

Commitment Budget 2015/16 to 2017/18

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Adult Social Care, Health and Housing				
Approved Budget	32,240	32,276	32,293	32,303
Carers Accommodation Strategy		-10		
Fixed civil penalties - failure to declare changes in circumstances		10	10	
Bracknell Forest Supplement		17		
Net Inter Departmental Virements	36			
Adult Social Care and Health Adjusted Budget	32,276	32,293	32,303	32,303
Children, Young People and Learning				
Approved Budget	15,250	15,254	15,276	15,246
Suitability surveys		20	-20	
Schools Music Festival		10	-10	10
Special Education Needs Team		-35		
Bracknell Forest Supplement		3		
Recruitment and retention payments - Children's Social Care ¹		130		
Aiming High (Provision of Short Breaks)		-106		
Net Inter Departmental Virements	4			
Children, Young People and Learning Adjusted Budget	15,254	15,276	15,246	15,256
Corporate Services / Chief Executive's Office				
Approved Budget	14,102	14,178	14,265	14,200
Vacating Seymour House/Ocean House		-22	-14	
Invest to Save - Time Square lighting		-1		
Invest to Save - Time Square insulation panels		-1		
Borough Elections		80	-80	
Revenue impact of Capital Programme - ICT maintenance & support costs		54		
Community right to bid grant		8		
Community right to challenge grant		9		
Human Resources staffing review		-12		
Residents Survey			29	-29
Motion picture umbrella licence		6		
Capital Invest to Save 2014/15 - Wildridings Square shops		-34		
Net Inter Departmental Virements	76			
Chief Executive / Corporate Services Adjusted Budget	14,178	14,265	14,200	14,171
Environment, Culture and Communities				
Approved Budget	23,754	23,747	24,295	24,415
Waste Disposal PFI		354	87	98
Local Development Framework		149	34	-171
Capital Invest to Save 06/07 - Easthampstead Park		-1	-1	-1
Car Parking income				-80
Bracknell Forest Supplement		32		
London Road Landfill Site		14		-14
Capital Invest to Save 2014/15 - Easthampstead Park outdoor wedding gazebo				-13
Net Inter Departmental Virements	-7			
Environment, Culture and Communities Adjusted Budget	23,747	24,295	24,415	24,234
Total Service Departments	85,455	86,129	86,164	85,964
Non Departmental / Council Wide				
Approved Budget	4,428	4,319	4,562	6,050
2014/15 Capital Programme (Full Year Effect) - Interest		27		
Minimum Revenue Provision		-47	309	520
2014/15 Use of Balances (Full Year Effect) - Interest		7		
Revenue impact of 2015/16 Capital Programme - ICT costs			6	
2015/16 Capital Programme - Interest		46	45	
Ceasing to pay Pension Fund contributions in advance		100	100	
Increase in employers Pension Fund contributions		133	253	300
Removal of the contracted out NI rebate due to the introduction of the new flat rate State Pension			775	
Council Tax Support to Parishes		-23		
Net Inter Departmental Virements	-109			
Non Departmental / Council Wide Adjusted Budget	4,319	4,562	6,050	6,870
TOTAL BUDGET	89,774	90,691	92,214	92,834
Change in commitment budget		917	1,523	620

¹ To be reviewed once the actual number of employees entitled to the payment has been established.

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

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Corporate Services	8,114	8,201	8,136	8,107
Children, Young People and Learning	25,451	25,473	25,443	25,453
Adult Social Care and Health	36,003	36,020	36,030	36,030
Environment, Culture & Communities	33,206	33,754	33,874	33,693
Non Departmental/Council Wide	-13,000	-12,757	-11,269	-10,449
	89,774	90,691	92,214	92,834

MINUTE EXTRACTS OF THE OVERVIEW AND SCRUTINY COMMISSION AND PANELS CONCERNING THE 2015/16 BUDGET CONSULTATION

Overview and Scrutiny Commission - 29.01.15

The Panel considered the Council's draft budget proposals for 2015/16 in relation to the Corporate Services Department and the Chief Executive's Office, and received feedback from Overview and Scrutiny Panels and overall conclusions.

The Executive agreed the Council's draft budget proposals for 2015/16 at its meeting on 16 December 2014 as the basis for consultation with the Overview and Scrutiny Commission, Overview and Scrutiny Panels and other interested parties. The consultation period would run until 27 January 2015, after which the Executive would consider the representations made at its meeting on 10 February 2015, before recommending the budget to Council.

Attached to the report were extracts from the 2015/16 Revenue Budget and Capital Programme. The extracts were comprised of Revenue Budget Report, Commitment Budget, Draft Revenue Budget Pressures, Draft Revenue Budget Savings Proposals, Proposed Fees and Charges, Capital Programme Report and Summary and Proposed Capital Schemes.

The Borough Treasurer gave an update on changes to the budget since it was published on 10 December 2014. The Government had announced provision of Local Government Finance Settlement which would result in further loss of central government grant of £195,000. Current forecasts on collection funds showed a £100,000 surplus; the take up of the Council Tax Benefit Reduction Scheme had not been as high as anticipated. There had been savings in relation to waste as tonnages sent to landfill had been revised giving a saving of £260,000, and inflation had continued to fall giving a saving of £200,000 in the budget. There had been changes to the capital budget in relation to schools and the town centre.

The budget gap had fallen from approximately £4.7 million to approximately £4 million. Risks made forecasting more unpredictable, such as the introduction of the Care Act from April and variations in relation to older people and looked after children. There had been a legal ruling in relation to Deprivation of Liberty Safeguards which would pose a cost, and the planned closure of Coral Reef at some point during the year would mean a short term loss of revenue from this site.

There had been some minor changes to the capital budget which included uncertainty regarding schools. There was usually an allocation for schools maintenance of approximately £2 million but the Council had not been advised of this allocation yet, so could not include it in the budget at present. The consultation on the budget had been active for six weeks and there had been a limited but positive response so far.

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

- There were funding constraints for young people post-16 with high needs and attention was drawn to a Councillor's concerns in this regard. Proposals had been considered by the Schools Forum regarding how to accommodate young people with high needs. Actions had been considered and it was possible to put more funding into the schools' budget but the Council had so far chosen to fund at the level of Dedicated Schools Grant (DSG). It was a policy issue; there was a separate budget for schools and for education. The Schools Forum made suggestions to the Council on the allocation of funding for schools. Cuts would need to be made in other service budgets in order to increase funding in the schools' budget, and so far the Council

had chosen not to do this. Local authorities who had chosen to do this had then struggled to provide other services.

- A number of local authorities had started the budget consultation process earlier, before more detailed plans had been developed. The Council had chosen not to do this in the past but it could be considered. A short statistical analysis and the themes of comments from the consultation would be included in the report to the Executive on 10 February 2015. Members were welcome to see this information.
- There was a need to ensure that information provided in consultations for the public was understandable and simplified where ever possible.
- Members of the public were aware of the amount of money due to be spent on a new school and grant funding would be used where available.
- There had been an anticipated increase in income at the Peel Centre in Bracknell, of which Bracknell Forest Council had an interest and received some income from this.
- The Council was aware of where asbestos was sited in council buildings as the Council was required to undertake a more in depth survey after changes to the regulations in this area. There would likely be a three year programme to survey council buildings which would start with the schools in the borough.
- Public car parks in Bracknell were considered to be accessible to disabled people but they needed to be checked against the latest regulations. Public car parks did not meet the previous list of defined properties which were accessible and the aim was to add public car parks to this list. An audit had been undertaken and minimal changes were expected.
- The Council used open source technology for its website and was looking into reducing costs in this area. Licences were expensive but the Council used large legacy systems with a range of functions, many of which were integrated with Microsoft suite. Many suppliers had said they did not provide the integration function. Integrations in the council and their impact were being analysed, and the current ICT Strategy was being reviewed. The aim was to include this work in the next ICT Strategy. It was more sensible for the council to operate on the same system rather than different systems.

Adult Social Care and Housing Overview and Scrutiny Panel - 20.01.15

The Panel considered key themes and priorities for Adult Social Care and Housing as outlined in the Council's Draft Budget Proposals for 2015/16.

The Executive agreed the Council's draft budget proposals for 2015/16 at its meeting on 16 December 2014 as the basis for consultation with the Overview and Scrutiny Commission, Overview and Scrutiny Panels and other interested parties. The consultation period would run until 27 January 2015, after which the Executive would consider the representations made at its meeting on 10 February 2015, before recommending the budget to Council.

Attached to the report were extracts from the 2015/16 Revenue Budget and Capital Programme. The extracts were comprised of Revenue Budget Report, Commitment Budget, Draft Revenue Budget Pressures, Draft Revenue Budget Savings Proposals, Proposed Fees and Charges, Capital Programme Report and Summary and Proposed Capital Schemes.

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

- National statistics were used when looking at the demography of the borough. There were increasing numbers of people in the borough, mostly due to the older population growing by approximately 1-2%. Bracknell might have a slightly more accelerating older population than other areas but it was thought to be slowing now. It was likely due to people who moved to the area in the 1960s.

- There was help available to prevent people from going into residential care. The aim was to find ordinary accommodation such as a person's own home and provide more support to enable them to live there.
- The care home near to Popes Meadow was outside of the Council's remit and could be expensive, so would be difficult for the Council to use.

Health Overview and Scrutiny Panel - 15.01.15

The Panel received a report setting out the draft budget proposals for 2015/16.

It was noted that the Public Health budget was almost entirely funded through a ring-fenced grant of £3.049million with an additional contribution of £100,000 from the NHS Money for Social Care Transfer.

The Panel noted that in a change from previous years, the Drug and Alcohol Action Team would be fully funded from the Public Health Grant in 2015/16 however the amount of the Team's budget would remain unchanged.

The Panel noted the budget proposals.

Children, Young People and Learning Overview and Scrutiny Panel - 12.01.15

The Panel considered key themes and priorities for Children, Young People and Learning as outlined in the Council's Draft Budget Proposals for 2015/16.

The Executive agreed the Council's draft budget proposals for 2015/16 at its meeting on 16 December 2014 as the basis for consultation with the Overview and Scrutiny Commission, Overview and Scrutiny Panels and other interested parties. The consultation period would run until 27 January 2015, after which the Executive would consider the representations made at its meeting on 10 February 2015, before recommending the budget to Council.

Attached to the report were extracts from the 2015/16 Revenue Budget and Capital Programme. The extracts were comprised of Revenue Budget Report, Commitment Budget, Draft Revenue Budget Pressures, Draft Revenue Budget Savings Proposals, Proposed Fees and Charges, Capital Programme Report and Summary and Proposed Capital Schemes.

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

- The budget for Independent Reviewing Officers was included in the proposals.
- The grant for additional support for SEN changes finished at the end of March 2015 but additional provision had been made for this.
- There had been a change of responsibility in SEN legislation through the Education Funding Agency (EFA) and the Local Authority had taken on responsibility for the older group. The figures were much higher than the government had anticipated and this had created a funding issue. Buckinghamshire County Council had taken out a case against the government regarding this decision. £1.9 million additional funding was predicted as a result of this decision. Work had been undertaken on modelling and predicting numbers as some young people finished education at 19 years of age and others carried on with further education. Ways of mitigating this were being considered. The Chairman reported that the Executive Member for Children, Young People and Learning and others had challenged the government's decision.

- The Chairman suggested that there be a briefing at the next meeting of the Panel on an analysis of how pupil premium operated in schools and what schools were offering as pupil premium.
- Page 18 of the agenda papers stated savings from the Aiming High programme as -£0.108 million but page 31 stated the savings at -£0.106 million. It was confirmed that -£0.106 million was the correct figure.
- If a child was to be placed in, for example, Edinburgh there was a national set fee for adoption of £27,000 which was brought in two years ago. Children could not be placed in Bracknell if they were confidential placements. Placements were sought far and wide nationally.

Environment, Culture and Communities Overview and Scrutiny Panel - 13.01.15

The Director of Environment, Culture and Communities presented a report on the key themes and priorities for the Environment, Culture and Communities Department as outlined in the Council's Draft Budget Proposals for 2015/16.

Particular attention was drawn to the pressures on the Environment, Culture and Communities budget in the coming year totalling £424,000. This comprised:

- Waste PFI Contract - £160,000 reduced income from recycling.
- Concessionary fares - £107,000 increased payments to bus companies.
- Development Management Section - £129,000 additional resource required to deal with a significant increase in planning applications and enforcement (offset by increased fee income).
- Bracknell Leisure Centre - £28,000 lower annual rent from new lease.

However, budget savings for 2015/16 amounted to £813,000, the most significant of which were £485,000 on the public realm contracts which had been re-let from 1 October 2014 (with no loss of quality) and £129,000 for Development Management increased fee income.

The Capital Programme for 2015/16 for the Directorate totalled £13.852m of which £4.797m was Council funded and £9.055m was externally funded. The outline programme for the two following years was also detailed.

From questions and discussion the following points arose:

Some large percentage increases had been proposed in relation to some fees and charges for highway licences or consents payable by developers or statutory undertakers. It was requested that an explanation and further detail of these proposed charges and the fee for overrunning work be sent to Panel Members following the meeting and that a report describing how the permit scheme was progressing be submitted to a future meeting of the Panel.

Capital works on highway network maintenance totalled £1.65m, funded by a Government cash grant, and £200,000 Council funded work on road and footway re-surfacing, in addition to revenue funded work on pothole repairs where no re-surfacing work was programmed. Cycle paths were included with roads and inspected three times each year to assess what maintenance was required.

The Capital Programme contained provision for £2m to be spent in each of the next three years on Town Centre Infrastructure works. The Finance Review Group would be meeting soon to consider the scheduling of work over the period, rolling forward any unspent sums

as necessary. In addition there were some transport related improvements funded by Section106 developer contributions.

Further traffic signal infrastructure works were programmed. It was requested that the operation of the intelligent transport system now operational at the Twin Bridges roundabout be reviewed since traffic did not appear to flowing freely.

The Community Infrastructure Levy (CIL) was due to be implemented from 6 April 2015. CIL contributions would be collected through 2015/16 for allocation in 2016/17.

SUMMARY OF RESPONSES TO THE COUNCIL'S 2015/16 BUDGET CONSULTATION

1. The 2015/16 budget proposals were placed on the Council's website on 17 December 2014. During the consultation period, twelve responses were received.
2. Respondents were asked to score the Council's capital investment plans and savings proposals from strongly agree through to strongly disagree. The following table summarises the responses:

Question	Strongly Agree/ Agree	Neutral	Strongly Disagree/ Disagree
To what extent do you agree with the Council's capital investment plans for the transformation of Coral Reef?	9	2	1
To what extent do you agree with the Council's capital investment plans for Bracknell Town Centre enabling works?	10	2	0
To what extent do you agree with the Council's capital investment plans for Binfield Learning Village at Blue Mountain?	4	5	3
To what extent do you agree with the Council's other capital investment plans?	5	5	2
To what extent do you agree with the Council's proposed savings?	5	6	1

3. In addition to scoring the specific questions some additional comments were also received:

With regard to the Council's capital investment plans:

- The plans show a commitment to the long term future of Bracknell.
- You can stop wasting money on dumb traffic lights. If you 'insist' on putting them up, at least make them smart. I'm sick of waiting at lights at twin bridges with no other traffic on the roundabout. The A329 queue from the Honeywell roundabout has never been so bad on a lunch time. This was just the latest in bad moves..... the Horse & Groom roundabout now suffers the same issues of sitting at a red light with no traffic around. If you are doing the same with the sports centre roundabout and the Coral Reef roundabout then god help the motorists of Bracknell.
- So the Council is borrowing tens of millions to build a school that will instantly become an Academy? They get a shiny new school with state of the art facilities and the Taxpayer pays the mortgage for the next 25 years. I strongly object.

- Putting money into the town centre when funds should already have been secured is wasteful. Also social housing should be at the forefront not affordable homes.
- Area in general needs business and housing regeneration.
- Blue Mountain should remain a Golf Course as was originally intended and agreed with the borough council. I view the council current action illegal.
- I disagree with the plan as the Council has stopped funding Superfast Broadband therefore abandoning many hundreds of homes in central Bracknell. How can the council in Bracknell be satisfied with this situation?

With regard to the Council's proposed savings:

- Savings descriptions show the amount of thought that has gone into each proposal by those involved in making these difficult decisions.
- Money is being whittled away from disabled children's services; the 16 year olds have NO school whatsoever in Bracknell.

And in general:

- Supporting documents were very clear and provided plenty of detail on the proposals. A well laid out and accessible consultation.
- The 4,000 odd residents based in 730 properties in The Parks, Bracknell have been denied access to Superfast Broadband whilst the rest of Bracknell has been upgraded. We have been battling to get the only two street cabinets upgraded so that we can all receive Superfast Broadband and bring us up to date with the Electronic Age. The council should be participating in the Phase Two rollout of Superfast Broadband via Superfast Berkshire and I would urge you to give this matter your urgent consideration so that all the residents on The Parks can enjoy Superfast Broadband like the rest of Bracknell.
- Please ensure that high speed internet connectivity, preferably fibre connections, is planned and programmed into all future considerations. Without this any further growth would be shunted.

4. A full response to the budget consultation was received from the Labour Group. The main points covered in their response are as follows:

- Recognise the difficulties of preparing a budget and going out to consultation with no definite Government Financial Settlement.
- Recognise how fortunate the Council is to have a large multi-national company on its valuation list.
- Support the Council Tax freeze, whilst recognising the impact on future Council budgets.
- Support the investment in the Town Centre Development.
- Support the investment at Binfield Learning Village at Blue Mountain.
- Support the investment in the roof replacement and upgrade of Coral Reef, but concerned that ticket prices will prohibit use by local residents. Would have welcomed a commitment to solar/thermal energy units as part of the project.
- Support funding for the expansion of schools and their improvement.
- Recognise the impact capital projects will have on the revenue budget and will follow them with interest and concern.
- Legislation to support High Needs youngsters up to 25 is welcomed. If this had been introduced by a Labour government without adequate funding there

would have been outcry. Now –nothing. Where will the funding come from and will children in our schools be affected? Why not use the Corporate Contingency budget to fund the deficit?

- With schools receiving less funding they may not be able to pay for help to raise their standards. With 13 schools Requiring Improvement and Bracknell being the third lowest in the country for children attending good or outstanding schools this is not good news.
 - Oppose the cut to the Aiming High programme.
 - Concerned about the dependency on agency workers in Adult and Children's Social Care.
 - Support the Bracknell Forest Supplement.
 - Applaud the re-employment of an Educational Psychologist. Previously opposed this cut and are glad that sense has prevailed.
 - Support continuation of the contract for the IRO and SEN support temporarily employed last year
 - Is support for South Hill Park secure?
 - No mention of cuts to Children's Centres – staff leave but are not replaced.
 - When will officer support for Scrutiny Panel Working Groups be improved?
 - Support the Members' Initiative Fund.
 - Support the end to Members Pensions
 - Support the proposed use of balances to fund the potential budget gap.
5. A written response was received from a member of the public who is concerned about the Council going into debt.
6. In line with statutory requirements all business ratepayers were notified of the Council's budget consultation and a presentation was given to Town and Parish Councils. A number of questions were asked but there were no specific responses to the budget consultation.
7. Copies of all responses received to the budget consultation will be available at the meeting should members of the Executive wish to see them.

ADULT SOCIAL CARE, HEALTH AND HOUSING

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>Customer response officer</p> <p>The process for dealing with complaints has been redesigned within the Department. As such a post has been deleted and costs will be reduced.</p>	-22		
<p>Property maintenance</p> <p>Due to the decommissioning of a number of buildings the budget is no longer required at this level.</p>	-15		
<p>E-billing for Homecare</p> <p>The introduction of the Finance Manager module of Electronic Monitoring of Homecare will produce efficiency savings in care package costs from the ability to charge per minute for home care.</p>	-25		
<p>Housing Benefit administration costs</p> <p>Reductions in the use of printing and design services and postage costs. The transfer of prosecution to the single investigation service also means reduced legal fees.</p>	-53		
<p>Drugs and Alcohol Action Team (DAAT)</p> <p>Public Health grant funding of the DAAT team will be increased.</p>	-73		
<p>Assistive Equipment and Technology</p> <p>Due to reduced usage of the equipment purchase budget and more use of the Berkshire equipment store, budget can be released in this area. Increased use of the Berkshire Equipment Store means we are getting more credits from returned equipment.</p>	-50		
<p>Amber House Rent budget</p> <p>The rent budget for Amber House is no longer required.</p>	-55		
<p>Learning Disabilities commissioning changes</p> <p>Net commissioning changes achieved by the end of the year resulting from changes in circumstances, supported living arrangements and anticipated NHS continuing healthcare funding.</p>	-367		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>Delayed transfer of care fines</p> <p>Improved procedures resulting in reduction in fines due to delayed transfer of care from hospitals.</p>	-10		
<p>Single Fraud Investigation Service</p> <p>Two members of staff will transfer to DWP Single Fraud Investigation Service on 1 December 2014. The requirements for Council Tax benefit fraud has yet to be clarified. Housing Benefit Administration Subsidy Grant has also been reduced, so this represents the anticipated net saving.</p>	-16		
<p>Employment service</p> <p>The staff establishment in the Employment Service will be reduced by one post. This post is currently vacant so there are no one-off costs.</p>	-12		
<p>Adult Social Care Demographic pressures</p> <p>The demographic changes impact on the number of people requiring social care support. The Council are legally required to provide support to those meeting its eligibility criteria for Adult Social Care and will provide this in the most cost efficient way.</p> <p>The Department forecast population changes and requisite costs using the "Projecting Older People Population Information" and the "Projecting Adult Needs and Service Information" tools, developed by the Department of Health. These estimate the number of people likely to need support in any given local authority and enable an estimate of the financial impact to be made for budgeting purposes. Other known changes, such as future transfers of large care packages, have also been taken into account.</p> <p>The estimated financial impact of the changes are:</p> <ul style="list-style-type: none"> • Older People • Mental Health • Long Term Conditions 	<p>216</p> <p>31</p> <p>484</p>		
<p>New sensory support recipient</p> <p>Funding required for a placement at the WESC Foundation in Exeter, a centre that specialises in visual impairment.</p>	30		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>Support to the Health & Wellbeing Board</p> <p>Additional staff resources (0.5 full time equivalent) to provide advice and support for the Health & Wellbeing Board in relation to changes in legislation, policy and practice.</p>	20		
<p>Approved Mental Health Practitioner Service</p> <p>There is a pressure on the staff budget for Approved Mental Health Practitioners due to a shortage in the market for qualified staff and a reliance on agency staff. Options will be explored for recruiting permanent staff and reducing our reliance on agency, but this is likely to involve additional cost to the Council.</p>	20		
<p>Additional welfare and housing caseworker</p> <p>There has been a 60% increase in homeless acceptances and a 44% increase in housing advice casework over the last financial year without a commensurate increase in staff resources. Additional staff resources will improve homeless prevention activity.</p>	37		
ADULT SOCIAL CARE, HEALTH AND HOUSING TOTAL	140	0	0

CHILDREN, YOUNG PEOPLE AND LEARNING

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>Additional income</p> <p>A number of services are exceeding their income targets, or identifying new opportunities for income generation, and where this is expected to continue, budgets will be increased accordingly. This relates to Community and Adult Education (£20,000), the Education Welfare Service (£10,000), trading with schools through Service Level Agreements relating to School Improvement, Finance, Human Resources and Education Property (£40,000) and central council costs associated with supporting schools in or in danger of entering Ofsted categories of concern (£60,000).</p>	-130		
<p>Looked After Children</p> <p>The strategy put in place over the past two years to reduce costs has been successful. The number of children placed with in-house foster carers and therefore less expensive placements has increased from 61% in March 2012 to 67% at July 14. There has also been an increase in the number of children being placed permanently outside the care system which generally results in minimal costs to the Council. During 2013/14, fifteen children were made subject to either an Adoption or Special Guardianship Order, more than double the previous year and in 2010/11 there were none. It has also been possible to de-escalate some young people from high cost residential placements to Independent Fostering. Savings are also continuing to be achieved through commissioning where a rigorous and challenging approach continues to result in savings.</p>	-285		
<p>Revised delivery of services and support</p> <p>As part of the on-going process to improve efficiency, a number of services have been reviewed to consider alternative ways for their delivery or opportunities for general cost reductions. These relate to Finance (£10,000), Youth Justice (£12,000), Children's Social Care (£7,000), deletion of a 0.5 full time equivalent (FTE) post in Human Resources (£15,000) and seeking agreement of the Schools Forum to in future fund 1 FTE development officer supporting early years providers from the Schools Budget (£35,000).</p>	-79		
<p>Education Psychology Service</p> <p>The service provides guidance and support to schools on a range of issues including special educational needs. Legislative changes have increased the involvement of parents, carers and young people in decision making about adequate provision which has led to a growing number of tribunals challenging the Council's</p>	35		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
recommended placements, a situation which is expected to continue in the medium to long term. The team is also playing an increasingly valuable and influential role supporting colleagues in Children's Social Care and Education Services to manage complex cases, as well as fulfilling statutory duties and a key role in the development of Tier 1 and 2 Child and Adolescent Mental Health Services, and promoting emotional health and wellbeing in schools and other educational settings. The proposal funds an additional 0.6 full time equivalent (FTE) appointment.			
<p>Quality Assurance and Data Access</p> <p>The increase in number of cases and their complexity has placed additional work load pressure on Children's Social Care. In particular, duties around the Conference and Review Team ensuring that the reviews of children who are looked after are undertaken within statutory guidance and timescales, quality assurance work to meet the Working Together to Safeguard Children and increased requests to retrieve archived documents relevant to on-going social care casework has resulted in a 1.6 FTE pressure.</p>	67		
<p>Early Intervention Hub</p> <p>The Early Intervention Hub involves a wide range of practitioners who are completing the Common Assessment Framework with the objective of securing safe and cost effective support to vulnerable children. Of the 364 referrals in 2013/14 the Hub has prevented 25% (91) cases escalating to Tier 3 high cost intervention. An evaluation of the Hub identified that of the cases that had stepped down from Tier 3, 75% remained outside the scope of Children's Social Care. Increasing capacity in the Hub through a 0.5 FTE post will help achieve greater future cost avoidance.</p>	20		
<p>Pupil transport</p> <p>There are a small number of exceptional cases where pupil transport needs to be approved outside the existing policy. These relate to vulnerable pupils where value for money solutions are agreed on a case by case basis, thereby avoiding the need for appeals that are expected result in more expensive outcomes. No budget exists for this expenditure which has averaged £18,000 in each of the last 3 years.</p>	18		
ADDITIONAL PROPOSALS SINCE DECEMBER			
<p>Special Educational Needs</p> <p>The Schools Budget is facing significant financial pressure from</p>	60		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>rising costs, mainly in respect of increased numbers of post-16 students, with insufficient funds allocated from the Department for Education. In order to manage down expenditure, a range of actions need to be put into place, including developing an improved educational offer from local providers, more specialist places in maintained schools and reviewing all placements. In order to maximise the opportunities to secure essential cost reductions, an additional 1.5 FTE staff are proposed.</p>			
<p>Looked after Children</p> <p>A number of looked after children receive both social care and educational services as part of the same support package and these costs are shared between the Council and the Schools Budget. A review of the cost apportionment has identified that a greater share of costs should be charged to the Schools Budget and this change has been agreed with the Schools Forum.</p>	-60		
CHILDREN, YOUNG PEOPLE AND LEARNING TOTAL	-354	0	0

CORPORATE SERVICES/CHIEF EXECUTIVE

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>Members & Mayoral Services</p> <p>Councillors' access to the Local Government Pension Scheme ceases on the 7th May 2015.</p>	-27	-3	
<p>Operations Unit</p> <p>Following the restructure of the Facilities Service, two full time posts have been deleted and several posts have been re-graded.</p>	-60		
<p>Committee Services</p> <p>Following a staffing review the vacant Support Officer (0.54 FTE) post is to be deleted.</p>	-16		
<p>Departmental Supplies & Services</p> <p>Reduction in various supplies and services budgets across the Department.</p>	-44		
<p>Departmental Third Party Payments</p> <p>The costs of the Lord Lieutenants Office and Modern Records Storage Joint Arrangements with Wokingham and Reading Councils have fallen and savings to budgets have been made to reflect this.</p>	-3		
<p>Community Safety</p> <p>Reduction in the Town Centre CCTV budget through more efficient supervision of the system and a reduction in the budget available to distribute to projects identified by the Crime Disorder Reduction Partnership.</p> <p>The funding received from the Police and Crime Commissioner is also expected to be reduced and this will also impact on the projects the Partnership is able to support.</p>	-8		
<p>Unified Training</p> <p>Reduction in Social Care training budgets following a revision in methods of delivery and working more closely with partners to maximise cost efficiencies. There should be a limited impact on the service as opportunities for joint working are now available.</p> <p>In addition the Lunchtime Managers forum will be cancelled and there will be no future access to ILM 3 and 5 programmes.</p>	-12		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
ICT Reduction in the service training budget. Will need to ensure skills are kept up to date by investigating alternative methods of training.	-10		
Industrial & Commercial Properties The income target has been increased to reflect the above inflation increases anticipated for the Peel Centre. Any future void shops would however impact on the income levels achievable.	-135		
Chief Executives Office The Head of Performance and Policy post will be reduced from a full time post to four days a week, a reduction of 0.20 FTE. It is anticipated that the necessary cover will be provided by the Performance Officer within the team.	-12		
Operations Unit Increase to income budgets for the Integrated Transport Unit. Whilst these budgets are volatile, the budget will now reflect actual income projections for 2014/15.	-30		
Legal Services Increase in the income target relating to S106 agreements, to reflect projected income for 2014/15. This is a demand led service and there is no assurance that these levels can be maintained beyond 2015/16, resulting in a reduction in the saving from 2016/17 onwards.	-28	8	
Local Tax Collection The Business Rates Collection Allowance received has consistently exceeded the budget in recent years. The saving assumes this will continue, however the allowance is determined by Central Government.	-10		
Departmental Indirect Employee and Travel Costs Reduction in Long Service Awards, overtime, Staff Public Transport fees and subsistence across the Department.	-7		
Departmental Income Increases to Graphic Design, various Registrars functions and Education Admission Appeals income targets in line with 2014/15	-9		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
projected income.			
<p>Property Services</p> <p>Unable to achieve all the maintenance framework savings identified for the repairs and reactive maintenance budgets within the timescale. It is anticipated that the full savings will be achieved in 2016/17 and therefore the pressure is only for 2015/16.</p>	50	-50	
<p>Industrial & Commercial Properties</p> <p>The use of the Commercial Centre for internal storage, combined with the short to medium term plans for the facility (which mean long term leases cannot be given), have meant that the income target is no longer achievable.</p>	16		
<p>Community Engagement</p> <p>The Community Partnership project to promote disabled access will require the payment of an annual fee for the Disabled Go online access guide.</p>	7		
<p>ICT Services</p> <p>Increase in Identikay maintenance costs for Vasco, due to increasing usage of remote token security.</p>	5		
<p>ICT Services</p> <p>There is a requirement to increase various licence budgets:</p> <p>Huddle shared information services – this product was previously used by Public Health Services and additional licences were purchased for Emergency Planning purposes.</p> <p>MS Office- following increase in desktop and blackberry licences, annual support costs have risen.</p> <p>BlackBerry email on the move service – to provide the same level of security in the new BlackBerry Enterprise Services it is necessary to upgrade the licences.</p>	24		
<p>ICT Services</p> <p>As other services look to make efficiencies through a reduction in printing volumes and an increase in on line provision, the income target has become less attainable.</p>	30		

REVENUE BUDGET PROPOSALS

Annexe D

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
Property Services The Council's all properties Type 2 asbestos surveys are now out of date and an annual programme of surveys is required to comply with the revised Control of Asbestos Regulations 2012.	50		
CORPORATE SERVICES/CHIEF EXECUTIVE TOTAL	-229	-45	0

ENVIRONMENT, CULTURE AND COMMUNITIES

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>The Look Out</p> <p>Additional income from higher than anticipated numbers of customers using the exhibition.</p>	-20		
<p>Public Realm Contracts</p> <p>The contracts for Street Cleansing, Landscape and Highways have been re-let with effect from 1st October 2014. This has resulted in an annual saving in excess of the £125,000 built into the 2014/15 budget.</p>	-485		
<p>Street Naming & Numbering</p> <p>Charges were introduced with effect from 1st April 2013 for changes to property names; this has resulted in additional income.</p>	-7		
<p>Travel Plan</p> <p>Fund part of a Travel Plan Coordinator post from Section 106 contributions the Council has received specifically to fund this activity.</p>	-15		
<p>Street Works</p> <p>The Traffic Management Act 2004 has introduced permit schemes that allow a local authority to issue permits to applicants carrying out works on the highways, typically this will be utility companies and contractors. This allows the authority to charge for these permits. Bracknell's scheme has been approved and comes into effect in November 2014. This is an estimate of the additional income that will be received in the first full year of operation.</p>	-60		
<p>Development Management Section</p> <p>Additional income generated through an increased number of planning applications.</p>	-129		
<p>Development Control</p> <p>Subject to Consultation - review third tier management structure in planning with a view to merging the planning policy team and development management team under one manager.</p>	-60		
<p>Performance & Resources Information Technology</p> <p>The migration of the library management system to a new software application has resulted in lower annual support costs.</p>	-30		

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
<p>E+ Smartcard</p> <p>The cost of purchasing the cards has decreased resulting in lower annual costs.</p>	-7		
<p>Waste PFI Contract</p> <p>The current estimate of recycle income, which forms part of the Waste PFI contract, has been reassessed by Reading. Bracknell's share of this potential income will be less per annum than is currently budgeted for.</p>	160		
<p>Concessionary Fares</p> <p>Increased concessionary fares payments to the bus companies as a result of the new contracts for the provision of bus services.</p>	107		
<p>Development Management Section</p> <p>Resource required for significant increase in workload from pre-application enquiries, planning applications and enforcement matters. There will be a corresponding increase in income which is included above.</p>	129		
<p>Bracknell Leisure Centre</p> <p>There is currently a lease for the soft play area at Bracknell Leisure Centre which ran out in September 2014. The market rent for this type of activity has significantly reduced since the previous lease was agreed which has resulted in a lower annual rent from the new lease.</p>	28		
<p>ENVIRONMENT, CULTURE AND COMMUNITIES TOTAL</p>	-389	0	0

COUNCIL WIDE

Description Impact	2015/16 £'000	2016/17 £'000	2017/18 £'000
Finance A review of Treasury Management activity and the re-financing of capital expenditure have resulted in a saving to the Authority.	-60		
Interest Received The 2015/16 budget is based on an average rate of return of 0.5% (0.5% 2014/15) and reflects the estimated level of cash balances.	51		
COUNCIL WIDE TOTAL	-9	0	0

TREASURY MANAGEMENT REPORT

- 1.1 The Local Government Act 2003 requires the Council to “have regard to” the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable.
- 1.2 This report outlines the Council’s prudential indicators for 2015/16 – 2017/18 and sets out the expected treasury operations for this period. It fulfils four key legislative requirements:
- The reporting of the prudential indicators setting out the expected capital activities at Annex E(i) (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities).
 - The Council’s Minimum Revenue Provision (MRP) Policy at Annex E(ii), which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007);
 - The Treasury Management Strategy Statement which sets out how the Council’s treasury service will support the capital decisions taken above, the day to day treasury management and the limitations on activity through treasury prudential indicators. The key indicator is the Authorised Limit, the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term. This is the Affordable Borrowing Limit required by s3 of the Local Government Act 2003 and shown at Annex E(iii);
 - The Annual Investment Strategy which sets out the Council’s criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the CLG Investment Guidance and is shown in Annex E(iv).
- 1.3 There are few changes between this report and that presented last year. The following highlights are noted to aid comparison
- The Council’s primary investment objectives are the safeguarding of its principal whilst ensuring adequate liquidity. As global economies emerge from very uncertain times the Council will continue to use the highest quality counterparties and maintain short-duration maturities. As such there are no changes to the Council’s Investment Criteria from 2014/15.
 - Interest rates are unlikely to return to their pre-crisis level of 5% in the foreseeable future. Indeed interest rates are unlikely to rise above 1% in the next 12 months. As such the Council’s rate of return on investments are unlikely to be materially impacted by interest rates in the next 12 months – a position similar to 2014/15.
 - The Council is embarking on a period of significant capital expenditure in the Borough that exceeds that which has gone before. This expenditure will require external borrowing and as such the Council will require a strategy for managing this. The Council is fortunate to be undertaking this expenditure at a time when borrowing rates are near an historical low. This expenditure is reflected in a number of the Prudential Indicators which show a departure from previous years and has been allowed for in the General Fund Revenue Account.

The Capital Prudential Indicators 2015/16 – 2017/18

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

Within this overall prudential framework there is an impact on the Council's treasury management activity – as it will directly impact on borrowing or investment activity and as such the Treasury Management Strategy for 2015/16 to 2017/18 complements these indicators. Some of the prudential indicators are shown in the Treasury Management Strategy to aid understanding.

The Capital Expenditure Plans

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

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

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

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

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

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

Capital Expenditure	2015/16 Estimate £000	2016/17 Estimate £000	2017/18 Estimate £000
Capital Expenditure	32,122	49,714	24,374
Financed by:			
Capital receipts	2,500	2,500	2,500
Capital grants & Contributions	17,804	11,803	8,876
Revenue	0	0	0
Net financing need for the year	16,818	40,411	17,998

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

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

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

The Council is asked to approve the CFR projections below:

	2015/16 Estimate £000	2016/17 Estimate £000	2017/18 Estimate £000
Capital Financing Requirement			
Total CFR	75,913	112,715	125,919
Movement in CFR	17,827	36,802	13,205

Movement in CFR represented by			
Net financing need for CFR purposes #	19,404	38,771	15,488
Less MRP/VRP and other financing movements	-1,577	-1,969	-2,283
Movement in CFR	17,827	36,802	13,205

2015/16 includes impact of carry-forward from 2014/15

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

Affordability Prudential Indicators

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

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

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

	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Ratio	-0.16%	0.15%	2.33%

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

Incremental impact of capital investment decisions on the Council Tax

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

	Forward Projection 2015/16	Forward Projection 2016/17	Forward Projection 2017/18
Council Tax - Band D	£3.50	£32.18	£20.86

Minimum Revenue Provision (MRP) Policy Statement

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

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

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

As capital expenditure is incurred which cannot be immediately financed through capital receipts or grant the Council’s borrowing need (its Capital Financing Requirement) will be positive and an MRP will be required. In practice the Council is unlikely to need to borrow externally in the short-term as it has sufficient revenue investments to fund the capital programme in the forthcoming 12 months. However it will still need to make a charge to revenue for this “internal borrowing”.

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

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

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

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

Recommended Policy

In setting the 2015/16 budget and beyond the following policy is recommended:

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

The actual charge made in the year will be based on applying the above policy to the previous year’s actual capital expenditure and funding decisions. Therefore the 2015/16 charge will be based on 2014/15 capital out-turn.

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

TREASURY MANAGEMENT STRATEGY STATEMENT

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

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

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

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

This strategy covers:

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

Debt and Investment Projections 2015/16 – 2017/18

The borrowing requirement comprises the expected movement in the CFR and any maturing debt which will need to be re-financed. As a result of the significant investment planned by the Authority over the next three years the Council will be required to borrow externally during the period 2015/16 to 2017/18. However the exact timing of this borrowing will depend on the progress made in completing the major schemes. As such this table below highlights the expected change in investment balances.

£'000	2015/16 Estimated	2016/17 Estimated	2017/18 Estimated
External Debt			
Debt at 31 March	0	5,000	45,000
Investments			
Investments at 31 March	17,000	0	0

Limits to Borrowing Activity

Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits. For the first of these the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2015/16 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

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

The Authorised Limit for External Debt

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

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

The Council is asked to approve the following Authorised Limit:

Authorised limit £000	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Borrowing	65,000	105,000	119,000
Other long term liabilities	17,000	16,000	16,000
Total	82,000	121,000	135,000

Operational Boundary for External Debt

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

Operational Boundary £m	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Borrowing	62,000	100,000	113,000
Other long term liabilities	17,000	16,000	16,000
Total	79,000	116,000	129,000

Borrowing in advance of need.

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

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

Expected Movement in Interest Rates

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

Medium-Term Rate Estimates (averages)

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2014	0.50	2.50	3.90	3.90
Mar 2015	0.50	2.70	4.00	4.00
Jun 2015	0.75	2.70	4.10	4.10
Sep 2015	0.75	2.80	4.30	4.30
Dec 2015	1.00	2.90	4.40	4.40
Mar 2016	1.00	3.00	4.50	4.50
Jun 2016	1.25	3.10	4.60	4.60
Sep 2016	1.25	3.20	4.70	4.70
Dec 2016	1.50	3.30	4.70	4.70
Mar 2017	1.50	3.40	4.80	4.80
Jun 2017	1.75	3.50	4.80	4.80
Sep 2017	2.00	3.50	4.90	4.90
Dec 2017	2.25	3.50	4.90	4.90
Mar 2018	2.50	3.50	5.00	5.00

* Borrowing Rates

Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth has rebounded during 2013 and especially during 2014, to surpass all expectations, propelled by recovery in consumer spending and the housing market. Forward surveys are also currently very positive in indicating that growth prospects are strong for 2015, particularly in the services and construction sectors. However, growth in the manufacturing sector and in exports has weakened during 2014 due to poor growth in the Eurozone. There does need to be a significant rebalancing of the economy away from consumer spending to manufacturing, business investment and exporting in order for this initial stage in the recovery to become more firmly established. One drag on the economy is that wage inflation has been lower than CPI inflation so eroding disposable income and living standards, although income tax cuts have ameliorated this to some extent. This therefore means that labour productivity must improve significantly for this situation to be corrected by warranting increases in pay rates. In addition, the encouraging rate at which unemployment has been falling must eventually feed through into pressure for wage increases, though current views on the amount of hidden slack in the labour market probably means that this is unlikely to happen in the near future. The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises,

the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

As for the Eurozone, concerns in respect of a major crisis subsided considerably in 2013. However, the downturn in growth and inflation during the second half of 2014, and worries over the Ukraine situation, Middle East and Ebola, have led to a resurgence of those concerns as risks increase that it could be heading into deflation and a triple dip recession since 2008. Sovereign debt difficulties have not gone away and major concerns could return in respect of individual countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. Counterparty risks therefore remain elevated.

This continues to suggest the use of higher quality counterparties for shorter time periods with investment returns likely to remain relatively low during 2015/16 and beyond

Borrowing Strategy 2015/16

The Council still will retain significant levels of investments moving into 2015/16 however given the level of capital investments planned by the authority for 2015/16 and beyond, it will be required to borrow externally within the next 24 months. The Borough Treasurer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

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

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

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

Investment Strategy 2015/16 – 2017/18

Investment Policy

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

Key Objectives

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

Investment Counterparty Selection Criteria

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

After this main principle the Council will ensure:

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

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

Specified Investments offer high security and high liquidity and are:

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

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

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

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

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

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

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

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

Creditworthiness policy

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

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

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

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

Annex E(iv)

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

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

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

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

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

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

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

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

The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded however the current investment limits for 2015/16 restrain all investments to less than 1 year. Any amendment to this strategy will require the credit-criteria to be amended to include a long-term rating. This will be addressed through the formal approval by Council of a revised Treasury Management Strategy and Annual Investment Strategy.

Country and Sector Considerations

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

Economic Investment Considerations

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates. The UK Bank Rate is forecast to remain unmoved through to late 2015. However, should the pace of growth pick up more than expected there could be upside risk.

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

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

Sensitivity to Interest Rate Movements

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

	2015/16 Estimated + 1%	2015/16 Estimated - 1%
Revenue Budgets	£'000	£'000
Investment income	300	-300

Treasury Management Limits on Activity

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

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

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

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

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

The Council is asked to approve the limits:

	2015/16	2016/17	2017/18
Interest rate Exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	£62m	£100m	£113m
Limits on variable interest rates based on net debt	£62m	£100m	£113m
Maturity Structure of fixed interest rate borrowing 2015/16			
	Lower	Upper	
Under 12 months	0%	100%	
12 months to 2 years	0%	100%	
2 years to 5 years	0%	100%	
5 years to 10 years	0%	100%	
10 years and above	0%	100%	
Maximum principal sums invested > 364 days			
Principal sums invested > 364 days	£m 0	£m 0	£m 0

Performance Indicators

The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. For 2015/16 the Council does not expect to enter into any substantial long-term borrowing and as such the relevant benchmark will relate only to investments and will be the "7 Day LIBID Rate". The results of these indicators will be reported in the Treasury Annual Report.

Treasury Management Advisers

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

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

Member and Officer Training

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

SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated.

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

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

NON-SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated.

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

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

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

Reserves & Balances Policy Statement

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

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

Reserves and Balances can be held for a number of purposes

General Balances

Balance	Purpose	Policy	Value
General Fund	Provides general contingency for unavoidable or unforeseen expenditure and to cushion against uneven cash flows and provides stability in longer term financial planning.	Policy based on a risk assessment of budget and medium term financial plans. Historically £4m has been considered to be the minimum prudent level. Using balances to support expenditure results in a loss of investment income.	March 12 £10.266m March 13 £12.982m March 14 £9.813m March 15 £7.189m March 16 £6.189m

Earmarked Reserves

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

Reserve	Purpose	Policy	Value
Insurance and other Uninsured Claims	This provides cover for the excess payable on claims under the Council's insurance policies (self insurance). It also provides for any potential future claims not covered by existing policies, including contractual disputes and legal claims.	Needs to be at a level where the provision could sustain claims in excess of current claims history	March 12 £2.188m March 13 £2.266m March 14 £2.639m March 15 £2.839m March 16 £2.839m
Budget Carry Forward	Used to carry forward approved unspent monies to the following year.	Budget Carry Forwards are permitted only in accordance with the scheme set out in financial regulations.	March 12 £0.501m March 13 £0.449m March 14 £0.719m March 15 £0.000m March 16 £0.000m
Cost of Structural Change	The reserve gives an opportunity to fund the one-off additional costs arising from restructuring before the benefits are realised.	This reserve will be used to meet organisational wide and departmental restructures where there are demonstrable future benefits.	March 12 £1.500m March 13 £1.975m March 14 £1.664m March 15 £1.460m March 16 £1.460m
Schools' Balances	These funds are used to support future expenditure within the Dedicated Schools Block and include individual school balances.	Balances are permitted to be retained by Schools under the Schools Standards & Framework Act 1998. Policies are set and the reserves are managed by schools and the LEA has no practical control over the level of balances.	March 12 £4.531m March 13 £4.471m March 14 £4.371m March 15 £4.021m March 16 £4.021m
Discretionary School Carry Forwards	The statutory requirement to carry forward school balances has been extended to cover those held for the Language & Literacy Unit, Pupil Referral Units and the Schools Specific Contingency as set out in the financial regulations.	Budget Carry Forwards are permitted in accordance with the scheme set out in financial regulations.	March 12 £0.096m March 13 £0.102m March 14 £0.068m March 15 £0.068m March 16 £0.068m

Reserve	Purpose	Policy	Value
Unused Schools Budget Balance	The Schools Budget is a ring fenced account, fully funded by external grants, the most significant of which is the Dedicated Schools Grant. Any under or overspending remaining at the end of the financial year must be carried forward to the next year's Schools Budget and as such has no impact on the Council's overall level of balances.	This reserve is held for specific accounting reasons. The funds in this reserve are ring fenced and cannot be used for any other purpose.	March 12 £0.398m March 13 £0.517m March 14 £0.950m March 15 £0.000m March 16 £0.000m
SEN Resource Units	An earmarked reserve set up in 2012/13 from the under spend on the Schools Budget to fund building adaptations required to develop SEN (special education needs) resource units.	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 12 £0.491m March 13 £0.490m March 14 £0.490m March 15 £0.490m March 16 £0.290m
Schools Job Evaluation	An earmarked reserve set up in 2012/13 from the under spend on the Schools Budget to help finance any additional costs that may arise in schools from the implementation of the Bracknell Forest Supplement.	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 12 £0.285m March 13 £0.285m March 14 £0.285m March 15 £0.117m March 16 £0.000m
School Meals Re-tender	An earmarked reserve set up in 2013/14 from the under spend on the Schools Budget to cover the costs of the re-tender exercise.	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 14 £0.040m March 15 £0.040m March 16 £0.040m
School Expansion Rates	An earmarked reserve set up in 2013/14 from the under spend on the Schools Budget to help finance the increase in Business Rates arising from school expansions. School budgets are normally set on a provisional figure and the reserve will absorb the differences between	Part of the unused Schools Budget balance, but earmarked for a particular purpose. The funds are therefore ring fenced. The reserve has been approved by the Executive member for Children, Young People and Learning.	March 14 £0.112m March 15 £0.112m March 16 £0.112m

Reserve	Purpose	Policy	Value
	provisional and actual figures.		
Education Library Service	A joint arrangement with other Berkshire authorities for the Education Library Service. This reserve is used for the provision of future equipment such as a new mobile library.	The reserve is held in order to finance the renewal or maintenance of specific items of equipment and reduces pressure on maintenance budgets in one particular year. Use of the reserve is subject to the agreement of the Council's participating in the joint arrangement.	March 12 £0.101m March 13 £0.110m March 14 £0.089m March 15 £0.064m March 16 £0.039m
Repairs & Renewals	The Council has accumulated funding in an earmarked reserve from service charges paid by tenants at Longshot Lane, Forest Park and Liscombe.	The reserve is held in order to finance future improvement works thereby reducing pressure on maintenance budgets.	March 12 £0.029m March 13 £0.046m March 14 £0.051m March 15 £0.051m March 16 £0.051m
Building Regulation Chargeable Account	A statutory ring fenced account which over time must breakeven.	This reserve is held for specific accounting reasons. The funds in this reserve are ring fenced and cannot be used for any other purpose. The account is currently in deficit and therefore there is no balance on the reserve.	March 12 £0.000m March 13 £0.000m March 14 £0.000m March 15 £0.000m March 16 £0.000m
Capital Feasibility Studies	To facilitate the delivery of the capital programme a reserve has been created which can be used to finance expenditure on the preparation of capital schemes.	This reserve is used to provide financial support for preparation work on capital schemes contained within future capital programmes.	March 12 £0.149m March 13 £0.086m March 14 £0.005m March 15 £0.005m March 16 £0.000m
Icelandic Banks	A reserve created to cover the potential loss of an element of the Council's deposits held in two Icelandic banks.	This reserve will be used to meet any losses of the Council's investments in two Icelandic banks which have been put into receivership/administration.	March 12 £0.262m March 13 £0.346m March 14 £0.495m March 15 £0.300m March 16 £0.200m

Reserve	Purpose	Policy	Value
Commuted Maintenance of Land	Money is received and set aside for the ongoing maintenance of land transferred to the Council under Section 106 agreements.	The reserve will be used to cover the cost of maintaining land transferred to the Council under Section 106 agreements.	March 12 £0.142m March 13 £0.217m March 14 £0.239m March 15 £0.239m March 16 £0.239m
S106 and Travel Plan Monitoring	Money is received and set aside to cover the costs of monitoring developers' compliance with Section 106 agreements, including any travel plan requirements.	The reserve will be used to cover the cost of monitoring developers' compliance with Section 106 agreements, including any travel plan requirements.	March 12 £0.081m March 13 £0.099m March 14 £0.109m March 15 £0.099m March 16 £0.084m
Financial Systems Upgrade	A reserve to meet additional revenue costs arising from the upgrade of Agresso to version 5.5.	The reserve will be used to meet costs arising from phase two of the upgrade.	March 12 £0.056m March 13 £0.049m March 14 £0.040m March 15 £0.000m
Property Searches Chargeable Account	A reserve created for a statutory ring fenced account which over time must breakeven.	This reserve is held for specific accounting reasons. The funds in this reserve are ring fenced and cannot be used for any other purpose.	March 12 £0.026m March 13 £0.063m March 14 £0.117m March 15 £0.100m March 16 £0.100m
Business Rates Equalisation	A reserve to manage the volatility in business rates income expected to result from the localisation of business rates in April 2013.	The reserve will be used to smooth the impact of changes in business rate income on the annual budget including levy payments and further appeals.	March 12 £2.000m March 13 £2.000m March 14 £0.000m March 15 £11.720m March 16 £10.180m
Transformation	A reserve to support investment in service innovation and improvements.	The reserve will be used to meet the upfront costs of transformation.	March 12 £0.500m March 13 £0.435m March 14 £0.500m March 15 £0.460m March 16 £0.460m

Reserve	Purpose	Policy	Value
Demographic Pressures and Projects	A reserve to fund future demographic pressures and projects within Adult Social Care.	The reserve will be used to smooth the impact of demographic changes and to meet the upfront cost of projects designed to create efficiencies and service improvements.	March 12 £0.699m March 13 £0.759m March 14 £0.709m March 15 £0.060m March 16 £0.060m
Revenue Grants Unapplied	A reserve to hold unspent revenue grants and contributions where there are no outstanding conditions.	The reserve will be used to match the grant income to the associated expenditure.	March 12 £1.179m March 13 £1.802m March 14 £1.941m March 15 £1.941m March 16 £1.941m
Early Intervention	A reserve to support initiatives that focus on early intervention and preventative work.	The reserve will be used to meet the upfront cost of initiatives focusing on early intervention and preventative work.	March 12 £0.500m March 13 £0.465m March 14 £0.353m March 15 £0.294m March 16 £0.194m
Economic Development	A reserve to support economic development.	This reserve will be used to support and increase local economic prosperity.	March 12 £0.657m March 13 £0.456m March 14 £0.550m March 15 £0.350m March 16 £0.050m
School Masterplans and Feasibility Studies	A reserve to meet the cost of masterplans and feasibility studies for schools expansion.	Any upfront costs incurred prior to a decision being taken to construct an asset may need to be met from revenue.	March 13 £0.300m March 14 £0.500m March 15 £0.500m March 16 £0.500m
Repairs and Maintenance	A reserve to address 1D priorities (urgent works required to assets which are life expired and/or in serious risk of imminent failure) which are revenue rather than capital in nature.	The reserve will be used for high priority revenue repairs and maintenance.	March 13 £0.500m March 14 £0.494m March 15 £0.144m March 16 £0.000m

Annexe F

Reserve	Purpose	Policy	Value
Residents Parking Scheme	A new reserve to meet the cost of the trial scheme in six zones surrounding Bracknell Town Centre.	To meet the cost of the trial scheme in the first two years of operation.	March 14 £0.140m March 15 £0.060m March 16 £0.000m
Members Initiatives	A new reserve to fund another round of small projects (£0.015m per member) based on members' knowledge of local ward priorities or in conjunction with partners and other stakeholders.	The reserve will be used for local ward priorities identified by members	March 14 £0.630m March 15 £0.200m March 16 £0.000m
Public Health Reserve	Under the conditions of the Public Health grant, any under spend of the ring fenced grant can be carried over via a reserve into the next financial year.	The reserve will be used to fund Public Health priorities and projects.	March 14 £0.286m March 15 £0.361m March 16 £0.361m

Unusable Revenue Reserves

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

Balance	Purpose	Policy	Value
Collection Fund Adjustment Account	A reserve required to reflect Collection Fund changes included in the SORP 2009. The balance represents the difference between the Council Tax income included in the Income and Expenditure Account and the amount required by regulation to be credited to the General Fund.	This balance is held for specific accounting reasons.	March 12 £0.124m March 13 £0.209m March 14 £6.474m March 15 £0.600m March 16 £0.600m
Accumulated Absences Account	A reserve which absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year (e.g. annual leave and flexi-time entitlement carried forward at 31 March). Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.	This balance is held for specific accounting reasons.	March 12 -£4.902m March 13 -£5.198m March 14 -£5.108m March 15 -£5.108m March 16 -£5.108m
Pensions	Reflects the Council's share of the Royal County of Berkshire Pension Fund's assets and liabilities. Contributions will be adjusted to ensure any projected deficit is funded.	This balance is held for specific accounting reasons.	March12 -£134.785m March13 -£145.949m March14 -£164.072m March15 -£164.072m March16 -£164.072m

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

Line		2014/15	2015/16
		£'000	£'000
	Bracknell Forest's Expenditure		
1	Adult Social Care and Health	35,967	37,112
2	Children, Young People and Learning	25,447	25,819
3	Chief Executives /Corporate Services	8,038	8,180
4	Environment, Culture & Communities	33,213	33,764
5	Corporate Wide Items (to be allocated)	381	405
6	Sub-Total	103,046	105,280
7	Non Departmental Expenditure		
8	Contingency provision	1,000	2,000
9	Debt Financing Costs (Minimum Revenue Provision)	1,536	1,489
10	Levying Bodies	108	108
11	Interest	(298)	(127)
12	Pension Interest Cost	6,126	6,126
13	Other Services	487	464
14	Business Rates Growth	(5,963)	(5,893)
15	Contribution from Capital Resources	(300)	(300)
16	Capital Charges	(13,823)	(13,823)
17	Contribution from Pension Reserve	(10,782)	(10,782)
18	Contribution to/(from) Earmarked Reserves	11,840	(1,540)
19	New Homes Bonus grant	(2,660)	(3,292)
20	Local Services Support Grant	(42)	(26)
21	Council Tax Freeze Grant	(501)	(505)
22	Net Revenue Budget#	89,774	79,179
23	Movement in General Fund Balances	(2,624)	(1,000)
24	Net Revenue Budget after use of balances	87,150	78,179
25	Less - External Support		
26	Business Rates	(14,990)	(15,277)
27	Revenue Support Grant	(19,297)	(15,602)
28	Collection Fund Adjustment – Council Tax	(597)	(412)
29	Collection Fund Adjustment – Business Rates	(6,322)	(182)
30	Bracknell Forest's Council Tax Requirement	45,944	46,706
31	Collection Fund		
32	Bracknell Forest's Requirement	45,944	46,706
33	divided by the Council Tax Base ('000)	42.00	42.69
34	Council Tax at Band D (excluding Parishes)		
35	Bracknell Forest	£1,093.95	£1,093.95

The 2014/15 Net Revenue Budget = £83.452m + £6.322m which is the surplus on the business rates element of the Collection Fund.

Departmental Virements over £50,000

Debit	Credit	Explanation
£'000	£'000	
		<u>Adult Social Care, Health and Housing</u>
		The Emergency Duty Service provides services to other local authorities in Berkshire. The demand of the service has increased requiring additional staff costs to meet this demand. The additional cost is fully funded by other Berkshire authorities and reflected in the following virement:
63	-63	Emergency Duty Service - Employees Emergency Duty Service - Other Grants, Reimbursements and Contributions
63	-63	Total
		<u>Children, Young People and Learning</u>
		There has been a change in responsibility within Children's Social Care. From 1st December 2014, the Leaving Care Service moved from the joint Over 11s and Leaving Care Team in Other Children and Family Services into Youth Justice.
297	-297	Youth Justice Other Children's and Family Services
297	-297	Total

Virements between Departments

Total	Explanation
£'000	
	<u>Children, Young People and Learning</u>
12	An allocation from the Structural Changes Reserve to finance salary protection payments following a restructuring and redeployments.
-12	Reserves
0	Total Virements

Medium Term Budget Plan for Rise@Garth

Costed at 2015-16 outturn prices

Ref	January to August 2015	Sept 2015 to March 2016	2016-17	2017-18	2018-19	2019-20	2020-21 (Full year)
-----	---------------------------	----------------------------	---------	---------	---------	---------	------------------------

Places and staffing - academic year data:

1	Projected Maximum No. of Learners	0	10	20	30	40	50	56
2	BFC resident	0	5	10	15	20	25	30
3	Other LA resident	0	3	6	8	11	14	16
4	Vacancy	0	2	4	7	9	11	10
5	Number occupied places in costing model	0	8	16	23	31	39	46
6	Occupancy rate	0%	80%	80%	77%	78%	78%	82%
7	Total No. of Teaching Staff (fte) (headcount)	1.00	3.00	4.00	6.00	8.00	10.00	10.00
8	Total No. of Learning Support Staff (fte) (headcount)	0.00	3.00	5.00	7.00	9.00	9.00	9.00
9	Total No. of Ancillary Support Staff (headcount)	0.00	3.00	4.00	5.00	5.00	5.00	5.00
10	Total all staff (fte) (headcount)	1.00	9.00	13.00	18.00	22.00	24.00	24.00

Financials - financial year data:

11	Staffing	£36,900	£185,300	£387,100	£528,200	£675,780	£794,100	£837,660
12	Premises	£0	£66,000	£159,900	£159,800	£157,400	£159,400	£160,500
13	Supplies & Services	£10,500	£28,400	£77,200	£90,200	£102,400	£127,300	£149,620
14	Transport	£250	£5,100	£12,250	£12,250	£12,250	£12,250	£12,250
15	Contingency at underlying 10%	£1,500	£35,000	£92,800	£96,900	£92,600	£107,800	£116,000
16	Total Income	£0	£500	£1,700	£2,800	£3,950	£5,150	£6,900
17	NET EXPENDITURE AT SCHOOL	£49,150	£319,300	£727,550	£884,550	£1,036,480	£1,195,700	£1,269,130
18	CENTRALLY FUNDED SPECIALIST THERAPIES	£0	£14,900	£51,200	£85,100	£118,400	£154,600	£207,000
19	GRAND TOTAL NET EXPENDITURE	£49,150	£334,200	£778,750	£969,650	£1,154,880	£1,350,300	£1,476,130

Income and charging

20	Cost per occupied place (financial year cost divided by 5\12 summer term numbers, 7\12 autumn term numbers)	£71,600	£62,000	£49,000	£42,000	£38,000	£32,000
21	Assume DfE place funding @ £10k per place annually in arrears	£0	-£33,300	-£126,700	-£200,900	-£276,700	-£460,000
22	Net cost to BFC (financial year: cost less DfE grant)	£383,350	£745,450	£842,950	£953,980	£1,073,600	£1,016,130
23	Net cost per place for LAs to fund	£83,000	£59,000	£42,000	£35,000	£31,000	£23,000
24	Estimated impact from 5 BFC non-LEA leavers @ £41,000	-£119,600	-£324,600	-£529,600	-£734,600	-£939,600	-£1,230,000
25	Estimated income from OLAs: assume on-going charge of £23,000 with premium of £6,000 for 2 years then £3,000 for 2 more years	-£51,000	-£138,000	-£186,000	-£254,000	-£293,000	-£368,000
26	Estimated saving / income from OLA	-£170,600	-£462,600	-£715,600	-£988,600	-£1,232,600	-£1,598,000
27	Net additional cost(+) / saving(-)	£212,750	£282,850	£127,350	-£34,620	-£159,000	-£581,870
28	Cummulative change	£212,750	£495,600	£622,950	£588,330	£429,330	-£152,540
29	Estimated draw down from SEN Resource Unit Reserve	£212,750	£282,850	£127,350	£0	£0	£622,950
30	Total available in SEN Resource Unit Reserve	-£489,784	-£55,000	-£55,000			-£649,784
31	Estimated remaining balance in SEN Resource Unit Reserve						-£26,834
32	Estimated on-going saving - annual				-£35,000	-£124,000	-£423,000
33	Estimated on-going saving - cumulative				-£35,000	-£159,000	-£582,000

NATIONAL NON-DOMESTIC RATES RETURN - NDR1
2015-16

Please e-mail to: ndr.statistics@communities.gsi.gov.uk by no later than 31 January 2015.
 In addition, a certified copy of the form should be returned by no later than 31 January 2015 to the same email address

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

Select your local authority's name from this list:

Bolsover
Bolton
Boston
Bournemouth
Bracknell Forest
Bradford

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

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

Ver 1.1

PART 1A: NON-DOMESTIC RATING INCOME

COLLECTIBLE RATES

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

£

72,162,947

TRANSITIONAL PROTECTION PAYMENTS

2. Sums due to the authority

0

3. Sums due from the authority

0

COST OF COLLECTION (See Note A)

4. Cost of collection formula

150,666

5. Legal costs

0

6. Allowance for cost of collection

150,666

SPECIAL AUTHORITY DEDUCTIONS

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

0

DISREGARDED AMOUNTS

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

0

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

760

of which:

10. sums retained by billing authority

760

11. sums retained by major precepting authority

0

NON-DOMESTIC RATING INCOME

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

72,011,521

NATIONAL NON-DOMESTIC RATES RETURN - NDR1
2015-16

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Local Authority : Bracknell Forest

Ver 1.1

PART 1B: PAYMENTS

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

The payments to be made, during the course of 2105-16 to:

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

are set out below

	Column 1 Central Government	Column 2 Bracknell Forest	Column 3	Column 4 Berkshire Fire Authority	Column 5 Total
Retained NDR shares	£	£	£	£	£
13. % of non-domestic rating income to be allocated to each authority	50%	49%	0%	1%	100%
Non-Domestic Rating Income for 2015-16					
14. Non-domestic rating income from rates retention scheme	36,005,761	35,285,645	0	720,115	72,011,521
15. (less) qualifying relief in Enterprise Zones	0	0	0	0	0
16. TOTAL:	36,005,761	35,285,645	0	720,115	72,011,521
Other Income for 2015-16					
17. add: cost of collection allowance		150,666			150,666
18. add: amounts retained in respect of Designated Areas		0			0
19. add: amounts retained in respect of renewable energy schemes		760	0		760
20. add: qualifying relief in Enterprise Zones		0	0	0	0
21. add: City of London Offset : Not applicable for your authority		0			0
Estimated Surplus/Deficit on Collection Fund					
22. Estimated Surplus/Deficit at end of 2014-15	£ 185,921	£ 182,203	£ 0	£ 3,718	£ 371,842
TOTAL FOR THE YEAR					
23. Total amount due to authorities	£ 36,191,682	£ 35,619,274	£ 0	£ 723,833	£ 72,534,789

NATIONAL NON-DOMESTIC RATES RETURN - NDR1
2015-16

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Local Authority : Bracknell Forest

Ver 1.1

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

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

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

	Column 2 Bracknell Forest	Column 3	Column 4 Berkshire Fire Authority	Column 5 Total
2015-16 Multiplier Cap	£	£	£	£
24. Cost of 2% cap on 2015-16 small business rates multiplier	514,593	0	10,502	525,095
Small Business Rate Relief				
25. Cost of temporary doubling of SBRR	240,898	0	4,916	245,814
26. Cost to authorities of maintaining relief on "first" property	9,944	0	202	10,146
"New Empty" Property Relief				
27. Cost to authorities of giving relief to newly-built empty property	0	0	0	0
"Long Term Empty" Property Relief				
28. Relief on occupation of "long-term empty" property	24,857	0	508	25,365
Retail Relief				
29. Relief provided to retail properties	174,000	0	3,552	177,552
TOTAL FOR THE YEAR	£	£	£	£
30. Total amount of Section 31 grant due to authorities	964,292	0	19,680	983,972

Certificate of Chief Financial Officer / Section 151 Officer

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

Name of Chief Financial Officer

or Section 151 Officer : Alan Nash

Signature : Alan Nash

Date : 30/01/15

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2015-16

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

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Local Authority : Bracknell Forest

PART 2: NET RATES PAYABLE

You should complete column 1 only

GROSS RATES PAYABLE

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

	Column 1 BA Area (exc. Designated areas) Complete this column	Column 2 Designated areas Do not complete this column	Column 3 TOTAL (All BA Area) Do not complete this column
	£	£	£
1. Rateable Value at <input type="text" value="24/12/2014"/>	<input type="text" value="169,570,125"/>	<input type="text" value=""/>	<input type="text" value="169,570,125"/>
2. Small business rating multiplier <input type="text" value="48.0"/> for 2015-16 (pence)			
3. Gross rates 2015-16 - (RV x multiplier)	<input type="text" value="81,393,660"/>	<input type="text" value="0"/>	
4. Estimated growth/decline in gross rates (+ = increase, - = decrease)	<input type="text" value="-430,636"/>		
5. Forecast gross rates payable in 2015-16	<input type="text" value="80,963,024"/>	<input type="text" value="0"/>	<input type="text" value="80,963,024"/>

TRANSITIONAL ARRANGEMENTS (See Note E) - Not applicable in 2015-16

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

TRANSITIONAL PROTECTION PAYMENTS (See Note F) - Not applicable in 2015-16

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

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

Small Business Rate Relief

12. Forecast of relief to be provided in 2015-16	<input type="text" value="-989,122"/>	<input type="text" value="0"/>	<input type="text" value="-989,122"/>
13. of which: relief on existing properties where a 2nd property is occupied	<input type="text" value="-20,000"/>	<input type="text" value="0"/>	<input type="text" value="-20,000"/>
14. Additional yield from the small business supplement (Show as +ve)	<input type="text" value="2,106,302"/>	<input type="text" value="0"/>	<input type="text" value="2,106,302"/>
15. Net cost of small business rate relief (line 12-line 14)	<input type="text" value="1,117,180"/>	<input type="text" value="0"/>	<input type="text" value="1,117,180"/>

Charitable occupation

16. Forecast of relief to be provided in 2015-16	<input type="text" value="-1,840,800"/>	<input type="text" value="0"/>	<input type="text" value="-1,840,800"/>
--	---	--------------------------------	---

Community Amateur Sports Clubs (CASCs)

17. Forecast of relief to be provided in 2015-16	<input type="text" value="-5,000"/>	<input type="text" value="0"/>	<input type="text" value="-5,000"/>
--	-------------------------------------	--------------------------------	-------------------------------------

Rural rate relief

18. Forecast of relief to be provided in 2015-16	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
--	--------------------------------	--------------------------------	--------------------------------

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2015-16

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

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Local Authority : Bracknell Forest

PART 2: NET RATES PAYABLE

You should complete column 1 only

	Column 1 BA Area (exc. Designated areas)	Column 2 Designated areas	Column 3 TOTAL (All BA Area)
19. Forecast of mandatory reliefs to be provided in 2015-16 (Sum of lines 15 to 18)	-728,620	0	
20. Changes as a result of estimated growth/decline in mandatory relief (+ = decline, - = increase)	-556,457	0	
21. Total forecast mandatory reliefs to be provided in 2015-16	-1,285,077	0	-1,285,077

UNOCCUPIED PROPERTY (See Note H) (All data should be entered as -ve unless specified otherwise)

Partially occupied hereditaments			
22. Forecast of 'relief' to be provided in 2015-16	-350,000	0	-350,000
Empty premises			
23. Forecast of 'relief' to be provided in 2015-16	-2,924,181	0	-2,924,181
24. Forecast of unoccupied property 'relief' to be provided in 2015-16 (Line 22 + line 23)	-3,274,181	0	
25. Changes as a result of estimated growth/decline in unoccupied property 'relief' (+ = decline, - = increase)	-1,075,819	0	
26. Total forecast unoccupied property 'relief' to be provided in 2015-16	-4,350,000	0	-4,350,000

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

Charitable occupation			
27. Forecast of relief to be provided in 2015-16	-70,234	0	-70,234
Non-profit making bodies			
28. Forecast of relief to be provided in 2015-16	-83,750	0	-83,750
Community Amateur Sports Clubs (CASCs)			
29. Forecast of relief to be provided in 2015-16	-1,250	0	-1,250
Rural shops etc			
30. Forecast of relief to be provided in 2015-16	0	0	0
Small rural businesses			
31. Forecast of relief to be provided in 2015-16	0	0	0
Other ratepayers			
32. Forecast of relief to be provided in 2015-16	0		0
33. Relief given to Case A hereditaments		<i>of which:</i>	
34. Relief given to Case B hereditaments		<i>of which:</i>	

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2015-16

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

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Local Authority : Bracknell Forest

PART 2: NET RATES PAYABLE

You should complete column 1 only

Column 1
BA Area (exc.
Designated areas)

Column 2
Designated
areas

Column 3
TOTAL
(All BA Area)

35. Forecast of discretionary relief to be provided in 2015-16 (Sum of lines 27 to 32)

-155,234

0

36. Changes as a result of estimated growth/decline in discretionary relief (+ = decline, - = increase)

-9,766

0

37. Total forecast discretionary relief to be provided in 2015-16

-165,000

0

-165,000

DISCRETIONARY RELIEFS FUNDED THROUGH SECTION 31 GRANT
(See Note K) (All data should be entered as -ve unless specified otherwise)
"New Empty" properties

38. Forecast of relief to be provided in 2015-16

0

0

0

"Long term empty" properties

39. Forecast of relief to be provided in 2015-16

-50,000

0

-50,000

Retail relief

40. Forecast of relief to be provided in 2015-16

-350,000

0

-350,000

41. Forecast of discretionary reliefs funded through S31 grant to be provided in 2015-16 (Sum of lines 38 to 40)

-400,000

0

42. Changes as a result of estimated growth/decline in Section 31 discretionary relief (+ = decline, - = increase)

0

0

43. Total forecast of discretionary reliefs funded through S31 grant to be provided in 2015-16

-400,000

0

-400,000

NET RATES PAYABLE

44. Forecast of net rates payable by rate payers after taking account of transitional adjustments, unoccupied property relief, mandatory and discretionary reliefs

£
74,762,947

£
0

£
74,762,947

Checked by Chief Financial / Section 151 Officer : Alan Nash

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2015-16

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

Ver 1.1

Local Authority : Bracknell Forest

PART 3: COLLECTABLE RATES AND DISREGARDED AMOUNTS

You should complete column 1 only

	Column 1	Designated areas		Column 4
	BA Area (exc. Designated areas)	Column 2	Column 3	TOTAL (All BA Area)
	Complete this column	Do not complete this column	Do not complete this column	Do not complete this column
	£	£	£	£
NET RATES PAYABLE				
1. Sum payable by rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs	74,762,947	0	0	74,762,947
(LESS) LOSSES				
2. Estimated bad debts in respect of 2015-16 rates payable	-600,000	0	0	-600,000
3. Estimated repayments in respect of 2015-16 rates payable	-2,000,000	0	0	-2,000,000
COLLECTABLE RATES				
4. Net Rates payable less losses	72,162,947	0	0	72,162,947
DISREGARDED AMOUNTS				
5. Renewable Energy	760	0	0	760
6. Transitional Protection Payment		0	0	
7. Baseline		0	0	
DISREGARDED AMOUNTS				Total Designated Areas
8. Total Disregarded Amounts		0	0	0

Checked by Chief Financial / Section 151 Officer : Alan Nash

PROVISIONAL NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2015-16

All figures must be entered in whole £

Please check the Validation tab and answer the validation queries that need to be answered

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Local Authority : Bracknell Forest

PART 4: ESTIMATED COLLECTION FUND BALANCE

OPENING BALANCE

1. Opening Balance (From Collection Fund Statement)	£	£
		11,895,423

CREDITS

2. Total amount credited, or to be credited, to the Collection Fund in 2014-15	75,928,589	
3. Transitional protection payments received, or to be received in 2014-15	0	
4. Transfers/payments to the Collection Fund for end-year reconciliations	0	
5. Transfers/payments into the Collection Fund in 2014-15 in respect of a previous year's deficit	0	
6. Total Credits		75,928,589

CHARGES

7. Total amount charged, or to be charged, to the Collection fund in 2014-15	-4,035,010	
8. Transitional protection payments made, or to be made, in 2014-15	-86,546	
9. Payments made, or to be made, to the Secretary of State in respect of the central share in 2014-15	-35,067,537	
10. Payments made, or to be made to, major precepting authorities in respect of business rates income in 2014-15	-702,699	
11. Transfers made, or to be made, to the billing authority's General Fund in respect of business rates income in 2014-15	-34,432,239	
12. Transfers made, or to be made, to the billing authority's General Fund; and payments made, or to be made, to a precepting authority in respect of disregarded amounts in 2014-15	-225,413	
13. Transfers/payments from the Collection Fund for end-year reconciliations	0	
14. Transfers/payments made from the Collection Fund in 2014-15 in respect of a previous year's surplus	-12,902,726	
15. Total Charges		-87,452,170
16. Adjustment for 5-Year Spread - not applicable for your authority		0

ESTIMATED SURPLUS/(DEFICIT) ON COLLECTION FUND IN RESPECT OF FINANCIAL YEAR 2014-15

17. Opening balance plus total credits, less total charges		£
		371,842

Checked by Chief Financial / Section 151 Officer : **Alan Nash**