation with no improvements. Minor local drainage improvement schemes intending to resolve local flooding issues will be scrapped, only £25k retained for critical works. Loss of 1 post (from 1) meaning no ability to respond on behalf of residents to both drainage and non drainage engineering queries.	-50	-40	
Road Safety Education – Remove Road Safety Officer post and reduce road safety education, training and publicity work. Retain financial support for “Safer Roads Berkshire” only (a Berkshire wide road safety partnership proving evidence led road safety initiatives) – from the end of this academic year..	-25	-35	

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex A

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
Highways Adoptions – Reduction of one adoptions supervisor. This means reducing supervision of works to be adopted giving rise to potential quality control issues through poor workmanship which will be passed on to the Council at adoption stage.	-12	-12	
Supported Bus Contracts – Reduce bus subsidy by reviewing the 157/158 route. This will not affect bus frequency, but may add to some journey times. A review of other subsidised routes will be undertaken if this change does not fully meet the proposed savings target. There will also be an overall reduction in public transport co-ordination.	-47	-47	
Concessionary Fares – Remove concessionary fares administrator, function to move to customer services.	-8	-8	
Town Centre – Switch off all fountains in the town centre and do not maintain them.	-12		
Town Centre – No BFC funded provision of Christmas lights in the town centre. BRP provision only.	-12		
ENVIRONMENT, CULTURE AND COMMUNITIES TOTAL	-1,114	-142	0

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex B

ADULT SOCIAL CARE, HEALTH AND HOUSING

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
Adult Social Care Commissioning Review of adult social care packages to identify where the current care provided can be redefined to better meet recipients' eligible needs and provide better value for money for the Council.	-500		
ADULT SOCIAL CARE, HEALTH AND HOUSING TOTAL	-500	0	0

CHILDREN, YOUNG PEOPLE AND LEARNING

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Children's Centres</p> <p>There will be a reduction in universal service provision within the Alders & Chestnuts Children's Centre area. The focus will be on targeted services. Health services will still be delivered from this site. 2.7 FTE posts will be deleted.</p>	-75	-15	
<p>Early Help Offer</p> <p>A number of savings are proposed within the Early Help Offer:</p> <ul style="list-style-type: none"> • Support to early years providers will end in respect of training and staff development, a reduction in resource support for the Every Child a Talker programme and in the support for providers with sustainability issues (£37,000). • Deletion of 2.2 FTE Development Officer posts that support childminders, after school clubs, play schemes and wrap around provision (£78,000). • Removal of resources budget at the Family Information Service that will develop a reactive service delivery (£10,000). • Deletion of 1.9 FTE youth worker posts which will lead to a reduction in universal services for young people (£57,000). • 50% reduction in grant allocated to Homestart for the provision of trained volunteers to support families requiring early help (£30,000) • Deleting voluntary sector grant support: <ul style="list-style-type: none"> ○ REDZ- provides performing arts sessions to young people at The Spot in Sandhurst] (£4,500) ○ South Hill Park - provides arts based sessions to young people (£13,200) ○ KIDS Young Carers – develops and delivers a service to young carers and their families within Bracknell Forest (£30,000) 	-217	-43	
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	-292	-58	0

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex B

CORPORATE SERVICES/CHIEF EXECUTIVE'S OFFICE

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Chief Executives Office</p> <p>Reduction in grants to voluntary sector organisations. The proposal is for a 10% reduction which will impact on the voluntary organisations' ability to deliver services.</p>	-28	-10	
<p>Chief Executives Office</p> <p>Re-grading of Communications Officer post and reallocation of work within the team.</p>	-7		
<p>Chief Executive's Office</p> <p>Town and Country publications reduced from 3 to 2 per annum and a reduction in the number of Forest Views issued in the year.</p>	-10		
<p>Revenue Services</p> <p>Reduction in council tax postage budget reflecting reduction in costs following changes in Council Tax billing.</p>	-10		
<p>Property Services</p> <p>Restructuring of Construction and Maintenance team requires a deletion of one post and redistribution of duties and responsibilities.</p>	-45		
<p>Human Resources</p> <p>Reduction in Occupational Health budget in line with current expenditure.</p>	-10		
<p>Property Services</p> <p>Less maintenance has been required on Time Square office following the refurbishment. Therefore a reduction will be made to the maintenance budgets for Civic buildings</p>	-30		
<p>CORPORATE SERVICES/CHIEF EXECUTIVE'S OFFICE/POLICY TOTAL</p>	-140	-10	0

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex B

ECONOMIC DEVELOPMENT

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Chief Executives Office</p> <p>Reduction in proposed additional costs of providing the Business and Enterprise Team. This will be achieved through reducing the team to 1 FTE and a reduced programme of activities.</p>	-100		
ECONOMIC DEVELOPMENT TOTAL	-100	0	0

COMMUNITY SAFETY

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Chief Executives Office</p> <p>Removal of the CCTV budget. There will no longer be a budget available to support town centre CCTV cameras operated by BFC.</p>	-26		
<p>Chief Executive's Office</p> <p>Reduction in FTE of CADIS post from 1.00 FTE to 0.81 FTE. This post will now be fully funded from the PCC Community Safety grant and a saving can be made on the DSB budget which is currently supporting the non-grant funded element.</p>	-8		
<p>Chief Executive's Office</p> <p>Reduction in various supplies and services budgets within the Community Safety Team, the largest of which is CADIS software maintenance.</p>	-5		
<p>Chief Executive's Office</p> <p>Reduction in Domestic Abuse budget. The level of budget reduction will limit any additional work required around Domestic Abuse in the Borough with the Councils Partners.</p>	-11		
COMMUNITY SAFETY TOTAL	-50	0	0

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex B

ENVIRONMENT, CULTURE AND COMMUNITIES

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
Highway Maintenance – Since a significant reduction has already been made from the highway budget it is considered possible to defer for one year only an additional £110k of works and capitalise £90k of salaries on the LED lighting scheme. This will mean that bridge and structure repairs will be deferred unless they are a serious risk to health. Only safety critical road marking replacements will be undertaken leading to potential driver confusion. Damaged fences and barriers would only be repaired if a serious risk to health.	-200	110	90
Library Service – Reduce the stock fund by £100k, which provides a whole range of lending materials. There is a legal duty to provide a comprehensive library service, which would still be met, but reducing the stock fund by 40% would severely reduce the availability of books and other material for the public and therefore significantly reduce the service available.	-100		
South Hill Park – Reduce annual grant by 10%. SHP will have to review the programme on offer and potentially cancel events that require subsidy or have an element of financial risk and in so doing reduce participation levels.	-44		
ENVIRONMENT, CULTURE AND COMMUNITIES TOTAL	-344	110	90

Unrestricted

DRAFT REVENUE BUDGET SAVINGS PROPOSALS

Annex B

COUNCIL WIDE

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Council Tax Support to Parish and Town Councils</p> <p>Cancelling the payments to Parish and Town Councils which compensate them for the loss of precept income resulting from the introduction of the Local Council Tax Benefit Support Scheme.</p>	-175		
COUNCIL WIDE TOTAL	-175	0	0

Unrestricted

PROPOSED CAPITAL SAVINGS PROPOSALS

Annex C

CAPITAL PROGRAMME

Description Impact	2016/17 £'000	2017/18 £'000	2018/19 £'000
<p>Harmans Water Community Centre</p> <p>The scheme originally proposed for the 2015/16 capital programme has now been subject to detailed specification and costing and is currently estimated to cost considerably more than the budget available. Therefore the Council cannot proceed with the original scheme as envisaged and will be evaluating alternative options for use of the building which will safeguard the property.</p>	-800		
<p>Buildings Planned Maintenance</p> <p>The original building maintenance plan for 2016/17 was based on the most recent survey data and the highest priorities were identified as needing funding during 2016/17. It is possible to re-prioritise and re-phase work which may run the risk of contributing to a larger back-log to be addressed in future years but allow the assets to remain fully operational in 2016/17.</p>	-800		
<p>IT Schemes</p> <p>By extending the asset-life of the Council's IT infrastructure and re-phasing replacements it is possible to reduce expenditure in 2016/17 on hardware within the Server/Network Refresh and Desktop Estate programmes and reducing the upgrade in Microsoft Office licences and other smaller programme areas.</p>	-300		
<p>Older person accommodation and support services strategy - Dennis Pilcher House</p> <p>The Council proposed to acquire Denis Pilcher House via an asset swap. Capital works were planned to convert this building into a bed-based intermediate care facility to aid the timely discharge of people from hospital. However, recent experience and feedback from people who need support have shown that there is a need to move to a largely home-based intermediate care service, and procure a lower level of residentially based care to be determined over the next 12 months.</p>	-800		
<p>CAPITAL PROGRAMME TOTAL</p>	-2,700	0	0

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