

**CAPITAL PROGRAMME 2025/26-27/28  
BY DIRECTORATE**

	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>TOTAL</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Communities</b>	1,959	1,402	535	3,896
<b>People</b>	3,374	0	0	3,374
<b>Place</b>	9,053	9,020	6,600	24,673
<b>Total Capital Programme</b>	<b><u>14,386</u></b>	<b><u>10,422</u></b>	<b><u>7,135</u></b>	<b><u>31,943</u></b>
<b>External Funding</b>	5,998	3,230	3,230	12,458
<b>Council Funding</b>	<b><u>8,388</u></b>	<b><u>7,192</u></b>	<b><u>3,905</u></b>	<b><u>19,485</u></b>

## CAPITAL PROGRAMME - COMMUNITIES

PADS REF	2025/26	2026/27	2027/28	TOTAL
	£000	£000	£000	£000
<b>Committed</b>				
Capitalisation of Project Mgt Costs	300	300	300	900
Surface Car Parks	134	-	-	134
Cemetery Extension	537	-	-	537
	<b>971</b>	<b>300</b>	<b>300</b>	<b>1,571</b>
<b>Rolling Programme</b>				
1 IT Schemes - Hardware	432	673	-	1,105
2 IT Schemes - Infrastructure	233	389	195	817
3 Equipment Downshire Golf Complex	40	40	40	120
	<b>705</b>	<b>1,102</b>	<b>235</b>	<b>2,042</b>
<b>Maintenance</b>				
No Schemes	-	-	-	-
<b>Other Desirable</b>				
4 High Street CP - Office Relocation	144	-	-	144
5 Coral Reef Boiler Replacement	100	-	-	100
6 Mercury Abatement Filter	39	-	-	39
	<b>283</b>	<b>-</b>	<b>-</b>	<b>283</b>
<b>TOTAL COUNCIL FUNDING</b>	<b>1,959</b>	<b>1,402</b>	<b>535</b>	<b>3,896</b>
<b>External Funding</b>				
No Schemes	-	-	-	-
<b>TOTAL EXTERNAL FUNDING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>1,959</b>	<b>1,402</b>	<b>535</b>	<b>3,896</b>

# COMMUNITIES - CAPITAL PROPOSALS 2025/26

## 1. ICT Schemes - Hardware

**£432,000**

This will be the second year of a revised approach to capital expenditure use for ICT hardware endpoint devices. The requested budget outlines the products that are due to be end-of-life or beyond the reasonable cost of repair and support the user side of the organisation. This request is to cover laptops, PCs, monitors, docks, and tablets across the corporate estate.

## 2. ICT Schemes - Infrastructure

**£233,000**

As part of the Council's overall resilience, specific IT equipment at Times Square and certain remote sites require small UPS to keep power to the IT equipment. The current UPS are at the end of life with batteries reaching the limits, which leads to failures and outages. It has previously been possible to purchase batteries to replace those that have failed, but the devices are now of an age where there are no replacement parts available and so they cannot be maintained.

## 3. Downshire Golf Course – Equipment

**£40,000**

Downshire course is managed on behalf of the council by Everyone Active, and the contract details a split responsibility in terms of equipment provision. In essence, equipment previously funded from the revenue budget remains a responsibility of Everyone Active, and equipment previously provided through the council's capital programme remains the council's responsibility. In devising the contract, it was concluded that this would result in lower long-term costs for the council and a better revenue return through the contract. The budget required is £40,000 on a rolling annual programme which is required to replace existing machinery which is ageing, and ensure new machinery is available to enable the golf course to be suitably maintained.

## 4. High Street Car Park – Office relocation

**£144,000**

This operational hub will need to be relocated before the end of December 2025 as this is the date that the units underneath in the market St service yard will relocate in preparation for demolition in 2026. The hub will need to be moved to Braccan Walk. There is a small office existing at the front of Braccan Walk car park but its current size it is insufficient to become the main operational base and work would be required to increase the office space and create a dedicated welfare area.

## 5. Coral Reef Boiler Replacement

**£100,000**

Coral Reef has 2 x 950kW Gas Boilers with a Combined Heat & Power (CHP) that acts as a base level heat during its hours of operation. During the recent mild winter months the CHP and a single boiler combined only provide about 95% of the heat needed by the building. The CHP is the lead in the system but does not provide enough heat on its own to provide more than a minimal amount of heating. The main boilers provide the vast majority of the heat and it is not unusual for one of them to be firing for a large part of the day even in the height of summer to provide heat for the showers and other services.

Despite numerous call outs from the manufacturer boiler 1 has been mostly in an unusable state. Both boilers were installed in 2012 and have an estimated 15 year life span which means they are nearing the end of their anticipated lifespan. The environment of coral reef (having humid and chlorine laden air) has accelerated the corrosion to various components of the boiler. Within the contractual split of responsibilities, the boilers are assets that the council are responsible for. The proposal is for the installation of 100-200kW of Eco friendly heating with an appropriately sized solar installation to cover the additional electrical load.

## **6. Mercury Abatement Filter**

**£39,000**

Mercury abatement requirements came in to force for all UK crematoria in 2010, with sites being given until the end of 2012 to either install abatement equipment or agree to pay a penalty fee per unabated cremation thereafter. Easthampstead Park Cem and Crem duly fitted the required infrastructure.

The abatement system effectively filters out harmful mercury particles as exhaust gases pass through a filtration system en route to emission to the environment. The filtration media will degrade over time as a consequence. In February 2024 the equipment manufacturer notified the site that the expected 'life' of the installed filter media was coming to an end and advised it should be replaced. A failed emissions test could have significant impact on the viability of the operation as it would represent a breach of the operating permit conditions, leading to potential financial and/or legal penalties.

## CAPITAL PROGRAMME - PEOPLE

PADS REF	2025/26	2026/27	2027/28	TOTAL
	£000	£000	£000	£000
<b>Committed</b>				
No Schemes	-	-	-	-
	-	-	-	-
<b>Rolling Programme</b>				
No Schemes	-	-	-	-
	-	-	-	-
<b>Maintenance</b>				
7 Housing Planned Maintenance	500	500	500	1,500
	<b>500</b>	<b>500</b>	<b>500</b>	<b>1,500</b>
<b>Other Desirable</b>				
<b>Non-Schools</b>				
8 Larchwood Air Conditioning	86	-	-	86
<b>Departmental Bids:</b>				
9 NSH School Access	20	-	-	20
<b>Total</b>	<b>106</b>	<b>-</b>	<b>-</b>	<b>106</b>
<b>TOTAL REQUEST FOR COUNCIL FUNDING</b>	<b>606</b>	<b>-</b>	<b>-</b>	<b>106</b>
<b>External Funding - Other</b>				
<b>Non-Schools</b>				
No Schemes	-	-	-	-
<b>Schools</b>				
DfE Grant: Schools Maintenance	1,470	-	-	1,470
DfE Grant: Basic Needs Grant	1,298	-	-	1,298
DfE Grant: Devolved Formula Capital	<i>tba</i>	<i>tba</i>	<i>tba</i>	-
	<b>2,768</b>	<b>-</b>	<b>-</b>	<b>2,768</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>2,768</b>	<b>-</b>	<b>-</b>	<b>2,768</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>3,374</b>	<b>-</b>	<b>-</b>	<b>2,874</b>

## PEOPLE - CAPITAL PROPOSALS 2025/26

### 7. Housing Planned Maintenance

**£500,000**

Housing planned maintenance is an annual programme of repairs and maintenance to the Councils' housing stock. It encompasses a wide range of activities, but typically includes the repair or replacement of elements of building fabric, mechanical and electrical items, fixtures, or fittings that are worn, obsolete or otherwise damaged. The purpose of the work is to improve and maintain the Councils' housing stock to a decent standard to provide a safe and appropriate environment for our residents to reside in and deliver the priorities set out in the Housing and Welfare Service Plan.

The works included in the current programme were identified through a series of Housing Health and Safety Rating System (HHSRS) and property condition surveys, which were undertaken on our behalf by external engineers and surveyors.

### 8. Larchwood Air Conditioning

**£86,000**

Larchwood is Bracknell Forest's residential short break children's home offering services to children and young people with profound and multiple disabilities. The project aims to further develop improvements to the Larchwood environment to enhance safety and wellbeing, and to enable children and young people to maximise opportunities for independence. 15% of children and young people attending Larchwood have epilepsy. For some this can be triggered/exacerbated by high temperatures. Even with all the windows open during the summer months temperatures within Larchwood can exceed 30°, and at time have been hotter in the bedrooms, increasing the risk of seizures for children/young people.

### 9. School Access (New Scotland Hill)

**£20,000**

At present access to the school car park and front of the school is open at all times from the road or pavement. Whilst gates and doors are locked, an additional layer of security for pupils and staff by having an automation system for the vehicle and pedestrian gates is proposed. The present position is far from ideal and different from many similar sized schools and this issue was flagged by a pre OFSTED audit undertaken in 2023.

Automation of the existing gates with an intercom system / proximity readers would enable secure access to the car park / front of the school during the day and to manage who enters. This will significantly improve safeguarding by creating another barrier to entry. On several occasions this calendar year, office staff have intervened when witnessing both pedestrians and vehicles accessing the car park, reasons ranging from looking for scrap metal, looking for lost cats, or cold calling the school. Gates would enhance the security of the school, as this would prevent access to spaces where storage, sheds and the site-controllers office are housed.

## CAPITAL PROGRAMME - PLACE

PADS REF	2025/26	2026/27	2027/28	TOTAL
	£000	£000	£000	£000
<b>Committed</b>				
Feasibility Studies	200	200	200	600
	<b>200</b>	<b>200</b>	<b>200</b>	<b>600</b>
<b>Rolling Programme</b>				
<sup>10</sup> Flood Alleviation	100	100	100	300
<sup>11</sup> Design and Construction PMO Costs	100	100	100	300
	<b>200</b>	<b>200</b>	<b>200</b>	<b>600</b>
<b>Maintenance</b>				
<sup>12</sup> Corporate Planned Maintenance	1,500	-	-	1,500
<sup>13</sup> South Hill Park - Maintenance	200	-	-	200
<sup>14</sup> South Hill Park - Wilde Theatre	225	-	-	225
<sup>15</sup> Highways Maintenance	2,700	2,700	2,700	8,100
	<b>4,625</b>	<b>2,700</b>	<b>2,700</b>	<b>10,025</b>
<b>Other Desirable</b>				
<sup>16</sup> High Street Demolition	-	2,000	-	2,000
<sup>17</sup> Zero Carbon Schemes	445	690	270	1,405
<sup>18</sup> Magistrates Courthouse - Windows	210	-	-	210
<sup>19</sup> New Hope Relocation	75	-	-	75
<sup>20</sup> The Willows Adaptations	35	-	-	35
<sup>21</sup> Time Square - New Space	15	-	-	15
<sup>22</sup> Tractor Tedder	11	-	-	11
<sup>23</sup> Timber Planking Machine	7	-	-	
	<b>798</b>	<b>2,690</b>	<b>270</b>	<b>3,751</b>
<b>TOTAL COUNCIL FUNDING</b>	<b>5,823</b>	<b>5,790</b>	<b>3,370</b>	<b>14,976</b>
<b>External Funding</b>				
Highways Maintenance	1,888	1,888	1,888	5,664
Highways Maintenance - Incentive	236	236	236	708
Integrated Transport & Maintenance	726	726	726	2,178
Section 106 Schemes (LTP)	100	100	100	300
SANGS (Section 106)	280	280	280	840
	<b>3,230</b>	<b>3,230</b>	<b>3,230</b>	<b>9,690</b>
<b>TOTAL EXTERNAL FUNDING</b>	<b>3,230</b>	<b>3,230</b>	<b>3,230</b>	<b>9,690</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>9,053</b>	<b>9,020</b>	<b>6,600</b>	<b>24,666</b>

## **PLACE - CAPITAL PROPOSALS 2025/26**

### **10. Flood Alleviation**

**£100,000**

Parks and Countryside manage over 100 open spaces, many of which contain water bodies including wetlands, ponds, streams and rivers. The features vary in appearance from very natural, to the more formal lakes and ponds, but all provide essential services including flood alleviation functions, as well as being a rich biodiverse habitat.

Some watercourses are relatively new having been delivered through the planning process, however many are much older, dating to the creation of the original housing infrastructure of Bracknell as a new town and work is required to prevent the watercourses from becoming blocked or silted up. As landowners the council are responsible to “let water flow naturally” and any blockages or silting up which may cause flooding upstream must be dealt with. This project aims to highlight the work required and commence a rolling programme of maintenance and enhancements to water features on council land.

### **11. Design and Construction Costs**

**£100,000**

The appointment of a Design & Construction Multi-Disciplinary Consultancy Services Framework Contract, to provide construction consultancy services call-off contract to aid the delivery of construction projects, routine condition surveys of the Councils property/asset portfolio was agreed this year. This will enable the Property, Education and other areas within the Council to use this approved supplier to assist when consultancy is required, at times when the in-house teams cannot provide support or does not have the expertise in house.

The current model is to reduce the Project Management cost to 2 days per week to manage the contract. Currently the costs are charged to Education projects, however due to the number of Education projects reducing, there is a requirement to have a central budget to charge these fees. The proposed model is to deliver projects across a number of directorates across the Council.

### **12. Corporate Planned Maintenance**

**£1,500,000**

Corporate planned maintenance is an annual programme of repairs and maintenance to the Councils’ building stock and associated assets. It encompasses a wide range of activities, but typically includes the repair or replacement of elements of building fabric, fixtures or fittings that are worn, obsolete or otherwise damaged. The purpose of the work is to maintain the Councils’ buildings to a sufficient standard to provide a safe and appropriate environment from which various services can operate from. Condition surveys are undertaken by external engineers and surveyors. The condition survey data along with consideration of wider property issues and intentions are all part of the decision making process to populate this programme. Whilst works totalling £2.3m have been identified, this has been pared back in light of the budget challenges faced by the Council. The programme includes works such as LED lighting, insulation, heating upgrades, PV installation, all further supporting our drive towards net zero

### **13. South Hill Park - Maintenance**

**£200,000**

As part of the surveys undertaken to form the Corporate Planned Maintenance programme, works have been identified to repair the roof infrastructure at South Hill Park

### **14. South Hill Park – Wilde Theatre**

**£225,000**

As part of the surveys undertaken to form the Corporate Planned Maintenance programme, works have been identified to complete the 2<sup>nd</sup> phase of the external window and door replacements at this facility



### **15. Highways Maintenance**

**£2,700,000**

The adopted Local Transport Plan outlines the Council's strategy for capital investment in Highways and Transport infrastructure, supporting local growth, the Bracknell Forest Local Plan, and national objectives for sustainable travel and carbon reduction. The Highway Maintenance programme focuses on maintaining various highway assets, including carriageways, structures, drainage, and street lighting.

Local authorities face challenges due to a decline in highway network condition, driven by the scale of required investment and a decrease in Government funding. Rising material and delivery costs have exacerbated this issue.

The 'new town inheritance' presents an additional challenge, as significant elements of highway infrastructure, now up to 60 years old, are reaching intervention points simultaneously. Extreme weather further complicates maintenance efforts, creating challenges in addressing potholes and preventing insurance claims. Many roads now require full resurfacing, but limited funding reserves this for the worst cases, leading to extensive plugging and patching with limited success.

The increased investment aims to counteract the downward trend in highway maintenance work due to inflation and asset deterioration. The allocation of £5 million of borough capital was agreed for 2024 to 2028, with £2 million for 2024-25 and £1 million per annum thereafter, in addition to the rolling base of £1.7 million.

### **16. High Street Demolition (2026/27)**

**£2,000,000**

The Council is to proceed with demolition of the car park as a result of it being deemed unsafe. Grant funding has been received in 2024/25 to support this work with additional funding required in 2026/27

### **17. Zero Carbon Schemes**

**£445,000**

To address net zero targets and convert buildings to green energy, the project aims to enhance occupant comfort and reduce grid energy consumption. This involves replacing systems with Variable Refrigerant Volume (VRV) for heating and cooling, installing double/triple glazed windows, and improving wall and roof insulation. To offset increased electrical load, Solar Voltaic panels will be installed on roofs, with excess energy exported to the grid at 5p/kWh from EDF.

Building on the 2022-23 greening projects, the focus is on a fabric-first approach, eliminating carbon-based fuels, and addressing health, wellbeing, air quality, and safety issues. Removing natural gas reduces fire and gas leak risks, while improving indoor air quality and occupant health, especially for children. Transitioning to renewable, carbon-zero electricity supports net zero targets, and generating income from excess solar energy during off-hours provides financial benefits

### **18. Magistrates Courthouse**

**£210,000**

The proposed project involves the removal of existing single-pane, metal framed windows at Bracknell Magistrates courthouse, which is now home to 'Involve' and various other community services. Where staff and service users are experience difficulties of comfort levels in their working environment mainly during the winter months.

The existing windows are outdated and inefficient, contributing to significant heat loss and higher energy costs. The inefficient windows have resulted in cold drafts and inconsistent indoor temperatures, affecting occupant comfort. The upgrade to double-glazed PVCu

windows will enhance thermal insulation, reduce energy consumption, and improve overall comfort within the building for the occupants. Manufacturers have advised that the installation of PVCu d/g windows are likely to reduce the heat loss by 40%-60% throughout the building. These works will contribute to the let ability of the property and guard against income loss.

### **19. New Hope Relocation**

**£75,000**

The project aims to relocate the New Hope centre from its current location at Market Street to a new vacant location at Great Hollands Square. The New Hope Substance Misuse & Recovery Service assists around 365 people annually with drug and alcohol dependency, maintaining an active caseload of about 250 clients at any time. The new premises need to accommodate a minimum of 17 staff desks, a staff WC, and a staff kitchen area. For clients, the facility must include a waiting room, a doctor's consulting room with hand wash facilities, a clinic room if space allows, a client toilet, 4-5 one-on-one consultation rooms with panic alarms, a client kitchen area, and a multi-purpose group room.

### **20. The Willows Adaptations**

**£35,000**

The proposed project involves alterations and refurbishment of the Willows Family Hub for use by the Council's Youth Justice team. The Willows Family Hub is one of 4 hubs providing early help services. It is not as intensively used as the other hubs and can accommodate additional use. The youth justice team currently operate on a hub and spoke model and most appointments with clients were taking place at Wick Hill Cottage until a recent fire closed the building.

Young people are currently being seen primarily at Time Square which was identified in the inspection last year as being unsuitable. The environment is very corporate and there are also difficulties in managing the mix of clients at Time Square.

### **21. Time Square – New Space**

**£15,000**

This project is aimed at freeing up currently occupied space on the first floor of Time Square, to potentially provide vacant space for letting/revenue purposes. Elections use the area predominately for storage. The proposal is to utilise the Council Depot (offsite) to store large items which are used infrequently and to create a purpose-built store on the first floor to store day to day items which can be accessed easily by Officers.

### **22. Tractor Tedder**

**£11,000**

Since 2019, the Parks and Countryside department has saved over £50K annually by cutting hay in-house across meadow habitats. This project converts grass into marketable hay, avoiding green waste disposal costs. With more sites to manage, the process faces time constraints due to unpredictable weather. To address this, it is proposed to acquire a tedding implement to speed up hay drying and arranging, and to enhance overall efficiency

### **23. Timber Planking Machine**

**£7,000**

To enhance the production of sustainable wooden parts, the acquisition of a mobile wood planking machine with a trailer is proposed. This investment will significantly benefit the Parks and Countryside Estate by enabling the utilisation of abundant on-site wood resources. Each year, numerous trees within the estate are felled or fall naturally, and currently, much of this wood is left to rot in piles, representing a missed opportunity for sustainable resource utilisation.

Efforts have been made over the past few years to repurpose this wood into small items such as fence posts and seats. However, current capabilities limit the scale and variety of

products that can be produced. Items that have been produced have received significant positive feedback and engagement from the public and members.

The potential to upscale operations has been identified with the acquisition of a mobile sawmill. This machine can handle logs up to 32 inches in diameter and is capable of producing a wide range of wooden items.

## Flexible Use of Capital Receipts Strategy 2024/25 to 2026/27

### Background and guidance

1. Capital receipts can only be used for specific purposes, and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure, and the use of capital receipts to support revenue expenditure is not allowed by the regulations. The Secretary of State is empowered to issue Directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the regulations.
2. As part of the finance settlement for 2016/17 the government announced new flexibilities allowing local authorities to use capital receipts received in 2016/17, 2017/18 and 2018/19 to be used to fund transformational expenditure, which can include redundancy costs. There have been several extensions to the qualifying years in which the flexibilities can be used, most recently in December 2024 when the Government announced that the flexibility would be extended to 2029/30.
3. This strategy provides background information with regards the statutory guidance on the flexible use of Capital Receipts and its application within this authority. The most recent guidance was issued in August 2022 and is summarised in paragraph 5 below. [Changes announced by the Government in December 2024 that are yet to be included in the formal guidance are shown in square brackets.]
4. Accordingly, the Secretary of State directs, in exercise of his powers under sections 16(2)(b) and 20 of the Local Government Act 2003 (“the Act”), that local authorities treat as capital expenditure, expenditure which:
  - *is incurred by the Authorities that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners; and*
  - *is properly incurred by the Authorities for specified financial years [to be extended to the year beginning 1 April 2029]*
  - *is not incurred with respect to redundancy payments, except where such redundancy costs are necessarily incurred and limited to the amounts available as statutory redundancy payments [to be extended to include non-statutory redundancy payments]*

*In further exercise of the Secretary of State’s powers under section 20 of the Act, it is a condition of this direction that expenditure treated as capital expenditure in accordance with it only be met from capital receipts, within the meaning of section 9 of the Act and regulations made under that section (for current provisions see Part 4 of S.I. 2003/3146,*

as amended), which have been received in the years to which this direction and the previous direction applies.

*It is a condition that the disposal of assets by which the capital receipts, as per paragraph 4, are obtained must be disposals by the local authority outside the “group” structure. Here, “group” has the same meaning as defined in “group accounts” in the Code of Practice on Local Authority Accounting, as issued by Chartered Institute of Public Finance and Accountancy (CIPFA), whether or not these transactions are consolidated into group accounts and irrespective of whether the authority produces group accounts.*

*It is a further condition that local authorities applying this direction must send details of their planned use of the flexibility to the Secretary of State, for each financial year in which the direction is used. This should be sent as soon as is practicable after the council has determined and approved its strategy for the use of the direction, but must be sent before the flexibility is used. Where local authorities update their plans during the financial year, an updated plan reflecting the changes must be sent to the Secretary of State. This requirement can be met by providing to the Secretary of State a copy of the authority’s own planning documents. However, details provided to the Secretary of State must include as a minimum:*

- the amount of planned capitalisation using the flexibility for the relevant financial year*
- the purpose of the expenditure to be capitalised with a description of the associated projects*
- the amount of expenditure that was capitalised using the flexibility for the prior financial year*
- the efficiency savings that are directly attributable to the use of the flexibility that were achieved for the prior financial year*
- If any of this information is unavailable or unknown, the council must set this out with a description as to why it cannot be provided.*

*The value of expenditure capitalised must not exceed the amount set out in the plan, including any updated plans, provided to the Secretary of State.*

*By submitting the information to the Secretary of State the council will have met the condition; there is no further requirement to receive explicit consent in order to use the flexibility as set out in this direction. It is expected that authorities will evidence, as necessary, to their external auditors that they complied in full with this condition.*

*When applying the direction, the Authorities are required to have regard to the Guidance on flexible use of capital receipts issued by the Secretary of State under section 15(1)(a) of the Act.*

6. An extract from the Government guidance on the flexible use of capital receipts is attached as Annex E(ii). The key determining criteria to use when deciding whether

expenditure can be funded by the new capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure.

## Objectives and purpose

7. The Council Plan 2023 – 2027 sets out the Council's vision for Bracknell Forest, including the key priorities to be delivered over the medium term. It complements and extends priorities across a number of existing strategies which contain more detailed work to improve outcomes for residents. The Plan sets three overarching priorities, each of which is underpinned by specific ambitions:
  - **Engaged and healthy communities**
  - **Thriving and connected economy**
  - **Green and sustainable environment**
  
8. We have set out a core enabling priority to be an ambitious, resilient and sustainable organisation and will deliver this through our business change programme. This includes five programmes of activity, as below:
  - **Climate change** - enabling the organisation to achieve our climate change and carbon reduction goals.
  - **Digitalisation and efficiency** – delivering efficient, sustainable, innovative, digital enabled customer focussed services.
  - **Workforce, retention, and recruitment** - ensuring we have the right capabilities, retaining an engaged and motivated workforce and growing our own talent.
  - **Neighbourhood regeneration and assets** - building resilient communities and making best use of our property assets to support effective services and financial sustainability.
  - **Corporate improvement** – an intensive corporate support and challenge programme to enable the turnaround of any service or function that is at risk of failure, initially focusing on the Council's participation in the Department for Education's Safety Valve programme to address deficits on the Dedicated Schools Grant
  
9. This flexible use of capital receipts strategy is intended to support the Council in delivering its objectives outlined against the themes, initially for the period ending 31 March 2026.

## Historic Use of Capital Receipts Flexibility 2016/17 to 2023/24

10. Since the flexibility was introduced, Bracknell Forest Council chose not to make use of it in the period up to November 2023 and instead used earmarked reserves to fund its transformation and business change activities. Through these, a total of £12.5m in savings was secured against a target of £11m.

## Use of Capital Receipts Flexibility 2023/24 to 2026/27

11. The Council adopted its first Flexible Use of Capital Receipts strategy alongside approval of the Council Plan in November 2023. This indicated potential spending of up to £0.55m in the remainder of that financial year, although the lack of capital receipts

generated between November 2023 and March 2024 meant that the flexibility was not able to be used in 2023/24. Costs associated with the Business Change programme in that period therefore had to be funded from alternative sources, including grant from the Delivering Better Value in SEND programme and the Transformation Reserve.

12. The strategy approved by Council in November 2023 earmarked spending totalling £1.5m in 2024/25, £1.4m in 2025/26 and £1.5m in 2026/27 for transformative change, through delivery of the Business Change programme. The value of expenditure capitalised must not exceed the amount set out in the plan, including any updated plans, provided to the Secretary of State. If capital receipts generated are insufficient to meet these commitments, other funding sources will need to be identified or expenditure reduced.
13. The projects in Annex E(i) 1 of the Flexible Use of Capital Receipts Strategy now proposed have been included as being potentially eligible for capital receipts funding to support their delivery (subject to its availability and their approval), with a description of the project, project objectives, and potential planned use of receipts. The projects are the same as those identified in the Strategy previously approved, which is to be expected given that the Business Change Programme is expected to have a duration of three years.
14. These projects (subject to their approval) will directly support the release of net financial benefits within the Council's budget plans. This list is not definitive and is subject to availability of this value of receipts. Should further or more priority projects with qualifying expenditure be identified, further revisions will be made to the strategy and will be requested through the relevant channels for resubmission in line with the council's Budget and Policy Framework Rules.

### **Impact of Approved Strategy**

15. The Business Change programme has been developed to deliver both financial and non-financial benefits for the Council and its residents. It is not possible at this time to quantify accurately the financial benefits that have been achieved to date, since the 2024/25 financial year has not yet concluded, however updates based on currently available information is provided below.
16. Significant progress has been made during the year by the Workforce Retention and Recruitment project in reducing the level of expenditure on agency workers. It is expected that spending will be around £1.5m lower in 2024/25 than it was in the 2023/24 (baseline) year, comfortably exceeding the target of £1m.
17. Similarly, the level of savings delivered in services to pupils with Special Educational Needs and Disabilities through pursuing the actions identified in the Council's Safety Valve programme within the Corporate Improvement programme has significantly exceeded the target of £0.5m in the current financial year. Activities such as the closure of the College Hall Pupil Referral Unit, an overhaul of the Tuition service and robust commissioning negotiations on the cost of independent non-maintained special school placements, have realised savings totalling £1.5m, well in excess of the £0.5m target included for 2024/25 in the flexible use of capital receipts strategy approved in November

2023. It is unfortunate that the continuing increase in the number of Education Health and Care Plans, together with the high costs of purchasing external placements for pupils whose needs cannot currently be met locally, have outweighed this progress, causing the overall level of High Needs expenditure to continue rising.

18. Work on the Neighbourhood Regeneration and Assets and Digitalisation and Efficiency programmes has focussed in the current year on ensuring there is accurate and comprehensive baselining information available to measure progress against. As a consequence, the level of savings delivered by these programmes to date has not been material. It is viewed that this is a matter of phasing, rather than providing a justification to reduce the overall scale of ambition for these programmes. Any savings not delivered in the current year will therefore be rolled forward as requirements for 2025/26.

## **Disposals**

19. Local authorities will only be able to use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered. They may not use their existing stock of capital receipts to finance the revenue costs of reform.
20. It is a condition that the disposal of assets by which the capital receipts are obtained must be disposals by the local authority outside the "group" structure. Here "group" has the same meaning as defined in "group accounts" in the Code of Practice on Local Authority Accounting, as issued by Chartered Institute of Public Finance and Accountancy (CIPFA), whether or not these transactions are consolidated into group accounts and irrespective of whether the authority produces group accounts.
21. Capital receipts when they are realised are primarily used to fund capital investment which has a relatively short economic life, such as IT investment where borrowing is not economical. In setting its capital programme budget each year, Bracknell Forest Council typically estimates that income of around £2m - £3m will be secured from a combination of Community Infrastructure Levy funding from developers and capital receipts from asset sales. These include proceeds from housing sales realised by Silva Homes under right to buy arrangements, which is the arrangement following the externalisation of the Council's housing stock to Silva Homes (formerly Bracknell Forest Homes) in 2008.
22. While the proposed strategy includes spending of up to £1.5m in the current financial year, it is possible that the level of capital receipts to be received during the current financial year will fall short of the approved spending of £1.5m, by around £0.2m. However, primarily due to delays in recruiting to some posts expected to be funded from this source, the level of spending is not expected to be materially different from the level of capital receipts. Work has been undertaken to develop a pipeline of asset disposals in future years to provide sufficient funding for the strategy, leading to a high degree of confidence that the level of spending proposed in 2025/26 will be matched by asset sales.

## **Impact of Strategy on Prudential Indicators**

23. The guidance requires that the impact on the council's Prudential Indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. The capital



receipts assumed to fund the strategy have not currently been factored into the council's Capital Financing Requirement (CFR) by way of either reducing debt or financing capital expenditure. Therefore, there will be no change to the council's Prudential Indicators that are contained in the Treasury Management Strategy Statement which will be presented to Full Council in February 2025 for approval.

24. The prudential indicators show that this strategy is affordable and will not affect the council's operational boundary and authorised borrowing limit.
25. In using the flexibility, the council will have due regard to the Guidance on Flexible Use of Capital Receipts issued by the Secretary of State under section 15(1)(a) of the Act, the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.

## Proposed Use of Capital Receipts Flexibility

Annex E(i)

Business Change Programme	2024/25			Description	Savings Targets (Cumulative)		
	2024/25 £000	2025/26 £000	2026/27 £000		2024/25 £000	2025/26 £000	2026/27 £000
Neighbourhood Regeneration and Assets	211.2	203.8	208.0	Significantly reduce operating costs and generate income by taking a strategic planned approach to analysing and rationalising our property estate. Ensure an efficient and suitable property portfolio that suits the requirements of service delivery and minimises underutilisation.	250	200	250
Climate Change <sup>1</sup>	108.9	40.3	41.1	Complementing and informing the Council's Borough-wide climate change and net zero activities, provide a clear focus on our internal work to drive at pace the Council's adaption to climate change and deliver reductions in our own carbon emissions and those from our supply chain and commissioned services.	Savings to be delivered through programme above and other initiatives		
Digitalisation and Efficiency	181.7	220.3	193.6	Focus on delivering efficient, sustainable, innovative, digital-enabled customer focussed services. Simplify and rationalise systems and data storage to maximise efficiencies and deliver better value from data insight.	250	250	450
Workforce Retention and Recruitment <sup>2</sup>	166.2	128.3	130.9	Build a thriving, diverse and engaged workforce that drives our organisational effectiveness. Be known for attracting, nurturing and retaining exceptional talent. Through this, increase the number of permanent, core employees and enable reliance on agency workers to be reduced.	1000	1000	1000
Corporate Improvement <sup>3</sup>	305.3	400.7	347.5	Provide a corporate focus, support and challenge for services or functions that are identified as failing or at risk of failure. Initially focused on services to pupils with Special Educational Needs or Disabilities (SEND) and their families, working with schools and other stakeholders to improve services and reduce costs as required by the Council's current participation in the Safety Valve programme.	500	1000	3000
Business Change Delivery Capacity	526.7	606.6	578.9	Programme and project management capacity and allowance for training to support delivery of the Business Change programmes and realise their expected benefits, including the financial savings identified against them.	Supporting delivery of all programmes and their identified savings		
<b>Total Potential Expenditure</b>	<b>1500.0</b>	<b>1600.0</b>	<b>1500.0</b>	<b>Total Target Savings</b>	<b>2000</b>	<b>2450</b>	<b>4700</b>

<sup>1</sup> Additional on-going revenue budget of £0.25m proposed as part of 2025/26 budget.

<sup>2</sup> Target reduction from 2023/24 baseline spending of £8.4m on agency staff, mitigating pressures / overspends on staffing budgets but not initially enabling budget reductions.

<sup>3</sup> Reductions in spending contributing to the Dedicated Schools Grant budget deficit.

## **Extract from Government Guidance on Flexible Use of Capital Receipts**

### **Types of qualifying expenditure**

4.1 Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.

4.2 Set up and implementation costs of any new processes or arrangements can be classified as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure. In addition, one off costs, such as banking savings against temporary increases in costs/pay cannot be classified as qualifying expenditure. Under the direction in force from April 2022, with respect to redundancy payments, qualifying expenditure will be limited to those amounts that are necessarily incurred as statutory redundancy payments provided the other requirements of qualifying expenditure are met. This restriction does not apply to other severance costs, including pension strain costs; the treatment of these costs remains unchanged from the previous direction.

### **Examples of qualifying expenditure**

4.3 There are a wide range of projects that could generate qualifying expenditure and the list below is not prescriptive. Examples of projects include:

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Collaboration between local authorities and central government departments to free up land for economic use;
- Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others); and
- Integrating public facing services across two or more public sector bodies (for example children’s social care or trading standards) to generate savings or to transform service delivery.