

Notice of Meeting

Executive

Councillor Temperton (Chair),
Councillor Neil (Vice-Chair),
Councillors Bailey, Bidwell, Gillbe, Jefferies, Purnell and Wright

Tuesday 18 July 2023, 5.30 pm

Council Chamber - Time Square, Market Street, Bracknell, RG12

1JD



Agenda

*All councillors at this meeting have adopted the Mayor's Charter
which fosters constructive and respectful debate.*

Item	Description	Page
1.	Apologies	
2.	Declarations of Interest	
	<p>Members are asked to declare any Disclosable Pecuniary or Affected Interests in respect of any matter to be considered at this meeting.</p> <p>Any Member with a Disclosable Pecuniary Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Disclosable Pecuniary Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days.</p> <p>Any Member with an Affected Interest in a matter must disclose the interest to the meeting. There is no requirement to withdraw from the meeting when the interest is only an affected interest, but the Monitoring Officer should be notified of the interest, if not previously notified of it, within 28 days of the meeting.</p>	
3.	Minutes	3 - 16
	To consider and approve the minutes of the meeting of the Executive held on 20 June 2023.	
4.	Urgent Items of Business	
	Any other items which, pursuant to Section 100B(4)(b) of the Local Government Act 1972, the Chairman decides are urgent.	

Executive Key Decisions

The items listed below all relate to Key Executive decisions, unless stated otherwise below.

5.	Revenue Expenditure Outturn 2022/23	17 - 48
	To note the outturn position for the year and approve earmarked reserves.	

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	Reporting: Chief Accountant, Arthur Parker	
6.	Capital Expenditure Outturn 2022/23	49 - 64
	To note the outturn position for the year and approve carry forward requests. Reporting: Head of Finance & Business Services, Calvin Orr	

Exclusion of the Press and Public

Agenda items 7, 8 & 9 are supported by annexes containing exempt information as defined in Schedule 12A of the Local Government Act 1972. If the Committee wishes to discuss the content of these annexes in detail, it may choose to move the following resolution:

That pursuant to Regulation 4 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2012 and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of items 7, 8 & 9 which involves the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

- (3) *Information relating to the financial or business affairs of any particular person (including the authority holding that information).*

7.	High Street Multi Storey Car Park - Condition Survey	65 - 84
	To provide an update summarising the findings of a condition survey and agree the action plan Reporting: Executive Director: Resources, Kevin Gibbs	
8.	Joint Venture Progress	85 - 96
	To consider a report on the development of a site in Market Street, Bracknell by the Cambium Partnership. Reporting: Joint Venture Business Partner, Sarah Holman	
9.	Supported Living - Strategic Procurement Plan	97 - 120
	Strategic Procurement Plan outlining new framework and approach for commissioning Supported Living services for individuals with Learning Disabilities and Autism. Reporting: Executive Director: People, Grainne Siggins	

Sound recording, photographing, filming and use of social media is permitted. Please contact Hannah Harding, 01344 352308, hannah.harding@bracknell-forest.gov.uk, so that any special arrangements can be made.

Published: 10 July 2023

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EXECUTIVE
20 JUNE 2023
5.30 - 6.20 PM

Present:

Councillors Temperton (Chair), Neil (Vice-Chair), Bailey, Bidwell, Gillbe, Jefferies, Purnell and Wright

1. Declarations of Interest

There were no declarations of interest.

2. Minutes

RESOLVED that the minutes of the meeting of the Executive on 21 March 2023 together with the accompanying decision records be confirmed as a correct record.

3. Urgent Items of Business

There were no urgent items of business.

Executive Decisions and Decision Records

The Executive considered the following items. The decisions are recorded in the decision sheets attached to these minutes and summarised below:

4. SEND Strategy 2023-2025

RESOLVED that

- i. the progress made on implementing the SEND written statement of action to improve services to children and families and the feedback received from the Department for Education and NHS England relating to the end of January 2023 is noted.
- ii. that the Council has secured £1m through the Government's Delivering Better Value in SEND programme and in its bid to build a new specialist Autistic Spectrum Disorder (ASD) special school in the Borough, to improve further inclusive, local services for children and young people with SEND is noted.
- iii. the release of £350,000 from the Council's corporate contingency included in the 2023/24 budget to fund additional short term staffing capacity within the SEND team is approved to ensure momentum is maintained to deliver the identified service improvements.
- iv. the SEND Strategy 2023 – 2025, that has been developed through close working with professionals, parents, carers and young people is approved to provide a clear direction for the service in the years ahead.

5. **Financial Hardship Action Plan Update**

RESOLVED that

- i. the planned and accelerated initiatives set out in 5.4 are endorsed to address the local cost of living challenges to be delivered within the next three months.
- ii. the Executive commit to reviewing the existing Financial Hardship Action Plan with a report back to Executive in autumn ahead of Winter 2023.

6. **Quarter 4 Council Plan Overview Report**

RESOLVED that the performance of the council over the period from January- March 2023 highlighted in the Overview Report is noted.

7. **Strategic Procurement Plan Opladen Way Development**

RESOLVED that

- i. That the Executive approves this Strategic Procurement Plan (Appendix A) to tender the appointment of a main contractor under a Traditional building Contract to create up to seven new temporary homes.
- ii. The Executive delegates the award of the works contract to the Executive Member for Finance & Business Change in consultation with Executive Director Delivery.

8. **Exclusion of Public and Press**

RESOLVED that pursuant to Regulation 21 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2000, members of the public and press be excluded from the meeting for the consideration of item 10 which involves the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

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

9. **Part Refurbishment of Bracknell Leisure Centre**

RESOLVED that the Executive:

- i. Supports additional investment in the Bracknell Leisure Centre based on Option 2 described in paragraph 5.5 that will secure significant enhancements to the facility to benefit users in addition to meeting the invest to save threshold through an increased management fee payment for the Council, and to enable this.
- ii. Agrees to release section 106 funding allocated to the provision of built sports and recreation

RECOMENDED to Council to approve a Supplementary Capital Approval with the associated borrowing costs already accounted for within the Option 2 figures detailed in recommendation 2.1.

**Bracknell Forest Council
Record of Decision**

Work Programme Reference	L111779
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1. **TITLE:** SEND Strategy 2023-2025

2. **SERVICE AREA:** People

3. **PURPOSE OF DECISION**

To capture and define the strategic objectives for the SEND team, enabling the Council and its partners, to plan initiatives to meet future needs, which in turn will improve the lives and opportunities for children and young adults.

4. **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

- i. the progress made on implementing the SEND written statement of action to improve services to children and families and the feedback received from the Department for Education and NHS England relating to the end of January 2023 is noted.
- ii. that the Council has secured £1m through the Government's Delivering Better Value in SEND programme and in its bid to build a new specialist Autistic Spectrum Disorder (ASD) special school in the Borough, to improve further inclusive, local services for children and young people with SEND is noted.
- iii. the release of £350,000 from the Council's corporate contingency included in the 2023/24 budget to fund additional short term staffing capacity within the SEND team is approved to ensure momentum is maintained to deliver the identified service improvements.
- iv. the SEND Strategy 2023 – 2025, that has been developed through close working with professionals, parents, carers and young people is approved to provide a clear direction for the service in the years ahead.

7. **REASON FOR DECISION**

- i. Ofsted and the Care Quality Commission (CQC) inspected the local area's effectiveness of the area in implementing the special educational needs and/or disabilities (SEND) reforms as set out in the Children and Families Act 2014. In summary, the inspection raised significant concerns about the effectiveness of the area. As a result, Bracknell Forest partners – the council and the then clinical commissioning group (CCPG) were required to produce and submit a written statement of action (WSOA) to Ofsted that explains how it will tackle nine areas of significant weakness.
- ii. When the WSOA was produced it was agreed that the Executive would be provided

with quarterly updates on progress made towards implementation of the plan, following each of the DfE and NHS England reviews.

- iii. Thrive in Learning, our existing Bracknell Forest SEND strategy, concluded in December 2022. Our WSOA included an action to develop a refreshed strategy for SEND in Bracknell Forest. The strategy has been co-produced with a wide range of stakeholders including early years, school, and college leaders; professionals from education, health, SEND and care; as well as parents, carers, young people, and children. It reflects our collective ambition, priorities, and objectives for SEND so that children and young people achieve

8. ALTERNATIVE OPTIONS CONSIDERED

None

- 9. **PRINCIPAL GROUPS CONSULTED:** Parent Carer Forum
 School Heads and Colleges
 SEND Management and operational staff
 SEND Improvement Partnership Board (SIPB) members
 Voluntary sector
 NHS Frimley - Integrated Care Board
 Dept for Education
 Legal
 BHFT service provider

- 10. **DOCUMENT CONSIDERED:** Executive SEND update and Strategy June 2023
 FINAL PDF
 SEND Strategy_2023_2025 final non designed draft 31-5-23
 DfE second progress review meeting January 2023
 SEND equalities monitoring 2023 final

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

Date Decision Made	Date decision will be implemented
20 June 2023	27 June 2023

- 1. **TITLE:**
- 2. **SERVICE AREA:**
- 3. **PURPOSE OF DECISION**

- 4. **IS KEY DECISION**
- 5. **DECISION MADE BY:**
- 6. **DECISION:**

- 7. **REASON FOR DECISION**

- 8. **ALTERNATIVE OPTIONS CONSIDERED**

- 9. **PRINCIPAL GROUPS CONSULTED:**
- 10. **DOCUMENT CONSIDERED:**
- 11. **DECLARED CONFLICTS OF INTEREST:**

Date Decision Made	Date decision will be implemented

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**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I115047
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1. **TITLE:** Financial Hardship Action Plan Update

2. **SERVICE AREA:** Chief Executive's Office

3. **PURPOSE OF DECISION**

To review the progress of the Financial Hardship Action Plan and the upcoming work for the remainder of the plan period. To set out the proposed initiatives to support residents experiencing financial hardship that will be delivered in the coming months.

4. **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

RESOLVED that

- i. the planned and accelerated initiatives set out in 5.4 are endorsed to address the local cost of living challenges to be delivered within the next three months.
- ii. the Executive commit to reviewing the existing Financial Hardship Action Plan with a report back to Executive in autumn ahead of Winter 2023.

7. **REASON FOR DECISION**

There continues to be significant financial pressures facing many households in the borough, addressing this is a priority for the new lead administration. The recommendations set out provide continued and enhanced support to those most in need. These actions focus on where the council can help reduce the impact of financial hardship and encourage the financial resilience of residents.

8. **ALTERNATIVE OPTIONS CONSIDERED**

A range of potential initiatives have been considered as part of these proposals. The recommendations balance the time, budget and resourcing constraints with providing the critical support the residents experiencing acute challenges as a result of the rising cost of living.

9. **DOCUMENT CONSIDERED:** Report of the Chief Executive

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

Date Decision Made	Final Day of Call-in Period
20 June 2023	27 June 2023

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**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I112960
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1. **TITLE:** Quarter 4 Council Plan Overview Report

2. **SERVICE AREA:** Chief Executive's Office

3. **PURPOSE OF DECISION**

To provide the Executive with an update on the delivery of the objectives set out in the Council Plan.

4. **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

That the performance of the council over the period from January- March 2023 highlighted in the Overview Report is noted.

7. **REASON FOR DECISION**

To brief the Executive on the council's performance, highlighting key areas, so that appropriate action can be taken if needed.

8. **ALTERNATIVE OPTIONS CONSIDERED**

None applicable.

9. **DOCUMENT CONSIDERED:** Report of the Chief Executive

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

Date Decision Made	Final Day of Call-in Period
20 June 2023	27 June 2023

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**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I114708
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1. **TITLE:** Strategic Procurement Plan Opladen Way Development

2. **SERVICE AREA:** Delivery

3. **PURPOSE OF DECISION**

To seek approval of the Strategic Procurement Plan to enable the commencement for the procurement process to appoint a main contractor to construct seven new temporary homes for homeless households

4. **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

- i. That the Executive approves this Strategic Procurement Plan (Appendix A) to tender the appointment of a main contractor under a Traditional building Contract to create up to seven new temporary homes.
- ii. The Executive delegates the award of the works contract to the Executive Member for Finance & Business Change in consultation with Executive Director Delivery.

7. **REASON FOR DECISION**

It is a requirement of the contract standing orders that the Executive approve any strategic procurement plan with a value more than £1m. This decision seeks approval for the procurement process.

8. **ALTERNATIVE OPTIONS CONSIDERED**

Discussions have been held with our JV partner, Countryside where they have advised that the project is too small to be developed under the Cambium Partnership.

9. **DOCUMENT CONSIDERED:** Report of the Executive Director: Delivery

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

Date Decision Made	Final Day of Call-in Period
20 June 2023	27 June 2023

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**Bracknell Forest Council
Record of Decision**

Work Programme Reference	I113001
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1. **TITLE:** Part Refurbishment of Bracknell Leisure Centre

2. **SERVICE AREA:** Delivery

3. **PURPOSE OF DECISION**

To seek approval for investment into various areas of Bracknell Leisure Centre in order to improve the customer experience.

4. **IS KEY DECISION** Yes

5. **DECISION MADE BY:** Executive

6. **DECISION:**

RESOLVED that the Executive:

- i. Supports additional investment in the Bracknell Leisure Centre based on Option 2 described in paragraph 5.5 that will secure significant enhancements to the facility to benefit users in addition to meeting the invest to save threshold through an increased management fee payment for the Council, and to enable this.
- ii. Agrees to release section 106 funding allocated to the provision of built sports and recreation

RECOMENDED to Council to approve a Supplementary Capital Approval with the associated borrowing costs already accounted for within the Option 2 figures detailed in recommendation 2.1.

7. **REASON FOR DECISION**

Detailed within the confidential report.

8. **ALTERNATIVE OPTIONS CONSIDERED**

Detailed within the confidential report.

9. **DOCUMENT CONSIDERED:** Report of the Executive Director: Delivery

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

Date Decision Made	Final Day of Call-in Period
20 June 2023	27 June 2023

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TO: THE EXECUTIVE
DATE: 18 JULY 2023

REVENUE EXPENDITURE OUTTURN 2022/23
Executive Director: Resources

1 PURPOSE OF REPORT

- 1.1 The Council, at its meeting on 23 February 2022, approved a revenue budget for 2022/23 of £88.112m. This report informs Members of the outturn expenditure position, subject to audit, for the financial year 2022/23 highlighting that the Council is within budget for the twenty-fifth successive year, achieving a modest underspend of -£0.506m. The Council therefore withdrew £0.269m from General Reserves rather than the budgeted £0.775m.
- 1.2 The report sets out a positive picture of the Council's finances as at the end of March 2023. While this provides a strong financial platform for future years, the Council continues to face ongoing financial pressures and uncertainty due to delays in the introduction of a new funding system by Central Government and the continuing impact of high inflation.
- 1.3 The Accounts and Audit (Amendment) Regulations 2021 extended the statutory audit deadlines for 2020/21 and 2021/22 for all local authorities. The publication dates have now returned to 31 May for the draft accounts and 30 September for the audited accounts for 2022/23. The draft accounts were signed and published on 26 May 2023. This is well ahead of many local authorities, large numbers of which have decided not to work towards the statutory deadline due to continuing audit delays.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Note the outturn expenditure for 2022/23, subject to audit, of £87.606m, which represents an under spend of -£0.506m compared with the approved budget.**
- 2.2 **Approve the budget carry forward of £0.036m (see paragraph 5.8).**
- 2.3 **Recommends that Council note the Treasury Management performance in 2022/23 as set out in Annexe B.**
- 2.4 **Approve the earmarked reserves as set out in Annexe C.**
- 2.5 **Approve the virements relating to the 2022/23 budget (see Annexe D).**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The recommendations are intended to inform the Executive of financial performance against budget in the 2022/23 financial year.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The report sets out the Council's actual financial performance in 2022/23 and the consideration of options is not therefore appropriate.

5 SUPPORTING INFORMATION

General Fund Revenue Expenditure 2022/23

- 5.1 The Council approved a revenue budget of £88.112m for 2022/23. In addition, a number of transfers to and from earmarked reserves have been made during the course of the year. These are shown in Table 1 below and explanations for the use of the reserves are set out in the following paragraphs.

Table 1: Transfers To/From Earmarked Reserves

Directorate	Carry Forwards from 2021/22	Bus Contract (S106)	Other S106	Structural Changes	All Other Earmarked Reserves	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Central	548	141	367	0	5,478	6,534
Delivery	0	0	0	23	-123	-100
People	337	0	0	9	3,405	3,751
Non departmental / Councill Wide	150	0	-1,852	0	1,013	-689
Transfer to/from Earmarked Reserves	-1,035	-141	1,485	-32	-9,773	-9,496
Total	0	0	0	0	0	0

Carry Forwards from 2021/22

In accordance with the Council's constitution, budget under spends can be carried forward to the following year in exceptional circumstances.

Bus Contract from S106

The bus contract was negotiated during the course of the year with the funding to be provided from S106 resources.

Other S106

Revenue funding for staff and a vehicle involved in the production, co-ordination and monitoring of the Suitable Alternative Natural Green Spaces (SANGS) plans and the maintenance and management of SANGS areas have also been provided from S106 resources, as have transformation savings relating to Special Protection Areas. The non-departmental credit relates to the transfer of unapplied S106 for revenue purposes received in year to reserves.

Structural Changes

One-off costs associated with service restructuring proposals were met from the Structural Changes Reserve during the year.

Other Earmarked Reserves

Carry forwards to 2022/23 of -£0.036m are included within this figure and are covered in more detail in paragraph 5.7. Several other budget adjustments were made during the year to reflect transfers to or from reserves, the most significant being net transfers from the Transformation (£1.765m), Regeneration of Bracknell Town Centre (£2.619m),

Unrestricted

Business Rates Revaluations (£1.240m) and the Better Care Fund (£2.897m) Reserves. Use of these reserves was in line with their agreed purpose.

Outturn Position

- 5.2 The end of year position (subject to external audit) is an overall under spend of - £0.506m. Table 2 analyses by directorate the outturn compared with the original budget. These figures inevitably remain subject to change until the audit of the accounts is concluded, however, no significant impact on the overall position is anticipated.

Table 2 –Outturn Expenditure

Directorate	Original Approved Budget	Carry Forwards & Virements	Current Approved Budget	Outturn	Variance
	£'000	£'000	£'000	£'000	£'000
Central	21,441	3,557	24,998	26,063	1,065
Delivery	17,459	-2,812	14,647	14,647	0
People	96,032	-954	95,078	94,712	-366
Non Departmental / Council Wide	-48,349	9,705	-38,644	-39,849	-1,205
Transfers to/from Earmarked Reserves	1,529	-9,496	-7,967	-7,967	0
Total	88,112	0	88,112	87,606	-506

- 5.3 The current approved budget takes into account virements actioned during the course of the year. The most significant being:

- Those related to reserve transfers set out in paragraph 5.1 and Table 1
- Revenue Contributions to Capital (-£3.4m), most notably for the Coopers Hill housing scheme funded initially from the Regeneration reserve
- Adjustments relating to the accounting for the waste PFI (-£0.7m) and The Avenue Car Park finance lease (-£1.1m).
- Reallocation of budgets to departments for Non-Cash items to reflect actual costs, namely:
 - changes to capital charges (£1.3m) and
 - pension adjustments (-£7.5m).

These reallocations have no overall effect on the amount raised from taxpayers as they are reversed out within the Non-Departmental / Council Wide Budgets line.

- 5.4 Explanations for significant variances by service are set out in Annexe A. The most significant variances are highlighted below:

Central

- A net under-recovery of income in Planning, in particular Development Management (£0.154m), and in Building Control (£0.160m).

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- An overspend on reactive maintenance (£0.321m), particularly on Street Lighting, Gully Cleaning and Patching.
- Income overall was below budget (£0.125m) and contract maintenance costs overspent (£0.029m) within the Traffic service.
- An overspend within Revenue Services where costs recovered for Council Tax and Business Rates were below the income budget (£0.095m) and ICT related budgets overspent (£0.022m).
- A net overspend at The Look Out (£0.126m), mainly relating to catering, and within Parks and Countryside from additional tree works (£0.051m).

Delivery

- An overspend on ICT projects (£1.003m) partly offset by savings in other budget areas, in particular equipment rental and repairs and supplies and services (-£0.211m).
- An overspend on Home to School Transport due to increased demand (£0.148m).
- Income generated by Investment Properties exceeded the budget (-£0.093m) and refunds led to an underspend on Business Rates (-£0.120m). These were partly offset by overspends on repairs and maintenance (£0.073m) and an overspend on Property Services (£0.052m).
- Additional income generated within Legal Services (-£0.092m) and within Registration of Births Deaths & Marriages (-£0.085m).
- Within Waste Management underspends on waste disposal (-£0.481m), the brown bin service (-£0.074m) and household collections (£-0.060m) were partly offset by an overspend on Waste Collection Recycling (£0.172m) due to additional contract costs.
- Income received on the leisure contract relating to the repayment of Covid-19 financial support (-£0.102m).
- An overachievement of income (-£0.245m) and contracted services underspends (-£0.048m) at the Cemetery and Crematorium, partly offset by operational overspends (£0.102m).
- A net underspend on Street Cleansing (-£0.063m) and overspends on grounds maintenance works within Environmental Services (£0.053m).

People

- The Management Team has experienced vacancies, including in the support team and other specialist roles (-£0.114m).
- An overspend on staffing within Education and Learning (£0.674m) partly offset by related additional income (-£0.241m), primarily relating to the Special Education Needs Team. Additional legal and specialist support (£0.173m) and specialist pupil transport costs (£0.094m) were partly offset by a range of under spends, most notably delays in arranging new service deliver contracts (-£0.192m) and reduced spend on former teachers' pensions (-£0.092m).
- A net underspend on Children's Social Care (-£1.971m). Care and accommodation costs for Children Looked After underspent (-£2.231m) due to reduced numbers and average costs being lower than expected. This has been achieved partly through improved support packages before a placement is made, including fostering services (+£0.438m). Other significant variances occurred on Childcare Solicitors (£0.194m), and Unaccompanied Asylum Seekers (-£0.290m).
- An overspend on care packages within adult social care, primarily due to an increase in the number and cost of clients (£1.351m), in particular relating to nursing and residential placements. This was partly offset by underspends at Waymead, the in-house respite service (-£0.065m), additional Better Care Funding (-£0.360m), staff vacancies (-£0.275m) and reduced equipment spend (-£0.045m).

Unrestricted

- Within Mental Health and Out of Hours, care packages overspent (£1.513m) due to an increase in both numbers and the complexity of needs. Staffing costs also overspent due to reliance on agency staff (£0.148m). These costs were partly offset by additional income at Forestcare (-£0.140m) and an increase in the contribution from the Better Care fund (-£0.250m).
- An underspend on Early Help and Communities (-£0.763m). The main elements were underspends within Early Help, primarily relating to staffing (£-0.182m), the Youth Service (-£0.149m), Housing Options (-£0.126m) and Housing Welfare & Benefits (-£0.373m), partly relating to the receipt and usage of additional grant funding to fund costs incurred.

Non-Departmental / Council Wide

- A significant under spend on interest budgets (-£1.060m), with average cash balances being have been substantially higher than expected, removing the need for any new external borrowing in 2022/23. This has resulted from a combination of slippage on the capital programme and positive cashflows from grants being received pending their allocation. The increase in interest rates has also resulted in a higher return on investments.
- Higher than forecast capital receipts in 2021/22 and significant capital carry forwards into 2022/23 have created an under spend against the Minimum Revenue Provision (-£0.171m).
- Budgeted savings were not achieved on essential user car allowances (0.020m) and the budget for employers' pension contributions relating to prior year deficits was insufficient due to two schools becoming academies during the year (£0.039m).
- Other under spends occurred primarily relating to pension recharges and joint arrangements, and the provision for bad debts and write offs (-£0.033m).

- 5.5 The 2022/23 out-turn positions for all service areas will be compared against the approved budget proposals for 2023/24 to inform preparations for balancing the 2024/25 budget.

Treasury Management

- 5.6 Annexe B contains a detailed analysis of the Council's treasury management performance during 2022/23. An annual report is required to comply with the Prudential Code for Capital Finance as performance in this area can have a significant impact on the Council's overall financial position and balances. The report will subsequently be presented to Council as required.

Budget Carry Forwards

- 5.7 In accordance with the Council's Constitution, some unspent budget provision is permitted to be carried forward to the following year in exceptional circumstances. This would include where expenditure was budgeted for and planned in a particular year, but due to unforeseen circumstances has had to be deferred to the following year.
- 5.8 Only one carry-forward was recommended by the Corporate Management team for approval. Within the Delivery Directorate two Neighbourhood Planning Referendums were expected to be held in 2022/23, however the exact timing was dependent on the plan being agreed and signed off by the inspector and the Executive Member setting a referendum date. Due to delays, the Winkfield referendum will now slip into 2023/24. The Executive is asked to approve the carry forward.

Balances (General Reserves)

- 5.9 As the actual outturn for 2022/23 was an under spend of -£0.506m, the Council withdrew £0.269m from General Reserves rather than the budgeted £0.775m. The General Reserves balance at 31st March 2023 was £11.077m, with none of the balance required to help fund the 2023/24 revenue budget. The minimum prudent level recommended by the s151 officer is £4.5m, broadly equivalent to 5% of the Council's net budget. This level needs to have regard to a view of general financial risks, meaning that careful consideration needs to be given to the situation the council is facing in the current financial year.
- 5.10 A detailed review of all existing reserves and provisions has been undertaken as part of the account's closedown process. The proposed changes to reserves and balances are included in Annexe C. A review of earmarked reserves will be undertaken as normal in preparation for the 2024/25 budget, to ensure that these continue to reflect the most relevant issues and risks affecting the Council. Any cumulative deficits on the Schools Budget for the financial years 2020/21 to 2025/26 are now required to be charged to an unusable reserve called the Dedicated Schools Grant Adjustment Account per the latest legislation. As the Schools Budget continues to be in an overall deficit position, all general earmarked reserve balances relating to the Schools Budget have been transferred to the new reserve with the resulting position being an overall deficit of £15.477m.

Virement requests

- 5.11 Financial Regulations require formal approval by the Executive of any virement between £0.050m and £0.100m and of virements between directorates of any amount. Full Council approval is required for virements over £0.100m. A number of virements have been made since the February Executive meeting which require the approval of the Executive. These have been previously reported to the Corporate Management Team which recommends them for approval. They have been included in the Quarterly Service Reports. Details of the virements are set out in Annexe D.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 There is nothing to add to the report.

Executive Director: Resources

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

Equalities Impact Assessment

- 6.3 None.

Strategic Risk Management Issues

- 6.4 The Council needs to maintain reserves to aid cash flow and to protect itself from fluctuations in actual expenditure and income. The review of reserves undertaken by the Borough Treasurer ensures that the Council has adequate and appropriate earmarked reserves to manage future risks.

Climate Change Implications

6.5 None

7 CONSULTATION

Not applicable.

Background Papers

None.

Contact for further information

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Central

Variance	Explanation
£'000	
154	<p>Head of Planning</p> <p>Development Management £0.212m Income received below budget of £0.196m and various supplies and services budgets have also overspent by £0.016m, the most significant of which were licences and subscriptions.</p> <p>Planning Policy -£0.058m Income received in excess of budget (-£0.077m), the most significant of which were government grants of -£0.060m for Neighbourhood Planning. There were however overspends totalling £0.019m across various supplies and services, the most significant of which was on consultancy (£0.014m).</p>
160	<p>Building Control The final net position for building control was a net under recovery of income of £0.160m.</p>
321	<p>Reactive Maintenance</p> <p>Contract costs were contained where possible and reserves of £0.345m were transferred to support the budget, however an overspend still occurred (£0.321m). The split was as follows:</p> <p>Sustainable drainage systems (SUDS) £0.026m Gully Cleaning £0.054m Patching & Monitor Repairs £0.054m Footway/Cycleway Patching £0.018m Drainage £0.016m Fencing, Walls, Barriers £0.039m Preliminaries £0.039m Street Lighting £0.077m Recons/Overlay/Resurfacing -£0.002m</p>
117	<p>Revenue Services</p> <p>Costs recovered for Council Tax and Business Rates are below the income budget (£0.095m). Licensing/software maintenance budgets (Northgate/NEC) are overspent (£0.022m).</p>
142	<p>Traffic</p> <p>Winter Maintenance £0.029m Contracted services costs have exceeded budget.</p> <p>NRSWA S50 £0.008m Refunds were required for income received in prior years.</p> <p>Rechargeable Street works -£0.074m Net income received in excess of the budget</p>

Variance	Explanation
£'000	
	<p>Monitoring Street works £0.064m Income received is £0.076m below budget, this has been partially offset by an underspend of -£0.012m on the computer software budget.</p> <p>Street works Permit Scheme -£0.035m Net income in excess of the budget.</p> <p>Highway Network Enforcement £0.150m Highway Network Enforcement income generated by s74 overruns and s41 fixed penalty notices are both constrained by regulation and therefore it is necessary to transfer income generated in excess of expenditure into a reserve at the end of the financial year to develop, safe, integrated, efficient and economic transport facilities and services in the future. This transfer has resulted in a one-off in year pressure.</p>
177	<p>Parks, Open Spaces & Countryside</p> <p>The Look Out has reported a net overspend of £0.126m: Discovery Centre £0.035m Catering £0.108m Car Parking -£0.017m</p> <p>Within Parks and Countryside, additional tree works have resulted in a projected overspend (£0.068m), partially offset by underspends across various supplies and services budgets (-£0.012m) and a credit for Horseshoe Lake business rates (-£0.005m).</p>

Delivery

Variance	Explanation
£'000	
792	<p>ICT</p> <p>There were 3 ICT revenue projects for which the costs exceeded the funding available by £1.003m (Cloud Hosting, Contact Care System and Teams Telephony).</p> <p>This overspend is partially offset by savings on equipment rental and repairs (-£0.113m), reduced travel (-£0.015m) and savings on various supplies and services (-£0.083m).</p>
148	<p>Operations Unit</p> <p>An overspend on the Home to School Transport function (£0.148m), due to transport provider invoices being in excess of the budget allocated.</p>
52	<p>Property</p> <p>The overspend within Property Services is due to an unachieved saving that was built into the budget. This is in relation to income from letting out the first floor (N&S wings) of Time Square to third party groups.</p>
-139	<p>Industrial & Commercial Property</p> <p>Across the portfolio of investment and commercial properties, rental income exceeded the budget (-£0.093m). Due to various refunds within the year, there was also an underspend on Business Rates (-£0.120m). These were partially offset by overspends on repairs/maintenance and works at Harmans Water Flats (£0.059m) and at Market Street (£0.014m).</p>
-92	<p>Legal</p> <p>Income in excess of the budget was achieved across Legal Services and S106 Legal Fee income (-£0.098m). This was partially offset by small overspends across various supplies and services.</p>
-85	<p>Registration of Births, Deaths & Marriages</p> <p>Income in excess of the budget was achieved on Registration of Deaths (-£0.014m), Registration of Marriages (-£0.053m), Ceremonies (-£0.004m) and Citizenship Ceremonies (-£0.010m), with the remainder being small underspends across various supplies and services.</p>
-366	<p>Waste Management</p> <p>The largest variance in this area is in relation to the Waste PFI and specifically, an underspend on the contracted services for this arrangement with Reading Borough Council (-£0.481m). Underspends were also achieved on the Brown Bin Service (-£0.074m), on Household Waste Collection (£-0.060m) and at the London Road Tip site (-£0.020m). These underspends are partially offset by an overspend on Waste Collection Recycling (£0.172m), due mainly to spend on contracted services being above budget.</p>

Variance	Explanation
£'000	
-63	<p>Street Cleaning</p> <p>An underspend was achieved on Contracted Services within Street Cleaning (-£0.124m), with overspends on equipment purchase (£0.019m) and underachievement of income (£0.023m) in the same area. In addition, there was an overspend on Contracted Services for Street Cleaning Non-Programmed Works (£0.031m).</p>
53	<p>Environmental Services</p> <p>Overspends for Longhill Gas Monitoring (£0.008m) and Amenity Maintenance/Landscaping relating to contracted services and external ground maintenance works (£0.071m). These are partially offset by an underspend on Amenity Maintenance Non-Programmed works on external grounds maintenance and contracted services (-£0.026m).</p>
-102	<p>Leisure Contract</p> <p>Payback of Covid support provided to the contractor in 2021/22</p>
-196	<p>Cemetery & Crematorium</p> <p>Income exceeded the budget (-£0.245m) and there was also an underspend across contracted services at the site (-£0.048m). These were partially offset by overspends on equipment purchase and rental (£0.065m) and Cost of Goods Sold (£0.037m).</p>

People

Variance	Explanation
£'000	
-114	<p>Executive Director</p> <p>The Management Team has experienced vacancies, including in the support team and other specialist roles.</p>
386	<p>Education & Learning</p> <p>Staffing costs were the most significant overspend (£0.674m) which after taking account of related additional income (-£0.241m) were mainly as a result of additional support to the SEN Team. There was also additional legal and specialist support to SEN (£0.173m) and additional pupil transport costs relating to specialist providers (£0.094m). These were partially offset by a range of under spends, most notably in support to young people not in education, employment or training (NEET), where delays occurred in arranging new service deliver contracts (-£0.192m), and reduced spend on former teachers' pensions (-£0.092m).</p>
-1,971	<p>Children's Social Care</p> <p>Care and accommodation costs for Children Looked After underspent (-£2.231m) as a result of a reduced number of cases which are at historically low levels, appropriate financial contributions to costs from partners and a reduction in average costs as fewer residential placements have been made. This has been achieved partly through improved support packages before a placement is made, including fostering services (£0.438m) together with the Family safeguarding model supporting families to remain together where it is safe to do so and the work of the Permanency Team proactively providing edge of care support. Other significant budget variances include Childcare Solicitors (£0.194m) and unaccompanied asylum seekers (-£0.290m).</p>
805	<p>Adult Social Care</p> <p>Care packages overspent (£1.552m) mainly due to a 12.5% increase in numbers in Adults/Older People and increases in the cost of care due to increases in need and the economic crisis with a particularly high increase in the cost of Nursing and Residential placements. Learning Disability numbers have remained static throughout the year, but the cost of care has also risen by 20%. There were underspends at Waymead (-£0.065m) and on other staffing costs (-£0.275m) mainly due to high vacancies levels and difficulty in recruiting throughout the year. Equipment spend has reduced (-£0.045m) and there was an increase in the contribution from the Better Care fund (-£0.360m).</p>
1,271	<p>Mental Health and Out of hours</p> <p>Care Packages overspent (£1.513m) with Community Mental Health Team (CMHT) numbers increasing by 23% in year and increases in cost of care due to need and the economic crisis. Older Adult (CMHTOA) numbers remained stable throughout the year but again the cost of care has increased considerably. Staffing costs also overspent due to reliance on agency staff (£0.148m). These costs were partly offset by additional income at Forestcare (-£0.140m) and an increase in the contribution from the Better Care Fund (-£0.250m).</p>
-763	<p>Early Help and Communities</p> <p>An underspend in Early Help (£-0.182m) of which -£0.142m was staff related. The Youth Service underspent (£-0.127m) including additional income from lettings at</p>

	<p>College Hall (-£0.020m), underspends at the Youth Centre from reduced Business Rates (-£0.046m) and savings at Portman Close on building costs (-£0.021m). Underspends on Housing Options (-£0.126m) and Housing Welfare & Benefits (-£0.373m), partly relating to the receipt and usage of additional grant funding to fund costs incurred.</p>
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Non-Departmental Budgets/Earmarked Reserves

Variance	Explanation
£'000	
(1,060)	<p>Interest Average cash balances have been substantially higher than expected removing the need for any new borrowing in 2022/23. This has resulted from a combination of slippage on the capital programme and positive cashflows from grants being received pending their allocation. The increase in interest rates has also resulted in a higher return on investments.</p>
(171)	<p>Minimum Revenue Provision (MRP) Higher than forecast capital receipts in 2021/22 and significant capital carry forwards into 2022/23 have created an under spend against the Minimum Revenue Provision.</p>
59	<p>Corporate Wide Items Budgeted savings were not achieved on essential user car allowances (0.020m) and the budget for employers' pension contributions relating to prior year deficits was insufficient due to two schools becoming academies during the year (£0.039m).</p>
(33)	<p>Other Underspends primarily relating to pension recharges and joint arrangements, and the provision for bad debts and write offs.</p>

TREASURY MANAGEMENT ANNUAL REPORT 2022/23

1 INTRODUCTION

- 1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2022/23. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).
- 1.2 During 2022/23 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council Feb 2022)
 - a mid-year (minimum) treasury update report (Council Feb 2022)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)
- 1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members. This Council confirms that it has complied with the requirement under the Code.

2 SUPPORTING INFORMATION

Current Treasury Position

- 2.1 At the beginning and the end of 2022/23, the Council's treasury position (excluding borrowing by PFI and finance leases) was as follows. The reduction in investments during the year was significantly affected by repayment of sums remaining from Government grants provided to support various Covid-related initiatives since 2020.

Treasury Position	At 31 March 2023		At 31 March 2022	
	Principal	Average Rate	Principal	Average Rate
Fixed Interest Borrowing				
Short Term Market Loans	£5.000m	4.65%	£0.000m	
Long-Term PWLB	£80.000m	2.30%	£80.000m	2.30%
Variable Interest Borrowing			-	
Total Borrowing			£80.000m	
Fixed Interest Investments	£3.000m	3.20%	£0.000m	
Variable Interest Investments (MMF)	£12.775m	3.82%	£43.488m	0.01%
Total Investments	£15.775m		£43.488m	
Net borrowing position	£69.225m		£36.512m	

Capital Expenditure and Financing

- 2.2 The Council undertakes capital expenditure on long term assets. These activities may either be funded immediately through capital receipts or capital grants or contributions, or if insufficient financing is available financed through borrowing. The actual capital expenditure forms one of the required prudential indicators and the table below shows how this was financed in 2022/23. The Council's underlying need to borrow is called the 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 and is shown below in Table 2

<i>Table 2 Financing of Capital Programme 2022/23 and 2021/22</i>		
	2022/23	2021/22
	£'000	£'000
Expenditure		
Capital Programme	23,701	27,221
Financed by		
Capital Receipts	262	3,710
Government Grants/Contributions	11,311	21,951
Direct Revenue Funding	3,390	0
Change in Capital Financing Requirement	8,738	1,560
Total	23,701	27,221

The Strategy for 2022/23

Investment Strategy and control of interest rate risk

- 2.3 Investment returns picked up throughout the course of 2022/23 as central banks, including the Bank of England, realised that inflationary pressures were not transitory, and that tighter monetary policy was called for. Starting April at 0.75%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 4.25% by the end of the financial year, with the potential for a further increases in 2023/24.
- 2.4 The sea-change in investment rates meant local authorities were faced with the challenge of pro-active investment of surplus cash for the first time in over a decade, and this emphasised the need for a detailed working knowledge of cashflow projections so that the appropriate balance between maintaining cash for liquidity purposes, and "laddering" deposits on a rolling basis to lock in the increase in investment rates as duration was extended, became an on-going feature of the investment landscape.
- 2.5 Meantime, through the autumn, and then in March 2023, the Bank of England maintained various monetary policy easing measures as required to ensure specific markets, the banking system and the economy had appropriate levels of liquidity at times of stress.
- 2.6 Nonetheless, while the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the Great Financial Crisis of 2008/9. These requirements have provided a far stronger basis

for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

- 2.7 Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing counterparty risk exposure, by having fewer investments placed in the financial markets.

Borrowing Strategy and control of interest rate risk

- 2.8 During 2022/23, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered.
- 2.9 A cost of carry generally remained in place during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns. As the cost of carry dissipated, the Council sought to avoid taking on long-term borrowing at elevated levels (>4%) and has focused on a policy of internal and temporary borrowing, supplemented by short-dated borrowing (<3 years) as appropriate.
- 2.10 The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this Authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- 2.11 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Finance therefore monitored interest rates in financial markets and adopted a pragmatic strategy.
- 2.12 The table below summarises the maturity profile of the current outstanding long-term debt. It should be noted that £20m of debt will need to be re-financed during 2024/25.

Table 3 – Long Term Borrowing

Principal	Rate	Start	End
10,000,000	2.60%	09/02/2017	31/03/2062
10,000,000	2.60%	09/02/2017	31/03/2066
10,000,000	2.42%	20/06/2017	31/03/2063
10,000,000	2.41%	20/06/2017	31/03/2064
20,000,000	1.85%	21/11/2017	21/11/2024
10,000,000	2.50%	21/11/2017	21/11/2062
10,000,000	2.14%	03/12/2018	03/12/2028
80,000,000	2.30%		

Investment Outturn

- 2.13 The Council's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Council. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.).
- 2.14 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties. Given the net borrowing position of the Council investments are managed using AAA Money Market Funds (MMF) offering immediate liquidity and the highest security whilst offering a yield equivalent to 7-day rates. The Council also invests in in MMF that offers a slightly higher return with the proviso that funds are available on a +1 day basis – i.e. funds withdrawn today will be received tomorrow – this has enabled the Council to increase its investment yield without adding any security or liquidity risk.
- 2.15 The average rate on investments was 2.0% on an average balance of £34m compared to a 7-day Benchmark (SONIA) of 2.2%. The slight underperformance can be explained by the decision to focus investments in overnight AAA rated Money Market Funds ensuring the highest liquidity and security in a financial environment where rates were volatile and economic uncertainty was high.

Borrowing Outturn

- 2.16 In order to fund cash-flow at the end of the year which historically is a period of higher expenditure and lower income a short-term loan was entered into. A sum of £5m was borrowed maturing after 11 days on the 3rd April 2023. The Council's underlying borrowing of £80m at an average rate of 2.3% in PWLB loans remained constant for the year.

Net Treasury Outturn

- 2.17 The Council budget for net borrowing costs of £1.608m – reflects the borrowing costs for the Council's historical Capital Programmes in past years alongside the 2022/23 Capital Programme and the use of reserves to balance the revenue budget. In order to minimise costs, internally generated cash flows were used before borrowing which resulted in lower borrowing costs than envisaged.
- 2.18 The arrangement to allow the Council to pre-pay its annual Pension contributions in a lump sum at the beginning of the financial year was extended for a final time in 2022/23 enabling the Council to benefit from the discount offered by the Pension Authority. This generated additional savings of £353k.
- 2.19 Cash balances were higher going into the start of the year than anticipated. The Council continued to benefit from the positive net cash-flow impact (primarily one of timing) of the numerous central government grants relating to COVID and other support schemes. However more significantly the much steeper increase in interest rates during 2022/23 (with both higher than anticipated interest rates and rates moving to those levels more quickly than anticipated) has led to an over achievement on investment income. Taken together with maximising the use of grants and other internal cash flow the actual level of borrowing costs in 2022/23 was £1.1m less than anticipated.

- 2.20 With the ending of the Pension Pre-Payment scheme, the catch-up in the Capital Programme expenditure following COVID and an overall running down of surplus cash through the use of reserves this level will not be sustained in future years. Whilst the Council will benefit from the higher interest rates on its investments as the Bank of England continue to increase the Base Rate the Council will also be faced with higher borrowing costs to fund its Capital Programme in future years.

Compliance with Treasury Limits

- 2.21 During the financial year the Council operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Policy Statement and annual Treasury Strategy Statement.
- 2.22 The Council's underlying need to borrow is called the Capital Financing Requirement (CFR) and is set out below. The CFR is simply the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources This includes PFI and finance lease schemes on the balance sheet, which increases the Council's borrowing need however no borrowing is actually required against these schemes as a borrowing facility is included in the contract.

	2022/23	2021/22
	£'000	£'000
Opening Capital Financing Requirement	213,725	214,602
Capital Investment		
Gross Capital Expenditure	23,701	27,221
Sources of Finance		
Capital Receipts	-262	-3,367
Government Grants and Other Contributions	-11,311	-21,962
Waste PFI Donated Asset Account	-89	-89
Direct Revenue Contributions	-3,390	
MRP	-2,302	-2,337
	<u>-17,354</u>	<u>-28,098</u>
Closing Capital Financing Requirement	<u>220,072</u>	<u>213,725</u>

- 2.23 The outturn for the remaining Prudential Indicators are as follows

Authorised limit	2022/23 Estimate	2022/23 Out-turn
Borrowing	£220m	£220m
Other long term liabilities	£20m	£20m
Total	£240m	£240m

Operational Boundary	2022/23 Estimate	2022/23 Out-turn
Borrowing	£225m	£225m
Other long term liabilities	£20m	£20m
Total	£245m	£245m

The Council has complied with all the relevant statutory and regulatory requirements which require the Council to identify and, where possible, quantify the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low-risk approach.

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 and these are likely to change over time to reflect current issues and risks. The position at the closure of the 2022/23 accounting year is as set out below.

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 a sum equivalent to 5% of the net revenue budget (c.£4.5m) has been considered to be the minimum prudent level, though this needs to be kept under review as risks change.	March 19 £9.060m March 20 £7.091m March 21 £10.327m March 22 £11.346m March 23 £11.077m

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 currently has the following earmarked reserves. Some of these have been approved for use as part of the 2023/24 budget, most notably £3.6m from the Future Funding reserve:

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 19 £2.952m March 20 £3.059m March 21 £2.909m March 22 £3.096m March 23 £3.084m
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 19 £0.101m March 20 £0.054m March 21 £0.193m March 22 £1.035m March 23 £0.036m
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 19 £2.290m March 20 £3.158m March 21 £2.929m March 22 £2.128m March 23 £2.096m
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 19 £1.558m March 20 £1.015m March 21 £2.141m March 22 £2.906m March 23 £2.307m
Discretionary School Carry Forwards	The statutory requirement to carry forward school balances has been extended to cover those held for Pupil Referral Units and the	As the Schools Budget is in an overall deficit position the balance on this earmarked reserve has been transferred to the Dedicated	March 19 £0.051m March 20 £0.023m March 21 £0.000m

Reserve	Purpose	Policy	Value
	Schools Specific Contingency as set out in the financial regulations.	Schools Grant Adjustment Account, a new unusable reserve, as required under the legislation for the financial years 2020/21 to 2025/26.	March 22 £0.000m March 23 £0.000m
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.	As the Schools Budget is in an overall deficit position the balance on this earmarked reserve has been transferred to the Dedicated Schools Grant Adjustment Account, a new unusable reserve, as required under the legislation for the financial years 2020/21 to 2025/26.	March 19 £1.577m March 20 -£0.141m March 21 £0.000m March 22 £0.000m March 23 £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.	As the Schools Budget is in an overall deficit position the balance on this earmarked reserve has been transferred to the Dedicated Schools Grant Adjustment Account, an unusable reserve, as required under the legislation for the financial years 2020/21 to 2025/26.	March 19 £0.459m March 20 £0.459m March 21 £0.000m March 22 £0.000m March 23 £0.000m
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 provisional and actual figures.	As the Schools Budget is in an overall deficit position the balance on this earmarked reserve has been transferred to the Dedicated Schools Grant Adjustment Account, a new unusable reserve, as required under the legislation for the financial years 2020/21 to 2025/26.	March 19 £1.093m March 20 £0.364m March 21 £0.000m March 22 £0.000m March 23 £0.000m
School Diseconomy Costs	An earmarked reserve set up in 2016/17 from the under spend on the Schools Budget to help finance the medium term cost pressure that will arise from new schools being built. These will generally open with relatively low pupil numbers and will therefore need additional financial support until pupil numbers reach a viable level.	As the Schools Budget is in an overall deficit position the balance on this earmarked reserve has been transferred to the Dedicated Schools Grant Adjustment Account, a new unusable reserve, as required under the legislation for the financial years 2020/21 to 2025/26.	March 19 £1.000m March 20 £0.746m March 21 £0.000m March 22 £0.000m March 23 £0.000m

Reserve	Purpose	Policy	Value
SEN Strategy Reserve	An earmarked reserve set up in 2017/18 from the under spend on the Schools Budget to help finance the additional medium term costs arising from implementation of the SEN Strategy, assisting with the early implementation of change to improve the outcomes of children and to explore the potential for different models of alternative provision.	As the Schools Budget is in an overall deficit position the balance on this earmarked reserve has been transferred to the Dedicated Schools Grant Adjustment Account, a new unusable reserve, as required under the legislation for the financial years 2020/21 to 2025/26.	March 19 £0.439m March 20 £0.356m March 21 £0.000m March 22 £0.000m March 23 £0.000m
Repairs & Renewals	The Council has accumulated funding in an earmarked reserve from service charges paid by tenants at Longshot Lane, Forest Park and Liscombe.	The reserve is held in order to finance future improvement works thereby reducing pressure on maintenance budgets.	March 19 £0.033m March 20 £0.046m March 21 £0.046m March 22 £0.057m March 23 £0.054m
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 19 £0.000m March 20 £0.000m March 21 £0.000m March 22 £0.000m March 23 £0.000m
Commutated Maintenance of Land	Money is received and set aside for the ongoing maintenance of land transferred to the Council under Section 106 agreements.	The reserve will be used to cover the cost of maintaining land transferred to the Council under Section 106 agreements.	March 19 £1.688m March 20 £1.636m March 21 £1.636m March 22 £1.622m March 23 £1.532m
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 19 £0.145m March 20 £0.145m March 21 £0.145m March 22 £0.145m March 23 £0.146m

Reserve	Purpose	Policy	Value
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 19 £0.090m March 20 £0.090m March 21 £0.113m March 22 £0.143m March 23 £0.138m
Transformation	A reserve to support investment in service innovation and improvements.	The reserve will be used to meet the upfront costs of the Council's business change programme.	March 19 £3.622m March 20 £3.179m March 21 £3.370m March 22 £3.499m March 23 £3.234m
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 19 £3.509m March 20 £10.781m March 21 £14.747m March 22 £16.071m March 23 £16.681m
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 19 £0.341m March 20 £0.373m March 21 £0.330m March 22 £0.200m March 23 £0.200m
Public Health	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 19 £1.560m March 20 £1.719m March 21 £2.513m March 22 £2.642m March 23 £2.139m
Better Care Fund	A reserve to help meet the cost of Better Care Fund priorities and projects.	The reserve will be used to fund Better Care Fund priorities and projects.	March 19 £2.092m March 20 £2.322m March 21 £3.034m March 22 £5.511m March 23 £2.614m

Reserve	Purpose	Policy	Value
Regeneration of Bracknell Town Centre	A reserve to help meet the cost of Council funded Town Centre initiatives	The reserve will be used to fund Town Centre initiatives.	March 19 £1.792m March 20 £4.313m March 21 £6.038m March 22 £8.036m March 23 £6.931m
London Rd Feasibility	A reserve which will be used to meet professional fees regarding the London Road landfill site.	The reserve will be used to cover professional fees relating to the feasibility study. It now includes contributions from the other Berkshire Unitaries.	March 19 £0.238m March 20 £0.212m March 21 £0.212m March 22 £0.191m March 23 £0.180m
Future Funding	A reserve which will be used to smooth the impact of changes in Business Rates income and central government funding decisions.	The reserve will help to balance the revenue budget over the medium term.	March 19 £19.822m March 20 £18.146m March 21 £18.424m March 22 £18.424m March 23 £19.924m
Dilapidations	A reserve to hold funds from tenants for end-of-lease property repairs and reinstatements.	The reserve will be used to carry out repairs and reinstatements to commercial properties required before they can be re-let.	March 19 £0.045m March 20 £0.045m March 21 £0.045m March 22 £0.045m March 23 £0.045m
Schools Support	A reserve to recognise the reduced scope within the dedicated schools grant to provide temporary loans to schools in financial difficulties	To ensure that government policy changes do not impact on the ability to provide temporary loans to schools	March 19 £0.350m March 20 £0.251m March 21 £0.251m March 22 £0.251m March 23 £0.251m
Waste PFI Excess Profits	A reserve to hold excess profits payments by the contractor under the Waste PFI scheme.	Excess profits payments are potentially repayable, depending on future performance, and have therefore been placed in a reserve.	March 19 £0.087m March 20 £0.124m March 21 £0.164m March 22 £0.302m March 23 £0.302m

Reserve	Purpose	Policy	Value
Feasibility Studies	A reserve to provide revenue funding in the event that proposed capital schemes do not proceed beyond initial feasibility stage.	Any upfront costs incurred prior to a decision being taken to construct an asset may need to be met from revenue.	March 19 £0.500m March 20 £0.394m March 21 £0.394m March 22 £0.394m March 23 £0.394m
New Schools	A reserve to help support the additional cost arising from new schools over the next four years	The reserve will be used to help meet the cost of new schools in the short term whilst they become established.	March 20 £0.662m March 21 £0.409m March 22 £0.182m March 23 £0.000m
CIL Administrative Costs	Up to 5% of CIL income can be used to meet administrative costs. Income in excess of the budgeted administrative costs will be transferred into this reserve at year end to meet future costs of administering the scheme.	The reserve will be used to meet administrative costs of the scheme where insufficient CIL is received in year.	March 20 £0.298m March 21 £0.298m March 22 £0.426m March 23 £0.625m
Covid-19	A reserve to hold revenue funding provided by Central Government to support the Covid-19 Pandemic.	The reserve will be used to match the grant income to the associated expenditure.	March 20 £2.289m March 21 £2.289m March 22 £2.289m March 23 £1.952m
Business Rates Revaluations	A reserve to guard against the impact of in-year Business Rates valuation adjustments	The reserve will be used to meet the cost of any significant downward Business Rates valuations.	March 21 £7.500m March 22 £7.500m March 23 £6.260m
Business Rates Reliefs	A reserve to reflect the timing difference between the receipt of S31 grant relating to new Business Rates reliefs and the funding of the resulting deficit on the Collection Fund.	The reserve will be used to meet any Collection Fund deficits relating to Business Rates reliefs agreed by the Government after the budget is set. Funding will be provided from S31 grant received in the previous year.	March 21 £13.047m March 22 £6.875m March 23 £4.480m
Street Works - Permit Scheme Reserve	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	March 22 £0.098m March 23 £0.109m

Reserve	Purpose	Policy	Value
		fenced and cannot be used for any other purpose.	
Inflation Reserve	A reserve that recognises the budget was set using the much lower inflation rates applicable in September 2021.	The reserve will be used to meet the additional inflationary pressures that arise in 2022/23 and beyond.	March 22 £1.500m March 23 £1.500m
Homebuyer Scheme Reserve	A new reserve to recognise that households on the scheme are under more pressure from the costs of rising interest rates and high inflation and may be unable to comply with current and historic payment arrangements.	The reserve will be used to help fund outstanding payments.	March 23 £0.048m
Street Works - Penalties Reserve	A new reserve created from Highways Network Enforcement income to help develop transport facilities and services in the future.	It is a regulatory requirement that any excess income from Highway Network Enforcement is used to develop, safe, integrated, efficient and economic transport facilities and services.	March 23 £0.194m
Carbon Reduction Initiatives Reserve	A new revolving invest to save reserve to support climate change / carbon reduction initiatives	The reserve will be used to help meet the cost of new initiatives.	March 23 £0.145m

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 19 £4.140m March 20 £8.250m March 21 -£11.378m March 22 -£6.247m March 23 -£6.542m
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 19 -£4.520m March 20 -£5.177m March 21 -£6.182m March 22 -£6.009m March 23 -£6.855m
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.	March 19 -£269.419m March 20 -£245.019m March 21 -£354.422m March 22 -£314.696m March 23 -£97.622m
Dedicated Schools Grant Adjustment Account	This is a new unusable reserve required under the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended by The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020.	If the Schools Budget is in a deficit position for the financial years 2020/21 to 2025/26 the balance is held against this account per the new legislation	March 21 -£2.626m March 22 -£9.340m March 23 -£15.477m

Virements between Directorates

Total	Explanation
<p>£'000</p> <p>780</p> <p>-815</p> <p>-128</p> <p>-783</p> <p>25</p> <p>1,726</p> <p>-780</p> <p>-25</p>	<p><u>Central</u></p> <p>An allocation from the Town Centre Regeneration Reserve to meet the costs of the Joint Venture.</p> <p>Revenue contributions towards capital expenditure.</p> <p><u>Delivery</u></p> <p>Revenue contributions towards capital expenditure.</p> <p><u>People</u></p> <p>Revenue contributions towards capital expenditure.</p> <p>S106 Suitable Alternative Natural Green Space (SANGS) contribution for Housing</p> <p><u>Non-Departmental / Council Wide</u></p> <p>Revenue contributions from directorates for capital expenditure.</p> <p>Funding the Joint Venture from the Town Centre Regeneration Reserve.</p> <p>Funding a Housing post from S106 in the Revenue Grants and Contributions Unapplied Reserve.</p>
0	Total Virements

Directorate Virements over £50,000

Debit	Credit	Explanation
£'000	£'000	
		Schools Budget
		The approved Scheme for Local Management of Schools sets out criteria under which school budgets will be adjusted to take account of changing circumstances. These can be in respect of local policy decisions or in order to comply with relevant legislation.
5,537		Funds Delegated to Schools
78		School Grant Income
	-676	De-delegated Budgets
	-52	Other School Services
1		Funds Delegated to Special Schools
	-3,155	Maintained Schools & Academies
	-49	Education out of School
	-1,684	EY Free Entitlement
		Re-categorisation of budget to support pupil inclusion
171	-171	Maintained Schools & Academies
		Other SEN Services
		The Education and Skills Funding Agency (EFSA) has confirmed changes to Dedicated School Grant funding in respect of deducting grant to be paid direct to the maintained schools that converted in-year to academy status and other minor adjustments.
15	-3,077	Funds Delegated to Schools
3,062		Non-Maintained Special Schools & Colleges
		Dedicated Schools Grant
8,864	-8,864	Total
		Delivery
		The responsibility for the post room has moved between Assistant Directors within Delivery.
437		Property Services - Office Accommodation
	-437	Customer Experience & ICT - Operations Unit
437	-437	Total

TO: The Executive
18 July 2023

Capital Programme 2022/23 Outturn
Director of Resources

1 PURPOSE OF REPORT

- 1.1 At its meeting on 24th February 2022, the Council approved a capital programme for 2022/23-2024/25. This report updates the Executive on the capital outturn expenditure position for 2022/23 and requests approval for the carry forward of the remaining capital programme, the majority of which is committed but not yet spent. The report also sets out how the 2022/23 expenditure is to be financed.

2 RECOMMENDATIONS

2.1 That the Executive:

- a) **Notes the outturn capital expenditure as outlined in Table 1 and detailed in Annex A**
- b) **Approves the carry forward of £34.114m from the 2022/23 capital programme to 2023/24 including those specific schemes listed in Annexe B**
- c) **Notes the financing of capital expenditure as shown in Table 2.**
- d) **To note the 2023/24 Budget amendments identified in para 5.10 relating to the Joint Venture**
- e) **Approve the supplementary capital approval of £0.081m for the increased costs associated with the Berkshire Records Office as outlined in para 5.11**
- f) **Approve the virements requested in para 5.13**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The reasons for the recommendations are set out in section 5 below.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not Applicable

5 SUPPORTING INFORMATION

Outturn Capital Expenditure

- 5.1 The capital programme budget for 2022/23 consisted of £58.792m on projects and programmes. The projected outturn is £23.701m (40% of approved budget). These figures remain subject to change, pending external audit. However, no significant movement is anticipated.
- 5.2 Table 1 summarises the outturn position for schemes managed by Directorates based on latest information available.

Table 1: Capital outturn for each Directorate

Capital Monitoring Out-turn 2022/23

Directorate/Service	Budget	Out-Turn	C/Fwd	Variance
	£'000	£'000	£'000	£'000
Central	23,743	13,325	10,397	-21
Delivery	10,622	4,405	6,179	-38
People - CYPL	12,049	2,871	8,513	-666
People - ASCHH	12,878	3,100	9,026	-252
Total	58,792	23,701	34,114	-977

Underspend

- 5.3 According to Financial Regulations, departments are required to manage their budgets to ensure that the overall department capital programme is not exceeded. As can be seen above the overall capital programme is underspent against budget. However, there are a number of individual variances which are required to be drawn to the attention of Members (>£50,000). The most significant areas of underspends are;

Adult Social Care, Health and Housing

- Heathlands (Underspend £250k)
There remain retention payments to be finalised however the overall spend is within budget and the balance of the contingency can be released as an underspend.

Children, Young People and Learning

- Warfield West Primary (Underspend £334k)
Unused contingency and an element of planned highway works not required.
- Ascot Heath Schools Amalgamation (Underspend £253k)
Unused contingency and some planned works not required as project proceeded.

Carry Forwards

- 5.4 The total carry forwards requested by service departments amount to £34.114m. Many of the projects are either close to being completed or are contractually committed and underway. A list of those schemes that had requested a budget carry-forward from 2021/22 into 2022/23 and have yet to see any expenditure incurred and for which a further carry forward into 2023/24 has been requested are summarised in Annexe B (only schemes relating to Central and Delivery Directorate fall into this category in 2022/23).
- 5.5 The most significant carry-forwards that have been funded from Council resources (as compared with grant funding which is automatically carried forward) are as follows:
- **Various IT Schemes (£0.4m)** – Budgets have been largely pooled into three main areas – Desktop, Infrastructure and Transformation. During the year

specific projects have been completed with many more in progress. It is proposed that the various budgets are once again pooled into these specific areas in order that future expenditure is more effective in the fast-moving pace of change that is being currently experienced in Information Technology.

- **Town Centre Redevelopment (£6.02m)** – The funding set aside for the redevelopment of the Town Centre through various schemes will be drawn down as the programme continues to roll out. Given the unfavourable economic conditions over the last 2 years the continued redevelopment of the town centre is dependent on other partners and driven by factors largely outside of the Council’s control.
- **Depot Project (£3.70m)** - Works recommenced in December 2022 following the administration of the original contractor. A new contractor has been engaged and currently works are progressing well as per programme.
- **Greening Project (£0.96m)** - The projects will be managed between BFC Construction and Maintenance and Atkins. Design works have commenced in November 2022 and construction will commence in Spring 23. One project is onsite with the remaining seven in design.
- **Ground Works - Market Street (£1.36m) & Depot (£0.4m)** – These complex agreements are progressing but with several different and complex streams, is likely to take some time to complete. This funding relates to the works funded from One Property Estate funding and does not include resources that the Council may contribute through the Joint Venture.
- **Replacement LED Street Lights (£0.37m)** – This is a continuing project and is expected to be completed in 2023/24
- **Bridgewell Supporting Living (£7.04m)** – A complex project that is still under development.

Use of capital resources

- 5.6 Capital expenditure can be financed from four main sources as shown in Table 2. These are Developers’ Contributions (S106 monies and Community Infrastructure Levy), Grants, Capital Receipts and Borrowing. A total of £16.3274m of government grants and other external contributions have been used to finance capital projects in 2022/23.

Table 2: Financing of Capital Expenditure

	£'000
Total capital expenditure	23,701
To be financed by:	
- Capital receipts	292
- Government Grants (including CIL)	11,311
- Capital Financing Requirement	8,738
- Direct Revenue Funding	3,390

Capital Financing Requirement (CFR)

- 5.7 As a result of the capital expenditure in 2022/23 the Council now has an overall capital financing requirement of £220.1m as at the 31 March 2023. The Council will

provide for the repayment of this through the minimum revenue provision which will be re-calculated for these out-turn figures using the policy agreed by Council and reflected in the Council's Budget.

- 5.8 The CFR represents the underlying need to borrow to fund capital expenditure that cannot be financed from other income sources. However, the actual need to borrow at any particular time is determined by the Council's overall cashflow requirements. The actual level of borrowing at the end of March 2023 was £85.0m with investments of £15.8m totalling net debt of £69.2m
- 5.9 Given that the level of capital expenditure incurred was less than budgeted and income from capital receipts over the last three years have been running at a level above projections the Council's long-term borrowings are lower than predicted. This has contributed to an underspend in the capital financing revenue budget, which is explained in more detail in the Revenue Budget Out-turn report elsewhere on the agenda.

Joint Venture (JV) Update

- 5.10 Council approved funding for the Joint Venture agreement in November 2022. These projects are to regenerate the Coopers Hill and Market Street site. These schemes are self-funding and the capital outlay will be recovered as highlighted below. Following discussions with our Capital and Treasury advisers and with CIPFA it is now deemed appropriate to show this expenditure within the Capital Programme rather than through the Revenue Account. As such the approved budget for Market Street JV will be included within the 2023/24 Capital Programme. Coopers Hill is complete and the expenditure has been reported above.

Table 3: Joint Venture

Joint Venture Cash Flow Projections

Scheme	2022/23	2023/24	2024/25	2025/26	Total
	£'000	£'000	£'000	£'000	£'000
Coopers Hill	2,430		-2,430		0
Market Street		12,500		-12,500	0
Total	2,430	12,500	-2,430	-12,500	0

Berkshire Records Office – Supplementary Capital Approval

- 5.11 West Berkshire has been leading on the extension of the Berkshire Records Office, for which it holds responsibility through a joint arrangement on behalf of the six unitary authorities. An options appraisal for additional storage has concluded that best value would be achieved by extending the existing Berkshire Record Office building. Approval for the construction of a two-storey extension has been agreed and under the terms of the joint arrangement the associated capital expenditure is to be apportioned amongst the six councils. A budget of £0.254m was agreed by Council for the 2023/24-2024/25 budget period.
- 5.12 However, as a result in delays due to planning conditions and the requirement to meet BREEAM ratings (BREEAM stands for Building Research Establishment Environmental Assessment Method. BREEAM is used to specify and measure the

sustainability performance of buildings, ensuring that projects meet sustainability goals and continue to perform optimally over time) and the resulting inflationary increases from this delay, costs have risen and additional budget provision of £0.081m is required. The overall project budget has increased by £1.058m and the additional sum required is the Bracknell Forest share by Council Tax base.

Budget Virements

- 5.13 A budget was agreed in 2022/23 for Borough Greening and Safety in the Delivery Directorate. Plans have been progressing through the year on specific projects and these have now been identified and will be managed under the Highways team – as such it is requested that the carry-forward budget of £0.14m be vired in 2023/24 to the Central Directorate.

6 Consultation and Other Considerations

Legal Advice

- 6.1 The authorisation for incurring capital expenditure by local authorities is contained in the legislation covering the service areas.

Financial Advice

- 6.2 The financial implications are contained within the report.

Other Consultation Responses

- 6.3 None

Equalities Impact Assessment

- 6.4 None

Strategic Risk Management Issues

- 6.5 The most significant risk facing the Council is the impact of the capital programme on the revenue budget. As the outturn is in line with that assumed in setting the 2022/23 budget the risk on the revenue budget has been minimised.

Contact for further information

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CENTRAL

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YL300 - SANG Maintenance	25,810	27,361	0	1,551
YL301 - SANG Enhancements	95,190	95,275	0	85
YL302 - SANG - Facilitation	12,160	0	10,510	-1,650
YM007 - Capitalisation of Revenue (Highways)	768,330	728,192	40,138	0
YM345 - Town Centre Redevelopment	6,080,560	58,478	6,022,082	0
YM387 - Binfield Community Centre	5,338,077	5,338,073	0	-4
YP003 - Mobility/Access Improvement Schemes	547,970	184,167	363,803	0
YP006 - Local Safety Schemes	70,000	13,652	56,348	0
YP113 - Road Surface Treatments	3,080,990	2,658,294	422,827	131
YP162 - Traffic Management Schemes	40,000	39,861	0	-139
YP225 - Traffic Modelling	80,480	0	80,480	0
YP269 - Residential Street Parking	130,000	37,903	92,097	0
YP456 - Update Traffic Signal Infrastructure	247,440	148,373	99,067	0
YP486 - Trees Woodland Management	8,950	0	8,950	0
YP510 - Management of Parks & Countryside Open Spaces	18,590	0	18,590	0
YP526 - Urban Tree Project (S106)	6,660	0	6,660	0
YP529 - Downshire Way duelling	0	-4,489	0	-4,489
YP537 - Look Out Parking Bay Programme	4,190	4,191	0	1
YP538 - Look Out Play Area/Exhibit Upgrade	28,720	28,717	0	-3
YP564 - Downshire Way Greening Works	135,280	11,939	123,341	0
YP568 - London Road A329 Greening	93,350	12,467	80,883	0
YP570 - Rights of Way (s106)	20,000	7,076	12,924	0
YP571 - Biodiversity (S106)	4,830	435	4,395	0
YP572 - Outdoor recreation at Horseshoe Lake CP (S106)	13,120	0	13,120	0
YP574 - Crowthorne Road A3095 Greening	33,420	12,665	20,755	0
YP576 - The Parks Sports Pitch Works	5,660	3,469	2,191	0
YP577 - LED Improvement Works	659,200	289,904	369,296	0

CENTRAL

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YP582 - Sports Centre Roundabout	3,400	3,397	0	-3
YP583 - Highway Maintenance - Lamp Columns	667,510	433,115	234,395	0
YP597 - P&C Education/Interpretation	13,130	0	0	-13,130
YP602 - Farley Wood Tennis Courts	3,000	3,000	0	0
YP603 - Major Improvements to Bridges	228,840	50,087	178,753	0
YP604 - Brock Hill Flood Alleviation	72,310	72,311	0	1
YP606 - Winkfield Biodiversity Enhancements (S106)	8,130	8,123	0	-7
YP607 - The Ice House at The Chestnuts (S106)	19,070	10,844	8,226	0
YP608 - Outdoor recreation at Horseshoe Lake (S106)	15,000	15,000	0	0
YP610 - Market Street JV	1,604,770	244,354	1,360,416	0
YP611 - Depot JV	399,450	0	399,450	0
YP613 - Public Art Peacock Meadows & Fulmar Square (S106)	121,250	94,267	26,983	0
YP616 - Snaprails Park - Play Area Renewal	80,000	78,709	0	-1,291
YP617 - South Hill Park - Play Area Renewal	80,000	80,000	0	0
YP618 - Transplant Field Bridge - Shepherd Meadows	55,000	52,796	0	-2,204
YP619 - Warfield Memorial Ground Entrance	300,000	0	300,000	0
YP625 - JV Drawdown	2,430,240	2,430,232	0	-8
YP626 - Calisthenics' Equipment - The Parks	40,000	0	40,000	0
YP631 - Bucklers Forest	17,283	17,283	0	0
YP644 - CCTV Upgrades	35,400	35,399	0	-1
Total	23,742,760	13,324,920	10,396,680	-21,160

DELIVERY

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YM181 - Capitalisation of Revenue (Budget only)	202,260	199,995	0	-2,265
YM244 - Improvements & Capitalised Repairs (Council Wide)	1,230,550	916,654	313,896	0
YM315 - Customer Relationship Management System	12,420	0	12,420	0
YM323 - Time Sq - Ehouse Network Link	12,900	12,900	0	0
YM374 - ICT Infrastructure	318,880	263,293	55,587	0
YM376 - ICT Digital Strategy	4,500	0	4,500	0
YM377 - ICT Transformation Bids	17,590	0	17,590	0
YM378 - Property Review Feasibility	284,430	107,267	177,163	0
YM393 - Depot Project	4,880,160	1,147,173	3,732,987	0
YM394 - Napier Road WC Demolition	8,490	8,899	0	409
YM395 - TS Community Hub	18,500	16,801	0	-1,699
YM397 - Hybrid Working	160,000	147,151	12,849	0
YM398 - Homeworking Equipment	100,000	44,401	55,599	0
YM399 - Computer Equipment Refresh	469,560	469,564	0	4
YM400 - Core Networks	492,260	232,553	259,707	0
YM401 - Birch Hill Toilets	98,180	98,184	0	4
YM402 - Greening Energy	1,030,000	63,658	966,342	0
YP349 - Green & Blue Waste Bins	98,970	98,968	0	-2
YP485 - Bracknell Library - Introduction Self Service	4,810	4,815	0	5
YP555 - Waste Collection Vehicles	111,540	111,543	0	3
YP558 - DGC Equipment Replacement	38,700	29,310	9,390	0
YP579 - Library Printers	13,610	1,565	12,045	0
YP588 - Libraries - Replacement of Public PC's	2,620	2,623	0	3
YP590 - Splash Pad (s106)	52,170	0	18,000	-34,170
YP612 - Opladen Way	119,600	0	119,600	0
YP615 - Borough Greening & Safety	300,000	159,185	140,815	0
YP621 - CCTV at Car Parks	51,500	0	51,500	0

DELIVERY

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YP622 - London Road Landfill Works	50,000	32,806	17,194	0
YP623 - TLO & CR Vehicle Monitoring System	48,500	14,549	33,951	0
YP627 - Coral Reef Gift Shop	360,000	192,097	167,903	0
YP643 - Litter Bins	29,370	29,365	0	-5
Total	10,622,070	4,405,319	6,179,038	-37,713

CYPL

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YS001 - Ascot Heath Security	46,000	0	0	-46,000
YS006 - Wildridings Security & Safeguarding	1,930	0	0	-1,930
YS008 - Youth Services 20-21 Market St Refurb	18,950	0	0	-18,950
YS060 - Delegated Capital HOLDING CODE	4	0	4	0
YS285 - Planned Maintenance Fees	1,867,293	1,088,076	779,217	0
YS065 - Delegated Capital Ascot Heath Primary	55,167	31,864	23,303	0
YS068 - Delegated Capital Birch Hill Primary	44,674	0	44,674	0
YS070 - Delegated Capital College Town Primary	46,422	26,000	20,422	0
YS072 - Delegated Capital Cranbourne Primary	20,199	4,772	15,427	0
YS074 - Delegated Capital Crowthorne Primary	34,629	4,395	30,234	0
YS075 - Delegated Capital Fox Hill Primary	31,854	7,953	23,901	0
YS078 - Delegated Capital Harmans Water Primary	30,319	9,888	20,431	0
YS079 - Delegated Capital Holly Spring Primary	67,821	23,671	44,151	0
YS081 - Delegated Capital Meadow Vale Primary	54,151	0	54,151	0
YS082 - Delegated Capital New Scotland Hill Prim	29,624	16,673	12,952	0
YS083 - Delegated Capital Owlsmoor Primary	47,897	9,230	38,667	0
YS086 - Delegated Capital Sandy Lane Primary	39,146	39,146	0	0
YS090 - Delegated Capital St Mary's CE Primary (Winkfield)	38,778	20,000	18,778	0
YS093 - Delegated Capital Uplands Primary	32,036	8,180	23,856	0
YS094 - Delegated Capital Warfield CE Primary	55,440	9,890	45,550	0
YS095 - Delegated Capital Whitegrove Primary	31,621	8,166	23,455	0
YS096 - Delegated Capital Wildridings Primary	27,404	8,400	19,004	0
YS097 - Delegated Capital Wooden Hill Primary	38,184	19,927	18,257	0
YS099 - Delegated Capital Easthampstead Park	21,650	21,650	0	0
YS101 - Delegated Capital Garth Hill	145,979	91,281	54,698	0
YS104 - Delegated Capital Kennel Lane	42,103	42,103	0	0
YS105 - Delegated Capital College Hall PRU	30,320	8,597	21,723	0

CYPL

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YS120 - Holly Spring Primary Self Managed Capital	118,786	19,690	99,096	0
YS123 - Holly Spring Schools Amalgamation	27,417	0	0	-27,417
YS128 - Primary SEMH HUB	700,000	0	700,000	0
YS129 - Schools Decarbonisation Works	62,972	29,530	33,442	0
YS132 - Meadow Vale School Managed Receipt	187,500	0	187,500	0
YS221 - School Security & Safeguarding	3,699	3,530	169	0
YS222 - Sandy Lane School Improvement	16,223	961	0	-15,262
YS223 - Crowthorne Security	17,000	17,000	0	0
YS224 - Uplands - Security Fencing	36,000	29,926	6,074	0
YS225 - Sandy Lane - Fire Alarm	75,000	0	75,000	0
YS226 - Wildridings - Fire Exits	35,000	0	35,000	0
YS227 - Birch Hill - Security Fencing	64,000	0	64,000	0
YS241 - Warfield - Migration Highway Works	633,000	298,852	0	-334,148
YS290 - RCCO Related School Spending	408,417	408,417	0	0
YS324 - Devolved Capital The Pines Primary School	35,880	13,565	22,315	0
YS330 - School Feasibility Study	55,718	0	55,718	0
YS350 - Birch Hill Modular Refurbishment (SEN)	15,000	0	15,000	0
YS351 - Holly Spring Fusion (SEN)	99,163	4,407	94,756	0
YS352 - Pines Orchard Outside Space (SEN)	30,000	29,910	0	-90
YS353 - Edgbarrow Changing Room Refurbishment (SEN)	30,000	30,000	0	0
YS372 - Garth Hill College - Atrium Balconies	150,000	0	150,000	0
YS437 - Kennel Lane School Improvement	113,953	113,953	0	0
YS441 - College Hall Security	4,602	0	0	-4,602
YS466 - Nursery Provision	398,945	-4,359	403,304	0
YS470 - High Needs Provision Capital	3,195,564	0	3,195,564	0
YS483 - Special Provision Capital Birch Hill	9,191	0	9,191	0
YS484 - Special Provision Capital Sandy Lane	10,000	0	10,000	0

CYPL

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YS495 - Special Provision Capital Young Peoples Oasis	55,927	0	55,927	0
YS496 - Special Provision Capital Binfield	684	0	684	0
YS497 - Special Provision Capital Owlsmoor	28,000	20,993	7,007	0
YS503 - Crown Wood Primary	-20,000	-20,000	0	0
YS515 - Project Management	132,729	132,729	0	0
YS554 - Warfield West Primary	-9,427	-9,427	0	0
YS556 - Binfield Learning Village	20,000	0	20,000	0
YS558 - Ascot Heath Schools Amalgamation	209,011	1,630	0	-207,381
YS560 - Pines Primary - Maintenance	0	1,620	-1,620	0
YS566 - Asbestos Management - Non Schools	5,000	0	5,000	0
YS567 - S106 Ascot Heath Primary	65,842	0	65,842	0
YS569 - Braccan Walk Youth Centre	13,265	3,404	0	-9,861
YS572 - Easthampstead Park Refurbishment	26,887	26,887	0	0
YS585 - Basic Need Grant	898,886	0	898,886	0
YS589 - Special Provision Capital Fund	739,049	0	739,049	0
YS606 - S106 Priestwood Nursery Facilities	16,610	3,802	12,808	0
YS624 - King's Academy	432,000	214,000	218,000	0
YS654 - Holly Spring Infant & Junior	2,087	0	2,087	0
	12,049,175	2,870,882	8,512,654	-665,641

ASCHH

Capital Monitoring Out-turn 2022/23

Scheme	Budget	Out-Turn	C/Fwd	Variance
YH016 - Disabled Facilities Grant	2,187,750	818,247	1,369,503	0
YH021 - Tenterden Modular	50,615	48,317	0	-2,298
YH022 - Move-On Properties	971,070	971,069	0	-1
YH023 - Housing Capital Works	275,000	98,102	176,898	0
YH024 - One Bedroom Purchase Programme	11,810	11,808	0	-2
YH028 - Boyd Court	50,000	49,999	0	-1
YP261 - Help to Buy a Home (Cash Incentive Scheme)	332,490	160,896	171,594	0
YS625 - Heathlands Re-Development	1,375,129	861,001	264,000	-250,128
YS626 - Assessment Suite at Waterside Park	74,255	74,255	0	0
YS627 - Bridgewell Supporting Living	7,050,000	6,156	7,043,844	0
Total	12,378,119	3,099,850	9,025,839	-252,430

Carry Forward requests where budget was carried forward from 2021-22 into 2022-23 and there has been no expenditure in 2022/23 and budget was not Grant Funded. All Grant funding is automatically carried-forward.

Central Directorate - Special Carry - Forwards 2022/23

Scheme	Budget	B/Fwd	Actuals	C/Fwd	Notes
YL302 - SANG - Facilitation	12,160	46,290	0	10,510	Planning permission achieved winter 2022. Practical completion of these works require construction alongside lake and water table needs to be as low as possible. Contractor has insisted work is completed late spring / summer 2023.
YP225 - Traffic Modelling	80,480	80,480	0	80,480	Local Plan modelling work has been extended due to the examination process. Modelling work will now begin on final phase following inspectors report
YP486 - Trees Woodland Management	8,950	8,950	0	8,950	Obligation to establish trees to independence remains, with a proportion of trees having been lost in exceptional dry weather events in previous years. Carry forward required to ensure replanting successful.
YP510 - Management of Parks & Countryside Open Spaces on Confirm	18,590	18,590	0	18,590	Delivery of long-term project, linked to the dates of expiry of an existing software package (Confirm) and to the availability of a new system (Karbontech) Business Analysts commenced and significantly progressed preparatory works in 2022/23 with recommendations due in 2023-24
YP526 - Urban Tree Project (S106)	6,660	6,660	0	6,660	Obligation to establish trees to independence remains, with a proportion of trees having been lost in exceptional dry weather events in recent years. Carry forward required to ensure replanting.
YP572 - Outdoor recreation at Horseshoe Lake Country Park (S106)	13,120	13,120	0	13,120	This cost centre is for BFC elements of works. Planning approval given Ref. 21/01069/3. Existing bund removed by P&C rangers. Storage compound work began on 12th January by Ringway but paused after one day due to wet ground conditions, due to restart after Easter. Car park works will follow the completion of the compound.
YP611 - Depot JV	399,450	399,450	0	399,450	Depot project for surplus land has been paused. Anticipated update by November 2023 by which time Executive approval should be achieved.
Total	539,410	573,540	0	537,760	

Delivery Directorate - Special Carry - Forwards 2022/23

Scheme	Budget	B/Fwd	Actuals	C/Fwd	Notes
YM315 - Customer Relationship Management System	12,420	12,420	0	12,420	IT Projects continually evolve and new opportunities for improving the Council CRM are being reviewed
YM376 - ICT Digital Strategy	4,500	4,500	0	4,500	Small budget that will be amalgamated into new projects in 2023/24
YM377 - ICT Transformation Bids	17,590	17,590	0	17,590	Small budget that will be amalgamated into new projects in 2023/24 as additional transformation proposals are brought forward.
YP590 - Splash Pad (s106)	52,170	52,170	0	18,000	Completion delayed - Handover 01/04/22 Retention invoice (£18k) delayed due to snagging issues being resolved between EA and the supplier. Remaining budget after retention payment is underspend.
YP612 - Opladen Way	119,600	119,600	0	119,600	Grant funding 22-24 works. This project forms part of a larger development scheme to create housing units for short term let. The Council's Managing Partner commissioned to undertake a high-level feasibility study to create housing units and create a new service road. Feasibility study completed. Approved by Executive on 7th Feb. Atkins commissioned for RIBA 3-6. It is suggested that this budget also merges with that held by Housing to form one scheme/project. It is one overall project but OPE funding has been secured for the service road etc, but Housing have the budget for the houses and the service road can't be finished until the houses are finished. Budget to be amalgamated with the Housing Service
Total	206,280	206,280	0	172,110	

To: THE EXECUTIVE
Date: 18 July 2023

High Street Multi Storey Car Park – Structural Issues Executive Director: Delivery

1. Purpose of Report

- 1.1. To provide an update summarising the findings of structural inspections and intrusive surveys completed on the High Street Car Park by the Council's appointed Structural Engineers, May 2023.

2. Recommendation(s)

That the Executive agrees:

- 2.1. That the High Street Car Park be closed at the end of October 2023, following the recommendation made by Structural Engineers.
- 2.2. That the Assistant Director, Property engages with stakeholders affected which includes the commercial unit tenants (9), Council staff, season ticket holders, Town Centre partners and other parties that have an interest to ensure the implications of this decision are understood.
- 2.3. Savings that will be realised in expenditure budgets in the current year from the mid-year closure be used to fund decommissioning work including erecting hoarding, securing the site, and commissioning pre and post decommissioning structural surveys.
- 2.4. To add the High Street Car Park site to the Bracknell Town Centre Southern Gateway site masterplan area. Outline plans for which will be presented for consideration to the Executive in Autumn 2023.

3. Reasons for Recommendation(s)

- 3.1. The Council's structural engineers, advised the council in December 2022 to reduce the number of available spaces in the High Street Car Park by closing every 3rd parking space, which was implemented. A further structural survey was commissioned and undertaken by the structural engineers in May 2023, which with a recommendation that the car park be closed no later than December 2023, as it has reached the end of its design life.

4. Alternative Options Considered

- 4.1. The structural engineers report sets out a number of options that could be pursued. The only viable alternative presented was that loading (usage) of the site could be further reduced from 60% of bays available to 30%. This could extend the life beyond the December 2023 date. However, an increase regime of monitoring would be needed to offset the increasing risk of structural failure. This was therefore rejected as an option.

5. Supporting Information

Background

- 5.1. High Street Car Park, was built in the 1970s and is constructed as a reinforced concrete structural frame. It spans a split level of 9 floors, over 23,000m² with a total of 980 parking spaces. The upper levels are accessed from The Ring, with the industrial units located at Ground level and lower ground level accessed via Market Street. Additionally, there is a large underground surface water attenuation chamber which covers the majority of the above ground structural area and part of the concrete apron within the Market Street section of the building.
- 5.2. Since 2018 there has been an annual programme of re-covering the top surface of the car park floor after sections had started to show signs of wear and cracking. The first year's programme showed a number of variations during the project. After stripping the surface back to exposed concrete, the number of concrete repairs works from the deck were found to be larger than first anticipated.
- 5.3. As a result, specialist structural engineers, were commissioned to initially look at the areas of concern. However, this review was expanded to the whole structure following their on-site investigations. A series of inspections were then undertaken between October 2020, to date.
- 5.4. A report received from the structural engineers on the 20th December 2022 advised that the council should immediately reduce the current load per floor. This was actioned on the 21st December 2022 (as per the below image). A further survey was undertaken in May 2023 with a recommendation stating the car park will be required to be closed no later than December 2023, due to the level of corrosion within the concrete reinforcement, which cannot be reversed or remedied.
- 5.5. Further, the structural engineers report indicated that the car park is now unlikely to meet current Building Regulations and requires risks to be controlled to a standard that is "as low as reasonably practicable". Calculations indicate the structure to be below the required standard of reliability and that loss of strength is ongoing due to active corrosion.



- 5.6. Below the High Street Car Park, there are 9 commercial units. These yield income of £194,123 2022/23. In addition, within the 9 units, 2 are leased for council services (New Hope and Tuition Services). A visual inspection of the lower ground

commercial units, under the car park, was carried out by the structural engineers on 26 January 2023 to determine the structural condition. At that stage, it was considered by the structural engineers that the 9 commercial units could stay operational until the end of 2025. This with a view that if any further significant structural issues were highlighted with the building, this date would need to be revised.

- 5.7. The table below shows the expenditure and income for the High Street Car Park in the current and previous financial year, excluding the commercial units.

	2022/23 Budget (£000)	2022/23 Actuals * (£000)	2023/24 Budget (£000)
Income Total	-545	-399	-528
Expenditure Total	380	339	488
Surplus	-166	-60	-40

* An allocation was made from the corporate contingency at the end of 2022/23 to mitigate the shortfall in parking income, which had been identified as a corporate risk in the approved budget

Current Position – Case for Closure

- 5.8. Within the May 2023 report from the structural engineers, there was a recommendation that regular inspections of the car park would be required, whilst the car park remains operational. Ongoing inspections have been scheduled.
- 5.9. An option to reduce the load on the structure further, to increase the duration of use was discounted, on the basis that the car park would be practically unusable and expenditure would continue to be incurred. Closing the car park would enable some of the budgeted costs to be avoided, including business rates, utility costs and repairs and maintenance, although others such as car park operator costs would continue to be incurred with staff deployed to other facilities. To comply with recommendations the car park is required to be closed by December 2023. It is proposed to close the car park to vehicles by the end of October 2023 to allow the decommissioning works and hoarding to be erected. Closure at this point would enable cost savings of around £130k to be realised in the final 5 months of the current financial year. In addition closing the car decks will enable the commercial units underneath to continue to operate safely.
- 5.10. The decommissioning work will take approximately 10 weeks to complete. The high level cost estimate for decommissioning the building and securing the site are in the region of £100k. In addition, there may be a requirement for ongoing site security, costing in the region of £500 per month, plus costs to service the fire alarm of £2,000 per quarter, which is expected to be a requirement of the Council's insurers. At this stage, it is estimated that costs totalling around £106.5k will be incurred during the current financial year, after the car park is closed to customers. These costs can therefore be contained within savings on the existing expenditure budgets realised by an October closure. There will be a requirement to carry out regular structural inspections on a quarterly basis while the commercial units continue to be occupied, currently until the end of 2025. Further discussions will also be required with the Council's insurers to ascertain the ongoing level of security and maintenance that

would be required, until the building has been demolished. An appropriate provision for on-going costs will need to be included in the 2024/25 budget.

- 5.11. A section at the southern end of the car park is owned by Columbia Bracknell Ltd (110 spaces across 3 floors), who have a flying freehold over the access roads that the Council own on the ground level. Initial research shows the section of the car park owned by Columbia Bracknell Ltd and the Council appear to be 2 separate structures, however at this stage further surveys will be required to ascertain if they share the same foundations and floor slab. Columbia house have commissioned their own survey, the results of which are currently awaited. Once known, Columbia House will advise the Council how they will be progressing with their car park.

Mitigation for Loss of Parking

- 5.12. The High Street Car Park has traditionally been used as the car park of choice for season ticket holders and BFC staff parking. There are currently 44 season ticket holders. There is a requirement for BFC to give season ticket holders 1 months notice, where they can either surrender their ticket, or move to Braccan Walk Car Park.

Across the town centre parking portfolio there are more than 3,000 spaces. Even prior to Covid-19 there has always been surplus space.

- 5.13. The Avenue car park has 1,200 spaces and became operational in September 2017. This is the shoppers' car park of choice, which rarely reaches capacity except in the pre-Christmas period. High Street Car Park has been particularly affected by a reduction of season ticket users and staff usage, now that working from home, for part of the week, is the norm in both the public and private sectors. It is the least used site of the 3 multi storey car parks. In September and October 2020, vehicle numbers were less than 8,000 per month with the number of spaces and space turnover at near full capacity you would be expecting to see 1,500-2,000 vehicles per day. Prior to Covid-19 the average monthly usage was in the region of 20,000 vehicles.
- 5.14. There is sufficient capacity in the town centre car parks to support current usage levels, therefore the potential exists to re-capture a large part of income currently being generated. However, the Princess Square Car Park, being the closest to High Street, is not owned by the Council. Work is in progress to estimate the potential loss of car parking income to BFC overall when the High Street Car Park is closed.
- 5.15. There are currently 6 EV charging points in High St Car Park, which are expected to be relocated to Braccan Walk, once the electrical loading capacity has been confirmed adequate.

Staff

- 5.16. Within Time Square ground floor and lower floor car parks, staff currently have 147 car parking spaces, which includes 9 disabled parking bays. There are currently 317 essential car users, who park at Time Square. Therefore, overflow needs for all staff will move from High Street Car Park to Braccan Walk Car Park, which has capacity.

Demolition and Future Plans

- 5.17. The high level costs to demolish the car park are in the region of £4.2m. A project team has been established and will report later in the year, on the details of such a

scheme and estimated costs. In anticipation that demolition of the High Street Car Park will be required at some point, a submission has been made to the Brown Field Land Release Fund, to request grant funding of £2.75m, to assist with these costs. Results of the funding request are expected to be announced during late Summer 2023.

6. Consultation and Other Considerations

Legal Advice

- 6.1. The Council's registered title to the High Street Car Park is complex. There are rights granted to the Property and rights reserved out of it over adjacent properties that will need to be considered in any future dealings with the car park. The title includes the northern footbridge over the Ring which must be maintained by the Council, and contains obligations for maintenance of the south end lifts and lift wells and lobby in the southern part of the Car Park. There are also clawback provisions resulting in a payment to Homes England if the property is to be used for a different purpose or transferred, and any disposition would require the consent of BRP.
- 6.2. Moving the development forward, legal advice will be required to cover the following elements:
1. Procurement of a contractor for a significantly sized development.
 2. Requirements under the Party Wall Act, especially if new piles are to be used as part of the design.
 3. Displacement of retail units, including cessation of tenancies.

Financial Advice

- 6.3. The anticipated financial implications of the proposal in the current financial year are included in the body of the report. Detailed consideration will need to be given to future expenditure and income budget requirements as part of the 2024/25 budget preparations.

Other Consultation Responses

- 6.4. Contract Services – Parking management and enforcement

Equalities Impact Assessment

- 6.5. There are no equalities issues arising at this stage.

Strategic Risk Management Issues

- 6.6. Not considered at this stage.

Climate Change Implications

- 6.7. Not considered at this stage.

Background Papers

Appendix A – Structural Engineer Executive Report – Dated 16 May 2023 (Confidential)

Contact for further information

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To: **Executive**
18th July 2023

Bracknell Town Centre Development - Market Street Site **Executive Director: Resources**

1 Purpose of Report

- 1.1 The Council has previously agreed to support the re-development of its Market Street site by the Bracknell Forest Cambium Partnership to deliver 169 new residential units, of which 48% are affordable, with commercial space on the ground floor of the planned three buildings. This report highlights that, while the overarching objectives and financial parameters of the scheme remain broadly in line with those previously agreed, some flexibility is needed to the nature of the Council's involvement to help maintain the development as a viable proposition.

2 Recommendation(s)

- 2.1 **That the Executive confirms its continuing support for the Market Street development and agrees proposed changes to the Council's previously agreed position as set out in paragraphs 1.4.1 – 1.4.4 of the confidential Appendix A, including notably:**

2.1.1 Supporting a 10% increase to the Council's 50% contribution to the development costs, reflecting increased construction costs and re-phasing of expenditure, noting that this has no impact on the Council's financial position due to the loan note mechanism in the Bracknell Forest Cambium Partnership legal agreements;

2.1.2 Delegating authority to the Assistant Director: Commercial Services to enter into an agreement with the Bracknell Forest Cambium Partnership for required off-site car park provision.

- 2.2 **That the Executive, looking ahead to future town centre development, requests the Executive Director for Place, Planning and Regeneration to review the Council's current town centre parking standards and identify a range of future options to reduce reliance on car usage and promote the use of more sustainable public and private transport solutions that align with the Council's climate change ambitions for the Council itself and the Borough of Bracknell Forest.**

3 Reasons for Recommendations

- 3.1 The proposed changes to the previously agreed approach to the Market Street site, being developed through the Bracknell Forest Cambium Partnership, respond to the development's overall viability challenges and provide the best solution to ensure the Council's previously agreed outcomes of additional affordable housing are delivered.

4 Alternative Options Considered

- 4.1 The Council could withdraw its support for the scheme at this stage. This is not recommended, as the Council would become liable for 50% of costs incurred on the scheme to date and delivery of a significant number of new homes, 48% of which would be affordable, would be lost. The Market Street site has remained in its undeveloped state for over 20 years, which reflects the difficulty in bringing it forward for development. In this context, it is unlikely to attract significant alternative market interest and would remain derelict for the foreseeable future, should the proposed scheme not be progressed.

5 Supporting Information

- 5.1 Following a strategic options appraisal, the Council's Executive agreed in February 2019 to establish a joint venture partnership as the optimum approach to securing delivery of its regeneration objectives, articulated in the Bracknell Town Centre Vision 2032. Over its lifetime, the Bracknell Forest Cambium Partnership will play a prominent role in realising Bracknell's full potential, building on the success of the Lexicon development, bringing expected investment of over £0.25bn, around 1,000 new homes and an additional 35,000sqft of new commercial and retail space. The Council's agreed objectives for the Joint Venture (JV), which provide the focus for its business plan and individual site development plans, are to:

- support and help the Council deliver its strategic plan.
- proactively facilitate the physical delivery of the strategic vision for the town centre;
- deliver new commercial and residential uses that support the on-going regeneration of the town centre contributing to economic development, and a balance of daytime and evening trade and activity;
- deliver development of high design quality, setting the bar for further future development;
- enable the provision of affordable residential homes, space for specific commercial occupiers and typologies, and new community facilities to ensure development delivers benefits for all;
- maximise regeneration potential by responding flexibly to each opportunity and leveraging development expertise and resource to identify new opportunities, including with other public sector partners; and
- provide long term revenue streams to the Council to support future service delivery and furtherance of the objectives under the Council's strategic plan whilst managing risk exposure per site.

- 5.2 The Council's prime driver in establishing the JV was and remains to secure on-going regeneration of Bracknell town centre specifically and the wider Borough more generally. Its 50% stake in the Joint Venture enables the Council to exercise control over the nature and timing of development proposals brought forward for Council-owned sites. The Council has shared development funding obligations and benefits from the associated returns generated from development sites. Those returns can be used to support essential Council services and secure wider objectives, such as supporting the delivery of affordable housing on future development sites. The development at Market Street is the second under this strategy to reach the final approval stage, following Coopers Hill which is at an advanced stage of construction and attracting positive market interest.

- 5.3 The Council [minute 23, 30 November 2022) has previously approved a Settled Site Development Plan (SSDP) for the Council-owned Market Street site adjacent to The Point building, having agreed the build form, quantum and tenure mix for the development through the Planning Committee [minute 113, 23 February 2022]. In response to inflationary increases in build costs, Government restrictions on rent levels charged by registered social landlords and changing building regulations, amendments to this were approved through the urgency procedures by the previous Council Leader on 24 April 2023. These decisions recognised the Council's agreed objective of securing a deliverable development on the site that fulfilled the Council's objectives for Bracknell town centre development through the Bracknell Forest Cambium Partnership (a joint venture between the Council and Countryside Developments UK).
- 5.4 These decisions have led to a currently approved scheme for the Market Street site with the following key metrics:
- 169 residential units in 3 blocks, with 88 for private sale and 81 (48%) affordable, exceeding the Planning Policy requirement for 25%, supported by £0.5m of moneys secured by the Council through s106 agreements for affordable housing with a significant additional contributions from a registered social landlord;
 - Development funding requirements being jointly supported by both JV partners and attracting loan note interest;
 - Parking to be provided through a mix of on-site (86) and off-site provision (50 residential, 16 commercial related to ground floor usage) in Council-owned car parks.
- 5.5 Government policy changes over the past 9 months have affected offers from registered social landlords to purchase the affordable units in the development, which were finally received in early June. Negotiations are on-going to conclude legal agreements with the preferred bidder.
- 5.6 Should it be possible to conclude legal agreements, a construction period of around 3 years will follow. The Joint Venture partners have a shared obligation to fund development costs as they are incurred. Current calculations show that the peak development funding requirement has risen by around 10% from previous estimates, due to increases in construction costs and revised scheme phasing. With all development financing attracting loan note interest, this has no net impact on the Council's budget.
- 5.7 A legal agreement will need to be entered into between the Council and the Cambium Partnership setting out the detailed requirements of the off-site parking provision and the charges to be made for the number of spaces. It is proposed that the Assistant Director: Commercial Services be authorised to agree the scale and pricing for this provision, recognising the material one-off and on-going financial benefits that will accrue to the Council from the development.
- 5.8 To secure delivery of further residential accommodation in Bracknell town centre, while having regard to its climate change ambitions, it is recognised that the Council may need to take a different approach to parking standards. It is proposed that the Executive Director for Place, Planning and Regeneration review the Council's town centre parking standards and identify a range of options to reduce reliance on car usage and promote the use of more sustainable public and private transport solutions that align with the Council's climate change ambitions for the Council itself and the Borough of Bracknell Forest. This will be addressed in the Council's new Local

Transport Plan which will commence this summer once the government's guidance is published.

6 Consultation and Other Considerations

Legal Advice

6.1

Financial Advice

6.2 The driver for the Council in establishing the Bracknell Forest Cambium Partnership was to secure on-going regeneration of Bracknell town centre and its surrounding areas, rather than to achieve a financial reward. It is estimated that the proposals set out in this report and those that have preceded it regarding the Market Street site will secure, at worst, a financially neutral outcome while delivering additional residential accommodation with a large proportion of affordable units.

Other Consultation Responses

6.3 Use of both health services and school provision by residents of this development were considered as part of the planning application decision process. The Council collaborates with partners on allocations of services within the local plan.

Equalities Impact Assessment

6.4 NA

Strategic Risk Management Issues

6.5 Commercial development, by its nature, cannot be risk free. The establishment of a JV with an experienced development partner to co-develop sites and the approach set out in the JV Business Plan agreed February 2022 has been intended to strike a balance between minimising the Council's risk exposure while allowing it to achieve its regeneration objectives for Bracknell town centre. Not to develop the Market Street site due to current market conditions and leave undeveloped would result in the resultant loss of valuable housing close to the town and associated social and economic benefits that this brings.

Climate Change Implications

6.6 The Joint Venture is committed to building in an environmentally responsible and sustainable manner. Further information is available in the Partnership's Sustainable Development Policy. The Market Street development will have a number of sustainability measures included in the development

Health & Wellbeing Considerations

6.7 NA

Background Papers

Appendix A – Supporting Information [Official Sensitive (Commercial)]

Contact for further information

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To: **Executive**
18th July 2023

STRATEGIC PROCUREMENT PLAN
Independence Support & Supported Living Flexible Framework
Executive Director of People

1. Purpose of Report

1.1 To seek Executive approval for the Strategic Procurement Plan (SPP) to tender for an “Independence Support & Supported Living Flexible Framework” to commence on 1st January 2024 for an initial 3 year term with the option to extend by up to a maximum of 3 years (including individual 1-year extensions or a combination thereof).

2. Recommendation(s)

2.1 Executive to approve the Strategic Procurement Plan for procuring an “Independence Support & Supported Living” service through a flexible framework under the Light Touch Regime as detailed in the Strategic Procurement Plan.

2.2 Executive to delegate authority for the Supported Living Flexible Framework award decision to the Executive Director, People, following consultation with the Executive Member for Adult Services, Health and Housing.

3. Reasons for Recommendations

3.1 The procurement will ensure the council meets its statutory duties of The Care Act 2014 which sets out clear expectations for local authorities, including:

- ensuring that people in need of services have a wide range of choice and are supported and encouraged to make their own decisions about their care
- ensuring sustainability of the market and sufficiency of provision
- ensuring appropriate oversight of delivery and the accountability of providers

3.2 A Flexible Framework ensures a compliant approach to contracting with supported living providers. The Framework will provide an overarching specification with required standards and outcomes to be met. This will provide a consistent approach to contract monitoring and quality assurance.

3.3 A Flexible Framework allows a fair, transparent, and consistent approach to sourcing provision. All providers that are successful in their bid to join the Framework will be able to bid for individual packages with a robust, transparent call-off process in place, ensuring good outcomes and value for money.

3.4 A Flexible Framework allows the council to specify a pricing structure as part of the tender process. This will facilitate a fair and transparent approach to pricing and once fully mobilised will enable the council greater control of costs and ability to forecast spend.

3.5 The Framework Lots will each set out clear criteria and requirements for the support provision. This helps to set expectations for each type of service both in terms of activity and cost.

3.6 Extensive benchmarking, cost analysis and modelling has been undertaken to establish the pricing strategy for the Framework. Providers will be required to adhere to the pricing principles and submit their pricing within the range specified.

4. Alternative Options Considered

4.1 As Detailed in the Strategic Procurement Plan

5. Supporting Information

5.1 Supported Living models and commissioning approaches have developed significantly since the closure of long stay hospitals in the 1990's. The Valuing People White Paper in 2001 led to a fundamental shift away from residential care and hospital settings to the development of supported living settings in the community.

5.2 Since then, policy and good practice, as well as evidence from large scale reviews such as Winterbourne View Review, have continued to champion a rights-based approach to the development of small, local, community-based settings for people with learning disabilities and autism.

5.3 Person centred approaches have developed to enable people to have choice, control, independence as well as active roles as citizens, with access to employment and learning and support to maintain friendships and relationships.

5.4 Supported Living is not itself a regulated activity. However, aspects of support such as personal care is. This means the majority of providers are regulated, which offers quality reassurances and governance under the regulatory body of the Care Quality Commission (CQC). As a mark of standards and expectation all Providers under the proposed framework will be required to be registered with the CQC.

5.5 CQC set out the statutory guidance relevant to the provision of supported living services, both in terms of the duty to assess people in need of care, and in terms of the regulatory approach for services for people with a learning disability or autism.

The underlying principles of the guidance are:

- Right support: Model of care and setting maximises people's choice, control and independence
- Right care: Care is person-centred and promotes people's dignity, privacy and human rights
- Right culture: Ethos, values, attitudes and behaviours of leaders and care staff ensure people using services lead confident, inclusive and empowered lives. The Care Act also sets out duties on Local Authorities to facilitate a diverse, sustainable high-quality market for their whole local population and to promote efficient and effective operation of the adult care and support market as a whole to ensure continuity of care in the event of provider failure and service cessation.

6. Consultation and Other Considerations

6.1 Legal Advice

Comments are detailed in the Strategic Procurement Plan

6.2 Financial Advice

Comments are detailed in the Strategic Procurement Plan

6.3 Procurement Advice

Comments are detailed in the Strategic Procurement Plan

6.4 Operational Review

Comments are detailed in the Strategic Procurement Plan

Other Consultation Responses

6.5 The project team has representation across Legal, Finance, Procurement, Commissioning, Access to Resource and Operational teams

6.6 For the specification development the project team continue to consult with operational adult social care teams, as well as service users and their families.

6.7 Consultation with the market sought initial views of providers. The engagements were undertaken to robustly reflect service users' voice and capture the views of the market.

6.8 Consultation showed commitment and support for the project and an interest amongst the market.

6.9 Equalities Impact Assessment

An Initial Equalities Screening Record Form has been completed.

The screening determined that a full Equality Impact Assessment was not required.

6.10 Climate Change Implications

The recommendations in Section 2 above are expected to have no impact on emissions of CO₂.

As this is re-provision of an existing service, analysis concludes that the recommendations contained within this report are expected to have no impact on emissions or the environment.

6.11 Health and Wellbeing Considerations

The recommendations in Section 2 above are expected to have a positive impact on the Health and Wellbeing of those in receipt of services.

The reasons the Council believes that this will have a positive impact on the Health and Wellbeing of those in receipt of services are in regards the revised contractual terms with greater focus on outcomes and the opportunity to develop services and the market through the provisions of the Framework.

6.12 Strategic Risk Management Issues

The project identified some strategic risks that needed to be considered.

These risks are detailed in the Strategic Procurement Plan

Contact for further information

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