

TO: THE EXECUTIVE
DATE: 16 DECEMBER 2008

**GENERAL FUND REVENUE BUDGET 2009/10
(Borough Treasurer)**

1. PURPOSE OF DECISION

- 1.1 The Provisional Local Government Finance Settlement was announced on 26 November and established the Council's general grant allocation for 2009/10.
- 1.2 This report summarises the Government's provisional proposals and considers their impact on the Council's own budget for 2009/10. The Executive will need to consult on its detailed budget proposals with the Council's Overview & Scrutiny Commission and other interested parties during the next six weeks.
- 1.3 All comments received on these budget proposals will then be submitted to the Executive on 10 February. This will allow the Executive to determine its final budget package and recommend the appropriate Council Tax level to Council, who will formally approve the 2009/10 budget and Council Tax on 25 February.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Approve the revised Commitment Budget at Annexe A;**
- 2.2 **Agree the draft budget proposals for 2009/10 as the basis for consultation with the Overview & Scrutiny Commission and other interested parties.**
- 2.3 **Approve the virements relating to 2008/09 budget as set out in section 10.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 **The recommendations are designed to allow the Executive to consult on its draft budget proposals as required by the Local Government Act 2000.**

4 ALTERNATIVE OPTIONS CONSIDERED

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

5 SUPPORTING INFORMATION

COMMITMENT BUDGET 2009/10 – 2011/12

- 5.1 Initial preparations for the 2009/10 budget have focussed on the Council's Commitment Budget for 2009/10 – 2011/12. 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 2008/09 budget was set. The table below summarises the Commitment Budget position with base expenditure of £72.525m next year, before any new changes are considered in the light of the Provisional Finance Settlement. The commitment budget is shown in more detail in Annexe A.

Table 1: Summary Commitment Budget 2009/10-2011/12

	Planned Expenditure		
	2009/10 £000	2010/11 £000	2011/12 £000
Base Budget	71,253	72,525	72,899
<i>Movements in Year:</i>			
Chief Executive / Corporate Services	35	21	83
Social Care & Learning (excluding schools)	444	-358	-10
Environment, Culture & Communities	184	396	7
Non Departmental / Common	609	315	0
<i>Total Movements</i>	1,272	374	80
Adjusted Base	72,525	72,899	72,979

- 5.2 A number of changes are proposed to the Commitment Budget since it was last considered by the Executive in July and are reflected in the above summary. The changes which affect the overall level of commitments are set out below:

- A sum of £5,000 has been included in the 2010/11 budget (and removed in 2011/12) to cover the costs associated with the freedom march to be organised by Sandhurst Town Council.
- Savings by departments arising from the capital invest to save schemes approved in 2007/08 (-£0.059m) and the loss of interest associated with the Invest to save schemes approved (£0.028m) have now been added to the Commitment Budget.
- Within the overall net savings of £3m it was recognised that there would be £1m of expenditure, previously charged to the HRA, that would now be funded by the General Fund. The impact of this was reduced in the first year after transfer because of services sold to Bracknell Forest Homes. These services can only be sold to Bracknell Forest Homes for a period of one year after transfer. Another key element relates to Enid Wood House. Based on the current information it is likely that surrender of the lease will be achieved by September 2009.

- The Commitment Budget included a number of savings package items arising from the “Balancing the Budget” review last year. These were included in the Commitment Budget considered by the Executive last July and they have now been included as part of the overall savings package in Annex B. Therefore the total £0.367m has been added to the Commitment Budget for 2009/10 and £0.379m in 2010/11.
 - The schools music festival organised by Social Care & Learning is held every two years. £10,000 was added to the Commitment Budget for 2010/11. However the £10,000 was not removed from the budget profile in 2011/12, this has now been amended.
- 5.3 Taking account of these changes, Table 1 shows that base expenditure (excluding schools) is planned to rise by £1.272m next year before consideration is given to allowances for inflation and budget proposals identified by individual Departments in 2009/10. Of this total £0.975m relates to increasing costs of waste disposal, impact of capital programme and use of balances from 2008/09 and residual LSVT costs.

6 PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2009/10

National Perspective

- 6.1 The Provisional Local Government Financial Settlement was announced on 26 November. In respect of grant, the Council remains on the “Floor” and can only expect the minimum grant increase for the foreseeable future. It has been announced that this minimum grant increase will be 1.75% in 2009/10, 1.5% in 2010/11 and it is assumed to be 1.5% in 2011/12. This is below the overall national level of the settlement and below current inflation and growth pressures facing the Council. Therefore, Government support for 2009/10 will be £25.742m including a reduction of £0.033m to the 2008/09 base figure in relation to Student Finances reflecting the transfer of responsibility for the administration of student loans to the Student Loan Company.
- 6.2 The *Valuing People Now* consultation has led to a change in Government policy which from April 2009 requires NHS learning disability budgets and associated commissioning responsibility for social care for adults to be transferred to local authorities. This will ensure that the resources for commissioning learning disability services rest with the authority with lead responsibility. As Primary Care Trusts (PCT's) will continue to receive money from the Department of Health for social care services until 2010-2011, the expectation is that transfers for the first two years will be made locally between PCT's and local authorities with the amounts based upon spend in 2007/8 (with an uplift for inflation and any other factors to be agreed locally). PCT's will need to pass the agreed level of funding to local authorities each year in April 2009 and April 2010. From April 2011 funding will be allocated directly to Council's by the Department of Health on a national basis that has yet to be consulted on. The exact amount to be transferred in April 2009 is still subject to negotiation with East Berkshire PCT but will be in the order of £6m.

Council Tax

- 6.3 A surplus has been generated on the collection fund as a result of a reduction in discounts in the current year and the Council's share of this surplus is estimated to be £0.169m. Council Tax at current levels will generate total income of £43.481m in 2009/10. In addition a further £0.414m will be generated from the increase in tax base arising from the occupation of new properties during 2009/10.
- 6.4 The Government, in announcing the provisional 2009/10 settlement, made it clear that it expects the average Council Tax increase in 2009/10 for all Councils to be substantially below 5%.
- 6.5 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. However, it is extremely unlikely that any increase in excess of 5% will be acceptable to the Government, no matter how well justified.

Local Authority Business Growth Incentive (LABGI)

- 6.6 The Council was notified in June 2008 that it had been awarded £0.447m for 2007/08 through the LABGI scheme and this was added to the general reserves. The scheme provides an incentive for local authorities to promote economic growth in their area based on retaining a share of the previous year's increase in Business Rates.
- 6.7 The current LABGI scheme has been reviewed by the Government and a significantly reduced revised scheme is proposed (total funding was £1.5bn over the previous three years now this has now reduced to £250m for 2009/10-2010/11). Council's will be rewarded depending on the extent to which they and other authorities in their sub region have increased the business rate base. Funding will be allocated on a regional basis and to each Council according to the size of its population. The Council could expect to receive around £0.1m in 2009/10 subject to the publication of the final details of the scheme.

7 BUDGET PROPOSALS 2009/10

Service Pressures and Developments

- 7.1 There remains a need to ensure that the Council continues to improve services and invest in the Borough, focussing on protecting front line services and continuing to invest to deliver the Medium Term Objectives. In preparing the 2009/10 draft budget proposals each department has evaluated the potential pressures on its services and these are set out in Annex B. The following table summarises the pressures by department.

Table2: Service Pressures/Development

Pressures	£'000
Chief Executive / Corporate Services	0
Social Care & Learning (excluding schools)	691
Environment, Culture & Communities	526
Corporate Wide	235
Total Pressures/Developments	1,452

These pressures largely respond only to changing demographic trends and the resultant increase in client numbers, the economic climate or additional requirements on the Council stemming from legislation. They do also support the Council's five overarching priorities and medium term objectives in the following way;

- Protect and enhance the environment of the Borough (£0.058m)
- Promote health & achievement (£0.070m)
- Create a Borough where people are, and feel safe (£0.571m)
- Deliver Value for Money (£0.040m)

In addition the Council continues to invest in the its priorities through targeted capital expenditure, details of which are contained in the capital programme report.

Service Economies /Balancing the Budget

7.2 In February 2007, PricewaterhouseCoopers (PWC) were appointed to assist the Council in developing options to balance the forecast budget gap over the next three years. In order to achieve the medium term financial strategy to bring spending to a level that can be sustained by annually generated revenue, a range of economy measures have been sought alongside the identification of priority investment areas. As in previous years, these economies focus as far as possible on central and departmental support rather than on front-line services and this has been an important principle in the budget preparations over recent months. However, there are also some service modifications included in these proposals. Departments have been reviewing the practicality and deliverability of the "Balancing the Budget" options with leading Members. In addition other savings proposals have been identified by each department to help bridge the budget gap. Within this general framework, the potential changes which the Executive is considering for each Department are outlined in Annexe B and are summarised in the table below. Inevitably some of the saving proposals included in Annexe B will impact on service provision, although this has, as indicated above, been kept to a relatively low level.

Table 3: Summary Service Economies

	£'000
Chief Executive / Corporate Services	511
Social Care & Learning (excluding schools)	1,275
Environment, Culture and Communities	895
Council Wide	427
Total Savings	3,108

Key Decisions

- 7.3 The Council's constitution requires key decisions to be declared on the forward plan. It defines a key decision as being one over £0.400m and/or a major policy decision affecting more than one electoral ward. Consideration and approval of the budget is a major policy decision and is therefore a key decision. However the budget by its nature includes proposals which in themselves fall within the technical definition of a key decision. Examples of these are as follows:

Pressures

- Free swimming programme

Savings

- Collaborative procurement
- Forestcare
- Modernising accommodation based on older people
- Rationalisation of Estate
- Income generation

As the budget report is a policy document and is subject to six weeks consultation then the identification of these issues within the budget report fulfils the requirements under the Council's constitution. However some of the above issues have been or will be subject to further separate reports to the Executive where necessary.

Corporate Issues

- 7.4 Apart from the specific departmental budget proposals there are some corporate 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 2009/10 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. In recent years the Council has undertaken "internal borrowing" to fund its capital programme. In 2007/08 the Council transferred its housing stock to Bracknell Forest Homes and received a significant capital receipt. This receipt was used to fund previously accumulated internal borrowing. All new spending on services will need to be funded from new capital receipts or borrowing from internal sources. The proposed capital programme of £9.65m for 2009/10 is in a separate report on tonight's agenda. After allowing for future capital receipts of £3m the additional revenue costs will be £0.175m in 2009/10 and a further £0.439m in 2010/11, if approved.

b) Interest

The current economic slowdown and the credit crunch has made it is very difficult to predict what will happen to interest rates over the coming year. The 2008/09 budget is based on an average interest rate of 5.5% and the forecast rate for 2009/10 is 5%. Improved cash flow in 2008/09, which is expected to be replicated in 2009/10, means that the effect of the reduction in interest rates will only be £0.273m. However this will be reviewed in light of the recent base rate cut of 1.5% and its impact on future investment policy and any changes will be included in the February Executive report. A 1% reduction in interest rates would add pressure of £0.545m to the General Fund.

c) Corporate Contingency

A sum of £0.256m is currently included in the base budget to meet the cost of unpredictable or unforeseen items that would represent in-year budget risks. However given the economic uncertainty the risk to the Council's budget has increased and the Borough Treasurer suggests that the contingency be increased by £0.408m. The Executive will need to make a judgement on the appropriate level of contingency at its February meeting, taking advice from the Borough Treasurer who will need to certify the robustness of the overall budget proposals in the context of the Council's remaining general and earmarked reserves, all of which will be reviewed to ensure that they are sufficient to manage the financial risks facing the Council in the coming years.

d) Provision for Inflation and Pay Awards

The Commitment Budget excludes the cost of inflation on both expenditure and income. With consumer price inflation (CPI) currently running at around 4.5%, inflation will clearly impact on budgets.

In past years, the Council has restricted the provision for inflation on prices as a general economy measure, to help address the underlying budget gap, although pay awards have been fully funded. In the context of the Council's overall financial position, it is again prudent to consider where the provision for inflation on prices can be limited as an economy measure, although some exceptions will be necessary to reflect actual increases that will not be containable without real service reductions and to meet contractual commitments.

At this stage the inflation provision is not finalised, although for planning purposes a sum of £2.25m, an increase of £0.282m on last year, needs to be added to the budget which is consistent with previous years. This will be achieved by making allowance for a non teaching staff pay award of 2%, limiting inflation were possible e.g. training, equipment, furniture, consultants, and increasing fees and charges by 5%.

The Executive 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 2009.

e) Fees and Charges

The Council established a policy for the review of fees and charges when setting the 2001/02 budget. This 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.

The Audit Commission published a report "Positively Charged" in January 2008. This report sets out a number of areas of best practice concerning charging for services. In particular improvements have been made to the fees and charges information presented to Members to make it more transparent for Councillors and to inform the decision making process. The proposed fees and charges presented to Members will now include the purposes of the charge, the likely budget to be generated by the group of fees and charges and how these charges contribute to the Council's overarching priorities.

It is estimated that most prices, where the Council charges users of services a fee for that service, will need to increase by around 5% to cover increases in costs from inflation and other pressures. Officers will prepare a report on the proposed Fees and Charges which will be presented for approval by the Executive in January.

Spending on Schools

- 7.5 The Schools Budget – both delegated school funding and centrally managed items such as Special Educational Needs placements made outside of the Borough - is funded by a specific Dedicated Schools Grant (DSG) with any year end balance, either surplus or deficit, required to be ring-fenced within the Schools Budget. Therefore, use of this funding is outside the control of the Council.
- 7.6 However, Local Authorities have a legal duty to set the overall level of Schools Budget and individual budgets for each of their schools by 31 March. This must be no lower than the level of anticipated DSG, but can be higher, if the Council decides to add a top up. There is also a requirement to publish provisional budget data for each year of the prevailing spending review cycle which means to the end March 2011.
- 7.7 Based on guaranteed levels of per pupil funding and an estimate for pupil numbers, in February 2008 the Department for Children, Schools and Families (DCSF) published indicative allocations of DSG for the duration of the spending review period. These were estimated at £60.896 million for 2009-10 and £63.199 million for 2010-11. This equates to confirmed increases in per pupil funding of 4.0% and 4.6%.

- 7.8 As the level of DSG is calculated from actual January pupil numbers, to meet the statutory publication deadline, the Schools Budget for each of the next two years will have to be set on the basis of the estimated level of DSG plus any accumulated balance. In estimating the level of DSG, latest pupil forecasts from individual schools will be used, rather than the more out of date DCSF forecast. The draft budget proposals therefore assume the Schools Budget is set at the level of DSG and that any accumulated deficit or surplus is managed to a nil balance by the end of the three year budget period.
- 7.9 Decisions around the final balance of the budget between spending by schools and that on pupil services managed by the Council is the responsibility of the Executive Member for Education and Libraries, although the Schools Forum must be consulted, and in certain circumstances, agree to spending increases on the services managed by the Council. The Executive Member will also agree the provisional level of Schools Budget for 2010-11 which will be subject to review prior to the commencement of the financial year, in order to take account of the most up to date data.

Summary

- 7.10 Adding the draft proposals to the Commitment Budget and taking account of the corporate issues identified above would result in total expenditure of £73.975m as shown in the table below.

Table 4: Summary of proposals:

	£'000
Commitment Budget	72,525
2009/10 Budget Pressures	1,452
2009/10 Budget Economies	-3,108
Capital programme	175
Reduced interest rate	273
Contingency	408
Inflation Provision (indicative)	2,250
Draft Budget Requirement 2009/10	73,975

- 7.11 The Council can anticipate income before any Council Tax increase of up to £69.806m. This arises from Government grants (£25.742m), Collection Fund surplus (£0.169m) and Council Tax at current levels (£43.895m). However, with the potential overall cost of the budget package being consulted on in the region of £73.805m, this leaves a potential gap of around £4.169m. As such, the potential economies outlined in Annexe B should be seen as a “core package” that may well need to be built upon.
- 7.12 Options to bridge the remaining gap are essentially the same as in all previous years. Members can choose to adopt any or all of the following approaches:
- a) increase in Council Tax, noting the comments by the Minister on capping;
 - b) limit the provision for inflation increases to essential services only;
 - b) an appropriate contribution from the Council's Revenue balances, bearing in mind the Medium Term Financial Strategy;
 - d) deletion of identified service developments;
 - e) identifying further expenditure reductions.

8 BALANCES

- 8.1 The Council has an estimated £10.3m available in General Reserves at 31 March 2009. This is made up as follows:

Table 5: General Reserves as at 31 March 2009

	£m
General Fund	5.8
HRA Balance	4.7
LABGI	0.4
LPSA 2 reward grant	0.3
Under spending in 2008/09	1.2
Planned use in 2008/09	(2.1)
TOTAL Estimated General Balances	10.3

The Council has two investments with Icelandic banks totalling £5m which have now been put into receivership/administration. It is unclear as to whether the Council will get back the full amount invested. Ernst & Young, administrators for one of the banks, has said "in broad terms, the Administrators considered that the value of the book value of the assets of the business appeared to be of the same order of magnitude as the liabilities but that the recoveries for Local Authorities would be dependent on the final level of actual realisations." In announcing the provisional settlement the Government have proposed to make a regulation which will mean a provision in 2009/10 budgets for any possible loss will not need to be made. This will give Councils' time to adjust their medium term plans and be clearer about recovering the money before making decision which will affect the budget and potentially council tax.

- 8.2 Based on keeping the minimum prudent level of reserves of £4m there is £6.3m available to support future expenditure. In simple terms, balances can be used to help reduce the gap. However, bearing in mind the risks associated with the Icelandic Banks it would not be advisable to use all of the available reserves until the position on this issue is clearer. This cannot disguise the fact that projected expenditure, even after the potential reductions offered in the draft proposals outlined above, significantly exceeds the Council's current resource base. With the Council similarly affected by the grant floor in 2010/11, further major reductions would be needed next year with limited flexibility to use balances if the full amount is used to bridge the budget gap.

9 CONCLUSION

- 9.1 The Council's constitution requires a six week consultation period on the draft budget proposals. In this context, it is inevitable that, of the broad range of options proposed for consultation, not all will necessarily be included in the final package. It is also likely that some further issues will arise between now and February.
- 9.2 When the final settlement is known, the Executive can consider the prudent use of revenue balances and appropriate level of Council Tax to support expenditure in line with the overall medium term financial strategy along with further possible reductions to augment the "core package" in Annexe B. In doing this, it will be important to manage the budget process effectively so that the inevitable important service pressures can be responded to whilst, as far as possible, front-line services are maintained with minimal disruption and without creating long term problems for the Council.

9.3 It is suggested, therefore, that the Overview & Scrutiny Commission reviews the overall budget package and determines whether any specific issues should be considered further by the Overview and Scrutiny Panels, at their meetings in January.

9.4 All comments from the Overview & Scrutiny Commission, Overview and Scrutiny Panels and others on the revenue budget proposals will then be submitted to the Executive on 10 February 2009. This will allow the Executive to determine the final budget package and recommend the appropriate Council Tax level to the Council on 25 February 2009.

10 BUDGET MONITORING 2008/09- VIREMENT REQUEST

10.1 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 of the Executive of any virement over £0.050m. During 2008/09 a number of significant virements have been identified which require the approval of the Executive. Details of the virements are set out in Annexe C and summarised below. The two most significant items relate to the allocation of residual housing costs and the transfer of services and savings associated with the departmental reorganisation.

	Residual Housing Costs	Reorganisation	Structural Changes reserve	Procurement Savings	Town Centre Reserve	Bus Contracts	Smart Card Recharges
	£'000	£'000	£'000	£'000	£'000		£'000
Corporate Services/Chief Executive's	1400	277	86	-213	134		97
Social Care & Learning	90	21,850	195	-6		231	-50
Environment, Culture & Communities	149	4,433	100	-79			-47
Social Services & Housing		-26,750					
Non Departmental Budgets	-1,639	190		298			
Earmarked reserves			-381		-134	-231	
TOTAL	0	0	0	0	0	0	0

11 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 11.1 The Local Government Finance Act 1992 requires the Council to set the level of the Council Tax by 11 March each year. It is impossible to achieve this without having agreed an affordable revenue budget for the year in question.

Borough Treasurer

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

Equalities Impact Assessment

- 11.3 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.

Strategic Risk Management Issues

- 11.4 A sum of £0.256m is currently included in the base budget to meet the costs of unpredictable or unforeseen items that would represent in year budget risks. A further £0.408m is proposed to be added to contingency to reflect the current economic uncertainty. The Executive will need to make a judgement on the level of contingency at its meeting in February.
- 11.5 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.

12 CONSULTATION

Principal Groups Consulted

- 12.1 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 the Bracknell Forest 1500, the Senior Citizens' Forum, Parish Councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. A meeting with the local business community is also planned to obtain their views on the 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 Bracknell-forest.gov.uk.

12.2 The timetable for the approval of the 2009/10 Budget is as follows

Executive agree proposals as basis for consultation	16 December
Consultation period	17 December - 27 January
Executive considers representations made and recommends budget.	10 February
Council considers Executive budget proposals	25 February

Background Papers

None

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Commitment Budget 2009/10 to 2011/12

	2008/09 £'000	2009/10 £'000	2010/11 £'000	2011/12 £'000
Chief Executive / Corporate Services				
Approved Budget	16,381	15,892	15,927	15,948
Denominational transport		-40		
Community Event		-5		
Shopmobility		32		
BFVA		60		
Area Based Grant		21	21	
Borough Elections				70
Capital Invest to Save 07/08- Agresso refinancing (3 years-		-33		
Capital Invest to Save 07/08 - server refresh				13
Net Inter Departmental Virements	- 489			
Chief Executive / Corporate Services Adjusted Budget	15,892	15,927	15,948	16,031
Social Care & Learning				
Approved Budget	18,509	38,680	39,124	38,766
Suitability surveys (school sites)		20		
Foster Carers - training & development		30		
Schools Music Festival			10	-10
LPSA2- Attendance and Exclusion at School		-58		
Learning Disabilities (Transition clients/older carers)		176		
Services to Older People		70		
Effect of 2 Easters in 2007/08		24		
Children's System Integration		50		
Area Based Grant		132	-368	
Net Inter Departmental Virements	20,171			
Social Care & Learning Adjusted Budget	38,680	39,124	38,766	38,756
Environment, Culture and Communities				
Approved Budget	22,843	26,004	26,188	26,584
Landfill Tax / Waste Disposal PFI		337	159	13
Landfill tax increase		63	74	
Local Development Framework		-82	242	
Tree preservation orders		-25		
Planners Farm Income			10	
Capital Invest to Save 06/07 - Easthampstead Park		-1	-1	-1
LPSA2- Improve health & well being of adult residents		22	-42	
LPSA2- Community Cohesion (Sport)		0	-31	
Area Based Grant		-8	-20	
Commuted Maintenance(forest Rd)- to reversed 2012/13		4		
Smart Connect		-100		
Capital Invest to save 07/08- Edgbarrow Sports Centre		-13		
Capital Invest to save 08/09 - BSLC motorised pool covers		-7		
Capital Invest to save 08/09- BSLC windows		-6		
Sandhurst Freedom March			5	-5
Net Inter Departmental Virements	3,161			
Environment, Culture and Communities Adjusted Budget	26,004	26,188	26,584	26,591
Social Services & Housing				
Approved Budget	23,766	0	0	0
Net Inter Departmental Virements	-23766			
Social Services & Housing Adjusted budget	0	0	0	0
Total Service Departments	80,576	81,239	81,298	81,378

Commitment Budget 2009/10 to 2011/12

	2008/09 £'000	2009/10 £'000	2010/11 £'000	2011/12 £'000
Non Departmental / Council Wide				
Approved Budget	-10,246	-9,323	-8,714	-8,399
2008/09 capital programme (full year effect) -Interest		241		
2008/09 use of balances (full year effect)		58		
LPSA 2 funding from Earmarked reserves		36	73	
Area Based Grant		-145	367	
Commuted Maintenance(Forest Rd)- to be reversed 2012/13		-4		
LSVT Residual costs- cessation of SLA's/Enid wood house surrender		445	-125	
Additional interest		-50		
Invest to save - capital bids approved		28		
Net Inter Departmental Virements	923			
Non Departmental / Council Wide	-9,323	-8,714	-8,399	-8,399
TOTAL BUDGET	71,253	72,525	72,899	72,979
Change in commitment budget		1,272	374	80

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:

	2008/09 £'000	2009/10 £'000	2010/11 £'000	2011/12 £'000
Corporate Services	8,839	8,874	8,895	8,978
Social Care & Learning	45,819	46,263	45,905	45,895
Environment, Culture & Communities	33,096	33,280	33,676	33,683
Non Departmental/Council Wide	- 16,501	- 15,892	- 15,577	- 15,577
	71,253	72,525	72,899	72,979

Chief Executives/Corporate Services

	2009/10 £'000	2010/11 £'000	2011/12 £'000
Collaborative Procurement These procurement savings are based on the delivery of additional corporate contracts and further collaborative procurement opportunities developed by the Berkshire Procurement and Shared Services Unit. These savings targets are challenging as opportunities for further corporate contracts diminish over time.	-100	-70	
Alternative Cash Office Counter Service With the transfer of housing and the increased take up of direct debits the number of cash office visits continues to reduce. A new service will now be provided through post offices and retail outlets offering Payzone facilities across the whole Borough.	-16	-16	
Transport Function - Best Value Review and Berkshire wide procurement The savings in 2009/10 will be achieved by the centralisation of the Social Services based vehicles. Following centralisation there will be some rationalisation of vehicles resulting in increased utilisation of the remaining vehicles.	-50		-50
Internal Audit Fees The number of days allocated for internal audit will be reduced without increasing the risk to the internal control environment.	-25		
Legal Services – TUPE 2 Legal Services are tendering for provision of legal support to Bracknell Forest Homes. If the tender is unsuccessful then from 31 March there will be some staff who will transfer to Bracknell Forest Homes under TUPE reducing the costs to the Council.	-50		
Finance – Treasury Management The Council has reviewed its investment strategy. Longer term investment techniques and instruments, such as callable deposits, are now available to the Council without increasing financial risk.	-32		
Finance – Insurance The Council currently provides additional insurance cover to those schools that wish to purchase it. The cost of administering these insurances will now be included in the premiums charged to schools, which are not expected to increase as a result of this change.	-12		
Recharge to Berkshire Procurement Shared Services Unit (BPSSU) With the transfer of the BPSSU to Bracknell Forest this service will need internal support and therefore can be recharged with some of BFBC's fixed overheads. The BPSSU is fully funded from government grant.	-20		

Council Tax Benefit Subsidy The benefit subsidy for 2007/8 revealed a surplus of grant. This arises because the grant exceeds the costs incurred in recovering overpayments. This over recovery of grant can be reflected in the 2009/10 budget.	-30		
Council Tax Court Costs Costs recovered from Council Tax payers have increased.	-27		
Commercial Property Maintenance A planned reduction in non essential maintenance.	-5		
Democratic and Support Services - Additional Income A detailed review of budgets has identified several small sources of ongoing income (ceremonies, NAGs, Neighbourhood Forums and the LGA) that can now be included in the 2009/10 budget.	-13		
IT Services – Contracted Services and Consultants Fees A detailed review of the 2007/8 outturn has identified budgets which can now be reduced – including positive action taken to consolidate service contracts resulting in savings.	-25		
Cross Departmental – Supplies and Services A detailed review of departmental budgets has identified a range of supplies and services where savings can be achieved. These include furniture and equipment budgets, subscriptions and licence fees.	-106		
Net Proposed Budget Movement	-511	-86	-50

Social Care and Learning

	2009/10 £'000	2010/11 £'000	2011/12 £'000
Purchasing Plan – Adults A purchasing plan has been developed to forecast the future social care needs of adults. This takes account of forecast changes in demographics, known transfers from Children's Services to adults, people with learning disabilities who are currently supported by family members who are themselves ageing, other known changes to existing care packages and changes in external income.	571	670	648
South Bracknell Youth As a result of the stock transfer, capital resources have been made available to enhance provision for young people in South Bracknell. A revenue budget is required to compliment the capital development to allow for the provision of on-going activities.	20	50	
Carer allowances for looked after children and related allowances Recent case law, supported by counsel's opinion, has determined that LAs are acting unlawfully in paying foster carers who are relatives or friends, and who would under current BFC procedures be considered as kinship carers, a lower rate than their standard fostering rate. The case judgement requires that fostering allowances are used as the starting point when calculating special guardianship and adoption allowances.	80		
Public Law Outline Increased court fees are now being charged to LAs in child care cases (£4k compared to £150). In addition, where previously expert assessments were always jointly instructed and the costs shared between parties, the new Public Law Outline requires the LA to complete assessments before applying to court. This means the cost falls entirely to the LA (at £5k per psychological assessment).	20		
Learning Disability Initiatives This 'project' combines a number of initiatives to reduce the cost of placements and the way in which support is commissioned. Projects are on target and will be achieved.	-32	-60	
Modernising Accommodation Based Older People Services This is a complex project expected to deliver medium to long term financial benefits. A full options appraisal exercise will be undertaken to identify potential areas for modernisation.	-60	-100	-100
Modernise In-house Home Care The organisational change regarding In House Home Support focussing on Specialist Services is progressing well and on target.	-75	-64	

<p>LAC transport now to be part funded from Schools Budget Transport costs can be high for children looked after who need to be maintained at their previous school. The Schools Forum has previously accepted the educational benefits from stability of local placement and has agreed to part fund the additional transport costs as a Combined Services Budget that supports the Every Child Matters Agenda.</p>	<p>-30</p>		
<p>Former Vulnerable Children's Grant. A number of the activities formerly funded by this grant are now being funded from alternative sources, or based on previous spending patterns, funding levels can be reduced. This most notably relates to the Traveller Education Service which is now funded from the Schools Budget.</p>	<p>-40</p>		
<p>LAC placement costs Significant cost reductions have been achieved through pro-active management of cases. This has been possible from a more stable and experienced workforce, which is less reliant on agency staff and improved commissioning that has substantially reduced the average cost of placement. Of equal importance has been a steady reduction in the number of children in care. The level of saving proposed can be achieved if the current caseload does not increase. This is a high risk budget, where weekly placement costs per child can be between £4-5k for complex needs cases.</p>	<p>-994</p>		
<p>Departmental budgets A number of Departmental operational budgets have been reviewed based on historic spending patterns. This relates to reduced spending on staff training and supplies and services, increasing a small number of charges for services to schools, reducing spending on Standing Advisory Council for Religious Education and recharging a greater share of costs to external grants.</p>	<p>-44</p>		
<p>Net Proposed Budget Movement</p>	<p>-584</p>	<p>496</p>	<p>548</p>

Environment, Culture and Communities

	2009/10 £'000	2010/11 £'000	2011/12 £'000
South Hill Park Grounds It is a condition of the Heritage Lottery Fund Grant that this additional maintenance for South Hill Park is provided.			80
Housing IT The Housing Service formerly used the housing rents system for all its work. All licences and running costs for this system were charged to the HRA. The new Strategic Housing Division is purchasing a system for Choice Based Lettings, temporary accommodation, housing rents and the waiting list. This bid is for the maintenance and licensing of these new systems and is net of the licence budgets for the current waiting list system.	40		
Smartcard purchase Due to changes in the Concessionary Fares schemes demand for e+cards has increased, it is estimated that an additional £13,000 will be required to purchase more cards.	13		
Library Stock Fund The core offer of the Library Service is the lending of materials which has declined over recent years. The budget for purchasing materials has been significantly reduced from £324,000 in 2004/05 to £219,000 in 2008/09.	50		
Land Charges Income from searches has declined significantly in the current financial year due to the economic climate, unless the housing market picks up this reduction will continue. It is assumed that the market will pick up gradually over the following two years.	120	-60	-60
Smartconnect PWC Savings income target for sales of the smartconnect licence to other authorities is wholly uncertain	200		
London Road Landfill Site London Road landfill site requires more day to day management, the additional resource needed is estimated at £50,000. This additional cost would be shared between the Berkshire Unitaries, Bracknell Forest's share would be £8,000	8		
Downshire Golf Course Roundage on the main course has declined over the last two years, a pressure of £30,000 was reported in 2007/08. Use in the current financial year has continued to decline and an additional pressure of £30k is currently predicted for 2008/09. The trend of usage of the Golf Course suggest there will be a continued decline in use.	30		

<p>Free Swimming Programme A Bracknell Forest Council scheme for free swimming for Bracknell Residents in the age groups 60 and over and under 16 is under consideration which could start on 1 April 2009</p>	50		
<p>Supporting People IT provision The replacement of the adult social care IT system has led to the need to replace the existing supporting people system. There is a £86,000 budget in Environment, Culture and Communities capital programme in 2008/09 for the cost of the replacement for the supporting people system. This pressure is for server and on going maintenance costs of £5,000.</p>		5	
<p>Demographic pressures – property As the number of properties increase therefore the direct costs of providing services to each of those properties such as refuse collection increase. The Council also takes on responsibilities for new roads in housing developments.</p>	15	20	35
<p>Forestcare Work is on going to establish a business plan for Forest Care. The main risk to achieving this is the impact of BFH tendering the service in 2009/10. A business plan targeted at achieving these savings will be available by Nov 2008.</p>	-15	-30	-40
<p>Housing Enabling Grant Capitalise Existing staff will charge time against the capital scheme each year based on a 0.6% fee on the average £3.4 million capital spend each year. Future capitalisation will depend upon the ability to recycle the receipt proceeds otherwise it will become a revenue cost.</p>	-20		
<p>Traffic Modelling A level of income has already been assumed in the business plan. The slow down in house completions could affect the use of the model.</p>	-30		
<p>General Running Costs The ECC department centralised its support service budgets several years ago under the management of the Performance and Resources Division. Since then expenditure has consistently fallen. This saving includes the reduction in licences for the Uniform system.</p>	-20		
<p>LDF commitments Review of 5 year rolling budget projection.</p>	-25		
<p>Cemetery and Crematorium Income It is proposed to increase charges above inflation.</p>	-25		
<p>Housing and Planning Delivery Grant It is assumed that the overall grant will continue at around £400k of which a third has to be spent on capital schemes. This represents the increase over and above the current budget provision for the revenue part of the grant.</p>	-150		

<p>Concessionary Fares This reflects the current demand in 2008/9 for the new concessionary fares scheme</p>	-230		
<p>Smartcard As a result of changing the provider there is a reduction in the Management Service costs.</p>	-60		
<p>Waste Management Re-measurement of Waste recovered by the RE3 partner authorities will lead to a reduction in BFBC costs</p>	-190		
<p>Homelessness The proposal is to establish the Council's leasing scheme on a self financing basis as well as introduce homeless prevention measures and new supply to achieve an average of 15 homeless households in temporary accommodation during 2009/10.</p>	-100		
<p>Additional Income Potential additional income £10k cemetery & crematorium, £20k licensing. Early indications are that this is being repeated in 2008/09 however it must be emphasised that there is always a risk.</p>	-30		
<p>Net Proposed Budget Movement</p>	-369	-65	15

Council Wide

	2009/10 £'000	2010/11 £'000	2011/12 £'000
Pay award 2008 This represents the full year cost of the 2008 pay award that may be settled in excess of the budget provision of 2.2%. It is assumed that the final pay award will be around 2.7%. Any variation from this figure will result in either an additional pressure or an economy.	150		
Job evaluation scheme The current job evaluation scheme has been in use for many years and there is evidence of inequality of pay across several groups of staff, exposing the Council to potential equal pay claims. This budget will enable the Council to review its existing job evaluation scheme and assess the financial impact of implementing a new scheme, should it wish to do so.	50		
Service Efficiency Programme The recent Service Efficiency Strategy identified a process, together with a range of projects capable of delivering efficiency savings in each of the next three financial years.	-50	-50	-200
Customer Services – consolidation After the Customer Services Section was established it was proposed that customer interface operations delivered within Departments should be transferred into Customer Services at the time of moving into the new Civic Hub. Savings of £105k were identified by the consultant's report which formed the basis of establishing Customer Services. However since that time savings of £45k have been achieved in 2008/9 and savings of £32k are proposed over the next two years as a result of the closure of the Cashiers Office and merger of customer reception desks.			-28
BPR Service Review This is a cross cutting project covering all Directorates and includes the extension of restructuring and service reviews, CRM and IT projects.		-50	
Travel Plan Improvements These result from the review of essential user allowances. Protection will be offered to all staff over three years. This proposal is currently being considered in the light of the results of staff consultation.	-142	-133	-53
Rationalisation of Estate Corporate Property will identify options for the Council to dispose of property surplus to requirements for an estimated value of £2m. The sale of any land will be subject to the market.	-150	-50	
Income Generation PWC have been appointed as consultants to help develop options on the generation of additional income across the Council.	-50	-50	
Net Proposed Budget Movement	-192	-333	-326

CORPORATE SERVICES / CX OFFICE

Virements

Total	Explanation
£'000	
	LSVT Virements
-261	Reduction in Expenditure Budgets A reduction in expenditure budgets resulting from lower levels of work previously supporting the HRA. This is analysed between lower insurance premiums (£0.200M) and savings from Surveyors (DSB £0.034M) and Customer Services (DSB £0.027M).
-365	SLA Income SLA income from BFH has been budgeted for in this financial year and this virement allocates the income budgets to the services undertaking the work.
-20	Savings The loss of the HRA has reduced the requirement in IT licenses (-£0.010M) and Internal Audit days required (-£0.010M).
208	Non Transferring Services The budgets relating to the former HRA central services (such as the post room) outside the LSVT and transferring to Corporate Services. These services are currently under review and it is proposed to transfer the DSB budgets to Customer Services and the other budgets to Office Services within DSS until the review is completed.
-72	Commercial Rents The HRA included rental income budgets for a number of flats above shop premises. These budgets are transferring to Property Services - Commercial Properties.
250	Enid Wood House The property is now vacant pending the redevelopment of the Town Centre. The transfer over to Property Services will transfer responsibility for rental payments and Council Tax Void property payments.
1,660	Non Cash Budgets - Recharges This virement reflects loss of recharge income chargeable to the HRA following the LSVT.
	Reorganisation
17	DSB Funding re Reorganisation A net increase in DSB is required as a result of grading reviews of Senior Officer salaries within the Department (£0.033M) less the removal of the change managers budget which is no longer required (-£0.016M).
1	Bracknell Market The transfer of the service from ECC Department to Property Services requires the transfer of £0.001M net budget. This budget represents a small budgetary shortfall of income compared to the budgets for Business Rates, externally managed service running the site, repairs and maintenance, electricity and cleaning.
-23	Transfer of Energy Manager The transfer of this post to ECC Department will require the transfer of £0.039M DSB budget, £0.003 expenditure budgets and £0.019M Energy Commission income budgets.
116	Health & Safety Team The transfer of the Health & Safety Team from ECC Department to Human Resources will require the transfer of £0.106M DSB and £0.010M expenditure budgets.
-117	SmartCard The Smartcard schemes are being transferred to ECC Department. This requires the transfer of £0.088M DSB and £0.220M expenditure budgets from CX. The National Smartcard scheme will require a transfer out of £0.191M income budget.

CORPORATE SERVICES / CX OFFICE

Virements

Total	Explanation
268	Non Cash Budgets - Smart Card A £0.268M virement transfers non cash budgets as part of Smartcard and National Smartcard schemes transferring to ECC Department.
15	Area Based Grant Grant funding for Extended rights for free travel is currently allocated to SCL Department but is to be transferred to Finance - Transport.
	<u>Town Centre</u>
134	Town Centre Reserve Allocation A transfer of £0.134M is required from the reserve to fund the 2008/09 work programme.
	<u>Structural Changes</u>
53	Structural Changes Reserve Requests Three requests for funding from the Structural Changes Reserve are being made this month: 1) Service Efficiency Strategy £0.009M - Consultancy support for the Director of Corporate Services to develop a service efficiency strategy which will: <ul style="list-style-type: none">• State the council's service efficiency vision.• Describe the agreed strategy to achieve that vision, including drivers, priorities, approach, timescales and resources required.• Outline the action plan required to achieve the strategy. 2) Valuer Support £0.025M - Funding to recruit to the vacant Valuer post earlier than planned to achieve the PWC savings timescale. 3) Hay Group Review Residual costs £0.019M - Three invoices have now been received concerning outstanding work relating to the senior pay advice, senior job evaluations and a competencies presentation workshop.
20	Unified Training Budget (Human Resources) Structural Changes funding is required for the settlement of an Employment Tribunal case for Unfair Dismissal that has recently been made.
13	Structural Changes Reserve Funding Funding for a compromise agreement relating to a termination of contract within Registration of Births, Deaths and Marriages, is required from the Reserve.
	<u>Procurement Savings</u>
-200	Procurement savings Following the insurance retender insurance premiums are lower and therefore a procurement saving can be made.
-13	Procurement Savings - Building Cleaning Contract The full year impact of the saving is an additional saving of £0.013M, from Time Square, Easthampstead House and New Hope Centre.
	<u>Smart Card Recharges</u>
95	Non Cash Budgets - Smart Card A review of the usage of Smartcard requires changes to the recharges to services resulting in an increase in recharges to Economic Development (under Corporate Property) of £0.095M with a corresponding decrease in charges to ECC and SCL Departments.
2	Smart Card In the transfer of smart card to ECC some of the recharges were incorrectly transferred. This has now been corrected.
1,781	TOTAL

Social Care and Learning Virements

Total	Explanation
£'000	
	<u>Allocation of LSVT costs</u>
-128	As part of the LSVT process, certain costs of the Council have changed and a number of budget adjustments have now been agreed.
215	This is the non cash amount relating to above.
	<u>Council re-organisation</u>
26,750	The 2008/09 approved Social Services & Housing Budgets which need to be reallocated.
-3,317	The new Council structure, effective from April, requires a number of budget adjustments, the most significant of which relate to transferring Library and Sustainable Community budgets to Environment, Culture and Communities Department.
-109	Final budget adjustments relating to the new Council structure, effective from April, have now been agreed.
284	Following agreement to revised cash budgets relating to the new Council structure, effective from April, related recharge budgets have also now been agreed.
-1,755	This is the non cash amount relating to above.
	<u>Procurement Savings</u>
-6	Savings from a new contract for building cleaning came into effect last year. The resultant full year savings of £6k respectively have now been deducted.
	<u>Structural Changes Fund</u>
93	Two allocations have been agreed from the Structural Changes Fund. £53k has been awarded to fund one-off redundancy costs associated with the Assistant Director - Learning, Achievement and Libraries with £40k allocated to support the PwC project to review services to adults with learning disabilities.
54	£11.45k has been requested to fund one-off redundancy costs associated with the termination of a fixed term contract at the conclusion of a project. £42.3k has been requested to fund one-off redundancy costs associated with Assistant Director; Learning, Achievement and Libraries.
48	£48k one-off redundancy costs associated with the modernisation of day care have been agreed by the Employment Committee and funding is now requested from the Structural Changes Fund.
	<u>Smartcard recharge</u>
-50	Following review, Smartcard recharges for cashless school meals catering have been removed.
22,079	Total

ENVIRONMENT, CULTURE & COMMUNITIES

Virements

Total	Explanation
£'000	
	<u>LSVT</u>
149	As part of the LSVT process, certain costs of the Council have changed and a number of budget adjustments have now been agreed- mainly relating to applicant services, Forestcare and landscape.
	<u>Reorganisation</u>
4,423	Virements as a result of the departmental restructuring including transfer of libraries to Social Care & Learning
10	Reorganisation - The savings resulting from the departmental restructure have now been allocated with £20,200 being attributable to Environment Culture & Communities. Corporate Recharges have also changed as a result of the reorganisation which has resulted in an increase to this department of £30,180.
	<u>Structural Changes</u>
20	Research & Development - A virement has been approved to engage consultants to look at income generation across the Council to see if there are additional opportunities to enhance income levels.
80	Easthampstead Park Conference Centre A virement of £80,000 has been approved from the Structural Changes Fund in order to alter the toilet area on the first floor to provide additional conference facilities. This is the second of two schemes to help achieve the additional income to be generated towards the increased income target of £50,000 in 2008/09 aspired to in the Price Waterhouse recommendations.
	<u>Procurement Savings</u>
-3	Procurement Saving - As a result of a contract let for building cleaning part year savings were achieved in 2007/08 this is the full year effect of these savings
-76	Street Lighting Energy - The street lighting energy contract was retendered from 1 October 2007. The price per Kwh reduced to 6.7308p from 8.112p. The estimated annual consumption is 5,545,000 Kwh. The reduction in price of 1.3812p when applied to the annual usage delivers an economy of £76k against budget. The contract is due for retender from 1 October 2008, the results are not yet known.
	<u>Bus Contracts</u>
-38	Bus Contracts - The Section 106 Agreement for Tesco Jigs Lane Warfield (Agreement Number 6292) allows £210,000 to secure or operate Public and/or Community Transport Services (including Revenue Support of Services) and/or facilities and/or publicity. As a result of re-tendering bus contracts last year the cost of these services have reduced by £38,000, therefore an on-going virement can now be made to reflect this reduction.
214	The Section 106 Agreement for Peacock Farm, agreement number 6367, allows for bus services to be provided between this area and the Bracknell bus and rail stations. A contract was let for the annual sum of £213,516, this service commenced on 22 October 2007, a virement is therefore required to reflect this. Under the terms of this agreement it is necessary to claim the cost of this service from the developer at specified intervals, this is being carried out.
73	The Section 106 Agreement for the Staff College site, agreement number 6366, allows for bus services to be provided to and from this development. A contract has now been let for the annual sum of £72,680, this service commenced from 1 December 2007, a virement is therefore required to reflect this.
-18	Bus Contracts - The Section 106 Agreement for Tesco Jigs Lane Warfield (Agreement Number 6292) allows £210,000 to secure or operate Public and/or Community Transport Services (including Revenue Support of Services) and/or facilities and/or publicity. There is now only a sum of £3,000 remaining in this fund for the provision of this service, however a sum of £21,000 remains in the base budget therefore £18,000 now needs to be vired to reflect this.

ENVIRONMENT, CULTURE & COMMUNITIES

Virements

Total	Explanation
£'000	
	Smart Card Recharges
-45	Smart Card - As a result of a review in the method of apportioning the costs of the smart card the recharge to this department has reduced.
-2	Smart Card - As a result of a review in the method of apportioning the costs of the smart card the recharge to this department has reduced. This was originally reported in May as being £44,620 but was in fact £46,580.
tr 4,638 u	Total

**TO: THE EXECUTIVE
16 DECEMBER 2008**

**CAPITAL PROGRAMME 2009/2010 - 2011/2012
(Borough Treasurer)**

1 PURPOSE OF DECISION

- 1.1 Under the Council's Constitution, the Executive are required to issue their budget proposals for consultation for a minimum period of six weeks prior to making their recommendations to full Council on 25th February 2009. The capital programme forms an important part of the overall budget proposals and a key means by which the Council can deliver its medium term objectives. This report draws together each service's proposals so that the Executive can agree a draft capital programme for 2009/10-2011/12 as the basis for consultation. In compiling the draft programme the main focus is inevitably on determining the requirements for 2009/10, although future year's schemes do form an important part of the programme.
- 1.2 The financial implications of the recommendations in this report are reflected in the subsequent reports on the Council's draft revenue budget. Any revisions to the proposals put forward by each service would also need to be reflected in these reports which will also be published as the basis for consultation following the Executive's meeting.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Endorses Bracknell Forest Borough Council's Capital Strategy 2008 as set out in Annex A.**
- 2.2 **Approves, for consultation, an initial General Fund capital programme of £9.65m for 2009/10 summarised in Annex B, including the schemes listed in Annexes C – F.**
- 2.3 **Approves the £100,000 of funding allocated in the Primary Capital Programme for 2009/10 to be brought forward into 2008/09 as set out in paragraph 5.12.**
- 2.3 **Approves for consultation, the inclusion of an additional budget of £1m for Invest to Save schemes.**
- 2.4 **Approves the allocations within Environment, Culture and Community Directorate for resources approved in 2008/09 as set out in paragraphs 5.16 – 5.17**

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 Strategy

5.1 Bracknell Forest's first capital strategy was prepared in 2001 and has been updated and amended on several occasions to reflect updated guidance from Government and the Council's changing requirements. This latest version has been updated to make the document reflect more closely the Council's current requirements and provide the basis for developing and managing future year's capital programmes.

5.2 The latest version of the strategy is organised into the following sections:

1. Introduction
2. Background and Characteristics of Bracknell Forest
3. Framework for Bracknell Forest's Capital Strategy
4. Approach to Prioritising Investment
5. Capital Receipts
6. Resources
7. Monitoring Progress
8. Managing Assets – Asset Management Group
Annex A. Invest To Save Schemes

Whilst all sections have been updated, attention is particularly drawn to the following highlights:

- The strategy is intended to be an overarching document that provides the framework for the capital investment plans set out in individual service strategies.
- Services bidding for external support need to ensure that funding is 'cash backed', as schemes funded by supported or unsupported borrowing will have an adverse impact on the Council's revenue budget. This is because there is no immediate increase in central government funding whilst the Council's Formula Grant remains set at the floor.
- The Council's policy is to treat all capital receipts as a corporate resource, enabling investment to be directed towards those schemes or projects with the highest corporate priority, is confirmed. The only exemptions are where legislation specifies otherwise or where the Executive agrees to an exemption.
- The introduction of the Members Initiative Fund to direct resources to small scale projects identified by individual Members across their wards. This mechanism for delivering investment at the local level contributes towards the "Community Call for Action" as laid out in the recent Local Government White Paper and the move towards Participatory Budgeting.
- Continued funding of works identified as Priority 1 within the property condition surveys is confirmed, recognising that this will have an impact on the maintenance backlog by only dealing with the most urgent works. In addition schools are required to finance Priority 1 works from within their own resources. Whilst it is expected that the majority of these works will be met from their devolved formula capital there will be instances where the grant received does not match the cost of the works that need to be undertaken.

- Annex A to the strategy sets out how the 'Invest To Save' budget will be managed.

Capital Resources

- 5.3 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
- 5.4 The Local Government Act 2003 brought in radical changes to the financing of capital expenditure including the "pooling" of housing capital receipts from 1 April 2004. 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.
- 5.5 The Council's estimated total usable capital receipts at 31st March 2009 are zero. The impact of the Thames Basin Heath Special Protection Area has meant that the opportunity to dispose of Council property and generate further capital receipts has been severely curtailed over recent years. The impact of the "Credit-Crunch" and the substantial deterioration in the property market is unlikely to improve opportunities for disposal at optimal prices for the foreseeable future.
- 5.6 As a result of the LSVT Transfer of the Council's housing stock to Bracknell Forest Homes in 2008 the Council will benefit from a share of future Right-to-Buy sales and from the VAT Shelter that was set up at the time of the transfer. It is estimated that this will deliver an annual capital receipt of approximately £3m over the next ten years, although this is expected to be lower in the short-terms as a result of the recession and credit-crunch.
- 5.7 In previous years the Council has been able to borrow funds "internally" to support its capital programme as a result of the complex relationship between the HRA and the General Fund. However it was still required to make a revenue contribution towards these "internal borrowing costs" and as such there was a real revenue cost to be paid in relation to this investment. Following the capital receipt from the housing LSVT, the "internal borrowing" was effectively paid off and as such there is a corresponding reduction reflected in the General Fund from 2009/10 onwards. However the Council will return to a position of internal borrowing until its current level of investments are exhausted, which is expected to be within the next 3-5 years. Thereafter the Council will need to borrow externally.
- 5.8 The proposed capital programme for 2009/10 has been developed, therefore, on the assumption that it will be funded by a combination of £3m of capital receipts, Government grants, other external contributions and some internal borrowing. The financing costs associated with the General Fund Capital Programme have been provided for in the Council's revenue budget plans which appear on tonight's agenda.

New Schemes

- 5.9 Within the general financial framework outlined above, Service Departments have considered new schemes for inclusion within the Council's Capital Programme for 2009/10 - 2011/12. Given that capital resources are under pressure, each

Department has evaluated and prioritised proposed schemes into the broad categories, set out in the Council's Corporate Capital Strategy. This includes schemes within the previously approved programme for 2008/09, some of which are re-phased to reflect current information and priorities.

Unavoidable (Including committed schemes)

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 statutory legislation etc. Committed schemes are those that have been started as part of the 2008/09 Capital Programme. By their nature, schemes in this category form the first call on the available capital resources.

Maintenance (Improvements and capitalised repairs)

The Council is responsible for a significant number of properties and assets. As part of the established capital planning process, property condition surveys are carried out and updated annually to assess the overall maintenance needs. The bids put forward this year by Departments will ensure that the most urgent works required by each service can be carried out.

Rolling programmes

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 Medium Term Objectives and established Asset Management Plans.

Other Desirable Schemes

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 and the Council's Medium Term Objectives. The net cost of schemes which attract partial external funding are included in the schemes put forward.

Participatory Budgeting

A sum of money is set aside in order that individual Members can allocate resources to smaller projects that have been identified based on local ward priorities or in conjunction with partners and other stakeholders. These individual Member budgets can be pooled to provide larger schemes where appropriate. This mechanism of delivering investment at the local level contributes towards the "Community Call for Action" as laid out in the recent Local Government White Paper and the drive towards Participatory Budgeting.

Invest To Save Schemes

These are schemes where the additional revenue income or savings arising from their implementation exceeds the additional revenue costs. The Council's approach to Invest to Save schemes is included in its Capital Strategy and in accordance with the Capital Strategy it is proposed that a further £1m be included in the 2009/10 capital programme for potential Invest to Save schemes.

- 5.10 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 C – F. As indicated above, in some cases, the schemes within the proposed

programme modify previously agreed programmes to reflect the latest available information on the phasing of expenditure and revised priorities. A summary of the cost of schemes proposed by Departments is set out in the table below and in Annex B. This shows that the total net funding requested is £9.65m in 2009/10.

Capital Programme 2009/10-2011/112				
Annex	Service Area	2009/10 £000	2010/11 £000	2011/12 £000
C	Corporate Services	253	128	33
D	Environment, Culture and Communities	5,650	7,392	6,993
E	Social Care and Learning	1,511	1,703	1,123
F	Council Wide	2,236	1,904	1,549
	Total request for Council funding	9,650	11,127	9,698
Externally funded projects are excluded from the above.				

- 5.11 Included within the Environment, Culture and Communities total in 2009/10 is £1.15m for new affordable housing directly as a result of the Housing transfer that took place in February 2008. The Council gave a commitment to spend 75% of the available receipt on new affordable housing and the 2009/10 – 2011/12 programme includes an allocation of £5.7m. The remainder of the receipt will be used in subsequent years. A sum of £0.5m (with an additional £0.5m in 2010/11) has also been included within the Social Care and Learning total for new youth facilities in South Bracknell that the Council also committed itself to from the transfer receipt.

Early release of funding for Primary Capital Programme

- 5.12 As part of the Government's Pre-Budget Report the Chancellor announced that he would bring forward £3bn of capital spending from 2010/11 to 2009/10 with up to £800m within Education. Combined with the substantial levels of investment already announced this will result in significant levels of investment in 2009/10. In order to ensure that the Council can effectively plan, recruit and tender for this work (in a market where neighbouring authorities will also be looking to compete for contractors/staff) and deliver the programme within realistic timescales it is recommended that the Council release in the current year £100,000 of the total allocation requested above.

Externally Funded Schemes

- 5.13 A number of external funding sources are also available to fund schemes within the capital programme, allowing the Council to plan a programme that is significantly greater than the £9.65m that is proposed. External support has been identified from two main sources:

Government Grants

- 5.14 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. Examples include Building Schools for the Future and Local Transport Plan funding

Section 106

- 5.15 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 £6 m.

Officers have identified a number of schemes that could be funded from Section 106 funds in 2009/10. Under the constitutional arrangements, the Council must approve the release of such funding. However, this does not preclude the Executive bringing forward further schemes to be approved by the Council to be funded from Section 106 funds during the year.

Annexes C - F also include details of all schemes that will be funded from the various external sources in the next year.

Allocation of funds approved for 2008/09

- 5.16 The Social Services & Housing capital budget for 2007/08 included a sum of money (£86,200) for ITC replacement. This budget has been carried forward into the Environment, Culture and Communities 2008/09 capital programme. It is requested that this allocation be now used to replace the existing Supporting People ICT system as a result of the replacement to the Adult Social Care IT system.
- 5.17 The Housing Planning Delivery Grant of £647,509 is required to be split 67.5% Revenue and 32.5% Capital. The capital element (£210,440) has yet to be allocated to projects. As such it is requested that it be allocated to the following projects.
- A Spatial Policy system (£38,000) will provide a hosted web solution with easy to use full interactive public access for all consultations, document design and production capabilities as well as comprehensive reporting facilities. The annual running costs can be met within the LDF budget projection and savings arising from the existing system.
 - The remaining £172,440 will be spent on “pump-priming” of Suitable Accessible Natural Green Space (SANGS) enhancement works. To date, developers have had to wait 9 months whilst the Council enhances open space in line with the agreed SPA Avoidance and Mitigation Strategy in advance of occupation of new dwellings. Allocating capital funds to the SANGS work will encourage development in the Borough to come forward more rapidly, which may help the Council meet the LAA target for housing delivery during these economically challenging times.

Funding Options

- 5.18 There are a number of important issues concerning the long term funding of capital expenditure. As a result of the LSVT Transfer of the Council's housing stock to Bracknell Forest Homes in 2008 the Council will benefit from a share of future Right-to-Buy sales and from the VAT Shelter that was set up at the time of the transfer. It

is estimated that this will deliver an annual capital receipt of approximately £3m over the next ten years. Any additional capital receipts are unlikely to be significant in 2009/10 due to the continued impact of the SPA and the general decline in the economy.

- 5.19 The proposed capital programme for 2009/10 has been developed, therefore, on the assumption that it will be funded by a combination of £3m of capital receipts, Government grants, other external contributions and some internal borrowing. The financing costs associated with the Capital Programme have been provided for in the Council's revenue budget plans.
- 5.20 Should any capital receipts be generated in 2009/10 the interest earned on these will be used to mitigate the revenue cost of the capital programme.
- 5.21 In practice it is unlikely that the Council will need to resort to external borrowing as it will be able to utilise revenue resources held internally. The Capital Finance Regulations, however, require the General Fund to set aside an amount which would be broadly equivalent to the amount the Council would need to pay if it borrowed externally. 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.
- 5.22 The reduction in available capital receipts has placed greater emphasis on the capital programme and its impact on the revenue budget. 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.
- 5.23 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 2009/10 to 2011/12 in March, alongside its consideration of the specific budget proposals for 2009/10 and the Council's medium-term financial prospects.
- 5.24 Given the known revenue budget gap, 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 2010/11 onwards, will need to be undertaken during next summer.

Meeting the Council's Medium Term Objectives

- 5.25 The integrated budget package prioritises resources according to the five overarching priorities of the Council and continues to invest mainly through targeted capital expenditure, in services designed over the next three years to:

Medium Term Objective 2 - Protect and enhance the environment of the Borough, through spending;

- £3.4m on highways infrastructure maintenance
- £1.1m on new affordable housing
- £1.6m on other measures to protect and enhance the environment

Medium Term Objective 3 – Promoting health and achievement in the Borough through spending;

- £0.5m on new youth facilities
- £0.4m on improving and maintaining leisure and community facilities
- £0.6m on promoting achievement and learning
- £0.3m on other investment priorities

Medium Term Objective 4 - Create a borough where people are, and feel safe by investing in;

- £0.15m on a new number plate recognition system
- £0.2m on other initiatives

Medium Term Objective 5 - Provide value for money through spending on:

- £0.7m on continued investment in Information Technology
- £0.5m on other investment priorities.

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.

Impact Assessment

- 6.3 None arising directly from this report, although impact assessments on the specific schemes within the capital programme will need to 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. In a full year financing costs represent approximately 10% of the capital investment. The additional revenue costs for a General Fund Capital Programme of £9.65m, after allowing for future capital receipts of £3m will be £0.175m in 2009/10 and a further £0.439m in 2010/11. 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 (especially when bids are still to be submitted or the results of current bids are unknown)
 - Building delays due to unavailability of materials or inclement weather
 - Availability of staff with appropriate skills to implement schemes and IT projects in particular.
- 6.6 These can be managed through the use of appropriate professional officers and following best practice in project management techniques.

7 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 the Bracknell Forest 1500, the Senior Citizens' Forum, Parish Councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. A meeting with the local business community is also planned to obtain their views on the 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 Bracknell-forest.gov.uk.
- 7.2 The timetable for the approval of the 2009/10 Budget is as follows

Executive agree proposals as basis for consultation	16 December
Consultation period	17 December - 27 January
Executive considers representations made and recommends budget.	10 February
Council considers Executive budget proposals	25 February

Background Papers

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CAPITAL STRATEGY 2008

1. Introduction

- 1.1 The Capital Strategy is a key element of Bracknell Forest's medium term financial strategy and planning process. It describes how the investment of capital resources will contribute to the achievement of the Council's priorities and is intended to be an overarching document that provides the framework for the capital investment plans set out in individual service strategies, details of which are included in departmental Service Plans. As such it is a key document for demonstrating how the Council integrates financial planning with the strategic and service planning process on a medium to long-term basis.
- 1.2 Whilst there are many service strategies the most significant are likely to be the Housing Strategy Statement, Local Transport Plan and Education Asset Management Plan Local Policy Statement. The Capital Strategy has been endorsed by the Corporate Management Team and the Council's Executive.
- 1.3 The Capital Strategy will describe how the deployment of capital resources contributes to the achievement of the Council's goals. It will also help to ensure that issues around property and other assets are reflected in the Council's corporate planning process and responds to the investment requirements of the Borough.
- 1.4 This is Bracknell Forest Borough Council's fourth Corporate Capital Strategy and is reviewed when circumstances require.

2. Background and Characteristics of Bracknell Forest

- 2.1. Bracknell Forest is located in the heart of the Thames Valley, 25 miles west of London. One fifth of the Borough is forest and another fifth is protected for its high wildlife value. There are six parishes within the Borough, each with different characteristics. Bracknell Town consists of eleven residential neighbourhoods, three industrial areas and the town centre, for which there are ambitious redevelopment plans.
- 2.2. Bracknell Forest Council serves a population of around 110,000 and employs around 3,500 staff. The Council aims to provide services of the highest quality at a cost that is acceptable to Council Tax payers and users of services. A significant emphasis is placed on the needs of customers and on being cost conscious and efficient.

3. Framework for Bracknell Forest's Capital Strategy

- 3.1. The Council's vision for Bracknell Forest is:

"To make Bracknell Forest a place where all people can thrive; living, learning and working in a clean, safe and healthy environment."
- 3.2. It is a Government requirement under the Local Government Act 2000 that all local authorities prepare a Sustainable Community Strategy to improve the economic, social and environmental well being of their area. The third Sustainable Community Strategy for Bracknell Forest is an overarching strategy for the Borough. It sets out a long-term vision for the future which reflects community needs and aspirations. The Sustainable Community Strategy acts in two ways. First, it acts as a business planning tool for public service providers, aligning funding and service delivery based on everyone working towards a common goal and engaging the local community within the overall financial planning process. Second, it acts as a public summary of partnership priorities. The Strategy is structured in three sections to reflect the Borough's key priorities:

Section 1: A Thriving Population

- Priority a. Opportunities for everyone
- Priority b. Nurturing the Next Generation
- Priority c. Supporting the Older Generation
- Priority d. People who require Additional Support

Section 2: A Desirable Place

- Priority a. Sustainable Development
- Priority b. Protecting the Environment
- Priority c. Travelling around the Borough

Section 3: Cohesive Communities

- Priority a. Engaged & Empowered Communities
- Priority b. Enjoying Life
- Priority c. Being & Feeling Safer
- Priority d. Sustaining a Vibrant Economy

- 3.3. In May 2007, the Council developed a set of new Medium Term Objectives under five priorities. These form the basis of the work of the Council for the next few years. They are

- Priority one:** A town centre fit for the 21st century
- Priority two:** Protecting and enhancing our environment
- Priority three:** Promoting health and achievement
- Priority four:** Create a borough where people are, and feel, safe
- Priority five:** Value for money

- 3.4. Departmental Service Plans take the Council's Medium Term Objectives and break them down into a detailed set of objectives and actions which form the basis for Individual Performance Appraisals. These Service Plans contribute to the Council's strategic approach to asset management ensuring that asset management plans are fully integrated within the corporate and strategic planning process.
- 3.5. A robust performance management process is completed by regular monitoring through Performance Monitoring Reports and a Corporate Performance Overview Report to senior officers and members. These include regular progress reports on the implementation of schemes within the Capital Programme.

4. Approach to Prioritising Investment

- 4.1. Capital expenditure is defined as all expenditure on the acquisition, creation or enhancement of tangible fixed assets and is set out in The Local Government (Capital Finance and Accounting) Regulations 2003 (as amended).
- 4.2. The Capital Programme forms an integral part of the Council's overall budget package. The Council has adopted a rolling three-year Capital Programme that includes schemes according to the priorities set out below:

Unavoidable – to meet statutory and legislative requirements in the provision of services. It includes specific items such as asbestos management, water hygiene and fire safety. By their nature, these schemes form a first call on available resources.

Maintenance – the Council is responsible for a significant number of properties and infrastructure assets. As part of the established capital planning process property condition surveys are carried out to inform the maintenance needs. These ensure that assets are protected and at the same time contribute to the continuous improvement of the environment. (see paragraphs 6.5 to 6.7 for further detail)

Rolling Programmes – these programmes cover more than one year and give a degree of certainty for forward planning of schemes to improve service delivery. This area will include investment to enhance Council property to improve the sustainability and suitability of services such as library, leisure and community centre refurbishments.

Other Desirable Schemes – these include high priority schemes that meet the Council's needs and objectives and enhance the quality of life for those living and working within the Borough.

Invest to Save Schemes – these are schemes where the additional revenue income or savings arising from their implementation exceeds the additional revenue costs. These schemes will contribute to the efficiency savings target set for the authority. Further details of how the Invest to Save process works are set out in Annex A to this Strategy.

Members Initiative Fund – a sum of money is set aside in order that individual Members can allocate resources to small projects that have been identified based on local ward-level priorities, or in conjunction with partners and other stakeholders. These individual Member budgets can be pooled to provide larger schemes where appropriate. This mechanism for delivering investment at the local level contributes towards the “Community Call for Action” as laid out in the recent Local Government White Paper and the move towards Participatory Budgeting.

Schemes which have been approved and started as part of the capital programme and will take more than one year to complete are treated as ongoing commitments.

- 4.3. Schemes attracting partial external funding, such as grants for private sector housing, are included within the above categories and assessed accordingly. These schemes are only included within the capital programme if they meet the Council's needs, objectives and priorities. Schemes attracting 100% external funding are included automatically within the capital programme. Such schemes are usually supported by Capital Grants, or receipts from agreements under Section 106 of the Town and Country Planning Act 1990.
- 4.4. In all instances external funding needs to be ‘cash backed’ to avoid any adverse impact on the Council's revenue budget. Opportunities to take up supported borrowing will not be pursued as there is no immediate increase in central government financial support whilst the Council's Formula Grant remains set at the floor.
- 4.5. At the start of the capital planning process in late August/early September each department will submit its capital proposals using a standard Project Appraisal Sheet, which includes the following:
 - Description of the project
 - Project outcomes, (including how it supports the Council's key objectives)
 - Key dates and milestones
 - Alternative options
 - Analysis of options
 - Cash flow forecasts
 - Revenue implications
 - Options for business process re-engineering
 - Partners
 - Energy management issues
 - Risks
 - Detailed financial proposal using pay back and net present value techniques, where appropriate.

- 4.6. These proposals are submitted to Corporate Management Team for further consideration. The outline timetable for the approval of the capital programme is as follows:

Date	Action
Aug/Sept Sept /Oct	Departmental Management Teams develop initial bids Corporate Management Team review initial bids alongside resources available
Oct/Nov	Schemes reviewed/revised taking account of available resources
Dec	Executive agree draft capital programme for consultation
February	Executive considers the consultation responses and recommends final capital programme to Council
March	Council approves capital programme

- 4.7. The proposals drawn up in the Capital Programme are consulted upon with partners and stakeholders as part of the broader consultation exercise on the Council's annual budget. This is done through both face-to-face consultation with partners as well as an opportunity to comment on the proposals via the Council's web site. This ensures that partners, local residents and the business community are fully engaged with the investment priorities identified by the Council and given an opportunity to discuss and contribute to the future plans of the Council.

5. Capital Receipts

- 5.1. The Council is a debt free authority and has not been reliant on external borrowing to finance its Capital Programme. To date funding for the Capital Programme has been provided from three main sources:

- Accumulated capital receipts
- Government grants
- Other external contributions

- 5.2. The Council's policy is to treat all capital receipts as a corporate resource, enabling investment to be directed towards those schemes or projects with the highest corporate priority. This means that individual services are not reliant on their ability to generate capital receipts to fund investment although there are certain exceptions to the general policy, particularly where legislation specifies otherwise. The most notable example being Section 77 of the School Standards and Framework Act 1998 regarding the disposal of school land, which stipulates that any proceeds should be used for the improvement of sports facilities and the refurbishment/replacement of schools.

- 5.3. Further exceptions to the general policy of treating capital receipts as a corporate resource can be made, but only with the specific approval of the Executive.

- 5.4. The Council, as part of its approach to risk management, ensures through its Corporate Property department that the impact of market conditions on asset values are fully considered in any decision regarding the disposal or acquisition of assets.

- 5.5. Disposal proceeds are used to support the revenue budget by investing the capital receipt unless the disposal is linked to a specific sale-and-invest capital project. The disposals programme is monitored by the Asset Management Group as outlined later in this document.

6. Resources

- 6.1. As a result of the transfer of the Council's housing stock to Bracknell Forest Homes in February 2008, a significant capital receipt was achieved. The Council committed itself to spend 75% of the

available receipt to fund new affordable homes over the following 5 years. It also pledged an extra £1m to go towards new Youth facilities in South Bracknell.

- 6.2. In addition to this one-off receipt the Council will also receive an on-going share of the VAT Shelter and Right-to-Buy agreement made with Bracknell Forest Homes. This is estimated to amount to £3m per year over the next 10 years. These receipts are available to support future capital investment priorities.
- 6.3. Capital expenditure over and above the £3m will need to be funded from borrowing, however the Council will not need to resort to external borrowing given the level of internal investments. It is likely that internal borrowing will be sufficient to fund the capital programmes over the next two years, however Local Government accounting regulations will require the Council to set aside the “real” costs of this internal borrowing which must be met from within the General Fund. This cost of internal borrowing will be considered as part of the General Fund budget process.
- 6.4. For planning purposes a Council funded Capital programme of £9.65m for 2009/10 has been assumed as part of the overall Budget preparation process.
- 6.5. Historically the Council has funded all Priority 1 maintenance works identified within the property condition surveys. These represent the works that are necessary, within the next 12 months, to maintain the buildings in beneficial use through the prevention of closure, dealing with health and safety items and potential breaches of legislation. The latest property condition surveys identified Priority 1 works of £1.185m. The 2009/10 capital programme allocates £0.95m towards this requirement, with the balance being met by revenue planned-maintenance budgets.
- 6.6. It is, however, unlikely that expenditure at these levels will continue to freeze the maintenance backlog because of the growing liability for the replacement of services, plant and external building fabric. To ensure that the capital programme remains affordable schools will be required to finance their Priority 1 works from within their own resources. Whilst it will be for schools to decide how to finance these works it is anticipated that the majority will be met from their devolved formula capital.
- 6.7. A £5m expenditure requirement has been identified for works classified as “essential within 2 years” to prevent further significant deterioration or remedy defects that would threaten continuity of service delivery. This is significantly above the resources likely to be available over this time period and as such the Council will need to keep this closely under review and to address it as part of its on-going investment plans.
- 6.8. The Disability Discrimination Act 1995 gives disabled people the right to challenge service provision if they feel they are not receiving the same level of service, in the same manner, as others. Access difficulties to buildings may place the Council at risk of legal action. The Council will, therefore, include within its unavoidable schemes a programme of access improvements identified through a range of access audits. The programme will cover schools and other corporate buildings. Over 50% of the Council's buildings which are open to the public are suitable for and accessible to disabled people (as defined by BVPI 156). By the end of 2008/09 this figure is expected to rise to 80%.
- 6.9. The Local Government Act 2003 had the effect of replacing the current system of Local Government Capital Finance with a new one, known as the ‘Prudential Regime’ from 1 April 2004. In the Prudential Regime, instead of the historical practice of local authorities only being able to borrow in line with central government prescribed limits, each local authority must decide its own borrowing limits. These must take account of the authority's financial situation, medium term plans and in particular affordability, as funding capital expenditure has an ongoing revenue cost which must be met from Council Tax. CIPFA has developed a Prudential Code of Capital Finance in Local Authorities which specifies those indicators that the Council must consider as a part of its budget setting process. These are included in the annual budget report to Council and will become

an increasingly important aspect of the budget process when the Council commences external borrowing.

7 Monitoring Progress

- 7.1 Officers monitor implementation of the Capital Programme with reports being submitted monthly to Departmental Management Teams. The Council's Corporate Management Team and Executive Members receive a more formal quarterly progress report, which enables them to adopt a more strategic approach. In addition the Executive Member for Finance, Resources and Assets is consulted widely on all issues relating to the Capital Strategy.
- 7.2 Financial performance is fundamental to the monitoring process, although this has been extended to ensure that the Council's objectives are achieved in full. Developments include service related targets and targets for scheme delivery.
- 7.3 A major challenge for the Council is to ensure that schemes included within the three year Capital Programme have realistic cash flows in order to improve the overall percentage of budget spent and to avoid crowding out schemes that could realistically commence during the year. This can also affect the level of external funding, especially from government departments, in future years. In developing the proposals put forward in the capital programme the Council seeks to identify the whole life transaction costs and the main factors that influence these as well as developing robust project cash flows for each major scheme.

8 Managing Assets - Asset Management Group

- 8.1 The Asset Management Group was established in 1998 and has evolved in line with the strategic needs of the Council. It is chaired by the Council's Chief Officer - Property and meets every three months. The group is attended by representatives of each department along with Finance, Legal and Planning representatives. Its terms of reference are comprehensive and include the following.

- **Strategic Property Planning**

In consultation with service and operational departments to jointly identify and annually review corporate property aims and objectives and to provide information to the departments of the Authority to assist in the development of long term strategies and plans.

- **Data Management**

Through regular reviews, to ensure that the Authority's property databases match requirements for asset management purposes and are comprehensive, accessible and accurate.

- **Property Performance**

To establish a robust property performance monitoring system in line with the principles of Best Value.

- **Individual Property Reviews**

To establish and annually review a five year rolling programme of reviews for every interest in landed property held by the Council.

- **Under-used Assets**

Where properties have become vacant or have been identified as no longer meeting the Council's service, administrative or financial requirements, to carry out comparative option appraisals with recommendations for the future use or disposal of the properties.

- **Disposals**

To oversee the Authority's acquisition and disposals programme.

- **Corporate Asset Management Plan**

To co-ordinate the Council's Corporate Asset Management Plan.

- **Generally**

To undertake the role of Corporate Landlord for all operational properties held by the Council and seek to optimise service department's utilisation of property assets in terms of service benefits and financial return.

INVEST TO SAVE SCHEMES

Introduction

Invest to Save schemes are those where the additional revenue income or savings arising from their implementation exceed the additional revenue costs (including borrowing costs associated with any capital investment). Examples might include an investment in an energy efficient boiler resulting in lower annual running costs, or an investment in a new car park generating an additional income stream.

Experience of operating the Invest to Save process has shown that some worthwhile schemes may be excluded because they do not meet exactly the above criteria. Typically, these are schemes that generate non cashable efficiency savings. Examples might include more effective working arrangements (bringing two teams together in a single location) or where an immediate capital investment will avoid longer term revenue costs (such as disabled access works reducing the cost of care packages or out Borough placements).

Whilst such schemes are clearly beneficial to the Council's longer term financial position, because there is no immediate additional revenue income or savings associated with the capital investment they would not be able to proceed under the above criteria. In future, therefore, if Directors can identify alternative cashable revenue savings or additional revenue income such schemes should be allowed to proceed.

The scheme is to be expanded to include those schemes that will benefit the Council from a combination of financial benefits and environmental savings. The eligibility terms are still under consideration and will encompass the requirements of any future carbon-trading scheme that is likely to become mandatory for local authorities.

Process

- Each year the Council will include £1.0m in its three year capital programme for potential Invest to Save schemes.
- There will be no requirement to specify the exact nature of the schemes at the time the capital programme is approved. The inclusion of this item will not affect the impact of the capital programme on the revenue account as approval to spend will not be granted unless the financing costs are met from savings or additional income.
- At any time during the course of the financial year Directors may submit proposals to the Borough Treasurer who will review the robustness of the financial estimates (both for capital expenditure and revenue savings/additional income) and associated risk assessment before recommending to Corporate Management Team the release of funding from the Invest to Save budget.
- Priority will be given to those schemes making the greatest return over and above the cost of financing the capital expenditure, which will depend upon the estimated life of the asset.
- The cost of financing the capital expenditure will be calculated on the assumption that the amount borrowed will be repaid over the life of the asset together with interest at the rate of 6% p.a. The appropriate asset life will be determined by the Borough Treasurer, but the following table sets out indicative asset lives:

Type of Asset	Asset Life	Annual Repayment as % of Capital Sum
IT Equipment	4 years	31%
Vehicles & Plant	7 years	21%
Infrastructure	20 years	11%
Buildings	50 years	8%

- All decisions made by CMT will be reported through the Corporate Services Performance Management Report.
- Once agreed the Borough Treasurer will implement the necessary virements, which will be reflected in future revenue budget monitoring reports.
- Any savings or additional income in excess of that required to meet the cost of financing the capital expenditure can be retained by Departments as a part of their future budget savings.
- No individual scheme must exceed £400,000 as this represents a Key Decision which must be dealt with in accordance with the Council's Constitution.

Exceptions

Schools will be permitted to participate in Invest to Save. School budgets will not be adjusted to reflect the cost of financing capital expenditure, as outlined above. Instead, schools will be required to pay the Council the financing costs associated with money advanced from the Invest to Save budget.

SUMMARY GENERAL FUND CAPITAL PROGRAMME 2009/10

	Corporate £000	ECC £000	SC&L £000	Council Wide £000	Total £000
Committed	0	1,150	596	500	2,246
Unavoidable	0	2,450	290	916	3,656
Maintenance/Capitalisation	33	973	523	400	1,929
Rolling Prog/Other Desirable	220	1,077	102	0	1,399
Participatory Budgeting	0	0	0	420	420
Total Council Funded	253	5,650	1,511	2,236	9,650
Externally Funded	0	3,882	36,769	0	40,651
Total Capital Programme	253	9,532	38,280	2,236	50,301

CAPITAL PROGRAMME - CORPORATE SERVICES / CHIEF EXECUTIVE

	2009/10 £000	2010/11 £000	2011/12 £000
Committed			
None	<u>0</u>	<u>0</u>	<u>0</u>
Unavoidable			
None	<u>0</u>	<u>0</u>	<u>0</u>
Maintenance			
Improvements and Capitalised Repairs - Corporate Buildings	<u>33</u>	<u>33</u>	<u>33</u>
	33	33	33
Rolling Programme/ Other Desirable			
Financial Systems Version Upgrade	55	55	0
Registrars Electronic Booking Office	15	0	0
Number Plate Recognition	150	0	0
Starters and Leavers Process	<u>0</u>	<u>40</u>	<u>0</u>
	220	95	0
	<u> </u>	<u> </u>	<u> </u>
TOTAL REQUEST FOR COUNCIL FUNDING	<u>253</u>	<u>128</u>	<u>33</u>
Externally Funded			
None	<u>0</u>	<u>0</u>	<u>0</u>
	<u> </u>	<u> </u>	<u> </u>
TOTAL EXTERNAL FUNDING	<u>0</u>	<u>0</u>	<u>0</u>
	<u> </u>	<u> </u>	<u> </u>
TOTAL CAPITAL PROGRAMME	<u>253</u>	<u>128</u>	<u>33</u>

Capital Programme 2009/10 – Corporate Services

Committed	£'000
None	0

Unavoidable	£'000
None	0

Maintenance	£'000
Improvements & capitalised repairs – Corporate Buildings	33

Rolling programme and Other Desirable	£'000
Financial Systems Version Upgrade	55
To upgrade the existing Agresso financial system from Version 5.4 to Version 5.5. Agresso have released a new version of their financial system which is in the process of being implemented in a number of authorities. Agresso will no longer support Version 5.4 once Version 5.6 is released. Whilst there is no definite date for the release of Version 5.6 it is widely anticipated that this will be within the next 18 to 24 months.	
Registrars Electronic Booking Office	15
The installation of a software programme that provides a booking service for the Registration Office. This project would improve the efficiency and quality of the services offered by the Registration Service. The Service needs to modernise in line with rising customer expectations generally and to respond to the General Register Office's modernisation agenda.	

Number Plate Recognition	150
The Borough does not have in place an electronic Number Plate Recognition system, and as such results in a significant area within the County that cannot track vehicles by the Police or related services.	

CAPITAL PROGRAMME - ENVIRONMENT, CULTURE & COMMUNITIES

	2009/10 £000	2010/11 £000	2011/12 £000
Committed			
Housing Stock Transfer - New Affordable Housing	1,150	1,280	3,290
	1,150	1,280	3,290
Unavoidable			
Highways Maintenance & Integrated Transport Measures	1,640	1,801	1,801
LTP Top Up Funding (capitalisation of revenue)	250	250	0
Roads & Footway Resurfacing (capitalisation of revenue)	200	200	200
London Road Gas Migration Controls	25	15	0
Cemetery & Crematorium Safety of Memorials	15	0	0
Disabled Facility Grants - Mandatory	200	200	200
#South Hill Park Grounds Restoration Project	100	408	349
Car Park Access & Payment Equipment	0	440	0
New Telephone Systems for Coral Reef & Downshire Golf Complex	20	0	0
	2,450	3,314	2,550
Maintenance			
Improvements & Capitalised Repairs	595	595	595
Improvements & Capitalised Repairs (Street Lighting)	28	28	28
Equipment Replacement - Downshire Golf Complex	35	35	35
Maintenance of Leisure Sites	150	150	150
Coral Reef Main Pool Re-tiling Base	85	0	0
Car Park Structure & Repairs	80	50	0
	973	858	808
Rolling Programme/ Other Desirable			
Junction of John Nike Way/London Road & Dualling on London Road	470	0	0
Cemetery & Crematorium Memorials for Cremated Remains	45	10	0
EPCC Computer Booking Package	45	0	0
Play Areas Rolling Programme	50	50	50
Refurbishment of Public Conveniences	80	0	0
Land Drainage	60	60	60
Library Refurbishment Rolling Programme	50	50	50
Community Centres Refurbishment Rolling Programme	50	50	50
Plasma Screens for Marketing at the Look Out, Edgbarrow & Sandhurst			
Sports Centres	27	0	0
Residential Street Parking	100	100	100
Car Park Extension	100	0	0
Subway Refurbishment of Anti-Graffiti Coating	0	35	35
Bracknell Leisure Centre Minor Pool	0	225	0
Cemetery & Crematorium Mercury Abatement	0	1,000	0
Worlds End Footbridge Repainting Programme	0	360	0
	1,077	1,940	345
TOTAL REQUEST FOR COUNCIL FUNDING	5,650	7,392	6,993

CAPITAL PROGRAMME - ENVIRONMENT, CULTURE & COMMUNITIES

	2009/10 £000	2010/11 £000	2011/12 £000
Externally Funded			
Local Transport Plan (Highways Maintenance)	400	0	0
Local Transport Plan (Integrated Transport)	315	319	319
Road Safety	44	43	43
Waste Infrastructure Capital Fund	219	80	
Section 106 Schemes (LTP)	750	750	750
Section 106 Junction of John Nike Way/London Road & Dualling on London Road	930		
Section 106 Schemes (Leisure, Culture & Visual Environment)	250	250	250
Section 106 Schemes (Bullbrook Community Centre)	250		
#South Hill Park Grounds Restoration Project (Heritage Lottery Fund)	209	1,158	1,158
Disabled Facilities Grants	300	300	300
Contaminated Land (Piggy Wood) DEFRA	215		
	<u>3,882</u>	<u>2,900</u>	<u>2,820</u>
TOTAL EXTERNAL FUNDING	<u>3,882</u>	<u>2,900</u>	<u>2,820</u>
TOTAL CAPITAL PROGRAMME	<u>9,532</u>	<u>10,292</u>	<u>9,813</u>

Capital Programme 2009/10 – Environment, Culture and Communities

Committed	£'000
Housing Stock Transfer – New Affordable House	1,150
Commitment given in LSVT Offer Document to allocate 75% of the available receipt to invest in new affordable housing.	

Unavoidable	£'000
Highways Maintenance & Integrated Transport	1,640
LTP Top Up Funding (capitalisation of revenue)	250
Roads & Footway Resurfacing (capitalisation of revenue)	200
London Road Gas migration controls	25
To keep the gas migration under control pending any more permanent solution it is necessary to keep existing boreholes functional and to put in new measures to reduce volumes of landfill gas migration beyond the site boundaries. Failure to do so puts us in breach of the Environment Agency site licence. There is a joint liability for this site with the other Berkshire Authorities.	
Cemetery & Crematorium – Safety of Memorials	15
Easthampstead Park has a range of memorials available for the bereaved to remember the deceased or to dispose/store cremated remains. This provides an income for the service in excess of £100,000 per annum. The project is to ensure the safety of these memorials.	
Disabled Facilities Grant	200
To provide sufficient funding to enable the administration of mandatory disabled facilities grants to continue during 2009 -2010. There is a mandatory requirement to provide disabled facilities grant to persons who are deemed to be disabled in appropriate circumstances and in addition there are new rules that are relevant to the decision-making. Where a grant is mandatory the Council should continue to prioritise them within its budget.	
South Hill Park Grounds Restoration Project	100
Bracknell Forest Council has been successful in securing grant aid from the Heritage Lottery Fund, Parks for People Programme. £209,000 has been awarded to fully develop proposals to restore this historic landscape (Stage 1). HLF funding in excess of £2m has been ring-fenced for implementation (Stage 2), subject to successfully completing Stage 1. The capital allocation is essential in drawing down HLF investment. The capital project will run until March 2012. Works directly support Council objectives; specifically Priority 2 Protecting and enhancing our environment.	

New telephone Systems for Coral Reef/Downshire Golf Complex	20
The telephone systems at Coral Reef and Downshire Golf Course were purchased using capital money in 2001. Both sites have been advised by the supplier that the central control units will become obsolete later this year and locating spare parts will become problematic and eventually impossible. Corporate IT have recommended that the telephone systems at Coral Reef and Downshire Golf Course be moved to the Corporate IP telephone system to standardise on one platform for the Council.	

Maintenance	£'000
Improvements & capitalised repairs	595
Improvements & capitalised repairs – Street Lighting	28
Equipment Replacement – Downshire Golf Complex	35
Downshire golf complex generates an income of circa £1.8 million per year returning a net operating surplus of around £140k. In order to maintain this income stream it is necessary to maintain the course to a standard commensurate with the fees charged. In order to do this specialist plant/equipment/machinery is required. This project is to replace two existing machines which are eight to ten years old.	
Maintenance of Leisure Sites	150
This £150k fund provides for a minimal rolling programme of facility/site refurbishment and replacement of plant/equipment/machinery across 9 Leisure sites. These sites include complex facilities containing sophisticated plant and equipment and represent a significant investment for the authority. Sites include a listed mansion, one of the largest indoor/outdoor wet/dry centres in the region, a state of the art leisure pool with many innovative features, an interactive science centre, a water sports centre, three centres located on school sites and a golf complex. Current levels of customer visits to these sites is around 2.3 million/year.	
Coral Reef Main Pool – Re-tiling Base	85
To provide 870 square meter tiled surface to the base of the pool flooring, covering the present badly stained marbleite surface	
Car Park Structure and Repairs	80
The car parks are known not to have wall ties in all elevations to a standard that would be expected. This means there is a greater risk of partial collapse should there be a failure of the few that are there. Structural surveys in the past have been commissioned and this issue has been identified and partially addressed. The car parks are by their age and design prone to high levels of wear and weathering. With continued uncertainty around the future of the town centre it is proposed to commission structural works and complete an anticipated programme of identified necessary repairs	

Rolling programme and Other Desirable	£'000
Junction of John Nike Way / London Rd & Dualling on London Rd	470
The scheme was established in the programme as the means of providing the highway capacity needed to allow planned commercial development along Cain Road, and has been part of the Council's published programme for some years. The scheme was included as a planned project in consultations with businesses in the Western Business Area several years ago. A window of opportunity now exists for construction of the scheme before planned road works on the parallel Berkshire Way are started. If missed, the scheme would be delayed until at least 2010	
Cemetery & Crematorium Memorials for Cremated Remains	45
Existing provision exists for the storage of cremated remains. At present uptake this is likely to be exhausted early in 2009. There is a need to put in place new provision to meet demand. The present arrangements include the gardens of remembrance and Sanctum 2000, which is an after cremation memorial which holds two sets of cremated remains and gives a focal point for the bereaved. Whilst this has been a successful provision there is evidence that demand for this type of memorial is declining and consideration should be made of other products on the market.	
EPCC Computer Booking Package	45
The computer booking package at Easthampstead Park Conference Centre is of paramount importance to the management and efficiency of the business. Every piece of business that the centre generates (whether conferences, events, weddings or bar sales) goes through the booking package in some form. The current system was installed over 10 years ago and at this time the centre was generating less than £500,000 of revenue per year. The centre is now on the verge of surpassing £2,000,000 of annual revenue and needs a computer booking package that is designed specifically for a conference centre, in order to improve efficiency and take the business to the next level.	
Play Areas Rolling Programme	50
Currently, there are 25 equipped play areas that are owned and managed by Bracknell Forest Council. Many of these have been provided through the planning process, either through funding contributions and / or as part of land transfers secured through Section 106 Agreements. Capital monies are needed to refurbish sites as part of a rolling programme. Sites are prioritised on the basis of factors including level of use, condition, play value and market need / demand.	
Refurbishment of Public Conveniences	80
The 4 public conveniences are owned by Bracknell Forest Council and were last refurbished between 1995 and 1999. They are well used and scheduled cleansing, routine maintenance and repairs are managed within the Council's Street Cleansing function. The cost of the day to day work (apart from the bus station) is now recharged to Bracknell Town Council and Crowthorne Parish Council following budget decisions of years past.	

Land Drainage	60
There is a continuing need to improve land drainage and watercourses throughout the Borough to reduce the risk of flooding to properties and roads. Operational experience indicates that the risk of flooding in both rural and urban areas has increased. Preliminary investigations indicate that a number of sites would benefit from local (often modest) improvements reducing the risk or frequency and severity of flooding incidents.	
Library Refurbishment Rolling programme	50
Following local government re-organisation in 1999, a rolling programme of refurbishment of the public libraries was initiated. Recent budget pressures have meant that the last partial refurbishment of a branch library was Whitegrove in 2004. In order to encourage borrowing and visits, it is important to ensure that the internal and external appearance of libraries is maintained to a high standard as this encourages new and existing customers to use the service and maintains a welcoming and professional atmosphere in the libraries. It is recommended that the rolling programme of refurbishment be re-introduced in order to maintain the Borough's libraries to a high standard. Binfield, Birch Hill, Harmans Water and Ascot Heath libraries are particularly in need of improvement work.	
Community Centres Refurbishment Rolling programme	50
The Council owns 14 community centres throughout the Borough. These are managed by local community associations under a lease and management agreement with BFBC. Under the terms of the management agreement, BFBC is responsible for maintaining the structure and utility of the building while community associations are responsible for the décor. Property Department conducts an annual condition survey to determine planned maintenance priorities for community centres. Energy efficient heating systems and building elements are installed when replacement becomes necessary. However, planned maintenance does not provide for the modernisation of community centres or modifications to suit the needs of different user groups. This programme is necessary to ensure that community centres remain fit for purpose in meeting current and future community needs.	
Plasma Screens for Marketing at Look Out/Edgbarrow and Sandhurst Sports Centres	27
To provide plasma screens at Edgbarrow & Sandhurst leisure centres and The Look Out so they are able to display and promote their activities in a professional and visible way to the public	
Residential Street Parking	100
Parking is a real and growing problem throughout the borough as car ownership increases. The Council receives many letters each year from residents and Members requesting that additional parking spaces be provided. Where possible funding would be used to bring residential streets up to a reasonable parking standard by carrying out various improvement schemes such as vehicle crossovers, providing disabled persons parking spaces and constructing additional residential car parking spaces	

Car Park Extension	100
<p>There is scope to enlarge some of the Council's surface car parks by removing the adjacent grass area and replacing it with macadam (subject to planning consent). Opportunities to develop and extend these car parks in partnership with local organisations will be sought and priority allocations will depend on the availability of land, demand and availability of partnership funds.</p>	

CAPITAL PROGRAMME - SOCIAL CARE & LEARNING

	2009/10	2010/11	2011/12
	£000	£000	£000
Committed			
Housing Stock Transfer - New South Bracknell Youth Centre	500	500	0
Capita One (EMS) upgrade	70	40	50
Adult Services Computer Software	26	50	0
	596	590	50
Unavoidable			
Schools Disabled Access (SENDA & DDA Legislation)	250	250	250
Safety Glazing (Safety Glazing Regulations)	40	40	0
	290	290	250
Maintenance			
Improvements & Capitalised Repairs (Schools)	200	500	500
Improvements & Capitalised Repairs (excl Schools)	323	323	323
	523	823	823
Rolling Programme/Other Desirable			
Carers Accommodation Strategy - Feasibility	42	0	0
College Hall Security	60	0	0
	102	0	0
TOTAL REQUEST FOR COUNCIL FUNDING	1,511	1,703	1,123
External Funding - Primary Capital Strategy for Change			
Ascot Heath Infants	55	385	tbc
Ascot Heath Juniors	725	340	tbc
Holly Spring Infants	475	295	tbc
Holly Spring Juniors	115	690	tbc
Great Hollands	40	120	tbc
Crown Wood	555	590	tbc
Sandy Lane	155	590	tbc
Rolling Programme - Outdoor Classrooms	50	50	tbc
Rolling Programme - ICT Upgrades	148	176	tbc
Jennetts Park Primary School	42	4,239	tbc
North Bracknell Review	1,415	1,395	tbc
S106 Projects	160	160	tbc
Family Tree Nursery	5	5	tbc
Extended Schools & Childrens Centres	1,120	905	tbc
	5,060	9,940	0

CAPITAL PROGRAMME - SOCIAL CARE & LEARNING

	2009/10	2010/11	2011/12
	£000	£000	£000
External Funding - Other Items			
Schools Devolved Formula Capital (excl VA schools)	1,506	1,446	tbc
Modernisation Funding (Grant)	367	809	tbc
Targeted Capital Fund - 14-19 Diplomas - Garth Hill	800	0	0
Targeted Capital Fund - 14-19 Diplomas - Other Schools	950	2,250	0
Targeted Capital Fund - Kennel Lane Rebuild Phase 1	250	3,750	tbc
Section 106 Contributions	90	90	250
ICT Harnessing Technology	284	288	tbc
ICT Mobile Working for Social Workers	10	10	10
Garth Hill - Building Schools for the Future	27,000	6,600	1,000
Garth Hill - Building Schools for the Future - S106 Contributions	174	0	0
Extended Schools	48	27	0
DOH Funding - Mental Health	70	70	0
DOH Funding - Social Care	22	23	0
Aiming High Grants	73	171	0
Youth Capital	65	65	0
TOTAL EXTERNAL FUNDING	36,769	25,539	1,260
TOTAL CAPITAL PROGRAMME	38,280	27,242	2,383
Primary Capital Strategy for Change - Breakdown of Funding			
Primary capital programme	3,000	5,380	tbc
Modernisation	170	370	tbc
S106	550	2,900	tbc
Children's Centres	510	300	tbc
PVI funding	490	490	tbc
Extended schools	120	60	tbc
Maintained schools DFC	80	140	tbc
School Development Grant	20	30	tbc
Other school contributions	120	270	tbc
	5,060	9,940	0

Capital Programme 2009/10 – Social Care and Learning Bids

Committed	£'000
Housing Stock Transfer – New South Bracknell Youth Centre	500
Commitment given in LSVT Offer Document to release £1m of the proceeds to invest in new Youth facilities in the South of Bracknell	
Capita One (EMS) Upgrade	70
Five year programme by Capita to migrate ONE software from outdated Powerbuilder environment to .net technology. ONE is the Education database which supports the work of many teams within SCL directorate. In order to maintain support and maintenance it is necessary to upgrade the software.	
Adult Services Computer Software	26
Replacement of SWIFT Care Management and Supporting People systems following the review of the SWIFT upgrade from version 21.02 to Version 23 - Web Forms / Oracle 10g - significant change to the infrastructure and product deployment.	

Unavoidable	£'000
Schools Disabled Access	250
A rolling programme of disabled access works to meet the Council's obligations under the Disability Discrimination Act. Works are prioritised in favour of specific individuals' needs for physical access to school buildings and facilities.	
Safety Glazing	40
A rolling programme of window filming works to school establishments in accordance with the Safety Glazing Regulations. Window film is applied to high risk areas such as corridor doors, low level glazing and windows in sports halls.	

Maintenance	£'000
Improvements & capitalised repairs - Schools	200
Improvements & capitalised repairs – Non-Schools	323

Rolling programme and Other Desirable	£'000
Carers Accommodation Strategy – Feasibility	42
There are four elements with potential capital/ accommodation	

<p>requirements:</p> <p>1) Obtaining accommodation for the new Carers service – comprising day services accommodation and accommodation for overnight respite</p> <p>2) Obtaining suitable accommodation for the Community Team for People with Learning Disabilities. The current short term plan involves the relocation of the team to Time Square but alternative accommodation will be required in the longer term</p> <p>3) Making effective use of existing property and assets.</p> <p>(4) Divesting or finding alternative use for the leased property at Easter Road</p>	
College Hall security	60
<p>Physical security works to the College Hall site including motorised gates, access control, two way speech, lighting, window grilles. Works required following threats to pupils on site and a subsequent risk assessment undertaken with Thames Valley Police. All staff and pupils at the PRU will benefit. Project addresses the security of pupils which is a health & safety issue. The College Hall PRU is responsible for meeting the educational needs of those secondary age children who are unable to sustain a mainstream school place either on a temporary or permanent basis.</p>	

CAPITAL PROGRAMME - COUNCIL WIDE

	2009/10 £000	2010/11 £000	2011/12 £000
Committed			
Time Square Refurbishment - Boilers, Chillers & Roof	500	0	0
	<u>500</u>	<u>0</u>	<u>0</u>
Unavoidable			
Asbestos Management	180	0	0
Water Hygiene (prevention of Legionellosis)	60	60	60
Fire Safety (Fire Precautions Regulations)	50	50	50
Desktop Refresh	200	200	200
Server Refresh	124	124	124
ICT Infrastructure Development	95	95	95
Mobile and Flexible Working	107	50	0
Access Improvement Programme (DDA legislation)	100	200	200
	<u>916</u>	<u>779</u>	<u>729</u>
Maintenance			
Further Capitalisation of Buildings, Highways and ICT Infrastructure/Project Management	400	400	400
	<u>400</u>	<u>400</u>	<u>400</u>
Rolling Programme/ Other Desirable			
Civic Hub/Time Square - Combined Heat & Power	0	305	0
	<u>0</u>	<u>305</u>	<u>0</u>
Participatory Budgeting			
Members Initiatives	420	420	420
	<u>420</u>	<u>420</u>	<u>420</u>
TOTAL REQUEST FOR COUNCIL FUNDING	<u>2,236</u>	<u>1,904</u>	<u>1,549</u>
Externally Funded			
None	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXTERNAL FUNDING	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL PROGRAMME	<u>2,236</u>	<u>1,904</u>	<u>1,549</u>

Capital Programme 2009/10 – Council Wide

Committed	£'000
Time Square – Refurbishment of Boilers, Chillers and Roof	500
Feasibility studies into the refurbishment of Time Square identified the need to replace the boilers and chillers as the plant was reaching the end of its useful life. The total cost is estimated to be £750,000. Works are due to commence in the current financial year for which provision of £250,000 was made in the 2008/09 Capital Programme.	

Unavoidable	£'000
Asbestos Management	180
This will enable Type 2 surveys to be completed on all Council operational properties identifying any potential asbestos hazards. Where required, remedial works will also be undertaken. Based on past experience the budget should be sufficient to complete the full programme of surveys and essential works in 2009/10.	
Water Hygiene (Prevention of Legionellosis)	60
Testing of water systems will be undertaken in Council operational properties to identify potential hazards arising from the legionella bacteria. The budget also allows for the cost of undertaking any remedial works together with regular essential testing once complete.	
Fire Safety (Fire Precautions Regulations)	50
Surveys of Council operational properties to comply with the fire safety legislation. The budget also allows for the completion of follow up works arising from the fire safety risk assessments. The assessment will also be made available to the 'responsible person' to ensure all necessary management arrangements are implemented.	
Desktop Refresh	200
Refresh of all desktop PC's that fall out of warranty during 2009/10. This will ensure all desktop PC's are within warranty to maintain supportability and service.	
Server Refresh	124
To refresh the servers that will become over five years old in 2009/10. This will ensure that all servers remain within warranty and are supportable.	
ICT infrastructure Development	95
To cover a number of ICT network infrastructure upgrades and developments ensuring that equipment is both current and supportable. Specific works include website redesign, e-forms replacement and Customer Management System.	

Mobile & Flexible Working	107
To establish a formal Programme for mobile and flexible working with appropriate resource and funding to support the business case and project developments and engage with service departments. A Programme Manager is required to oversee the delivery of the framework and support and drive the change within the departments. 3 projects have been identified to begin this work, Environmental Health, Housing benefits and CSC Over 11's. Without appropriate resourcing and robust management the programme will not be sustainable.	
Access Improvement Programme	100
The Disability Discrimination Act 1995 gives disabled people the right to challenge service provision if they feel they are not receiving the same level of service, in the same manner as others. Access difficulties to buildings may place the Council at risk of legal action. Further works, identified through independent access audits, are programmed across a range of service areas.	

Maintenance	£'000
Further Capitalisation of Buildings, Highways and ICT Infrastructure/Project Management	400

Rolling programme and Other Desirable	£'000
None	

Participatory Budgeting	£'000
Members Initiative	420
A sum of money is set aside in order that individual Members can allocate resources to small projects that have been identified based on local ward-level priorities, or in conjunction with partners and other stakeholders. These individual Member budgets can be pooled to provide larger schemes where appropriate. This mechanism of delivering investment at the local level contributes towards the "Community Call for Action" as laid out in the recent Local Government White Paper and the move towards Participatory Budgeting.	