

TO: SCHOOLS FORUM
DATE 18 JANUARY 2018

LOCAL AUTHORITY BUDGET PROPOSALS FOR 2018/19
Director of Children, Young People & Learning

1 PURPOSE OF REPORT

- 1.1 To present to the Forum for comment a summary of the current position on the Council's budget preparations for 2018/19 with a particular focus on the impact expected on the Children, Young People and Learning (CYPL) Department.
- 1.2 At the time of the publication of the proposals, the Provisional Local Government Financial Settlement had not been announced. It is possible that this could change some of the assumptions in the report, however, as the Council accepted in Autumn 2016 the offer of a four year financial settlement, it is anticipated that funding will be in line with the indicative figures received on 20 February 2017 (as part of the Final Local Government Finance Settlement 2017/18).
- 1.3 Comments received on these budget proposals will be submitted to the Executive on 13 February. This will allow the Executive to determine its final budget package and recommend the appropriate Council Tax level to Council, which will formally approve the 2018/19 budget and Council Tax on 28 February 2018.

2 RECOMMENDATIONS

- 2.1 That the Schools Forum comments on the 2018/19 budget proposals of the Executive for the Children, Young People and Learning Department in respect of:
 - i. The revenue budget (Annexes A to C), and
 - ii. The capital programme (Annexe D).

3 REASONS FOR RECOMMENDATIONS

- 3.1 The Executive seeks the views of the Schools Forum as an interested party on the 2018/19 budget proposals.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The range of options being considered are set out in the main reports on the public access website.

5 SUPPORTING INFORMATION

Introduction

- 5.1 This report presents a summary of the Council's revenue and capital budget proposals for 2018/19 that were prepared on information and assumptions available at December 2017 and are therefore subject to change as more information emerges or changes

occur as part of the consultation process. The focus of this report is proposals from the CYPL Department, with full details of the council's budget proposals available at:

<http://democratic.bracknell-forest.gov.uk/ieListDocuments.aspx?CId=102&MId=7101&Ver=4>

Revenue Budget

Commitment budget

- 5.2 Initial preparations for the 2018/19 budget have focussed on the Council's Commitment Budget for 2018/19 – 2020/21. This brings together the Council's existing expenditure plans, taking account of approved commitments and the ongoing effects of service developments and efficiencies that were agreed when the 2017/18 budget was set.
- 5.3 A significant development during this budget cycle has been the inclusion of the expected impact of the transformation programme (-£6.417m) including forecast savings from Adults (-£1.800m) and Children's Services (-£1.165m), the Commercial Property Investment Strategy (-£1.000m) and the Leisure Services Review (-£0.600m), which are at different stages of delivery.
- 5.4 Taking account of these and other changes, Table 1 summarises the position and shows that base expenditure (excluding schools) is planned to decrease by £5.188m to £83.153m next year, before consideration is given to allowances for inflation and the budget proposals identified by individual Departments in 2018/19. The commitment budget relating to CYPL is shown in more detail in Annex A.

Table 1: Summary Commitment Budget 2018/19-2020/21

Item	Planned Expenditure		
	2018/19 £000	2019/20 £000	2020/21 £000
Base Budget	88,341	83,153	80,305
<i>Movements in Year:</i>			
Adult Social Care, Health and Housing	-2,483	-1,185	509
Children, Young People and Learning (excluding schools)	-827	-580	10
Environment, Culture & Communities	-2,471	-622	-401
Resources	-591	-6	0
Non Departmental / Council Wide	1,184	-455	417
<i>Total Movements</i>	<i>-5,188</i>	<i>-2,848</i>	<i>535</i>
Adjusted Base	83,153	80,305	80,840

Provisional Local Government Financial Settlement 2018/19

- 5.5 The Council's budget is set within the context of a 4-year Local Government Funding Settlement (LGFS) published following the General Election in May 2015. As such, 2018/19 will be the third year of this agreement, and whilst the Council has relied on the published indicative figures there remains a risk that other funding streams provided by Central Government are potentially liable to change.

- 5.6 Funding from central government is currently received through Revenue Support Grant (RSG) and Specific Grants. For planning purposes an estimate of the reduction in central government support has been incorporated within these Budget Projections reflecting a further cut of £2.6m in RSG for 2018/19. These figures will be refined when more information becomes available.

Grants

- 5.7 The Council also receives substantial external funding through a number of specific grants for which the following assumptions have been included within the latest budget projections:
1. *New Homes Bonus*. This is used to incentivise LAs to maximise house building. Recent policy changes have resulted in a significant net reduction in the funding received by Bracknell Forest from 2017/18 – approximately £3.9m was received in 2016/17 with an expected £1.9m in 2018/19.
 2. *Education Services Grant (ESG)*. The £1.5m grant funding received in 2016/17 has now been completely withdrawn, although LAs are still required to meet all the statutory and regulatory duties associated with education services. However, in agreement with schools, the Council will be able to retain some of the funding to cover the statutory duties carried out for maintained schools which were previously funded through ESG (approximately-£0.2m). In addition schools have also agreed that “retained” duties, which local authorities must deliver for both maintained and academy schools, will also be funded via the Schools Block element of the DSG (-£0.26m).
 3. *Other Specific Grants*. This mainly relates to ring-fenced Public Health, NHS funding streams and Better Care Fund. and the Commitment Budget reflects the additional funding for Adult Social Care announced as part of the national Spring 2017 Budget (-£1.016m).

Business Rates

- 5.8 A third important stream of income 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 (set by central government), the impact of appeals 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.
- 5.9 The government has previously announced plans to reform business rates and allow LAs to retain more of the funds that are generated, but to also take up more responsibilities so that any change is cost neutral across the public sector. The impact locally on such changes, which may commence through a local area-wide pilot scheme are unclear at this stage but present further potential change to the funding framework.
- 5.10 As well as the uncertainty surrounding the introduction of national funding reforms, there has been considerable Business Rates volatility following the transfer of a large multi-national company on to the Council’s valuation list in 2013/14. Initially this significantly increased the level of Business Rates collected locally but following a successful appeal the rateable value was reduced by 28% in 2016/17. A further appeal was lodged following the 2017 valuation which is still outstanding and the company has also applied to re-join the Central Rating List. As the timing and outcome of these events are uncertain, assumptions have had to be made in calculating future levels of income from Business Rates.

- 5.11 At this stage, Business Rates income is forecast to grow in line with the Government's baseline assumptions plus additional growth resulting from the opening of the regenerated Town Centre. The 2017/18 budget assumed an additional -£0.750m of Business Rates from the Town Centre and the Commitment Budget currently assumes a further -£0.750m of income in 2018/19. Actual income will depend on the rateable values agreed for the let units, which have yet to be received from the Valuation Office, and how quickly the remaining units are let. It is hoped that this information will be available for the February report.
- 5.12 There is a risk that the Council could lose a significant proportion of the additional Business Rates income it receives over and above baseline funding when resources are redistributed under the 100% retention scheme. This is a consequence of Bracknell Forest having for many years been assessed as having significantly lower funding needs than most local authorities and there being no reason to believe this will change under a new funding system. Therefore, to reduce reliance on this additional income to balance the budget, a reduced sum will be taken to support the base budget and £0.250m will be transferred into the Business Rates Equalisation Reserve as part of the budget proposals.

Council Tax

- 5.13 Council Tax at present levels will generate total income of -£53.247m in 2018/19. An increase in the Council Tax Base arising from the occupation of new properties during 2018/19, is expected to contribute an additional -£0.871m. The latest information on the take-up of Council Tax support in the current year indicates that it will be less than that budgeted for in 2017/18; however the impact on Council Tax income in 2018/19 has still to be assessed. All these figures will be updated when the Council Tax Base is finalised during December.
- 5.14 The Government limits Council Tax increases by requiring councils to hold a local referendum for any increases in excess of a threshold percentage which is normally included in the Local Government Financial Settlement. In 2017/18 a referendum was required for Council Tax increases of 2% or more. Early indications are that the same level will be set in 2018/19 but this will not be confirmed until the Provisional LGFS is received. As a council with Social Care responsibilities, it should also be possible for Council Tax to be raised by a further 3% in 2018/19 to support Social Care pressures and the Council's Medium Term Financial Strategy. Each 1% increase in Council Tax would generate approximately -£0.54m of additional income.
- 5.15 The Executive at its meeting in February will recommend to Council the level of Council Tax in light of the Final Settlement, the results of the consultation and the final budget proposals.

Budget Proposals for 2018/19

Service pressures and Developments

- 5.16 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 is severely restricted. Nevertheless, it is important to retain a clear focus to ensure that the Council continues to deliver its six strategic themes. In preparing the 2018/19 draft budget proposals each department has evaluated the potential pressures on its services and those relating to CYPL are set out in Annex B. Table 2 summarises the pressures by department that total £5.333m.

Table 2: Service Pressures/Development

Department	£'000
Adult Social Care, Health and Housing	2,633
Children, Young People and Learning (excluding schools)	1,357
Environment, Culture & Communities	521
Resources	602
Non Departmental / Council Wide	220
Total Pressures/Developments	5,333

5.17 Many of the pressures are simply unavoidable as they relate to demographic trends, changes in funding and new legislation. They do, however, also support the six strategic themes included in the new Council Plan in the following way.

- people have the life skills and education opportunities they need to thrive (£0.065m);
- people live active and healthy lifestyles (£2.633m);
- a clean, green, growing and sustainable place (0.221m);
- strong, safe, supportive and self-reliant communities (£1.302m)
- provide value for money (£0.577m).

5.18 Service pressures will be kept under review throughout the budget consultation period. There is always the risk in Social Care services in particular that the numbers of people requiring care packages, the content of existing care packages and contract inflation will vary considerably from the assumptions included in these draft budget proposals. Any revisions to service pressures will be reported to the Executive in February.

Service Economies

5.19 Members and officers have held regular meetings to determine options for savings and a list of potential draft budget savings has been developed. This list totals -£2.935m and is summarised in Table 3 with CYPL items set out in more detail in Annex C. As in previous years, economies have focused as far as possible on increasing efficiency, income generation and reducing central and departmental support rather than on front line services. However, since it became a Unitary Authority the Council has successfully delivered savings of around £70m in total. As a result it is inevitable that there will be some impact on services, although this has been minimised.

Table 3: Summary Service Economies

Department	£'000
Adult Social Care, Health and Housing	-760
Children, Young People and Learning (excluding schools)	-421
Environment, Culture & Communities	-1,075
Resources	-477
Non Departmental / Council Wide	-202
Total Savings	-2,935

Council Wide Issues

5.20 Apart from the specific departmental budget proposals there are some Council wide issues affecting all departments' budgets which need to be considered. The precise impact of these corporate budgets is likely to change before the final budget proposals are recommended. However the current view on these issues is outlined in the following paragraphs:

a) Capital Programme

The scale of the Council's Capital Programme for 2018/19 will impact upon the revenue budget and is itself subject to consultation. Current proposals, as set out further below from paragraph 5.26 and after allowing for projected receipts of approximately £8m in 2018/19 and carry forwards, the additional revenue costs will be £0.040m in 2018/19 and £0.340m in 2019/20.

b) Interest and Investments

With borrowing rates at historical lows, the borrowing strategy of the Council will be to minimise the impact on the revenue account but recognising that better value is in the 40yr to 50yr range. The Council, in close co-ordination with its Treasury Management advisers, will monitor medium and long-term interest rates and take any necessary decisions based on the information available to effectively and efficiently fund the capital programme committed to by the Council.

c) Provision for Inflation and Pay Awards

At this stage the inflation provision is not finalised, although for planning purposes a sum of £1.500m (£1.200m 2017/18) has been added to the budget. This will be achieved by:

- Assuming a pay award of no more than 1%;
- Negotiating to minimise inflation on contracts;
- Increasing fees and charges in line with the Council's income policy.

The National Employers made an offer to the unions on pay on 5 December. The proposal is for the majority of staff to receive a 2% pay rise from April 2018 and a further 2% rise in April 2019. To accommodate the introduction of the National Living Wage, the proposal also includes higher increases for staff on scale point 19 or below. Should the pay award be accepted, there would be an additional cost of approximately £0.5m compared to the £1.5m above.

The Council will need to consider where it is appropriate and necessary to provide for inflation over the coming weeks so that the actual inflation provision can be added to the final budget report in February 2018.

d) Fees and charges

Increases in fees and charges are determined by the overall economic conditions, the willingness of customers to pay the higher charges and continued demand for Council services. The Council policy for fees and charges requires each Department to consider the level of charges against the following criteria:

- fees and charges should aim, as a minimum, to cover the costs of delivering the service;
- where a service operates in free market conditions, fees and charges should at least be set at the market rate;
- fees and charges should not be levied where this is an ineffective use of resources, i.e. the cost of collection exceeds any income generated.

Certain other fees will attract the percentage / charge determined by statute

e) Corporate Contingency

The Council manages risks and uncertainties in the budget through the use of a general contingency added to the Council's budget. Every year the Council faces risks on its budget in relation to demand led services, Business Rates and the general economic climate. The Contingency has been increased by £0.5m to £2.5m as part of the draft budget proposals. This reflects the need to deliver significant savings in-year through the Transformation programmes, some of which are at early stages of implementation, whilst responding to rising service demands.

Summary position on the Revenue Budget

- 5.21 Adding the draft proposals to the Commitment Budget and taking account of the corporate issues identified above would result in total expenditure of £79.598m as shown in Table 4.

Table 4: Summary of proposals:

	£'000
Commitment Budget	83,153
Budget Pressures	5,333
Budget Economies	-2,935
Capital Programme	40
Inflation Provision	1,500
Change in Contingency	500
Reversal of the one-off transfer into the Business Rates Equalisation Reserve (BRER) for the Collection Fund - Business Rates surplus in 2016/17	-9,113
Recurring transfer of Business Rates income into the BRER	250
Reduction in New Homes Bonus 2018/19	932
Additional Improved Better Care funding	-62
Draft Budget Requirement 2018/19	79,598

- 5.22 Without the Provisional Finance Settlement, assumptions have had to be made on the level of grant income. It has been assumed that the Council can anticipate income of up to -£74.787m. This arises from Revenue Support Grant and Business Rates baseline funding (-£20.669m) and Council Tax at the 2017/18 level (-£54.118m).
- 5.23 With the potential overall cost of the budget package being consulted on in the region of £79.598m, this leaves a potential gap of around £4.811m. 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.

Reserves

5.24 The Council has an estimated £8.5m available in General Reserves at 31 March 2018. Details are contained in Table 5.

Table 5: General Reserves as at 31 March 2018

	£m
General Fund	11.1
Planned use in 2017/18	(2.6)
Estimated Balance as at 31 March 2018	8.5

5.25 The Council has, in the past, planned on maintaining a minimum prudential balance of £4m. This assessment is based on the financial risks which face the Council and the Borough Treasurer considers these in the February report to the Executive at which a final decision on the use of balances can be taken, taking account of the financial position likely to face the Council over the next five years.

Capital Programme

Introduction

5.26 The proposed capital programme for 2018/19 has been developed on the assumption that it will be funded by a combination of Government grants, other external contributions and borrowing in addition to capital receipts. Historically capital receipts have averaged around £5m per annum, however this has largely been made up of the VAT and Right-to-Buy sharing agreement contributions from Bracknell Forest Homes and these schemes have now ended. Nevertheless, receipts from two large sites and CIL contributions should enable £8m of the capital programme to be funded from receipts. Internal resources will be used in the first instance and borrowing from external sources (e.g. the PWLB) 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.

New Schemes

5.27 Within the general financial framework outlined above, Service Departments have considered new schemes for inclusion within the Council's Capital Programme for 2018/19 – 2020/21. 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:

- Binfield Learning Village and other school building improvement works / adaptations
- Maintenance of council buildings, including refurbishment of Time Square
- A range of environmental projects

- Delivering a return on capital expenditure assumed through the commercial investment strategy strand of the Transformation Programme

Other elements of the capital programme

5.28 As well as new schemes, the capital programme is structured into other categories of spend as follows:

- *Unavoidable and committed schemes*; these are required 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 2017/18 Capital Programme.
- *Maintenance (Improvements and capitalised repairs)*; an assessment is made of the state of each building element and its repair priority with a condition rating and repair urgency to inform spending requirements to adequately maintain assets.
- *Rolling 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*; are other high priority schemes that meet the needs and objectives of their service.
- *Invest to save schemes*; These are schemes where the additional revenue income or savings arising from their implementation exceeds the Council's borrowing costs.

Summary

5.29 A summary of the cost of schemes proposed by Departments is set out below in Table 6. A detailed list of suggested schemes from CYPL is included in Annex D. Total Council funding amounts to £40.546m. However this includes £30m allocation for the Commercial Property Investment Strategy which is self funding and will earn additional income to support the Council's budget.

Table 6: Capital Programme 2018/19 to 2020/21

Service Area	2018/19 £000s	2019/20 £000s	2020/21 £000s
Adult Social Care, Health & Housing	8,473	0	0
Children, Young People & Learning	8,289	850	250
Resources	2,135	70	0
Council Wide	32,313	363	388
Environment Culture & Communities	6,666	6,465	1,960
Total Capital Programme	57,876	7,748	2,598
Less Externally and Self Funded	17,330	5,685	1,475
Less Commercial Property Investment	30,000	0	0
Total request for Council funding	10,546	2,063	1,123

Funding options

5.30 The proposed capital programme for 2018/19 has been developed on the assumption that it will be funded by a combination of:

- Government grants
- Section 106 funding (developer contributions)
- Community Infrastructure Levy
- And council funding from capital receipts and prudential borrowing

Approximately £8m of capital receipts, Government grants, other external contributions and borrowing are expected.

5.31 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.

5.32 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 2018/19 to 2020/21 in March 2018, alongside its consideration of the specific budget proposals for 2018/19 and the Council's medium-term financial prospects.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 The relevant legal issues are addressed within the report.

Borough Treasurer

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

Equalities Impact Assessment

6.3 The Council's final budget proposals will potentially impact on all areas of the community. A detailed consultation process is planned in order to provide individuals and groups with the opportunity to comment on the draft proposals. This will ensure that in making final recommendations, the Executive can be made aware of the views of a broad section of residents and service users. A number of the budget proposals require specific equality impact assessments to be carried out and draft versions of these have been completed and can be viewed on the website. Consultation with equalities groups that are likely to be affected by the proposal is part of the assessment process.

Strategic Risk Management Issues

6.2 A sum of £2.5m is currently included in the draft proposals to meet the costs of unpredictable or unforeseen items that would represent in year budget risks. The

Executive will need to make a judgement on the level of Contingency at its meeting in February.

- 6.3 The Borough Treasurer, as the Council's Chief Finance Officer (Section 151 Officer), must formally certify that the budget is sound. This will involve identifying and assessing the key risk areas in the budget to ensure the robustness of estimates and ensuring that appropriate arrangements are in place to manage those risks, including maintaining an appropriate level of reserves and Contingency. This formalises work that is normally undertaken each year during the budget preparation stages and in monthly monitoring after the budget is agreed. The Borough Treasurer will report his findings in February, when the final budget package is recommended for approval.
- 6.4 The scale of the Council's Capital Programme for 2018/19 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new capital receipts or borrowing from internal resources. 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 is not sustainable in the medium term without significant revenue economies. 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. The report also identifies the risk associated with the shortfall in maintenance expenditure compared to that identified by the latest condition surveys. With only those highest priorities receiving funding in 2018/19, there will be a further build up in the maintenance backlog and a risk that the deterioration in Council assets will hamper the ability to deliver good services.

CONSULTATION

Principal Groups Consulted

- 7.1 The Overview & Scrutiny Commission will be consulted on the budget proposals and may also choose to direct specific issues to individual overview and scrutiny panels. 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.

7.2 The timetable for the approval of the 2018/19 Budget is as follows:

Executive agree proposals as basis for consultation	19 December 2017
Consultation period	20 December 2017 - 30 January 2018
Executive considers representations made and recommends budget.	13 February 2018
Council considers Executive budget proposals	28 February 2018

Background Papers

BFC budget proposal reports to the Executive:

<http://democratic.bracknell-forest.gov.uk/ieListDocuments.aspx?CId=102&MId=6501&Ver=4>

Contacts for further information

Paul Clark, Finance Business Partner - CYPL

(01344 354054)

paul.clark@bracknell-forest.gov.uk

Doc. Ref K:\Pine\Executive\Schools Forum\86 180118\2018-19 - LA Budget Proposals for Schools Forum.docx

Description of Commitment Budget Items for 2018/19 to 2020/21

Department and Item	Description	2018-19 £000	2019-20 £000	2020-21 £000
Children, Young People and Learning				
Suitability surveys	Suitability and access surveys are undertaken every three years to update the Asset Management Plan so that up to date information is available to inform investment decisions on the capital programme.	20	-20	20
Schools Music Festival	Biennial event which enables pupils from the Council's Primary schools to participate in a large scale production which links music, dance and art.	-10	10	-10
Education Services Grant	As part of government reforms of education, general grant funding, notionally allocated for related council statutory and regulatory duties is being withdrawn.	401	0	0
Capital Invest to Save 2017/18 - Supported Housing (Holly House)	Investment in Holly House to provide improved and additional accommodation places for care leavers at reduced costs.	-43	0	0
School Improvement Service	A number of income streams will be lost in 2019/20 which will reduce the previously declared saving.	0	70	0
Review of Personal Assistants	A reduction in the number of posts across the Council following a review of PA support.	-30	0	0
CYPL Transformation	CYPL Transformation has identified 7 workstreams that will contribute to savings from next year. The key areas where work has commenced on introducing change relate to; the introduction of a whole council Early Help service; reducing unit costs of care, in particular through the development of innovative foster care arrangements; reducing the number of children in care through the work of the Family Safeguarding Model together with a greater focus on supporting young people and their families who are at the edge of care; and a restructure of Senior Leadership.	-1,165	-640	TBA
Total		- 827	- 580	10

Revenue budget: proposed PRESSURES for CYPL Department

Description	2018/19 £'000	2019/20 £'000	2020/21 £'000
Special Educational Needs The SEN team are responsible for the statutory assessment and review of children and young people aged between 0 and 25 years who have severe, complex and long term special educational needs. The new requirement to deliver Education Health Care Plans has been process driven to meet timescale deadlines and the focus now needs to be on the correct outcomes for children and securing value for money through strategic planning. A new post of SEN Manager would deliver the improvements being sought.	65		
Performance Management and Governance The Team holds responsibility for the statutory duties relating to Local Authority Designated Officer (LADO) role for managing allegations against people who work with children who are paid, unpaid, volunteers, casual, agency or anyone self employed and managing children's services complaints. There has been a significant increase in volume of work in these areas and there is no longer sufficient capacity to deliver the LADO and complaints roles and additional 0.5 fte and 0.6 fte posts are proposed.	54		
Looked After Children Based on the current costed schedule of known placements, a pressure has been identified to ensure the fulfilment of statutory duties for children and young people in care. This reflects the known number of children being looked after next year. There is significant turnover in the looked after population with varying placements costs depending on the age of child and type of placement needed. A small number of placements are at a very high cost. The pressure also includes an increase in the number of care leavers being supported and a new member of staff for the Family Placement Team to help manage a significant increase in the number of Special Guardianship assessments required by the courts that would otherwise need to be undertaken by more expensive independent social workers. There is also pressure arising from an increase in the number cases coming to court which reflects the national trend.	1,238		
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	1,357		

Revenue budget: proposed ECONOMIES for CYPL Department

Description Impact	2018/19 £'000	2019/20 £'000	2020/21 £'000
Reductions on discretionary services A number of services have been reviewed to identify areas of discretionary elements that can be reduced or over time removed. <ul style="list-style-type: none">• By combining with the Elevate regional consortium, there can be a reduction in the funding provided to 16-18 year olds who are not in education, employment or training without affecting service delivery (£49,000).• Removing non-statutory functions in the Capital and Property Team (£31,000)• Removing non-statutory aspects of the advocacy and independent representation of children and young people involved in social care services (£19,000)• A planned reduction in the development of one-off strategic initiatives (£13,000),	-112		
Revised delivery of services and support arrangements As part of the on-going process to improve efficiency, the Department continues to review services to consider alternative ways for their delivery or opportunities for cost reductions through reduced take up or general efficiencies. The main changes proposed this year relating to lower demand relate to: <ul style="list-style-type: none">• Minimal demand from looked after children for financial support from the council to support their on-going education once they reach 18 years of age (£11,000),• Reduced use of general office resources and specialist advice services (£32,000). Other changes in response to service review, new ways of working and general efficiencies are: <ul style="list-style-type: none">• Over 2 years, transfer the delivery of the Duke of Edinburgh Awards Scheme to the national body that already provides the service in most other areas (£14,000)• Making greater use of the Berkshire Information Advice Service that supports parents with special educational needs children (£19,000)• Use of new technologies to allow managers to better deliver their work reducing the need for administrative support staff (£31,000) as well as directly producing policy developments rather than using a dedicated staffing resource (£28,000)	-43	-266	-12

Description Impact	2018/19 £'000	2019/20 £'000	2020/21 £'000
<ul style="list-style-type: none"> • Incorporating the key aspects of the After School Development Worker into other posts (£33,000) • Transferring aspects of the Education Psychology Service that helps children experiencing that hinder their successful learning problems (£33,000) and aspects of the Early Years support service that relate to supporting providers, in particular Development Workers (£68,000) to the Schools Budget. • Savings are also continuing to be achieved through commissioning where a rigorous and challenging approach continues to result in savings against original quotes (£40,000). 			
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	-421	-12	0

CAPITAL PROGRAMME - CHILDREN YOUNG PEOPLE & LEARNING

	2018/19	2019/20	2020/21	TOTAL
	£000	£000	£000	£000
Committed				
Binfield Learning Village	3,000	-	-	3,000
	3,000	-	-	3,000
Unavoidable				
	-	-	-	-
Maintenance				
Schools Maintenance externally funded	-	-	-	-
	-	-	-	-
Rolling Programme / Other Desirable				
College Town Amalgamation	300	-	-	300
Sandhurst School Nursery Relocation	250	50	-	300
Wooden Hill Classrooms (School Bid)	325	550	-	875
Total	875	600	-	1,475
TOTAL REQUEST FOR COUNCIL FUNDING	3,875	600	-	4,475
External Funding - DfE Basic Need Grant				
No Grant in 2018/19	-	-	-	-
	-	-	-	-
External Funding - Other				
Schools Capital Maintenance Grant	1,912	-	-	1,912
Section 106 - Small Schemes	250	250	250	750
Section 106 - Binfield Learning Village	1,986	-	-	1,986
Devolved Formula Capital (estimate)	266	-	-	266
Total	4,414	250	250	4,914
TOTAL EXTERNAL FUNDING	4,414	250	250	4,914
TOTAL CAPITAL PROGRAMME	8,289	850	250	9,389

Detailed Schemes

1. College Town Amalgamation - £300,000

A budget is required for capital works associated with the possible amalgamation of the College Town Infant & Nursery and Junior Schools which share the same site.

The Head Teacher at College Town Junior School is retiring with effect from the end of December 2017, which has presented the opportunity to amalgamate the schools. If the two schools amalgamate into a primary school there are opportunities for better educational outcomes for children through a consistent approach.

A statutory consultation is underway, and subject to the outcome of this, the amalgamation process via the DfE can proceed. Should amalgamation be finally agreed in February 2017, it is expected that the new amalgamated school would open in September 2018.

Assuming an amalgamated maintained school is the preferred outcome, then there will also be options about the scope and scale of any capital expenditure by BFC, ranging from leaving buildings as they are and just improving signage, to internal refurbishment. Refurbishment would create the single shared staff room and admin offices required by an amalgamated school, as well as a single formal entrance and public reception area.

Another significant area for investment would be the rationalisation of plant, equipment and particularly ICT across the amalgamated school site which is currently separate in each school. This would provide common standards of provision and realise value for money on running costs going forwards. A feasibility study will be undertaken to determine the precise scope and of the options for capital works and as such an indicative budget request is included at this stage.

2. Sandhurst School Nursery Relocation - £250,000

This will relocate the private nursery from The Spot building to the currently vacant caretaker's house at Sandhurst School. Benefits to the Council include:

This project will free up space in The Spot building for school use. Having taken over responsibility for the Sports Centre building (which is conjoined with The Spot building) from ECC from April 2017, the school are working on options for school use of these areas and The Spot accommodation, including use by Post 16 and SEN. This in turn will free up other areas in the existing school buildings for teaching and learning and through re-allocation and re-ordering of room use will help the school to address areas of unsuitable accommodation.

The nursery provider will have the accommodation they need to deliver the statutory 30 hours of free education and childcare for working parents from September 2017. The provider is already working up this offer and parents are already signing up for this, and places have been allocated, however the Spot accommodation does not have suitable outdoor soft play space which this project would provide. The nursery also supports the Local Authority duty for free childcare places for eligible, vulnerable two year olds.

Relocating the nursery into the former caretaker's house will bring this currently vacant and wasting asset into productive use, creating rent income for the school which is currently £13,930 p.a. The caretaker's house is not required by the school as they have a second caretaker's house on site which is occupied. The vacant house cannot realistically be sold because it is located in the centre of the school site and this would mean members of the public living in the midst of a working school site which would be undesirable for safeguarding reasons.

The school are keen to take over The Spot Youth and Community Centre facility as part of a desire to expand the school. The school are supportive of the nursery expansion and has

recognised the valuable synergies' and benefits to its business, in light of this the nursery has been offered the caretakers bungalow as an alternative bespoke provision. The bungalow will require considerable adaptations to meet requirements. Moving the nursery to the caretaker's bungalow will reduce the cost of refurbishment of The Spot and enable the school to have complete access. There are no available premises for the nursery to relocate within the local area, all avenues have been fully explored. This PAD is primarily in respect of funding required to address priorities in the master plan and to meet the Local Authority duty for sufficient childcare provision. This proposal involves provision of a modular building on the rear of the caretaker's house to provide a compliant nursery space. This will transfer the use of and running costs of The Spot building from CYPL to the school.

3. Wooden Hill Classrooms (School Bid) - £325,000

This project is to address the layout of the accommodation in the main school building which is restricting and impeding the delivery of outstanding education due to poorly shaped and undersized classrooms. Access/circulation between rooms is also an issue for the school and the open plan layout does not fit with modern teaching methods, as it has circulation through teaching spaces. With up to 100 children in one space the noise pollution from other classes sharing the space significantly impacts on the outcomes for pupils and hinders the range and type of activities teachers do in order to maximise all pupils' potential.

A programme of works has been drawn up to revamp the accommodation through a combination of new build extension and by moving internal partitions to create proper sized classrooms and teaching spaces with an improved access, separate circulation and an improved general layout. This will improve service delivery and outcomes for this school.

Phase 1 of this project was completed for September 2014 and the Key Stage 2 pupils accommodated in the new classrooms in 2015 achieved the best results in the history of the school. This summer for the end of Key Stage 2 results, 84% of children achieved the national benchmark of L4+ in reading, writing and maths, which is 4% above the national average.

Removing the remaining impediments to teaching and learning from the physical environment can be expected to result in a similar positive impact on performance across the rest of the school which has the capacity to have outstanding outcomes for pupils.