

TO: THE EXECUTIVE
DATE: 13 DECEMBER 2011

GENERAL FUND REVENUE BUDGET 2012/13
(Chief Executive/Borough Treasurer)

1. PURPOSE OF REPORT

- 1.1 Under the Council's constitution, the Executive is required to consult on its detailed budget proposals with the Council's Overview & Scrutiny Commission and other interested parties for a period of at least six weeks. This report summarises the current position on the Council's budget preparations for 2012/13.
- 1.2 At the time the Executive agenda was published the Provisional Local Government Financial Settlement had not been announced. Members will be updated orally at the meeting if the settlement is announced prior to the meeting. A Provisional 2012/13 Settlement was announced in January 2011 and the Council has been developing its budget proposals on this basis. It is not expected that the final settlement will differ greatly from the provisional.
- 1.3 All comments received on these budget proposals will be submitted to the Executive on 21 February along with details of the final finance settlement. This will allow the Executive to determine its final budget package and recommend the appropriate Council Tax level to Council, who will formally approve the 2012/13 budget and Council Tax on 29 February 2012.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Approve the revised Commitment Budget for 2012/13 to 2014/15 at Annexe A;**
- 2.2 **Agree the draft budget proposals for 2012/13 as the basis for consultation with the Overview & Scrutiny Commission and other interested parties.**
- 2.3 **Agree the Treasury Management Strategy and associated documents at Annexe E and request that the Governance and Audit Committee review each of the key elements.**
- 2.4 **Approve the virements relating to the 2011/12 budget as set out in section 10.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 **The recommendations are designed to allow the Executive to consult on its draft budget proposals for 2012/13 as required by the Local Government Act 2003.**

4 ALTERNATIVE OPTIONS CONSIDERED

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

SUPPORTING INFORMATION

5 COMMITMENT BUDGET 2012/13 – 2014/15

- 5.1 Initial preparations for the 2012/13 budget have focussed on the Council's Commitment Budget for 2012/13 – 2014/15. This brings together the Council's existing expenditure plans, taking account of approved commitments and the ongoing effects of service developments and efficiencies that were agreed when the 2011/12 budget was set.
- 5.2 A number of changes are proposed to the Commitment Budget since it was last considered by the Executive in July and are reflected in the summary. The most significant are set out below:
- Based on the impact of the additional bank holiday for the royal wedding, significant costs are no longer expected to arise from the diamond jubilee. The additional budget built into 2011/12 can therefore be removed a year earlier (-£0.060m).
 - The impact of the national insurance changes introduced on 1 April 2011 was less than originally forecast. This has enabled £0.129m to be removed from the commitment budget.
 - Allowances to cover the Carbon Reduction Commitment in schools have already been provided for within Schools Budgets and can therefore be removed from the Council Wide budget (-£0.072m).
 - Increases in projected landfill tax and waste disposal costs (£0.247m).
 - The additional resources built into the budget for 2011/12 to cover pay increases for staff paid less than £21,000 were not required. However the amount has been retained in the Commitment Budget to provide some flexibility in dealing with any immediate issues that may arise from implementing changes following the job evaluation review that has been undertaken.
- 5.3 Taking account of these changes, Table 1 summarises the position and shows that base expenditure (excluding schools) is planned to rise by £0.145m to £76.400m next year, before consideration is given to allowances for inflation and the budget proposals identified by individual Departments in 2012/13. The commitment budget is shown in more detail in Annexe A.

Table 1: Summary Commitment Budget 2012/13-2014/15

	Planned Expenditure		
	2012/13 £000	2013/14 £000	2014/15 £000
Base Budget	76,255	76,400	76,735
<i>Movements in Year:</i>			
Chief Executive / Corporate Services	-106	-85	0
Children, Young People and Learning (excluding schools)	4	-110	-160
Adult Social Care and Health	-49	0	0
Environment, Culture & Communities	454	26	23
Non Departmental / Common	-158	504	0
<i>Total Movements</i>	145	335	-137
Adjusted Base	76,400	76,735	76,598

6 PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2012/13

- 6.1 The 2010 Comprehensive Spending Review announced in October 2010 set out the national medium term funding proposals for public sector expenditure. In line with these control totals the Local Government Financial Settlement, published on 31st January 2011, set out detailed funding proposals for local authorities covering the period 2011/12 and 2012/13. As such a Provisional 2012/13 Settlement was announced in January 2011 and the Council has been developing its budget proposals on this basis.
- 6.2 The pre-announced Provisional Settlement reflected a further reduction of £2.97m in Formula Grant for Bracknell Forest (£23.12m in 2012/13m compared to £26.09m in 2011/12) representing a reduction of 10.4% (in line with the maximum reduction possible under the Floor damping mechanism). A number of small increases in Specific Grants for 2012/13 were announced as part of the Settlement including increases in the Early Intervention Grant and the Learning Disability and Health Reform Grant. This additional income is reflected in the summary of proposals in Table 5, below.
- 6.3 In addition to Formula and Specific grants the Government introduced the New Homes Bonus in 2011/12, designed to encourage the development of new homes. The Council received £0.647m in 2011/12 (of which £0.600m is reflected in the commitment budget) and is expected to receive a further £0.787m in 2012/13. As the New Homes Bonus is payable for 6 years, the Council will therefore receive a total of £1.434m in 2012/13. The significant increase reflects the removal from the tax-base of the Enid Wood House properties. Whilst the removal of the approximately 150 properties at Enid Wood House from the Council's Tax Base has reduced potential Council Tax in 2012/13, the calculation of the New Homes Bonus treats their removal as if they were empty properties brought back in to use (as their removal means they are no longer recorded as being empty). As such this represents an anomaly that will

not be repeated in the future. Excluding this exceptional item would have reduced the additional New Homes Bonus to £0.493m in 2012/13.

- 6.4 The Government recently consulted, as part of the Local Government Resource Review, on comprehensive changes to the funding of local government through the localisation of Business Rates. The Government's ambition is to introduce these changes from 1st April 2013. As such the level of funding for Bracknell Forest in 2013/14 and 2014/15 is considerably uncertain. The most robust information available to the Council is therefore the change in Departmental Control Totals published as part of the Comprehensive Spending Review, which indicates further reductions of 2% in 2013/14 and 4% in 2014/15. As such these levels of reduction in Formula Grant have been applied to the short-term funding model.

Council Tax

- 6.5 The collection fund is expected to break even in 2011/12. Following the zero increase in the current year, Council Tax at present levels will generate total income of £48.473m in 2012/13. In addition a further £0.339m will be generated from the increase in tax base arising from the occupation of new properties and other changes in exemptions and discounts during 2012/13.
- 6.6 The Government has prioritised keeping Council Tax increases to the minimum possible next year. To support this aim, the Department for Communities and Local Government has announced that it will give councils who agree to freeze or reduce Council Tax in 2012/13 a one-off grant equivalent to a 2.5% increase in Council Tax.
- 6.7 The Executive intends to accept the Coalition Government's offer to work in partnership with local authorities to protect council tax payers with a Council Tax freeze, thereby passing on the benefit to the council tax payers. The working assumption upon which the proposals in this report are based at this stage, therefore, is that there will be no increase in Council Tax and that the Council will receive additional grant from central Government of £1.220m to offset this.
- 6.8 In contrast with 2011/12's Council Tax Freeze Grant, the grant for 2012/13 is one-off which will lead to an additional pressure in 2013/14 when the grant is withdrawn. In effect this means that, unless the government changes its position and extends the 2012/13 grant, the level of savings required in subsequent years will increase by £1.220m. The alternative would be an increase in Council Tax of 2.5% more than that which is needed to fund any year on year changes between 2012/13 and 2013/14, which is unlikely to be acceptable.

7 BUDGET PROPOSALS 2012/13

Service Pressures and Developments

- 7.1 In the face of significant reductions in public expenditure in general and in grants to Local Government in particular the scope to invest in new service provision is self evidently severely restricted. Nevertheless, it is important to retain a clear focus to ensure that the Council continues to improve services where possible and to invest in the Borough, focussing on protecting front line services and delivering the Council's new Medium Term Objectives. In preparing the 2012/13 draft budget proposals each department has evaluated the potential pressures on its services and these are set out in Annexe B. The following Table summarises the pressures by department.

Table 2: Service Pressures/Development

	£'000
Chief Executive / Corporate Services	150
Children, Young People and Learning (excluding schools)	1,029
Adult Social Care and Health	405
Environment, Culture & Communities	<u>275</u>
Total Pressures/Developments	1,859

7.2 Many of the pressures are simply unavoidable and respond only to changing demographic trends, particularly as they principally relate to increases in children and young people in care, increases in client numbers within Adult Social Care or the economic climate. They do, however, also support the Council's six overarching priorities and medium term objectives in the following way;

- Promote health & achievement (£1.029m)
- Create a Borough where people are safe and feel safe (£0.405m)

7.3 The Children Young People and Learning pressures include proposals to support and recruit more foster carers and adoptive families with the intention of reducing placement costs for looked after children, thereby generating future savings or, at least, containing the costs of further increases in the number of such children.

7.4 In addition to these revenue proposals the Council continues to invest in its priorities through targeted capital expenditure, details of which are contained in the capital programme report elsewhere in tonight's agenda.

Service Economies /Balancing the Budget

7.5 Since March 2011 the Executive and CMT have held regular meetings to determine options for savings in order to balance the budget and a list of potential draft budget savings has been developed. This list totals £5.123m and is attached at Annexe C and summarised in Table 3. As in previous years, these economies focus as far as possible on central and departmental support rather than on front-line services. However, since it became a Unitary Authority the Council has successfully delivered savings of around £50m in total. Against this background of continually bearing down on costs and driving to improve efficiency it is becoming increasingly difficult to find further savings in these areas, which would not compromise the Council's ability to function effectively.

Table 3: Summary Service Economies

	£'000
Chief Executive / Corporate Services	673
Children, Young People and Learning (excluding schools)	1,607
Adult Social Care and Health	1,149
Environment, Culture and Communities	<u>1,694</u>
Total Savings	5,123

Key Decisions

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

- Dementia Advisory Service
- Life Chances Co-ordinator
- Berkshire Adoption Advisory Service
- Better Commissioning: Older People
- Youth Service
- Early Years
- Connexions
- Targeted Mental Health in schools
- School Improvement Team
- Aiming High for Disabled Children
- Remove support to NAGS
- Public Transport / Concessionary Fares
- Waste Management - Brown Bins
- Smartcard

More details on each of these proposals, each of which will represent a significant change – and in many cases – reduction in the way services are provided, are included in the details shown for all proposals in Annexe C.

7.7 As the budget report is a policy document and is subject to six weeks consultation, the identification of these issues within the budget report fulfils the requirements relating to key decisions under the Council's constitution.

Council Wide Issues

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

a) Capital Programme

The scale of the Council's Capital Programme for 2012/13 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new capital receipts or borrowing from internal resources. The proposed Council Funded Capital Programme of £9.485m for 2012/13 features in a separate report on tonight's agenda. After allowing for projected receipts of £3m in 2012/13, but excluding the self-funding Invest to Save schemes, the additional revenue costs will be £0.032m in 2012/13 and £0.164m in 2013/14.

b) Interest and Investments

Growth in the UK economy is expected to be weak over the next two years and there is a risk of a technical recession. Bank Rate, currently 0.5%, underpins investment returns and is not expected to start increasing until quarter 3 of 2013 despite inflation currently being well above the Monetary Policy Committee inflation target. Hopes for an export led recovery appear likely to be disappointed due to the Eurozone sovereign debt crisis depressing growth in the UK's biggest export market. The comprehensive Spending Review which seeks to reduce the UK's annual fiscal deficit will also depress growth during the next few years.

This challenging and uncertain economic outlook has several key treasury management implications.

- The Eurozone sovereign debt difficulties, most evident in Greece, provide a clear indication of much higher counterparty risk. This continues to suggest the use of higher quality counterparties for shorter time periods
- Investment returns are likely to remain relatively low during 2012/13

The Council continues to regard security of the principal sum it invests as the key objective of its treasury management activities.

The 2012/13 budget is therefore based on an average rate of return of approximately 1% and reflects the lower cash balances as a result of the 2011/12 and 2012/13 Capital Programme. The 2011/12 budget was based on a return of 0.9% and as such expected interest income is projected to increase marginally from the higher interest rate. However additional income will be generated resulting from additional cash flow resulting from the expected repayment of Icelandic deposits and the increase in capital grants from DfE during 2011/12. Given the level of cash balances the Council can once again make maximum use of the arrangement to make a pre-payment on its pension fund contributions and thus earn a higher discount than could be earned through its own investment opportunities. Taken together this should generate additional income of £152,000. However should interest rates fall further, every 0.1% reduction in the average rate of return would add a £0.025m pressure to the General Fund.

The Council reviews the annual Treasury Management Strategy Statement under the requirement of the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Local Government Act 2003 required the Council to "have regard to the Prudential Code and to set Prudential Indicators for the next three years to ensure that the capital investment plans are affordable, prudent and sustainable. Annex E outlines the Council's prudential indicators for 2012/13 – 2014/15 and sets out the expected treasury management activities for this period. It is recommended that the Executive agree the Treasury Management Strategy and associated documents and in line with the Code of Practice request that the Governance and Audit Committee review each of the key elements.

c) Provision for Inflation and Pay Awards

The Commitment Budget excludes the cost of inflation on both expenditure and income. In past years, the Council has restricted the provision for inflation on prices as a general economy measure, to help address the

underlying budget gap, although pay awards have been fully funded. In the context of the Council's overall financial position, it is again prudent to consider where the provision for inflation on prices can be limited as an economy measure, although some exceptions will be necessary to reflect actual increases that will not be containable without real service reductions and to meet contractual commitments. In particular it will be important to have realistic discussions with key providers about what level of inflation is genuinely necessary on some contracts and placements.

At this stage the inflation provision is not finalised, although for planning purposes a sum of £1.500m has been added to the budget. This compares to a provision of £0.545m last year and reflects the higher rates of inflation this year (consumer price inflation at 5.2% and retail price inflation at 5.6% in September). Containing the inflation provision to this level could be achieved by:

- Freezing pay budget lines;
- Having zero inflation for a number of budget lines rather than the Retail Price Index;
- Using 2% inflation for a number of budget lines;
- Negotiating to minimise inflation on contracts;
- Increasing fees and charges by 4.0% unless this is inconsistent with the Council's income policy.

The Council will need to consider where it is appropriate and necessary to provide for inflation over the coming weeks so that the actual inflation provision can be added to the final budget report in February 2012.

d) Fees and Charges

The Council established a policy for the review of fees and charges when setting the 2001/02 budget. This requires each Department to consider the level of charges against the following criteria:

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

It is estimated that most prices, where the Council charges users a fee for services, will need to increase by around 4.0% to recover the costs of those services. However, where current economic conditions and the market rate indicate a different percentage, for example for leisure income, this has been applied. Certain other fees also attract a different percentage as they are determined by statute. The proposed fees and charges are included in Annexe D.

e) Corporate Contingency

The financial risks facing the Council are at a similar overall level to those experienced last year. The Council manages these uncertainties in the budget through the use of a general contingency added to the Council's budget. A

sum of £1m is currently included for contingency in the budget proposals for 2012/13.

During the next year the Council will continue to face significant risks on its budget particularly in relation to demand led budgets. Therefore the Borough Treasurer recommends that the general contingency should be set at £1m which is equal to the contingency for 2011/12.

The Executive will need to make a judgement on the appropriate level of contingency at its February meeting, taking advice from the Borough Treasurer who will need to certify the robustness of the overall budget proposals in the context of the Council's remaining general and earmarked reserves. All the reserves will be reviewed to ensure that they are sufficient to manage the financial risks facing the Council in the coming years.

Spending on Schools

- 7.9 The Schools Budget – both delegated school funding and centrally managed items such as Special Educational Needs placements made outside of the Borough - is funded by a specific Dedicated Schools Grant (DSG) with any year end balance, either surplus or deficit, required to be ring-fenced within the Schools Budget. Therefore, use of this funding is outside the control of the Council.
- 7.10 However, Local Authorities have a legal duty to set the overall level of Schools Budget and individual budgets for each of their schools by 31 March. This must be no lower than the level of anticipated DSG, but can be higher, if the Council decides to add a top up.
- 7.11 The level of DSG is calculated by multiplying the per pupil funding rates that the Department for Education (DfE) determines for each local authority by the actual January pupil numbers. At this stage, as both of these key pieces of information have yet to be confirmed, it is difficult to estimate future funding. However, using the 2011/12 per pupil funding rate of £4,861 and the number of pupils on roll at October would generate a total DSG of £75.7m.
- 7.12 To meet the statutory publication deadline, the Schools Budget for 2012/13 will have to be set on the basis of the estimated level of DSG plus any accumulated balance. The draft budget proposals therefore assume the Schools Budget is set at the level of DSG and that any accumulated deficit or surplus is managed to a nil balance by the end of the funding period.
- 7.13 Decisions around the final balance of the budget between spending by schools and that on pupil services managed by the Council is the responsibility of the Executive Member for Education, although the Schools Forum must be consulted, and in certain circumstances, agree to spending increases on the services managed by the Council.

Summary

- 7.14 Adding the draft proposals to the Commitment Budget and taking account of the corporate issues identified above would result in total expenditure of £73.099m as shown in Table 5.

Table 5: Summary of proposals:

	£'000
Commitment Budget	76,400
2012/13 Budget Pressures	1,859
2012/13 Budget Economies	(5,123)
Capital Programme	32
Changes in Investment Income	(152)
Inflation Provision	1,500
Additional Specific Grants	(583)
Additional New Homes Bonus 2011/12	(47)
New Homes Bonus 2012/13	(787)
Draft Budget Requirement 2012/13	73,099

- 7.15 The Council can anticipate income of up to £73.156m. This arises from Government grants (£23.124m), additional Council Tax Freeze Grant (£1.220m) and Council Tax (£48.812m). While this creates a broadly balanced budget there is still uncertainty surrounding the final Local Government Financial Settlement and inevitably between December and February additional information will become available which could impact on the budget proposals. The results of the consultation exercise will also need to be factored into the Council's final budget proposals.

8 BALANCES

- 8.1 The Council has an estimated £8.4m available in General Reserves at 31 March 2012. Details are contained in Table 6.

Table 6: General Reserves as at 31 March 2011

	£m
General Fund	10.0
Planned use in 2011/12	(1.6)
Estimated Balance as at 31 March 2012	8.4

- 8.2 The Council originally deposited £2m with Heritable Bank and £3m with Glitnir Bank which are both Icelandic banks that have been put into administration. The administration of Heritable is being undertaken in the UK and to date the Council has received a total of £1.32m. At this point the final recovery rate is still unknown; however the administrator has indicated that the final recovery should be between 86p to 90p in the pound. With regard to the investments with Glitnir the Icelandic courts have supported the view that the Council be treated as a preferred creditor, thereby indicating that 100% of the deposit will be returned. The actual repayment is currently expected to be partially in foreign currency assets. It is currently too early to provide a definitive policy on how this exchange rate risk will be managed, but the expectation will be that the risk will be managed proactively and assets converted to sterling at the earliest opportunity. An earmarked reserve was created in 2009/10 to meet any potential losses. However, given the decision of the Icelandic Supreme Court it is unlikely that the majority of this reserve will be called upon. The balances position will be updated in February taking into account the latest position on Icelandic banks.

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

9 CONCLUSION

- 9.1 The Council's constitution requires a six week consultation period on the draft budget proposals. This consultation is a genuine one. In this context, it is inevitable that, of the broad range of options proposed for consultation, not all will necessarily be included in the final budget package. It is also likely that some further issues with a financial impact will arise between now and February.
- 9.2 It is suggested, therefore, that the normal process whereby the Overview & Scrutiny Commission reviews the overall budget package and determines whether any specific issues should be considered further by the Overview and Scrutiny Panels at their meetings in January, is followed. The proposals will also be placed on the Council's website for public consultation and Directors will ensure that particular arrangements are made to engage with individuals or groups that may be affected by some of the more direct reductions and/or changes to service provision.
- 9.3 All comments from the Overview & Scrutiny Commission, Overview and Scrutiny Panels and all others will then be submitted to the Executive on 21 February 2012. This will allow the Executive to determine the final budget package and recommend the appropriate Council Tax level to the Council on 29 February 2012.

10 BUDGET MONITORING 2011/12- VIREMENT REQUEST

- 10.1 A virement is the transfer of resources between two budgets but it does not increase the overall budget approved by the Council. Financial Regulations require formal approval by the Executive of any virement between £0.050m and £0.100m and of virements between departments of any amount. Full Council approval is required for virements over £0.100m. During 2011/12 a number of significant virements have been identified which require the approval of the Executive. These have been previously reported to the Corporate Management Team which recommends them to the Executive for approval. They have been included in the quarterly Performance Monitoring Reports. Details of virements between departments are set out in Annexe F and summarised in Table 7. Details of internal departmental virements exceeding £0.050m are set out in Annexe G.

Table 7: 2011/12 Virements

	Reorganisation £'000	Structural Changes Reserve £'000	Other Earmarked Reserve £'000	S106 Bus Contracts £'000	Other S106 items £'000	Council Wide Items £'000
Corporate Services/Chief Executive's	116	17	20	0	0	156
Children, Young People and Learning	252	9	150	0	0	56
Adult Social Care & Health	83	0	0	0	0	19
Environment, Culture & Communities	-451	74	0	298	31	282
Non Departmental/ Council Wide	0	0	0	0	0	-513
Earmarked Reserves	0	-100	-170	-298	-31	0
TOTAL	0	0	0	0	0	0

11 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

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

Borough Treasurer

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

Equalities Impact Assessment

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

Strategic Risk Management Issues

- 11.4 A sum of £1m is currently proposed to meet the costs of unpredictable or unforeseen items that would represent in year budget risks. This is equal to the level of contingency set for 2011/12. The Executive will need to make a judgement on the level of contingency at its meeting in February.

- 11.5 The Borough Treasurer, as the Council's Chief Finance Officer (section 151 officer), must formally certify that the budget is sound. This will involve identifying and assessing the key risk areas in the budget to ensure the robustness of estimates and ensuring that appropriate arrangements are in place to manage those risks, including maintaining an appropriate level of reserves and contingency. This formalises work that is normally undertaken each year during the budget preparation stages and in monthly monitoring after the budget is agreed. The Borough Treasurer will report his findings in February, when the final budget package is recommended for approval.

12 CONSULTATION

Principal Groups Consulted

- 12.1 The Overview & Scrutiny Commission will be consulted on the budget proposals and may also choose to direct specific issues to individual overview and scrutiny panels. Targeted consultation exercises will be undertaken with business rate payers, the Senior Citizens' Forum, the Schools Forum, Parish Councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council's web site at www.bracknell-forest.gov.uk. There will also be a dedicated mailbox to collect comments.

- 12.2 The timetable for the approval of the 2012/13 Budget is as follows

Executive agree proposals as basis for consultation	13 December 2011
Consultation period	14 December 2011 - 24 January 2012
Executive considers representations made and recommends budget.	21 February 2012
Council considers Executive budget proposals	29 February 2012

- 12.3 Due to the nature of some of the budget proposals an extended 12 week consultation process is planned for the proposals relating to:

- Youth Service
- Public Transport / Concessionary Fares
- Community Transport

As this ends on 6 March and after the Council tax has been set the Council will need to make separate decisions on whether these proposals are to be implemented.

- 12.4 A separate consultation exercise has been underway since October on proposals for the modernisation of elements of adult social care, including the future of Ladybank residential care and support for people with long term conditions. The budget proposals allow for the implementation of these modernisation proposals. However, if the Council does not proceed with these or any other proposals which are subject to detailed consultations, the financial implications will be addressed in the subsequent report to the Executive in February.

Background Papers

None

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Commitment Budget 2012/13 to 2014/15

	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000
Chief Executive / Corporate Services				
Approved Budget	15,615	15,867	15,761	15,676
WAN Invest to Save Scheme		-4		
IPT Invest to Save Scheme		-17		
Borough Elections		-70		
Unified Training Budget - realignment of training year		10	-10	
Vacating Seymour House		-25	-75	
Net Inter Departmental Virements	252			
Chief Executive / Corporate Services Adjusted Budget	15,867	15,761	15,676	15,676
Children, Young People and Learning				
Approved Budget	13,026	13,326	13,330	13,220
Suitability Surveys		20	-20	
Schools Music Festival		-10	10	-10
WAN Invest to Save Scheme		-6		
Local foster home placements			-100	-150
Net Inter Departmental Virements	300			
Children, Young People and Learning Adjusted Budget	13,326	13,330	13,220	13,060
Adult Social Care and Health				
Approved Budget	21,763	21,873	21,824	21,824
Dementia Advisory Service		-35		
Transfer of Home Improvement Agency Service to Environment, Culture and Communities		-14		
Net Inter Departmental Virements	110			
Adult Social Care and Health Adjusted Budget	21,873	21,824	21,824	21,824
Environment, Culture and Communities				
Approved Budget	27,428	27,168	27,622	27,648
Landfill Tax / Waste Disposal PFI		35	42	51
Landfill Tax Increase		106	104	99
Local Development Framework		97	25	-135
Capital Invest to Save 06/07 - Easthampstead Park		-1	-1	-1
Royal Military Academy Freedom March		5		
Coroners Service - transfer from TVPA		9	9	9
Refuse Collection Contract		-100		
Car Park Season Ticket Income		98		
WAN Invest to Save Scheme		-20		
Transfer of Home Improvement Agency Service from Adult Social Care and Health		14		
Flood and Water Management Responsibilities		153	-153	
Transfer of Local Authority Flood Grant to Non Departmental		12		
Transfer of Preventing Homelessness Grant to Non Departmental		50		
IPT Invest to Save Scheme (BSLC)		-4		
Net Inter Departmental Virements	-260			
Environment, Culture and Communities Adjusted Budget	27,168	27,622	27,648	27,671
Total Service Departments	78,234	78,537	78,368	78,231
Non Departmental / Council Wide				
Approved Budget	-1,577	-1,979	-2,137	-1,633
2011/12 Capital Programme (Full Year Effect) - Interest		41		
Minimum Revenue Provision		262		
2011/12 Use of Balances (Full Year Effect) - Interest		8		
Terms and Conditions		-50		
Additional Bank Holiday		-60		
Changes in Employers NI and Thresholds		-129		
Increase in Employers Pension Fund Contributions		45	151	
Carbon Reduction Commitment		-72		
Ceasing to pay pension fund contributions in advance			200	
Transfer and increase in Local Authority Flood Grant		-153	153	
Transfer of Preventing Homelessness Grant from Environment, Culture and Communities		-50		
Net Inter Departmental Virements	-402			
Non Departmental / Council Wide	-1,979	-2,137	-1,633	-1,633
TOTAL BUDGET	76,255	76,400	76,735	76,598
Change in commitment budget		145	335	-137

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

	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000
Corporate Services	8,161	8,055	7,970	7,970
Children, Young People and Learning	21,411	21,415	21,305	21,145
Adult Social Care and Health	25,272	25,223	25,223	25,223
Environment, Culture & Communities	37,382	37,836	37,862	37,885
Non Departmental/Council Wide	-15,971	-16,129	-15,625	-15,625
	76,255	76,400	76,735	76,598

Description of Commitment Budget Items for 2012/13 to 2014/15

Department and Item	Description
Chief Executive / Corporate Services	
Capital Invest to Save 10/11 – Wide Area Network	Wide Area Network circuit replacement based on wireless technologies.
Capital Invest to Save 11/12 – IPT system	Replacement of the existing corporate telephony infrastructure with the newer Internet Protocol Telephony (IPT) technology.
Borough Elections	Removal of the additional budget required for the Borough Elections in 2011/12.
Unified Training Budget - realignment of training year	In order to alleviate the pressure on the Learning and Development Team the training year will in future be in line with the academic year with courses and development activities being scheduled from September to August as opposed to September to March.
Vacating Seymour House	The disposal of Seymour House to Bracknell Regeneration Partnership is included in the Town Centre Development Agreement and will occur when this agreement goes unconditional.
Children, Young People and Learning	
Suitability surveys	Suitability and access surveys are undertaken every three years to update the Asset Management Plan so that up to date information is available to inform investment decisions on the capital programme.
Schools Music Festival	Biennial event which enables pupils from the Council's Primary schools to participate in a large scale production which links music, dance and art.
Capital Invest to Save 10/11 – Wide Area Network	Wide Area Network circuit replacement based on wireless technologies.
Local foster home placements	The investment in staffing proposed in the 2012-13 base budget are expected to result in more children being placed in local foster homes instead of expensive independent foster homes. The savings proposed reflect the current looked after children population which is volatile, and therefore subject to change, often at very short notice.
Adult Social Care and Health	
Dementia Advisory Service	The Dementia Advisory service supports people in the early stages of diagnosis, until they need more intensive support from either a Community Psychiatric Nurse or Social Worker. Funding was initially agreed for a one year period, 2011/12.
Transfer of Home Improvement Agency Service	From October 2011 the Home Improvement Agency service has been bought in house and provided by the Department of Environment, Culture and Communities. The contribution Adult Social Care and Health previously made to the external provider will be used to help fund the in house service.

Department and Item	Description
Environment, Culture and Communities	
Landfill Tax / Waste Disposal PFI	Projection of 25 year contract costs for Recycling and Waste Disposal. The contract is shared with Wokingham and Reading Borough Councils.
Landfill tax increase	Projected costs of increased rates of Landfill Tax over and above those initially announced by the Government which have increased through successive budget announcements.
Local Development Framework	The estimated costs of a continuous rolling programme to deliver Development and Supplementary Planning.
Capital Invest to Save 06/07 - Easthampstead Park	An invest to save scheme to provide en-suite bedrooms. This is the incremental net increase in revenue to be received on top of the original sum declared to repay the original capital investment.
Royal Military Academy Freedom March	Contribution to the freedom march scheduled to take place in 2012.
Coroners Service - transfer from TVPA	The Thames Valley Police Authority (TVPA) is transferring responsibility for the Coroners Service to the local authorities in Berkshire. In 2010/11 the TVPA provided 100% funding. This will be phased out over the next four years 2011/12 to 2014/15.
Refuse Collection Contract	Full year effect of the new contract let 01/08/2011.
Car Park Season Ticket Income	Full year effect of the loss of a major season ticket holder.
Capital Invest to Save 10/11 – Wide Area Network	Wide Area Network circuit replacement based on wireless technologies.
Transfer of Home Improvement Agency Service	From October 2011 the Home Improvement Agency service has been bought in house and provided by the Department of Environment, Culture and Communities.
Flood and Water Management Responsibilities	Reflects additional responsibilities in respect of new flooding and surface drainage duties, funded by a specific grant.
Transfer of Local Flood Authority Grant	Local Flood Authority Grant is a general grant which forms part of Local Services Support Grant. This replaced Area Based Grant and is therefore more appropriately reflected under Non Departmental budgets.
Transfer of Preventing Homelessness Grant	The Preventing Homelessness Grant is a general grant which forms part of Local Services Support Grant. This replaced Area Based Grant and is therefore more appropriately reflected under Non Departmental budgets.
Capital Invest to Save 11/12 – IPT (BSLC)	Moving the current telephone system at the Bracknell Sport and Leisure Centre onto the corporate Internet Protocol Telephony (IPT) platform.
Non Departmental / Council Wide	
2011/12 capital programme (full year effect) -Interest	The full year effect of the loss of interest based on the 2011/12 capital programme.

Department and Item	Description
Minimum Revenue Provision	The increase in the principal repayment on internal loans used to finance capital expenditure.
2011/12 use of balances (full year effect) -Interest	The full year effect of the interest loss on the use of balances in 2011/12.
Terms and Conditions	Reduction arising from changes to employee terms and conditions
Additional Bank Holiday	Based on the impact of the royal wedding, significant additional costs are no longer expected to arise from the diamond jubilee. The additional budget built into 2011/12 can therefore be removed.
Changes in employers NI and bandings	The budgetary impact of the increase in employers NI rate and changes in thresholds was less than originally forecast.
Increase in Employers Pension Fund Contributions	Following on from the triennial actuarial valuation, the past service deficit is being paid as a lump sum and is phased over 3 years. Although £0.280m was built into the budget for this in 2011/12 the lump sum increases in each subsequent year and this creates a budget pressure in 2012/13 and 2013/14.
Carbon Reduction Commitment	Allowances to cover school CO ₂ emissions have already been provided for within Schools Budgets and can therefore be removed from the General Fund budget.
Ceasing to pay pension fund contributions in advance	The Council is unlikely to have the cash resources available to pay employers and employees contributions in advance from 2013/14.
Transfer and increase in Local Flood Authority Grant	Local Flood Authority Grant is a general grant which forms part of Local Services Support Grant. This replaced Area Based Grant and is therefore more appropriately reflected under Non Departmental budgets. No funding is guaranteed beyond 2012/13.
Transfer of Preventing Homelessness Grant	The Preventing Homelessness Grant is a general grant which forms part of Local Services Support Grant. This replaced Area Based Grant and is therefore more appropriately reflected under Non Departmental budgets.

ADULT SOCIAL CARE AND HEALTH

Description	2012/13 £'000	2013/14 £'000	2014/15 £'000
<p>Purchased Care – All Adult Social Care</p> <p>Pressure arises principally from forecast population changes in the number of Older People and Adults aged under 65 with a disability, which will mean an increase in the number of people requiring support.</p>	335		
<p>Blue Badge Assessments</p> <p>Responsibility for Blue Badge eligibility assessments has transferred from Health to Councils. This has created an additional administrative burden on the department.</p>	35		
<p>Dementia Advisory Service</p> <p>The Dementia Advisory service supports people in the early stages of diagnosis until they need more intensive support from either a Community Psychiatric Nurse or Social Worker. The introduction of this service has resulted in a reduction in the number of referrals to Social Care. The funding was originally agreed for one year, 2011/12 but the benefits of the service means the funding needs to continue.</p>	35		
<p>ADULT SOCIAL CARE AND HEALTH TOTAL</p>	405		

ADULT SOCIAL CARE AND HEALTH

Description Impact	2012/13 £'000	2013/14 £'000	2014/15 £'000
<p>Better commissioning: Older People</p> <p>The programme of modernisation of services for Older People will result in savings from the improved commissioning of these services.</p>	-448		
<p>Services for People with Learning Disability</p> <p>Savings are expected to accrue from an agreement reached with the PCT partly from the funding transfer for People with Learning Disabilities but also through natural demographic factors. However as we cannot influence the latter the true saving may be different.</p>	-222		
<p>Headspace Service</p> <p>The proposal would involve Headspace becoming a community interest company and covering its costs from fee and sales income and other grants.</p>	-25		
<p>Day and Respite Services for People with a Learning Disability</p> <p>Revised management arrangements across the overnight respite and day services will result in lower staffing costs</p>	-30		
<p>Services for People with Long Term Conditions</p> <p>Lower costs can be achieved by bringing back in house the Sensory Needs Service (currently provided by Optalis) and the DFG support service (the latter to be provided by ECC). Also an increase in Blue Badge Charges, to be implemented as part of a national overhaul of the Blue Badge Scheme will reduce net costs.</p>	-51		
<p>Community Response and Reablement</p> <p>The use of technology to organise, and update, rotas will ensure greater capacity within the Community Response and Reablement team, enhancing the service that is provided. In addition, there would be scope to reduce 1 care co-ordinator post, as the technology reduces the amount of manual administration that needs to be done.</p>	-25		
<p>Older People and Long Term Conditions Management</p> <p>The Older People modernisation programme will result in management efficiencies through the relocation of some services to Heathlands, allowing the introduction of a revised management</p>	-48		

Description Impact	2012/13 £'000	2013/14 £'000	2014/15 £'000
structure.			
Review of Support Staff Efficiency savings will arise from the rationalisation and amalgamation of administrative support and PA posts.	-100		
Current Budget Position – Full Year Impact The careful management of costs, in particular those relating to the reprovision of purchased services for People with a Learning Disability as well as reductions in the numbers of People with Learning Disabilities being supported through the former s28a grant have resulted in a number of savings which will be ongoing into 2012/13.	-200		
ADULT SOCIAL CARE AND HEALTH TOTAL	-1,149		

ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

**Service : Adult Residential and Nursing Care - Contributions
from people supported**

Purpose of the Charge: To contribute to the costs of accommodation

	2011/2 Budget	Proposed 2012/13 Budget
	£'000	£'000
Income the proposed fees will generate:	2,407	2,504

Are concessions available? Yes - The actual contribution will be assessed in accordance with the current 'CRAG' (Charging for Residential Guide) issued by the Department of Health (DoH)

Link to the Council's Medium Term Objectives: To promote independence and choice for vulnerable adults and older people

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%
Residential and Nursing Care This includes permanent, respite and short term care. Where people are in accommodation funded by the Council, the maximum contribution they will be asked to make is the cost of the accommodation, but this will be subject to a financial assessment under 'CRAG' and so the actual contribution may be lower. Fee increases in 2012/13 will depend on each persons financial circumstances but for most people will be linked to the increase in pensions and benefits they receive			4.0% (Estimate)
Payments deferred pending sale of property			
Interest payable	2% above Lloyds base rate	2% above Lloyds base rate	
Due date: Under deferred payment agreement	56 days from support ceasing	56 days from support ceasing	
Other	Date of support ceasing	Date of support ceasing	

ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

Service : Adult non residential services - Contributions from people supported

Purpose of the Charge: To contribute to the costs of Support

	2011/12 Budget	Proposed 2012/13 Budget
Income the proposed fees will generate:	£'000 942	£'000 980

Are concessions available? Yes - The actual contribution will be assessed in accordance with the current 'Fairer Contributions Policy' issued by the Council which complies with national guidance issued by the DoH.

Link to the Council's Medium Term Objectives: To promote independence and choice for vulnerable adults and older people

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%

<p>Non Residential Support This includes homecare, day care, meals and other support in the community</p> <p>Where people are supported by the Council, the maximum contribution they will be asked to make is the cost of the support, but this will be subject to a financial assessment under the 'Fairer Contributions' policy and so the actual contribution may be lower.</p> <p>Fee increases in 2012/13 will depend on each persons financial circumstances but for most people will be linked to the increase in pensions and benefits they receive.</p>			4.0% (Estimate)
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ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

Service : Adult Residential Care - Charges when the council is not responsible for funding

Purpose of the Charge: To recover the full cost of the service used

	2011/12 Budget	Proposed 2012/13 Budget
	£'000	£'000
Income the proposed fees will generate:	725	754

Are concessions available? No

Link to the Council's Medium Term Objectives: To promote independence and choice for vulnerable adults and older people

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%

Residential Care (including Respite)				
Older People				
Residential/	Charge per week	624.80	649.80	4.00
Respite	Charge per night	89.20	92.80	4.00
Learning Disability				
Residential/	Charge per week	1,173.20	1,220.10	4.00
Respite	Charge per night	167.60	174.30	4.00

ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

Service : Adult Day Care

Purpose of the Charge: To recover the costs of the service

	2011/12 Budget	Proposed 2012/3 Budget
	£'000	£'000
Income the proposed fees will generate:	16	17

Are concessions available? No

Link to the Council's Medium Term Objectives: To promote independence and choice for vulnerable adults and older people

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%

Day Care				
Heathlands Day Centre				
Charge per day	Charge per day	47.60	49.50	4.00
Carers Drop in Service		6.00	6.00	0.00
<i>This service has recently commenced and so no increase is proposed yet.</i>				
Learning Disability				
Standard Care	Charge per day	37.30	38.80	4.00
Special Care	Charge per day	109.30	113.70	4.00

ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

Service : Blue Badge Scheme

Purpose of the Charge: To contribute to the cost of the service

	2011/12 Budget	Proposed 2012/13 Budget
	£'000	£'000
Income the proposed fees will generate:	1	5

Are concessions available? No

Link to the Council's Medium Term Objectives: To promote independence and choice for

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%
Blue Badge - Issues and Duplicate Badges <i>The 2011/12 charge is under review with proposals to increase to £10 from January 2012</i>	2.00	10.00	500.0%

ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

Service : Health funded adult social care provision

Purpose of the Charge: To recover the costs of the service

	2011/12 Budget	Proposed 2011/12 Budget
	£'000	£'000
Income the proposed fees will generate:	4,122	4,197

Are concessions available? No

Link to the Council's Medium Term Objectives: To promote independence and choice for vulnerable adults and older people

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%

Health Funded Provision			
The Council receives a number of different income streams from health organisations, summarised as:			
Registered nursing care contribution	Current DH rates	Current DH rates	
Continuing health care contributions	Actual costs incurred	Actual costs incurred	
Joint funded posts and other income.	Actual costs incurred	Actual costs incurred	

ADULT SOCIAL CARE & HEALTH DEPARTMENT

2012/13 PROPOSED FEES & CHARGES

Service : Other miscellaneous adult social care income

Purpose of the Charge: To recover the costs of the service

	2011/12 Budget	Proposed 2011/12 Budget
	£'000	£'000
Income the proposed fees will generate:	76	79

Are concessions available? No

Link to the Council's Medium Term Objectives: To promote independence and choice for vulnerable adults and older people

Description	Current Fee (Exc VAT)	Proposed Fee (Exc VAT)	Increase
	£.p	£.p	%

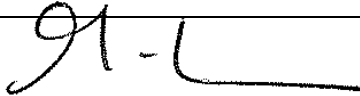
The Council may receive a number of different income streams in addition to health organisations, including:			
Supported living and tenancies	Actual costs incurred if applicable	Actual costs incurred if applicable	
Other miscellaneous income. Where no specific rate is set and where applicable the Council will seek to ensure any fees or charges will cover the cost of service provided	Actual costs incurred if applicable	Actual costs incurred if applicable	

Equalities Screening Record Form

Date of Screening: 10 October 2011	Directorate: ASC&H		Section: B.S. Team, Older People & Long Term Conditions
1. Activity to be assessed	Reform of the Blue Badge Improvement Service		
2. What is the activity?	<input type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input checked="" type="checkbox"/> Service <input type="checkbox"/> Organisational change		
3. Is it a new or existing activity?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing		
4. Officer responsible for the screening	Mira Haynes		
5. Who are the members of the EIA team?	Naoma Dobson, Mark Gittins and Gail Ebdon		
6. What is the purpose of the activity?	<p>Please describe briefly its aims, objectives and main activities as relevant.</p> <p>The objectives of the Blue Badge Reform is to address current problems, especially those relating to fraud and abuse. The aim is to improve operational efficiency, reduce public sector costs and improve customer service. The Blue Badge scheme helps to support those who have mobility needs who need help to travel.</p> <p>There is currently a National Reform of Blue Badges which is being introduced by the Department for Transport from January 2012 and all local authorities have to sign up to this agreement. The cost of a blue badge has been £2:00 since 1971 but the Department for Transport have said that each local authority can charge up to £10:00 per badge, this is for 3 years and does not cover the cost of a badge if there is an assessment. The cost to Bracknell Forest just to order a blue badge will be £4:60 alone. The cost to Bracknell Forest Council for an Automatic Blue Badge will be £12:22, cost of a discretionary will be £25:77 and the cost of a blue badge with an assessment will be £51:83, please see attached staffing costs.</p> <p>Blue Badges are issued free of charge to people who have a terminal illness.</p> <p>As a result of the Reform of Blue Badges, Bracknell Forest Council will have to take on this responsibility for issuing of the blue badges and will need to increase the cost otherwise we would have to cut services elsewhere to cover the costs of issuing the blue badges.</p> <p>There are currently 2.5 million badges on issue throughout Great Britain and the number has trebled in the last 20 years and demand is forecast to increase further as the population ages.</p>		
7. Who is the activity designed to benefit/target?	Adults and Children with Mobility problems		
Protected Characteristics	Please tick yes or	Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential	What evidence do you have to support this? E.g equality monitoring data, consultation results, customer satisfaction information etc

	no		for both? If the impact is neutral please give a reason.	Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data
8. Disability Equality	Y	N ✓	The impact would be on people who are on low Incomes	
9. Racial equality	Y	N ✓	The impact would be on people who are on low Incomes	
10. Gender equality	Y	N ✓	The impact would be on people who are on low Incomes	
11. Sexual orientation equality	Y	N ✓	The impact would be on people who are on low Incomes	
12. Gender re-assignment	Y	N ✓	The impact would be on people who are on low Incomes	
13. Age equality	Y	N ✓	The impact would be on people who are on low Incomes	
14. Religion and belief equality	Y	N ✓	The impact would be on people who are on low Incomes	
15. Pregnancy and maternity equality	Y	N ✓	The impact would be on people who are on low Incomes	
16. Marriage and civil partnership equality	Y	N ✓	The impact would be on people who are on low Incomes	
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carer's/ex-offenders) and on promoting good community relations.	It is likely to have an adverse impact on vulnerable adults/families that are on low incomes as the cost will increase from £2:00 to £10:00.			

<p>18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?</p>	<p>The cost of a blue badge has been £2:00 since 1971 but the Department for Transport have said that each local authority can charge up to £10:00 per badge, this is for 3 years and does not cover the cost of a badge if there is an assessment. The cost to Bracknell Forest just to order a blue badge will be £4:60 alone. The cost to Bracknell Forest Council for an Automatic Blue Badge will be £12:22, cost of a discretionary will be £25:77 and the cost of a blue badge with an assessment will be £51:83, please see attached staffing costs.</p> <p>Blue Badges are issued free of charge to people who have a terminal illness.</p> <p>It can be just, even with the increase the tax payer will have to fund some of the scheme as it is not a cross neutral scheme.</p>		
<p>19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?</p>	<p>Bracknell Forest Council does not have the knowledge of peoples income levels of those who apply for a blue badge.</p>		
<p>20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?</p>	<p>Y</p>	<p>N ✓</p>	<p>Please explain for each equality group</p>
<p>21. What further information or data is required to better understand the impact? Where and how can that information be obtained?</p>	<p>You can also view the Quality Impact assessment on the Department for Transport Website as this is a national policy and will affect all Councils within England and South Wales http://www.dft.gov.uk/topics/access/blue-badge/reform-of-the-blue-badge-scheme/</p>		
<p>22. On the basis of sections 7 – 17 above is a full impact assessment required?</p>	<p>Y</p>	<p>N ✓</p>	<p>Please explain your decision. If you are not proceeding to a full equality impact assessment make sure you have the evidence to justify this decision should you be challenged. If you are proceeding to a full equality impact assessment please contact Abby Thomas.</p>
<p>23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.</p>			
<p>Action</p>	<p>Timescale</p>	<p>Person Responsible</p>	<p>Milestone/Success Criteria</p>
			<p>This is not going to impact on specific groups apart from those on low incomes – some people are in employment and have considerable means.</p>
<p>24. Which service, business or work plan will these actions be included in?</p>	<p>Adult Social Care and Health</p>		

<p>25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?</p>	<p>Inform Blue Badge Holders via:- local website, local communications e.g. Town & Country, local papers etc. Presentations to local forums e.g. Carers, Older People & Long Term Condition groups, etc.</p> <p>Mira Haynes attended Access and Advisory Group on 22nd June 2011 where she presented an outline of the Reform of Blue Badges and no objections were raised.</p>
<p>26. Chief Officers signature.</p>	<p>Signature:  Date: 20 October 2011</p>
<p>27. Which PMR will this screening be reported in?</p>	<p>Q3 ASC&H 2011/12</p>

When complete please send to abby.thomas@bracknell-forest.gov.uk for publication on the Council's website.

Equalities Screening Record Form

Date of Screening: 15.09.11	Directorate: Adult Social Care and Health	Section: Older People and Long Term Conditions
1. Activity to be assessed	<p>Modernisation of Older Peoples Services</p> <p>The modernisation strategy is focused on improving the health, well being and independence of Older People and Vulnerable Adults living in Bracknell Forest. It sets out how services will be modernised to meet the aspirations of people for more choice, greater control of their lives and higher quality support. For Bracknell Forest, to make more effective use of resources and value for money services.</p>	
2. What is the activity?	<input checked="" type="checkbox"/> Policy/strategy <input checked="" type="checkbox"/> Function/procedure <input checked="" type="checkbox"/> Project <input checked="" type="checkbox"/> Review <input checked="" type="checkbox"/> Service <input checked="" type="checkbox"/> Organisational change	
3. Is it a new or existing activity?	<input type="checkbox"/> New <input checked="" type="checkbox"/> Existing	
4. Officer responsible for the screening	Mira Haynes	
5. Who are the members of the EIA team?	Project Board members	
6. What is the purpose of the activity?	<p>Please describe briefly its aims, objectives and main activities as relevant.</p> <p>The following projects make up the whole system approach to Modernising Older Peoples services:</p> <ol style="list-style-type: none"> 1. To consult on the future of 'In House' home support for people with long term conditions with a view to the independent sector providing this support. <p>Increasingly people are choosing to use personal budgets to provide their community support. Therefore it is expected that demand for domiciliary care services to be provided as they are now will lessen as people choose to employ Personal Assistants. The unit cost of the in house service is not competitive with the independent sector and does not provide value for money. There are no long term Service Users in this service and future demand will be commissioned in the private sector. 18 staff will be affected. . Where changes lead to redundancies, staff will be consulted and redeployment opportunities will be offered wherever possible</p> <p>Add a small paragraph of explanation under each of these numbered changes below. What are we proposing these changes? How many service users or staff will be affected? How will they be affected?.</p> <ol style="list-style-type: none"> 2. To consult on the future of Ladybank Older Persons Home with a view to re-providing long term care <p>Demand for the type of residential care provided by Ladybank has reduced as people can now be better supported to live at home and increasingly make this choice. The home itself requires major capital expenditure to be spent on it to bring it up to modern standards. There are 10 residents and 32 staff who will be affected. Residents will be consulted and supported to relocate to appropriate alternatives. Where changes lead to redundancies, staff will be consulted and redeployment opportunities will be offered wherever possible.</p> <ol style="list-style-type: none"> 3. To establish ways in which (working with partners) residential intermediate care is enhanced and in time relocated to more suitable accommodation. <p>With the proposed changes to the status of Ladybank it will be necessary to examine the relocation of residential Intermediate care services currently being delivered from the Bridgewell Centre. Ongoing discussions with partners to establish what needs the service will meet in the future will inform the specification for this service. Staff have been kept</p>	

	<p>informed about this process.</p> <p>4. To consult with staff in Community Response and Reablement on proposals to enhance capacity in terms of new rosters and use of technology.</p> <p>Introducing new ways of working, new working patterns and new technology will increase capacity and productivity. It will also better enable the service to meet the growing demand for Intermediate Care type services and support new service developments planned through a more effective use of resources. There are 27 staff members in the directly provided service who will be consulted on adopting these proposals. People supported in this service will benefit from greater flexibility to meet their needs.</p> <p>5. To locate the Home Care Dementia Team at Heathlands Day Centre and consult on new managerial arrangements.</p> <p>With the increased capacity bought about by recent improvements to Heathlands Day Centre and new Carers' drop in scheme, there is now the opportunity to relocate the community support well being dementia team within offices at the day centre. This will facilitate a fully integrated dementia provider service in one location along with providing an easily accessible service for people with memory problems and their carers. There are opportunities for efficiencies for a stream lined management structure. Staff efficiencies will also be delivered through integration of the services. All staff are being consulted on the relocation proposal.</p> <p>6. To work with the Independent Sector on introduction of electronic monitoring for domiciliary providers.</p> <p>To manage the transformation agenda within Adult Social Care, Bracknell Forest will need to employ more effective and efficient ways of providing quality, safe and User responsive domiciliary care services. Electronic monitoring systems will modernise the commissioning and monitoring of home care service delivery. It will contribute towards stream lining processes and improve the quality of services through better management and monitoring of commissioned services. People who use services will benefit from accurate billing.</p> <p>7. To work with Wokingham Borough Council with a view to evaluating opportunities to provide the Sensory Needs Service from within Bracknell Forest Council Community Teams.</p> <p>This proposal would offer an opportunity to consult with people experiencing sensory loss to shape future services to local need. It could also allow for better prevention and early intervention through local needs analysis as well as an opportunity to develop third sector provision.</p> <p>8. To develop proposals to enhance Community Response and Reablement and falls service via funding from the PCT.</p> <p>This proposal will ensure that a robust out of hours and on call management service is developed along with increased capacity in both community and residential intermediate care. Strengthening the assessment at the point of entry, will further a whole system approach to reablement through timely and appropriate interventions.</p> <p>9. To develop appropriate housing options with partners to ensure that the Older Persons Accommodation Strategy is implemented providing a range of accommodation across the Borough.</p> <p>Older People would like to remain living in their own homes as long as possible with access to the best opportunity and options for securing and remaining safely in the home of their choice. In taking this proposal forward will enable good housing based options to be part of the provision of modernised Adult Social Care. .</p> <p>This impact assessment considers the impact of the whole modernisation programme. Equality screenings have been completed on 1 and 2 above. Further screening will be undertaken once the project boards for 3 – 9 have been implemented and screening is thought to be necessary.</p>
<p>7. Who is the activity designed to benefit/target?</p>	<p>Older People and people with a long term condition</p>

Protected Characteristics	Please tick yes or no	Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.	What evidence do you have to support this? E.g equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data
8. Disability Equality	Y	Proposal 1. There will be initial disruption whilst older people settle into their new accommodation, This may have a short term adverse impact. However there is an expected positive long term impact due to any new placements being commissioned in an improved environment underpinned by dedicated a Social Work involvement which will ensure that residents' individual needs are met. for all residents needing review and monitoring of all new placements will take place thus ensuring a positive relocation.	ASC&H have a good track record of delivering change in sensitive supportive manner. Evidence shows that people have experienced an improved service as a result of previous reconfiguration of services. E.g closure of Downside Day Centre in 2010 has led to people leading more person centred independent lives.
9. Racial equality		N No residents will feel an impact from a racial equality perspective. Staff in all project groups come from a diverse number of backgrounds.	All staff will be treated sensitively in regards to their needs.
10. Gender equality	Y	The majority of staff who may be affected are female.	Where changes lead to redundancy we will ensure that staff are not unfairly selected.
11. Sexual orientation equality		N No.	We have no evidence of a differential impact on this Group at this time.
12. Gender re-assignment		N	We have no evidence of a differential impact on this Group at this time.
13. Age equality	Y	Proposal 1: where changes lead to commissioning services in a different way or from a different provider, we will use procurement procedures which include specific reference to equality issues. Proposal 2: All residents are Older People. Any move may have a short term negative impact but in the long term, placements will be made sensitively and appropriately in line with equality issues. For the staff: there may be an adverse impact as a high % of staff affected are over 50.	All residents are Older People. A high % of staff are over 50.

			However, were any changes lead to redundancy or redeployment, we will ensure that staff are not unfairly selected on an age related issue.	
14. Religion and belief equality		N	Equality monitoring information held reflects residents' religious and cultural beliefs. Bracknell Forest will respect and ensure that people's religious beliefs and cultural needs are respected and where services are commissioned, the procurement process includes respecting diversity as a key issue.	Care plans reflect the religious and cultural beliefs of individuals using our services. Staff are therefore aware of how these needs can be followed through.
15. Pregnancy and maternity equality		N	Bracknell Forest family friendly policy will be adhered to.	Managers are aware and have had training on issues relating to family friendly policy and wherever possible the individual needs of people who are pregnant or have young children are accommodated.
16. Marriage and civil partnership equality	Y	N	No known impact. However, Bracknell Forest will adhere to its diversity policy and practices wherever necessary	
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carer's/ex-offenders) and on promoting good community relations.	Staff: Many of the existing staff work part time and as a result may be on low incomes. Where changes lead to redeployment or redundancy, we will ensure that staff are not unfairly selected. Any adverse impact is likely to reflect the profile of the people who use services rather than equality related differential impact.			
18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	There will be no service reduction to individuals as a result of these proposals. All proposals for this project will be dealt with sensitively and with due regard for the promotion of respect, dignity and choice.			
19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?	As the majority of the workforce is female and many work part time, there may be a significant impact on this group of people. At all times, Bracknell Forest's policy and procedures on Human resource management and employment legislation will be adhered to.			
20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?		N	Where changes lead to commissioning services in a different way or through a different provider, we will use procurement procedures which will include specific reference to equalities. Staff: every effort will be made to minimise redundancies. There is a programme board and a project group including Human Resources which will ensure that there is a comprehensive consultation, involvement and sensitive approach to the issues raised above. All staff affected will be offered 1:1 meetings to discuss their needs in detail.	

21. What further information or data is required to better understand the impact? Where and how can that information be obtained?	A full consultation will be undertaken to understand the impact of these proposals. A comprehensive consultation questionnaire has been written which has been approved by the Programme Board. This questionnaire will be made available in appropriate formats to ensure that as far as possible disability issues are accommodated. Staff affected are to be offered 1:1 meetings to discuss their views and their specific needs.		
22. On the basis of sections 7 – 17 above is a full impact assessment required?	Y		Proposals 1, 2 and 6 will need full EIAs once the recommendation is approved at Executive.
23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.			
Action	Timescale	Person Responsible	Milestone/Success Criteria
24. Which service, business or work plan will these actions be included in?			
25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?	Please list		
26. Chief Officers signature.	Signature:	Mira Haynes	Date: 19.10.11
27. Which PMR will this screening be reported in?	Q3 PMR ASC&H 2011-12		

When complete please send to abby.thomas@bracknell-forest.gov.uk for publication on the Council's website.

TO: THE EXECUTIVE
13 DECEMBER 2011

**CAPITAL PROGRAMME 2012/2013 - 2014/2015
(Borough Treasurer/Chief Executive)**

1 PURPOSE OF DECISION

- 1.1 Under the Council's Constitution, the Executive are required to issue their budget proposals for consultation for a minimum period of six weeks prior to making their recommendations to full Council in February 2012. The capital programme forms an important part of the overall budget proposals and is a key means by which the Council can deliver many of its medium term objectives.
- 1.2 This report draws together each service's proposals so that the Executive can agree a draft capital programme for 2012/13-2014/15 as the basis for consultation. In compiling the draft programme the main focus is inevitably on determining the requirements for 2012/13, although future year's schemes do also form an important part of the programme.
- 1.3 The financial implications of the recommendations in this report are reflected in the subsequent reports on the Council's draft revenue budget. Any revisions to the proposals put forward by each service would also need to be reflected in that report which will also be published as the basis for consultation following the Executive's meeting.

2 RECOMMENDATIONS

That the Executive:

- 2.1 **Approves, for consultation, an initial Council funded capital programme of £9.485m for 2012/13 summarised in Annex A, including the schemes listed in Annexes B – F.**
- 2.2 **Approves, for consultation, the inclusion of an additional budget of £1m for Invest to Save schemes.**
- 2.3 **Approves, for consultation, the inclusion of £1.547m of expenditure to be funded from S106 as outlined in para 5.20**
- 2.4 **Approves, for consultation, the inclusion of £12.945m of expenditure to be externally funded as outlined in para 5.20**

3 REASONS FOR RECOMMENDATIONS

- 3.1 The reasons for the recommendations are set out in the report.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The alternative options are considered in the report.

5 SUPPORTING INFORMATION

Capital Resources

- 5.1 Each year the Council agrees a programme of capital schemes. In the past these schemes have been funded from three main sources:
- the Council's accumulated capital receipts
 - Government Grants
 - other external contributions
- 5.2 The Local Government Act 2003 brought in radical changes to the financing of capital expenditure and from that date, the Government no longer issued borrowing approvals. Instead, under a new "prudential framework", Councils can set their own borrowing limits based on the affordability of the debt.
- 5.3 The Council's estimated total usable capital receipts at 31st March 2012 are zero. As a debt free authority the Council is heavily reliant on capital receipts to fund its capital programme, although interest generated from capital receipts can also help support the revenue budget in the short term. In the past the Council has been heavily reliant on housing sales to generate new receipts. Following the transfer of the housing stock to Bracknell Forest Homes (BFH) in 2008 the Council still receives a share of any Right-To-Buy proceeds from BFH in addition to a share of capital receipts from the VAT Shelter scheme. However the disposal of other assets is increasingly seen with greater importance if the Council's spending plans are to continue to be realised. However current market conditions may mean that the immediate disposal of an asset is not necessarily in the Council's best interests. To support this there is a programme of disposals and all surplus, or potentially surplus, property is reported to every meeting of the Asset Management Group who co-ordinate and manage the Council's disposal programme.
- 5.4 At the time of the housing stock transfer it was estimated that the RTB Sharing and VAT Shelter schemes would deliver annual receipts of approximately £3m over the proceeding 10 years. This is now expected to be lower in the short-term as a result of the recession and the on-going uncertainty in the capital markets. However, added to the miscellaneous sales of surplus land and property planned for next year it is now assumed that receipts in 2012/13 will amount to £3m.
- 5.5 As the Council's accumulated capital receipts have been fully utilised the Council returned to a position of internal borrowing in 2010 and as such a revenue contribution is required each year. Once the Council's current level of investments is exhausted, which is expected to be within the next 2 years, the Council will need to borrow externally.
- 5.6 The proposed capital programme for 2012/13 has been developed, therefore, on the assumption that it will be funded by a combination of Government grants, other external contributions and some internal borrowing in addition to the £3m of capital receipts. The financing costs associated with the General Fund Capital Programme have been provided for in the Council's revenue budget plans which also appear on tonight's agenda.

New Schemes

- 5.7 Within the general financial framework outlined above, Service Departments have considered new schemes for inclusion within the Council's Capital Programme for 2012/13 - 2014/15. Given that both capital and revenue resources are under

pressure, each Department has evaluated and prioritised proposed schemes into the broad categories, set out in the Council's Corporate Capital Strategy and in line with the Council's Asset Management Plan. Having done this, only the very highest priority schemes and programmes are being recommended for inclusion in the Capital Programme.

Unavoidable (Including committed schemes)

5.8 This category covers schemes which must proceed to ensure that the Council is not left open to legal sanction and includes items relating to health and safety issues, new statutory legislation etc. Committed schemes also include those that have been started as part of the 2011/12 Capital Programme. Also included within this category are those schemes that were previously funded from the General Fund Revenue Account, but which by their nature could be legitimately capitalised, thereby reducing pressure on the revenue budget. Schemes in this category form the first call on the available capital resources.

5.9 Within these categories provision has been made to address the disabled access requirements to Council buildings (£0.1m). The works have been identified through independent access audits and have been prioritised to meet the needs of users of these buildings. Significant progress has been made in past years and a programme of works has been planned across a range of service areas.

Maintenance (Improvements and capitalised repairs)

5.10 An assessment has been made of the condition of the Council's property assets to arrive at an estimate of the outstanding maintenance works required. These are based on surveys carried out in 2011.

5.11 An assessment is made of the state of each building element and its repair priority with a condition rating and repair urgency as follows.

Definition of Condition Categories:	
<p>A: Good – Performing as intended and operating efficiently. B: Satisfactory – Performing as intended but showing minor deterioration. C: Poor – Showing major defects and/or not operating as intended. D: Bad – Life expired and/or serious risk of imminent failure.</p>	
Priority:	
1	Urgent works that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of the occupants and/or remedy a serious breach of legislation.
2	Essential work required within two years that will prevent serious deterioration of the fabric or services and/or address a medium risk to the health & safety of the occupants and/or a minor breach of the legislation.
3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to the health & safety of the occupants and/or a minor breach of the legislation.
4	Long-term work required beyond a period of 5 years that will prevent deterioration of the fabric or services.

5.12 In line with the policy adopted in previous years the AMG has considered only those works that fall within categories 1C and 1D. Examples of key areas to be undertaken

- Boiler & heating system replacement
- Roof works
- Electrical work - replace switchgear
- Swimming pool filters - replace
- Ventilation & Air Handling Units – Replace
- Fire Alarm & Security systems
- Insulation & fire protection - replace

5.13 Following the review by the AMG, the Chief Officer: Property is proposing a Maintenance Programme of £2.34m to meet the most urgent maintenance requirements of the Council's non-school property portfolio.

5.14 The figures below are based on the information held in the Building Group's property system as of the 30 November 2011. The system has been continually updated to take into account work that was carried out in 2009/2010 and 2010/2011. The priorities can be broken down as follows:

Maintenance Backlog

		£ (000)	£ (000)
Corporate Properties	Priority 1D	3,296	
	Priority 1C	392	3,688
2011/12 Maintenance Budget	-		<u>1,345</u>
Estimated Backlog 2012/13			2,343

5.15 The implications of failing to maintain Council buildings and to address the backlog will be a significant issue for the Council over the coming years and efforts will be focussed on ensuring that the highest priority items are tackled first, that efficiencies are maximised in the procurement of works and that maintenance which will result in energy efficiencies are undertaken through the invest-to-save programme, as set out in the Council's Asset Management Plan 2010

Rolling programmes

5.16 These programmes cover more than one year and give a degree of certainty for forward planning schemes to improve service delivery. They make an important contribution towards the Council's Medium Term Objectives and established Asset Management Plans.

Other Desirable Schemes

5.17 In addition to the schemes identified in the above categories, each service has requested funding for other high priority schemes that meet the needs and objectives of their service and the Council's Medium Term Objectives. The net cost of schemes which attract partial external funding are included in the schemes put forward.

Invest To Save Schemes

- 5.18 These are schemes where the additional revenue income or savings arising from their implementation exceeds the internal borrowing costs. The Council's approach to Invest to Save schemes is included in its Capital Strategy and in accordance with the Capital Strategy it is proposed that a further £1m be included in the 2012/13 capital programme for potential Invest to Save schemes.

Capital Programme 2012/13 – 2014/15

- 5.19 A detailed list of suggested schemes within the draft capital programme, together with a brief description of each project, for each service is included in Annexes B – F. A summary of the cost of schemes proposed by Departments is set out in the table below and in Annex A. This shows that the total net funding requested is £9.485m in 2012/13.

Capital Programme 2012/13-2014/15				
Annex	Service Area	2012/13 £000	2013/14 £000	2014/15 £000
B	Corporate Services	178	0	0
C	Council Wide	7,795	2,795	2,725
D	Children, Young People & Learning	5,953	2,695	4,465
E	Adult Social Care & Health	417	0	0
F	Environment Culture & Communities	8,087	6,138	6,603
	Total Capital Programme	22,430	11,168	13,793
	Externally Funded	12,945	3,045	3,815
	Total request for Council funding	9,485	8,583	9,978

Externally Funded Schemes

- 5.20 A number of external funding sources are also available to fund schemes within the capital programme, amounting to £12.945m of investment in 2012/13. External support has been identified from two main sources:

Government Grants

A number of capital schemes attract specific grants. It is proposed that all such schemes should be included in the capital programme at the level of external funding that is available. However the capital programme includes more detail on these programmes in that every project costing more than £50k is included or will be included in the February 2012 report as a "named" scheme.

The majority of the grant-funded capital programme relates to the planned investment in Schools. In 2011/12 the Department for Education (DfE) changed the way in which it delivered funding to local authorities, moving from supported borrowing approvals to capital grant. This simple change had a significant impact on

the authority, as the supported borrowing approvals represented little or no cash increase to the Council's resources, whereas the move to cash grants means the Council can effectively invest every £ of allocation from DfE.

The schools investment programme included in this report (and outlined in Annex D) is based on the latest available information on requirements, both maintenance and basic need, whilst at the same time reflecting the estimated level of funding that could be received in 2012/13 through the grant allocation process, based on the 2011/12 allocation. The actual level of grant received by the authority will not be known until the publication of the Local Government Finance Settlement which is due in December 2011. As such there is a presumption that the final agreed programme will be re-prioritised based on the level of funding actually received.

Section 106

Each year the Council enters into a number of agreements under Section 106 of the Town & Country Planning Act 1990 by which developers make a contribution towards the cost of providing facilities and infrastructure that may be required as a result of their development. Usually the monies are given for work in a particular area and/or for specific projects. The total money available at present, which is not financially committed to specific projects, is £4.15m, although conditions restricting its use will apply to almost all of this.

Officers have identified a number of schemes that could be funded from Section 106 funds in 2012/13, where funding becomes available. These are summarised below

Department	Schemes	Budget
		<i>£000</i>
CYPL	Schools	£697
ECC	Local Transport Plan	£750
ECC	Leisure, Culture & Visual Environment	£100
	Total	£1,547

As with grant funded schemes, in order to increase transparency, all capital schemes to be funded from S106 money costing more than £50k are included in the draft programme as specific named schemes or will be when it is finally agreed in February 2012.

Funding Options

- 5.21 There are a number of important issues concerning the long term funding of capital expenditure. Following the transfer of the housing stock in 2008, the Council's capital receipts are limited to miscellaneous asset sales and the contribution from the VAT Shelter Scheme and Right-to-Buy claw back agreed as part of the transfer. As noted earlier in this report, these receipts are likely to be depressed by the general economic conditions and as such receipts in 2012/13 are estimated to be in the region of £3m.
- 5.22 The proposed capital programme for 2012/13 has been developed, therefore, on the assumption that it will be funded by a combination of £3m of capital receipts, Government grants, other external contributions and some internal borrowing. The financing costs associated with the Capital Programme have been provided for in the Council's revenue budget plans.
- 5.23 Should any additional capital receipts be generated in 2012/13 the interest earned on these will be used to mitigate the revenue cost of the capital programme.

- 5.24 For 2012/13 it is unlikely that the Council will need to resort to external borrowing as it will be able to utilise revenue resources held internally. However the Capital Finance Regulations, require the General Fund to set aside an amount which would be broadly equivalent to the amount the Council would need to pay if it borrowed externally. If any amendments are made to the capital programme the revenue consequences will need to be adjusted accordingly. Executive Members will therefore need to consider the impact of the capital programme as part of the final revenue budget decisions.
- 5.25 The reduction in available capital receipts has placed greater emphasis on the capital programme and its impact on the revenue budget. Following the introduction of the Prudential Borrowing regime local authorities are able to determine the level of their own capital expenditure with regard only to affordability on the revenue account. In practice this represents the amount of borrowing they can afford to finance, and will necessitate taking a medium-term view of revenue income streams and capital investment needs.
- 5.26 To achieve its aim of ensuring that capital investment plans are affordable, prudent and sustainable, the Local Government Act requires all local authorities to set and keep under review a series of prudential indicators included in the CIPFA Prudential Code for Capital Finance in Local Authorities. The Capital Programme recommended in this report can be sustained and is within the prudential guidelines. Full Council will need to agree the prudential indicators for 2012/13 to 2014/15 in March 2012, alongside its consideration of the specific budget proposals for 2012/13 and the Council's medium-term financial prospects.
- 5.27 Members will need to carefully balance the level of the Capital Programme in future years against other revenue budget pressures and a thorough review, including the prioritisation of those schemes planned for 2013/14 onwards, will need to be undertaken during next summer.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The authorisation for incurring capital expenditure by local authorities is contained in the legislation covering the service areas. Controls on capital expenditure are contained in the Local Government Act 2003 and regulations made thereunder.

Borough Treasurer

- 6.2 The financial implications are contained within the report.

Equalities Impact Assessment

- 6.3 The Council's final budget proposals will potentially impact on all areas of the community. A detailed consultation process is planned in order to provide individuals and groups with the opportunity to comment on the draft proposals. This will ensure that in making final recommendations, the Executive can be made aware of the views of a broad section of residents and service users. Where necessary, impact assessments on specific schemes within the capital programme will be undertaken before work commences.

Strategic Risk Management Issues

- 6.4 The most significant risk facing the Council is the impact of the capital programme on the revenue budget. The scale of the Council's Capital Programme for 2012/13 will impact upon the revenue budget and will itself be subject to consultation over the coming weeks. All new spending on services will need to be funded from new

capital receipts or borrowing from internal resources. This effect is compounded by future year's capital programmes. As revenue resources are limited it is clear that a capital programme of this magnitude is not sustainable in the medium term without significant revenue economies. The generation of capital receipts in future years may mitigate the impact on the revenue budget, but as the timing and scale of these receipts is uncertain their impact is unlikely to be significant.

- 6.5 There are also a range of risks that are common to all capital projects which include:
- Tender prices exceeding the budget
 - Planning issues and potential delays
 - Uncertainty of external funding
 - Building delays due to unavailability of materials or inclement weather
 - Availability of staff with appropriate skills to implement schemes
- 6.6 These can be managed through the use of appropriate professional officers and following best practice in project management techniques. The report also identifies the risk associated with the shortfall in maintenance expenditure compared to that identified by the latest condition surveys. With only those highest priorities receiving funding in 2012/13, there will be a further build up in the maintenance backlog and a risk that the deterioration in Council assets will hamper the ability to deliver good services.

7 CONSULTATION

Principal Groups Consulted

- 7.1 The Overview & Scrutiny Commission will be consulted on the budget proposals and may also choose to direct specific issues to individual overview and scrutiny panels. Targeted consultation exercises will be undertaken with business rate payers, the Senior Citizens' Forum, the Schools Forum, Parish Councils and voluntary organisations. Comments and views will be sought on both the overall budget package and on the detailed budget proposals. In addition, this report and all the supporting information are publicly available to any individual or group who wish to comment on any proposal included within it. To facilitate this, the full budget package will be placed on the Council's web site at www.bracknell-forest.gov.uk. There will also be a dedicated mailbox to collect comments.
- 7.2 The timetable for the approval of the 2012/13 Budget is as follows

Executive agree proposals as basis for consultation	13 December 2011
Consultation period	14 December 2011 - 24 January 2012
Executive considers representations made and recommends budget.	21 February 2012
Council considers Executive budget proposals	29 February 2012

Background Papers

None

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CAPITAL PROGRAMME - 2012/13

	Corporate £000	Council Wide £000	CYPL £000	ASCH £000	ECC £000	TOTAL £000
Committed	0	800	0	0	3,585	4,385
Unavoidable	63	552	5	227	350	1,197
Maintenance	0	2,583	5	0	310	2,898
Rolling Programme / Other Desirable	115	510	30	0	350	1,005
Total Request for Council Funding	178	4,445	40	227	4,595	9,485
Total External Funding	0	3,350	5,913	190	3,492	12,945
Total Capital Funding	178	7,795	5,953	417	8,087	22,430

CAPITAL PROGRAMME - ADULT SOCIAL CARE & HEALTH

	2012/13 £000	2013/14 £000	2014/15 £000
Committed			
None	<u>0</u>	<u>0</u>	<u>0</u>
Unavoidable			
Waymead	167	0	0
Social Care Records Interface	60	0	0
	<u>227</u>	<u>0</u>	<u>0</u>
Maintenance			
See Council Wide	<u>0</u>	<u>0</u>	<u>0</u>
Rolling Programme / Other Desirable			
None	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REQUEST FOR COUNCIL FUNDING	<u>227</u>	<u>0</u>	<u>0</u>
External Funding			
Community Capacity Grant	190	0	0
TOTAL EXTERNAL FUNDING	<u>190</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL PROGRAMME	<u>417</u>	<u>0</u>	<u>0</u>

Capital Programme 2012/13 – Adult Social Care and Health

Committed	£'000
None	0

Unavoidable	£'000
Waymead	167
<p>The Council currently provides services for carers of adults with learning disabilities an overnight short-break service based at Waymead, and a day time breaks service currently based at Eastern Road.</p> <p>The building at Waymead is not fit for purpose; the facilities are not suitable for the needs of the people who use it, and do not meet registration requirements. There is an opportunity to redevelop the site at Waymead and provide a modern carers respite break service providing 24 hour support in one location. Not only will this service be a significant improvement, but by combining the two current services onto one site significant revenue savings, estimated at £192k per annum will arise.</p> <p>The full estimated costs for the development work at Waymead is £482k, with capital funding of £335k already identified. Therefore additional funding of £147k is required to complete the scheme.</p>	
Social Care Records Interface	60
<p>The modernisation agenda for both health and social care requires more joined up working and greater integration between adult social care and health bodies. Crucially this also includes the requirement for the different IT systems to communicate with each other to enable more efficient working and avoid double keying of data. It will also enhance data security.</p>	

Maintenance	£'000
See Council Wide	

Rolling programme and Other Desirable	£'000
None	0