

TO: THE EXECUTIVE
DATE: 10 DECEMBER 2013

GENERAL FUND REVENUE BUDGET 2014/15
(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 any other interested parties or individuals for a period of at least six weeks. This report summarises the current position on the Council's budget preparations for 2014/15.
- 1.2 At the time the Executive agenda was published the Provisional Local Government Financial Settlement had not been announced and is not expected until early January 2014. Therefore, in the absence of the Provisional Settlement, the report is based on a number of assumptions regarding government funding.
- 1.3 All comments received on these budget proposals will be submitted to the Executive on 11 February along with details of the final Financial 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 2014/15 budget and Council Tax on 26 February 2014.

2 RECOMMENDATIONS

That the Executive:

- 2.1 Agree the draft budget proposals for 2014/15 as the basis for consultation with the Overview & Scrutiny Commission and other interested parties or individuals.
- 2.2 Agree the Treasury Management Strategy and associated documents at Annex D and request that the Governance and Audit Committee review each of the key elements.
- 2.3 Agree that the 2014/15 Schools Budget be set at the estimated level of Dedicated Schools Grant income plus any accumulated balances, with the Executive Member for Children, Young People and Learning authorised to make amendments and agree budgets for schools and services centrally managed by the Council.
- 2.4 Approve the virements relating to the 2013/14 budget as set out in Annexes E and F and recommend those that are over £0.100m or amend support service recharges for approval by Council.

3 REASONS FOR RECOMMENDATIONS

- 3.1 The recommendations are designed to allow the Executive to consult on its draft budget proposals for 2014/15 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 2014/15 – 2016/17

- 5.1 Initial preparations for the 2014/15 budget have focussed on the Council's Commitment Budget for 2014/15 – 2016/17. 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 2013/14 budget was set.
- 5.2 The Commitment Budget was approved by the Executive in October and is summarised in Table 1. Table 1 shows that base expenditure (excluding schools) is planned to decrease by £1.288m to £83.951m next year, before consideration is given to allowances for inflation and the budget proposals identified by individual Departments in 2014/15.

Table 1: Summary Commitment Budget 2014/15-2016/17

| | Planned Expenditure | | |
|---|-------------------------------|-------------------------------|-------------------------------|
| | 2014/15 £000 | 2015/16 £000 | 2016/17 £000 |
| Base Budget | 85,239 | 83,951 | 84,143 |
| <i>Movements in Year:</i> | | | |
| Chief Executive / Corporate Services | 112 | 56 | -70 |
| Children, Young People and Learning (excluding schools) | -160 | -5 | -30 |
| Adult Social Care, Health and Housing | -327 | -10 | 0 |
| Environment, Culture & Communities | 97 | 151 | 72 |
| Non Departmental / Common | -1,010 | 0 | 775 |
| <i>Total Movements</i> | <i>-1,288</i> | <i>192</i> | <i>747</i> |
| Adjusted Base | 83,951 | 84,143 | 84,890 |

5.3 The most significant changes to the Commitment Budget include:

- The removal of one off items included in the 2013/14 budget, in particular the revenue contribution to the works at Time Square (-£1.100m), the Members' Initiative Fund (-£0.420m) and the additional investment in dementia and long term conditions resulting from increased demand for rehabilitation and social care support (-£0.183m).
- The revenue impact of the 2013/14 capital programme, including IT maintenance and support costs (£0.071m) and the minimum revenue provision (£0.262m), representing the annual amount of the capital investment repaid from revenue.

- An increase in the employer's contribution to the pension fund arising from the inclusion of non contractual overtime and additional hours for part time staff within pensionable pay (£0.180m) in accordance with the national scheme.

6 PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2014/15

- 6.1 Alongside the 2013/14 Local Government Financial Settlement announced in February 2013, the Government published a Provisional 2014/15 Settlement for local authorities. As must be expected, for such an early Provisional Settlement, this did not contain a great amount of detail but gave Councils an indication of the likely level of funding to be used for planning purposes.
- 6.2 Funding from central government is received through Revenue Support Grant (RSG) and Specific Grants. The provisional amount of RSG announced in February 2013 for 2014/15 showed a fall from £20.890m to £17.804m, representing a 14% reduction.
- 6.3 In July 2013 the Government published a consultation paper on potential changes to both the total amount of funding assumed in the Provisional Settlement and a number of technical changes to the allocation methodologies. The outcome of this exercise is expected to be known in January 2014 as the Government have indicated that the 2014/15 Provisional Settlement will not be published until early in the New Year. Further reductions may, therefore, result from the consultation proposals outlined by the Government in the summer.
- 6.4 The level of Specific Grants will be announced as part of the 2014/15 Provisional Settlement. The budget proposals in this report assume that these Grants will be in line with that received in 2013/14; however this too is likely to change in the Final Settlement when further detail is provided by the various government departments. Public Health is the most significant specific grant received by the Council. The Council has previously been notified of ring fenced grant allocations of £2.772m in 2013/14 and £3.049m in 2014/15. Announcements suggest that the ring fencing of public health grant will also continue into 2015/16, although no indication of the likely grant amount has been provided at this stage.
- 6.5 A third important stream of income for the Council is Business Rates, a proportion of which is retained locally following the introduction of the Business Rates Retention reforms in April 2013. The level of Business Rates change each year due to inflationary increases (set by central government) and local growth or decline as local businesses and economic conditions expand or contract.
- 6.6 The Government sets a baseline level of funding against which any growth or reduction is shared between local and central government. Taking into account the baseline funding level published in February 2013 and factoring in local circumstances, the budget projections assume income of £15.155m reflecting local growth of £0.068m. There is a risk associated with these projections due to the near-term impact of the Town Centre regeneration and changes in the local economic conditions; however officers monitor total yield, revaluations, changes-in-circumstances, appeals and refunds on a monthly basis.
- 6.7 Furthermore, a significant revision was made mid-year to the Council's Business Rates local list with the addition of a large business rate payer. However, given the uncertainties surrounding the permanent inclusion of this rate-payer and any related impact on the Council's grant determination it is considered prudent to await the

outcome of the Financial Settlement before reflecting the financial impact of this potentially one off event.

- 6.8 Based on the number of additional properties that have been built and liable for Council Tax in the last 12 months to October, the budget proposals assume an additional New Home Bonus (NHB) grant of £0.500m. This excludes a share of the NHB Adjustment Grant (NHBAG) that is top-sliced from the local government overall funding total to ensure there is sufficient funding to meet all the NHB allocations. Any surplus is returned to local-authorities on a pro-rata basis. The actual figure will be announced as part of the Provisional Settlement, but the current model assumes that the level of NHBAG received in 2013/14 will be continued in 2014/15. Plans to further top slice the New Homes Bonus in order to provide funding to Local Enterprise Partnerships, in line with the Heseltine Review, will not come into effect until 2015/16.

7 COUNCIL TAX

- 7.1 Following the acceptance of Council Tax Freeze Grant and the resultant zero increase for the last three years, Council Tax at present levels will generate total income of £44.983m in 2014/15. The Local Council Tax Benefit Support Scheme is treated as a discount i.e. a reduction in the calculation of the Council Tax Base. The latest information on the take-up of Council Tax support indicates that it will be significantly less than that budgeted for in 2013/14. Based on the latest forecast, Council Tax income will increase by £0.593m as a result in 2014/15. In addition a further £0.364m will be generated from an increase in the Tax Base primarily arising from the occupation of new properties during 2014/15. Based on these provisional figures, Council Tax income is therefore expected to be £45.940m for 2014/15.
- 7.2 The Government has again 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 2014/15 a grant equivalent to a 1% increase in Council Tax. This grant will be provided until at least 2015/16. Any support beyond that date will be announced as part of the 2016 Spending Round following the General Election.
- 7.3 The Executive intends to accept the 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 for a fourth consecutive year. The working assumption, upon which the proposals in this report are based, therefore, is that there will be no increase in Council Tax and that the Council will receive additional grant from Central Government of £0.501m.
- 7.4 The Executive at its meeting in February will recommend to Council the level of Council Tax in light of the Final Settlement, the results of the consultation and the final budget proposals.

8 BUDGET PROPOSALS 2014/15

Service Pressures and Developments

- 8.1 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 protect and, wherever possible, improve services and to invest in the Borough, focussing on protecting front line services and

delivering the Council's Medium Term Objectives. In preparing the 2014/15 draft budget proposals each department has evaluated the potential pressures on its services and these are set out in Annex A. The following Table summarises the pressures by department.

Table 2: Service Pressures/Development

| Department | £'000 |
|---|--------------|
| Chief Executive / Corporate Services | 134 |
| Children, Young People and Learning (excluding schools) | 790 |
| Adult Social Care, Health and Housing | 890 |
| Environment, Culture & Communities | 276 |
| Total Pressures/Developments | 2,090 |

- 8.2 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 and increases in client numbers within Adult Social Care. They do, however, also support the Council's six overarching priorities and medium term objectives.
- 8.3 In addition to these revenue proposals the Council continues to invest in its priorities through targeted capital expenditure and is planning a significant programme of work during 2014/15, details of which are contained in the capital programme report elsewhere on tonight's agenda.

Service Economies /Balancing the Budget

- 8.4 Members and officers have held regular meetings to determine options for savings and a list of potential draft budget savings has been developed. This list totals £3.920m and is attached at Annex B 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 £58m 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. The economies have been analysed between those arising from efficiencies, support service reviews, changes in demand or additional income, and those with a potential service impact. The former are termed 'glide path savings' as they represent the Council's ongoing approach to the delivery of savings, implementing them as soon as practicable rather than awaiting the start of the financial year. As such, many represent the full year effect of economies that have already been implemented in 2013/14. Economies identified by Adult Social Care, Health and Housing resulting from the current take-up of the Local Council Tax Benefit Support Scheme have been incorporated into the Council Tax calculation in paragraph 7.1.

Table 3: Summary Service Economies

| Department | Glide Path | Potential Service Impact | Total |
|---|-------------------|---------------------------------|--------------|
| | £'000 | £'000 | £'000 |
| Chief Executive / Corporate Services | 610 | 211 | 821 |
| Children, Young People and Learning (excluding schools) | 537 | 213 | 750 |
| Adult Social Care, Health and Housing | 851 | 40 | 891 |
| Environment, Culture and Communities | 1,066 | 392 | 1,458 |
| Total Savings | 3,064 | 856 | 3,920 |

Significant Budget Decisions

8.5 Consideration and approval of the budget is a major policy decision. However, the budget, by its nature, includes a range of proposals which in themselves represent significant policy decisions. Examples of these which are included in the overall budget package are the proposals on:

- fixed civil penalties;
- support for 13-19 year old pupils;
- Children and Adolescent Mental Health Services;
- and Early Years Childcare and Play.

More details on each of these proposals are included in Annex B.

8.6 As the budget report is a policy document and is subject to six weeks consultation, the identification of these issues within the budget report facilitates detailed consultation on a range of significant policy decisions.

Council Wide Issues

8.7 Apart from the specific departmental budget proposals contained in Annexes A and B 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 2014/15 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, government grants, developer contributions or borrowing from internal resources. The proposed Council Funded Capital Programme of £8.428m and externally funded programme of £12.801m for 2014/15 features in a separate report on tonight's agenda. After allowing for projected receipts of approximately £5m in 2014/15 and carry forwards, but excluding the self-funding Invest to Save schemes, the additional revenue costs will be £0.020m

in 2014/15 and £0.280m in 2015/16. These figures include on-going costs associated with the maintenance and support of IT capital purchases.

b) Interest and Investments

Until 2013, the economic recovery in the UK since 2008 had been the slowest recovery in recent history. However, growth rebounded in quarters 1 and 2 of 2013 to surpass all expectations. Growth prospects remain strong looking forward, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction.

A rebalancing of the economy towards exports has started but as 40% of UK exports go to the Eurozone, the difficulties in this area are likely to continue to dampen UK growth. The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:

- Although Eurozone concerns have subsided in 2013, Eurozone sovereign debt difficulties have not gone away and there are major concerns as to how these will be managed over the next few years as levels of government debt, in some countries, continue to rise to levels that compound already existing concerns. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;
- Investment returns are likely to remain relatively low during 2014/15 and beyond.

Whilst the Bank Rate is not expected to change over the coming 12 months, there are a number of factors that will impact on the rate of return that can be expected to be earned by the Council. The Government's various "Help to Buy a Home" schemes are providing excess liquidity in the money markets, and combined with the continued Quantitative Easing policy of the Bank of England, short-to-medium term investment rates have fallen in the past 12 months to below the Bank Rate – with an average yield currently available to the Council of approximately 0.4%. Given the Council's approach to managing risk and keeping investments limited to a maximum of 6 months maturity with the exception of the part-nationalised UK Banks, the opportunity to achieve rates in excess of the Bank Rate is limited.

The 2014/15 budget is therefore based on an average rate of return of approximately 0.5% and reflects the lower cash balances as a result of the 2014/15 and proposed 2015/16 Capital Programme.

The net impact of these is a £0.050m pressure, being £0.020m related to the Capital Programme and a loss of income of £0.030m from the fall in the expected yield on investments from the 1% included in the 2013/14 Budget and other cash-flow movements.

There is a risk, however, that the Council's cash-flow will differ from past years as a result of the reforms to Business Rates Retention which has a dramatic impact on the cash-profile of the Council. As such any change in interest rates

or cash balances will clearly have an impact on the overall investment income generated by the Council with every 0.1% reduction in the average rate of return adding a £0.02m 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". Annexe D outlines the Council's prudential indicators for 2014/15 – 2016/17 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 or to meet contractual commitments. In particular it will again 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 £1.900m (£1.889m 2013/14) has been added to the budget. This will be achieved by:

- A pay award of no more than 1%;
- Negotiating to minimise inflation on contracts;
- Increasing fees and charges by 2.2% unless this is inconsistent with the Council's income policy.

The Council will need to consider in more detail 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 2014.

d) Fees and Charges

The Council has a long established policy for the review of fees and charges. 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 many prices, where the Council charges users a fee for services, will need to increase by around 2.2% 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 Annex C.

e) Corporate Contingency

The Council manages risks and uncertainties in the budget through the use of a general contingency added to the Council's budget. During the next year the Council will face significant risks on its budget particularly in relation to:

- demand led services;
- retention of Business Rates by councils;
- general economic uncertainty.

The level of risk and uncertainty, whilst still significant, has diminished compared to last year. Take up of Council Tax support has been significantly less than originally budgeted for in 2013/14 and in the first year of operation of local retention of Business Rates it is anticipated that the budget for additional Business Rate income will be achieved relatively comfortably. For planning purposes the general Contingency has been reduced by £1m to £1m in order to set a realistic and deliverable budget in 2014/15.

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

- 8.8 The Education funding framework is undergoing change to better reflect government policy which is seeking to:
- reform the school funding system so it is fairer, simpler, more consistent and transparent;
 - ensure that good, popular schools find it easier to expand in response to demands from parents;
 - ensure that funding intended for education reaches schools and pupils that need it most.
- 8.9 The funding arrangements are that the Schools Budget – both delegated school funding and centrally managed items such as Special Educational Needs placements made outside of the Borough – continues to be funded by the specific, ring-fenced Dedicated Schools Grant (DSG).

- 8.10 From April 2013, the DSG was split into three notional blocks – schools (which includes delegated school budgets and a small number of centrally managed services) and early years, both of which have their own per pupil funding rate, and the high needs block which is funded at the level of historic spend. Funding in each block was initially based on 2012/13 budgeted spend but has subsequently been updated for changes in pupil numbers. The allocations are not ring-fenced to each block, so more or less can be planned to be spent within each element, but a ring-fence continues on the DSG as a whole so that it can only be spent on the functions defined within the School Funding Regulations.
- 8.11 With the new funding framework comes a new timetable for the production of budgets. The DfE requires councils to confirm the basis on which actual school budgets will be allocated, including per pupil and all other funding rates, by 21 January 2014 even though relevant information required to calculate budgets will not be supplied before 16 December 2013. To meet this requirement, 2014/15 school budgets will have to be set on the basis of the estimated level of DSG plus any accumulated balances. The draft budget proposals therefore assume the Schools Budget is set at the estimated level of DSG and that any accumulated deficit or surplus is managed to a nil balance by the end of the funding period.
- 8.12 Decisions around the final balance of the budget between spending by schools and that on services managed by the Council is the responsibility of the Executive Member for Children, Young People and Learning, although the Schools Forum must be consulted, and in certain circumstances, agree to budget proposals.

Summary

- 8.13 Adding the draft proposals to the Commitment Budget and taking account of the corporate issues identified above would result in total expenditure of £82.503m as shown in Table 5.

Table 5: Summary of proposals:

| | £'000 |
|---|---------------|
| Commitment Budget | 83,951 |
| Budget Pressures | 2,090 |
| Budget Economies | -3,920 |
| Capital Programme | 20 |
| Changes in Investment Income | 30 |
| Inflation Provision | 1,900 |
| Decrease in Contingency | -1,000 |
| Growth in Business Rates income | -68 |
| New Homes Bonus 2014/15 | -500 |
| Draft Budget Requirement 2014/15 | 82,503 |

- 8.14 Without the Provisional Finance Settlement assumptions have had to be made on the level of grant income. It has been assumed that the Council can anticipate income of up to -£79.400m. This arises from Revenue Support Grant and Business Rates baseline funding (-£32.959m excluding Council Tax Freeze Grant), additional Council Tax Freeze Grant (-£0.501m) and Council Tax (-£45.940m).

8.15 With the potential overall cost of the budget package being consulted on in the region of £82.503m, this leaves a potential gap of around £3.103m. Members can choose to adopt either or both of the following approaches in order to bridge the remaining gap:

- an appropriate contribution from the Council's revenue balances, bearing in mind the Medium Term Financial Strategy;
- identifying further expenditure reductions.

9 BALANCES

9.1 The Council has an estimated £8.6m available in General Reserves at 31 March 2014. Details are contained in Table 6.

Table 6: General Reserves as at 31 March 2014

| | £m |
|--|------------|
| General Fund | 13.0 |
| Planned use in 2013/14 | (4.4) |
| Estimated Balance as at 31 March 2014 | 8.6 |

9.2 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.

10 CONCLUSION

- 10.1 The Council's constitution requires a six week consultation period on the draft budget proposals. In this context, it is inevitable that, of the broad range of options proposed for consultation, not all will necessarily be included in the final budget package. It is also likely that some further issues with a financial impact will arise between now and February. When the Final Settlement is known, the Executive can consider the prudent use of revenue balances to support expenditure in line with the overall medium term financial strategy, along with any further expenditure reductions.
- 10.2 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.
- 10.3 All comments from the Overview & Scrutiny Commission, Overview and Scrutiny Panels and all others will then be submitted to the Executive on 11 February 2014. This will allow the Executive to determine the final budget package and recommend the appropriate Council Tax level to the Council on 26 February 2014.

11 BUDGET MONITORING 2013/14- VIREMENT REQUEST

- 11.1 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 or any virements that result in an adjustment to recharges. During 2013/14 a number of 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 Service Reports. Details of virements between departments are set out in Annex E. Details of internal departmental virements exceeding £0.050m or that result in an adjustment to recharges are set out in Annex F.

12 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 12.1 Nothing to add to the report.

Borough Treasurer

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

Equalities Impact Assessment

- 12.3 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 Annex G. Consultation with equalities groups that are likely to be affected by the proposal is part of the assessment process.

Strategic Risk Management Issues

- 12.4 A sum of £1m is currently proposed to meet the costs of unpredictable or unforeseen items that would represent in year budget risks. The Executive will need to make a judgement on the level of Contingency at its meeting in February.
- 12.5 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.

13 CONSULTATION

Principal Groups Consulted

- 13.1 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 Over 50's Forum, the Schools Forum, town and 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 <http://consult.bracknell-forest.gov.uk/portal>. There will also be a dedicated mailbox to collect comments.
- 13.2 The timetable for the approval of the 2014/15 Budget is as follows

| | |
|---|------------------------------------|
| Executive agree proposals as basis for consultation | 10 December 2013 |
| Consultation period | 11 December 2013 - 21 January 2014 |
| Executive considers representations made and recommends budget. | 11 February 2014 |
| Council considers Executive budget proposals | 26 February 2014 |

Background Papers

None

Contact for further information

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Commitment Budget 2014/15 to 2016/17

| | 2013/14 £'000 | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|--|------------------|------------------|------------------|------------------|
| Chief Executive / Corporate Services | | | | |
| Approved Budget | 15,121 | 14,479 | 14,591 | 14,647 |
| Vacating Seymour House | -63 | -12 | -12 | -12 |
| Invest to Save - Time Square lighting | -5 | -1 | -1 | -1 |
| Invest to Save - Time Square insulation panels | -4 | -1 | -1 | -1 |
| Borough Elections | 70 | 70 | 70 | 70 |
| Local Council Tax Benefit Scheme transitional grant | 119 | 119 | 119 | 119 |
| Revenue impact of Capital Programme - maintenance & support costs (primarily IT) | 65 | 65 | 65 | 65 |
| Net Inter Departmental Virements | -642 | -642 | -642 | -642 |
| Chief Executive / Corporate Services Adjusted Budget | 14,479 | 14,591 | 14,647 | 14,577 |
| Non Departmental / Council Wide | | | | |
| Approved Budget | -1,046 | -519 | -1,529 | -1,529 |
| 2013/14 Capital Programme (Full Year Effect) - Interest | 36 | 36 | 36 | 36 |
| Minimum Revenue Provision | 262 | 262 | 262 | 262 |
| 2013/14 Use of Balances (Full Year Effect) - Interest | 22 | 22 | 22 | 22 |
| Ceasing to pay Pension Fund contributions in advance | 200 | 200 | 200 | 200 |
| Reduction in the employers Pension Fund contribution rate | -236 | -236 | -236 | -236 |
| Time Square works met from the General Fund | -1,100 | -1,100 | -1,100 | -1,100 |
| Members Initiative Fund | -420 | -420 | -420 | -420 |
| Environment Agency | 10 | 10 | 10 | 10 |
| Pensionable pay to include non contractual overtime and additional hours for part time staff | 180 | 180 | 180 | 180 |
| Government grant funding for extended rights to free travel | 36 | 36 | 36 | 36 |
| Removal of the contracted out NI rebate due to the introduction of the new flat rate State Pension | 527 | 527 | 527 | 527 |
| Net Inter Departmental Virements | 775 | 775 | 775 | 775 |
| Non Departmental / Council Wide | -519 | -1,529 | -1,529 | -754 |

CORPORATE SERVICES/CHIEF EXECUTIVE

| Description | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|---|--------------------------|--------------------------|--------------------------|
| Community Engagement The Council has purchased UEngage which is a dedicated public sector consultation and engagement software package. There is an annual licence fee which cannot be met from existing budgets. | 6 | | |
| Customer Services The Thames Valley Alerts system enables the Council to proactively communicate with residents whilst replacing some current paper-based newsletters. The cost of sharing this system is considerably less than a sole use system. To enable the Council to monitor the use of its website it has been necessary to implement cookie control which incurs an annual licence fee. | 4 | | |
| ICT There has been an increased requirement for server auditing tools maintenance as a result of Public Sector Network compliance. | 7 | | |
| ICT Due to the increased number of laptops on the estate there are increased license and support costs to secure these devices against unauthorised access when working remotely. The expansion of the laptop and workstation estate required additional licences for core Microsoft software. | 41 | | |
| ICT The purchase of Zenworks products for workstation management. These additional licence costs cannot be met from existing budgets. | 69 | | |
| Industrial & Commercial Properties Following the demolition of shops below Seymour House the residual income budget needs to be removed. | 7 | | |
| CORPORATE SERVICES/CHIEF EXECUTIVE TOTAL | 134 | 0 | 0 |

CORPORATE SERVICES/CHIEF EXECUTIVE

| Description Impact | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|---|------------------|------------------|------------------|
| Glide Path Savings | | | |
| Insurance Reduction in insurance premiums following a competitive tendering exercise. | -138 | | |
| Insurance Cancellation of annual Terrorism and Personal Accident premiums and reduction in insurance excess claims paid by the Council. By cancelling the Terrorism insurance the Council will be responsible for meeting the full cost of any incident, although some mitigation may be available through the Bellwin Scheme if it's a major incident. The Personal Accident Policy is not mandatory. Financial benefits will no longer be payable to Members or Officers in the event of an accident resulting in injury or disability whilst undertaking official duties. This does not affect the payments available under the Council's Employee and Public Liability cover. | -98 | | |
| Departmental Supplies and Services Reduction in various supplies and services budgets across the Department | -65 | | |
| Customer Services Following the service redesign work carried out by Housing and Benefits and in anticipation of the accommodation moves to Time Square, a staffing review means that 2 Full Time Equivalents (FTE) are no longer required. However, as the team are also picking up some additional services in 2014/15, leading to savings in other teams, the full saving cannot be realised. The net effect will be that one full time post and one part time post will be deleted. | -33 | | |
| Finance Deletion of two part time posts and one full time post moving to part time under flexible retirement (1.42 FTE) The work of one post will need to be absorbed by other | -41 | | |

| Description Impact | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|---|------------------|------------------|------------------|
| members of the team with a high risk that budget monitoring will be less robust, but this will be mitigated by prioritising work on the most significant and volatile budgets. Other posts are within Accounts Payable where there will be minimal impact as the volume of invoices requiring payment has reduced following the introduction of more widespread consolidated invoicing and electronic invoicing. | | | |
| Property Services Deletion of Assistant Facilities Manager (0.74 FTE) and reduction in Valuer (0.23 FTE) and Engineer (0.20 FTE) hours through flexible retirement. The reduction in posts will be accommodated within existing service levels. | -42 | | |
| Departmental Indirect Employee Costs Reduction in training, seminars, subsistence and recruitment budgets across the Department. This may result in some staff not being able to attend some training or external workshops resulting in a delay in meeting identified training needs and a reduction in the level of staff development. | -6 | | |
| Departmental Third Party Payments The costs of the Lord Lieutenants Office, Modern Records Storage and Molly Millars Joint Arrangements with Wokingham and Reading Councils have fallen and savings to budgets have been made to reflect this. | -12 | | |
| Departmental Income There have been above inflation increases to Graphic Design, Industrial and Commercial Properties and Transport income targets in line with 2013/14 estimated income. | -20 | | |
| Charges to Unions Introduction of charges to UNISON and GMB for up to 5% of the trade union subscriptions collected through payroll deductions and charging UNISON rent for the occupation of space at the Commercial Centre. This is not an uncommon practice. | -7 | | |
| Members and Mayoral Services Members Allowances and hospitality have been consistently | -15 | | |

| Description Impact | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|---|------------------|------------------|------------------|
| under spent in previous years; the budgets will be reduced to reflect this. | | | |
| Chief Executive's Office Council leaves the South East Employers network | -8 | | |
| Community Safety Reduction in CCTV equipment budget. The remaining budget will cover the fee due to Bracknell Regeneration Partnership for the monitoring of Town Centre cameras, but will not cover the costs of any additional equipment should it be required in the future. | -5 | | |
| Corporate Property Council wide cost savings on procurement and consolidation of requirements of facilities through using the category management strategy. | -90 | | |
| Operations Unit Print letterheads in black and white and not Corporate green. | -10 | | |
| ICT Cost savings on procurement and consolidation of requirements through the use of the ICT category management strategy. | -20 | | |
| Total Glide Path | -610 | 0 | 0 |
| Potential Service Impact Savings | | | |
| Human Resources Following a staffing review there will be a reduction in management and administration (0.65FTE). | -32 | -12 | |
| Chief Executive's Office Review of staff grades in Communications and Performance and Partnerships. This could potentially limit the capacity in the Communications team resulting in a reduction in service. | -15 | | |
| Legal Services Reorganisation around Assistant Solicitor and Information | -15 | | |

| Description Impact | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|---|------------------|------------------|------------------|
| Security Officer posts. By combining the two roles there may be some impact on the level of assistance given to Freedom of Information queries. | | | |
| Democratic & Registration Services The budgets for the payment of additional hours in the Committee Services and Electoral Services teams will be reduced to reflect an under spend in previous years. This may impact on temporary staff in the Elections Office and Committee staff available to clerk meetings. | -4 | | |
| Unified Training Delivery of more in-house training rather than commissioning external trainers; this includes the use of more e-learning. | -14 | | |
| Member & Mayoral Services Deliver more Member training sessions in-house and in conjunction with staff training where possible. Sharing of more training events and costs with other Authorities. Encouraging greater use of e-learning. | -2 | | |
| Members & Mayoral Services A review of the Mayor's car service has been undertaken leading to a service where the Council would cease to employ the civic driver (0.46FTE) and end the lease for the civic car. The Mayor would self drive to around 40% of engagements and a Chauffeur Service would be available for the remainder. | -17 | | |
| Corporate Property Fewer Town Centre events, in light of the Town Centre redevelopment, concentrating the remaining budget on Christmas events, including Christmas lights. | -15 | | |
| Operations Unit Reviewing specifications of the current cleaning contract and cancellation of the contract for the maintenance of plants across Civic Offices. | -15 | | |
| Customer Services Cancellation of Looking Local Digi TV Licence. The usage of the service is very low and attempts to increase take-up through greater promotion and streamlining content have failed to improve usage. Mobile rather than TV is emerging as the channel of choice for local residents wishing to obtain digital | -12 | | |

| Description Impact | 2014/15 £'000 | 2015/16 £'000 | 2016/17 £'000 |
|---|------------------|------------------|------------------|
| information from the Council and this is already satisfied through the existing mobile website. | | | |
| Operations Unit Reduction in the budget for Green Travel for staff. Careful consideration is given to each proposal for the use of these funds to promote alternative forms of travel. | -5 | | |
| Construction & Maintenance Reviews to existing contracts for building repair and lift maintenance. Whilst the level of service for the building repair contract will be maintained, the new lift contract will only cover the cost of services required to meet Health & Safety compliance. Any future repairs will be in addition to the contract price and met from existing building maintenance budgets. | -65 | | |
| Total Potential Service Impact | -211 | -12 | 0 |
| | | | |
| CORPORATE SERVICES/CHIEF EXECUTIVE TOTAL | -821 | -12 | 0 |

CORPORATE SERVICES & CHIEF EXECUTIVE'S DEPARTMENT

2014/15 PROPOSED FEES & CHARGES

Service: Legal & Surveyors' Fees

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

| | 2013/14 Budget £'000 | Proposed 2014/15 Budget £'000 |
|---|----------------------------|--|
| Income the proposed fees will generate: | 86 | 88 |

Are concessions available? No

Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money.

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

Legal & Surveyors' Fees for Property Transactions

| | | | |
|---|-----------|-----------|------|
| New Lease | 425.00 | 435.00* | 2.1 |
| Licence to Assign | 320.00 | 325.00 | 1.6 |
| Contracted Out Lease - fee is dependant on complexity | 155.00 | 185 / 320 | 19.4 |
| License to Alter - fee is dependant upon complexity | 180 / 315 | 185 / 320 | 2.2 |
| Deed of Variation - fee is dependant on complexity | 300.00 | 185 / 320 | 6.7 |
| Sale of Garages & Freehold Reversions | 260.00 | 265.00 | 1.9 |
| Letter/Deed of Postponement | 110.00 | 115.00 | 4.5 |
| Transfer (or hourly rate as appropriate) | 300.00 | 310.00 | 3.3 |
| Section 106 Agreements-£110 per hour | 925.00** | 945.00** | 2.2 |

* With discretion for the Borough Solicitor to increase if time recorded costs exceed £435, at a rate of £160 per hour.

** With discretion for the Borough Solicitor to increase if time recorded costs exceed £945, at a rate of £160 per hour.

CORPORATE SERVICES & CHIEF EXECUTIVE'S DEPARTMENT

2014/15 PROPOSED FEES & CHARGES

Service: Electoral Registration

| |
|--|
| Purpose of the Charge: To Contribute to the costs of the service |
|--|

| | 2013/14 Budget £'000 | Proposed 2014/15 Budget £'000 |
|---|----------------------------|--|
| Income the proposed fees will generate: | 5 | 5 |

| |
|-------------------------------|
| Are concessions available? No |
|-------------------------------|

| |
|--|
| Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money. |
|--|

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

| | | | |
|--|-------|-------|-----|
| Sale of Street Indexes | 20.00 | 21.00 | 5.0 |
| Request for a confirmation letter - fee (1 hour) | 59.00 | 60.00 | 1.7 |
| Certificate of current register | 20.00 | 21.00 | 5.0 |

Sale of Register of Electors (only in accordance with Representation of the People Acts/Regulations)

| | | | |
|---|-------|-------|-----|
| In data format (plus £1.50 for every 1000 entries (or part thereof)#1 | 20.00 | 20.00 | 0.0 |
| In paper format (plus £5 for each 1000 entries (or part thereof)#1 | 10.00 | 10.00 | 0.0 |
| Sale of Overseas Electors#1 | | | |
| In data format (plus £1.50 for every 100 entries (or part thereof)#1 | 20.00 | 20.00 | 0.0 |
| In paper format (plus £5 for each 100 entries (or part thereof)#1 | 10.00 | 10.00 | 0.0 |
| Marked copy of the Register of Electors | | | |
| In data format (plus £1 for every 1000 entries (or part thereof)#1 | 10.00 | 10.00 | 0.0 |
| In printed format (plus £2 for each 1000 entries (or part thereof)#1 | 10.00 | 10.00 | 0.0 |

| |
|---|
| #1 These are statutory charges that are determined nationally through legislation. There is currently no indication that they might alter during 2014/15. |
|---|

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

| | | | | |
|--|------|------|-----|------|
| Household Delivery | | | | |
| Band A properties - per leaflet/property | 0.11 | 0.12 | 9.1 | 0.14 |
| Band B properties - per leaflet/property | 0.12 | 0.13 | 8.3 | 0.16 |
| Band C properties - per leaflet/property | 0.13 | 0.14 | 7.7 | 0.17 |
| Band D properties - per leaflet/property | 0.15 | 0.16 | 6.7 | 0.19 |
| Band E properties - per leaflet/property | 0.18 | 0.19 | 5.6 | 0.23 |

| |
|--|
| Charges can vary depending upon size and weight of documents |
|--|

CORPORATE SERVICES & CHIEF EXECUTIVE'S DEPARTMENT

2014/15 PROPOSED FEES & CHARGES

Service: Registration of Births, Deaths and Marriages

| |
|---|
| Purpose of the Charge: To Contribute to the costs of the service |
|---|

| | Proposed 2014/15 Budget £'000 | 2013/14 Budget £'000 |
|--|--|----------------------------|
| Income the proposed fees will generate: | 175 | 172 |

| |
|---|
| Are concessions available? No, but a variety of services provided at differing prices. |
|---|

| |
|---|
| Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money. |
|---|

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

Change of Name Service

| | | | | |
|--|--------|--------|-----|--------|
| Adult | 35.83 | 36.67 | 2.3 | 44.00 |
| - Additional deed purchased at time of appointment | 5.84 | 6.25 | 7.0 | 7.50 |
| - Copy of archived deed | 11.25 | 11.67 | 3.7 | 14.00 |
| Child | 40.42 | 41.25 | 2.1 | 49.50 |
| - Additional deed purchased at time of appointment | 5.84 | 6.25 | 7.0 | 7.50 |
| - Copy of archived deed | 11.25 | 11.67 | 3.7 | 14.00 |
| Family | 115.41 | 117.92 | 2.2 | 141.50 |

Marriage and Civil Partnership Ceremonies

All fees are liable to be increased on or after 1 April each year. Any increase in fees will apply to any ceremonies due to take place on or after 1 April even though a reservation fee/ceremony fee has already been paid.

| | | | | |
|---|----------|----------|-----|--|
| Notice of Intent Fee for each person, for all Marriage and Civil Partnership Ceremonies #1 | 35.00 | 35.00 | 0.0 | |
| Licensing of premises as venues for marriages:- | | | | |
| Licence (three years) | 1,280.00 | 1,310.00 | 2.3 | |
| Attendance of Superintendent Registrar at approved premises:- | | | | |
| Monday - Friday | 300.00 | 310.00 | 3.3 | |
| Saturday | 370.00 | 380.00 | 2.7 | |
| Sunday | 430.00 | 440.00 | 2.3 | |
| Registrar's fee for attending a marriage or civil partnership at a registered building or of housebound or detained person #1 | | | | |
| Registered Building | 84.00 | 84.00 | 0.0 | |
| Housebound Person | 79.00 | 79.00 | 0.0 | |
| Detained Person | 86.00 | 86.00 | 0.0 | |
| Superintendent registrar's fee for attending the marriage of housebound or detained person #1 | | | | |
| Housebound Person | 82.00 | 82.00 | 0.0 | |
| Detained Person | 93.00 | 93.00 | 0.0 | |
| Superintendent registrar's fee for attendance away from office for the purpose of being given notice of marriage or civil partnership of housebound or detained person #1 | | | | |
| Housebound Person | 46.00 | 46.00 | 0.0 | |
| Detained Person | 67.00 | 67.00 | 0.0 | |
| Entry in marriage notice book | 35.00 | 35.00 | 0.0 | |
| Formation of Marriage or Civil Partnerships in the Register Office or Syrett Blue Room #1 | 45.00 | 45.00 | 0.0 | |

#1 These are statutory charges that are determined nationally through legislation, the current fees are those published in the 2013/14 Financial Plans and Budgets Supporting Information. The proposed fees are those currently being charged following a fee amendment order from the Home Office, there is currently no indication that these will be subject to any further changes in 2014/15.

CORPORATE SERVICES & CHIEF EXECUTIVE'S DEPARTMENT

2014/15 PROPOSED FEES & CHARGES

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

Marriage and Civil Partnership Ceremonies (Cont)

| | | | | |
|--|--------|--------|-----|--------|
| Syrett Ceremonial Room Marriage & Civil Partnerships Bookings (including room hire, Registrar's attendance): - | | | | |
| Monday - Thursday | 123.00 | 125.00 | 1.6 | |
| Friday | 145.00 | 150.00 | 3.4 | |
| Saturday | 165.00 | 170.00 | 3.0 | |
| Saturday pm | 275.00 | 280.00 | 1.8 | |
| Sunday / Bank Holidays | 370.00 | 380.00 | 2.7 | |
| Service enhancements | | | | |
| Friday | 30.00 | 31.00 | 3.3 | |
| Saturday | 40.00 | 41.00 | 2.5 | |
| Saturday pm | 50.00 | 51.00 | 2.0 | |
| Pre-ceremony chat appointments (1/2 hour) for Syrett Suite ceremonies: | | | | |
| Monday - Friday | 13.33 | 13.75 | 3.2 | 16.50 |
| Saturday am | 17.92 | 18.33 | 2.3 | 22.00 |
| Attendance of Celebrant at other non-statutory ceremonies eg naming and reaffirmation of vows | | | | |
| Monday - Sunday (includes pre-ceremony appointment (1/2 hour)):- | | | | |
| Syrett Ceremonial Room | 158.33 | 161.66 | 2.1 | 194.00 |
| Double Naming | 196.67 | 201.25 | 2.3 | 241.50 |
| Triple Naming | 222.09 | 226.95 | 2.2 | 272.50 |
| Other Approved Premises | 167.08 | 170.85 | 2.3 | 205.00 |
| Double Naming | 205.00 | 209.52 | 2.2 | 251.50 |
| Triple Naming | 239.16 | 244.36 | 2.2 | 293.50 |
| Certificate of birth (short and long), deaths, marriages and civil partnerships (extracts or full) #1 | | | | |
| At time of registration | 4.00 | 4.00 | 0.0 | |
| After registration but in current register | 7.00 | 7.00 | 0.0 | |
| After registration and after register closed | 10.00 | 10.00 | 0.0 | |
| Civil Partnership certificates full or extract, at time of ceremony#1 | 4.00 | 4.00 | 0.0 | |
| Civil Partnership certificates full or extract, at any other time#1 | 10.00 | 10.00 | 0.0 | |

#1 These are statutory charges that are determined nationally through legislation, the current fees are those published in the 2013/14 Financial Plans and Budgets Supporting Information. The proposed fees are those currently being charged following a fee amendment order from the Home Office, there is currently no indication that these will be subject to any further changes in 2014/15.

| Citizenship Ceremonies and Nationality Checking Service | | | | |
|---|--------|--------|-----|--------|
| <i>Nationality Checking Service</i> | | | | |
| Single (adult) Application | 46.67 | 47.50 | 1.8 | 57.00 |
| Single (adult) Application - Saturdays | 61.67 | 63.34 | 2.7 | 76.00 |
| 1 Adult and 1 Child | 55.83 | 57.50 | 3.0 | 69.00 |
| 1 Adult and 1 Child - Saturdays | 70.83 | 72.50 | 2.4 | 87.00 |
| 1 Adult and 2 Children | 61.67 | 63.34 | 2.7 | 76.00 |
| 1 Adult and 2 Children - Saturdays | 76.66 | 78.34 | 2.2 | 94.00 |
| Joint Husband and wife | 65.83 | 67.50 | 2.5 | 81.00 |
| Joint Husband and wife - Saturdays | 82.50 | 84.17 | 2.0 | 101.00 |
| 1 Adult and 3 Children | 70.83 | 72.50 | 2.4 | 87.00 |
| 1 Adult and 3 Children - Saturdays | 85.83 | 88.34 | 2.9 | 106.00 |
| Husband, wife and up to 2 Children | 81.67 | 83.34 | 2.0 | 100.00 |
| Husband, wife and up to 2 Children - Saturdays | 95.83 | 98.34 | 2.6 | 118.00 |
| Additional children on parents application | 16.67 | 17.50 | 5.0 | 21.00 |
| Additional children on parents application - Saturdays | 45.00 | 46.67 | 3.7 | 56.00 |
| One or more children under 18 who apply separately from their parents | 16.67 | 17.50 | 5.0 | 21.00 |
| One or more children under 18 who apply separately from their parents - Saturdays | 25.84 | 26.67 | 3.2 | 32.00 |
| <i>Settlement Checking Fees</i> | | | | |
| 1 Adult and up to 2 Dependents | 64.16 | 65.83 | 2.6 | 79.00 |
| Additional Dependents | 17.50 | 18.34 | 4.8 | 22.00 |
| <i>Individual Citizenship Ceremonies</i> | | | | |
| Monday - Friday (Syrett Blue Room) | 56.67 | 58.34 | 2.9 | 70.00 |
| Saturday (Syrett Ceremonial Room) | 237.50 | 243.34 | 2.5 | 292.00 |

CORPORATE SERVICES & CHIEF EXECUTIVE'S DEPARTMENT

2014/15 PROPOSED FEES & CHARGES

Service: Democratic Services

| |
|--|
| Purpose of the Charge: To Contribute to the costs of the service |
|--|

| | Proposed 2014/15 Budget £'000 | 2013/14 Budget £'000 |
|---|--|----------------------------|
| Income the proposed fees will generate: | 0.1 | 0.1 |

| |
|---|
| Are concessions available? Agendas are available online at no charge. |
|---|

| |
|--|
| Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money. |
|--|

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

| |
|----------------------|
| Council Publications |
|----------------------|

| | | | | |
|--|--------|--------|-----|------|
| Agendas/Minutes, etc | | | | |
| Council agenda – Charge per Annum (Based on 8 per Annum) | 159.00 | 162.00 | 1.9 | |
| Executive Agenda – Charge per Annum (based on 11 per Annum) | 239.00 | 244.00 | 2.1 | |
| Planning Committee (based on 12 per Annum) | 239.00 | 244.00 | 2.1 | |
| Any other Committee or Sub Committee Agendas | 114.00 | 117.00 | 2.6 | |
| Charge per Annum (Based on 4 per annum) | 0.00 | 0.00 | 0.0 | |
| Charge per single copy | 28.00 | 29.00 | 3.6 | |
| Part extract (any Committee) including background papers - administration fee plus.... | 11.00 | 11.00 | 0.0 | |
| Photocopying Charges | | | | |
| A4 B&W | 0.23 | 0.24 | 4.3 | 0.29 |
| A3 B&W | 0.37 | 0.38 | 2.7 | 0.46 |
| A4 Colour | 0.76 | 0.78 | 2.6 | 0.94 |
| A3 Colour | 1.41 | 1.44 | 2.1 | 1.73 |

Service: Democratic Services

| |
|--|
| Purpose of the Charge: To Contribute to the costs of the service |
|--|

| | Proposed 2014/15 Budget £'000 | 2013/14 Budget £'000 |
|---|--|----------------------------|
| Income the proposed fees will generate: | 0.1 | 0.1 |

| |
|---|
| Are concessions available? Agendas are available online at no charge. |
|---|

| |
|--|
| Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money. |
|--|

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

| |
|-------------------------------|
| STANDARD OTHER CHARGES |
|-------------------------------|

| | | | |
|---|-------|-------|-----|
| These are chargeable in addition or as default to recover actual costs for services | 21.00 | 22.00 | 4.8 |
| Invoice Charge | 53.00 | 54.00 | 1.9 |
| Hourly Rate | 27.00 | 28.00 | 3.7 |
| Minimum Charge | | | |

CORPORATE SERVICES & CHIEF EXECUTIVE'S DEPARTMENT

2014/15 PROPOSED FEES & CHARGES

Service: Education Transport

Purpose of the Charge: To contribute to the costs of the service where there is spare capacity on an existing route.

| | 2013/14 Budget £'000 | Proposed 2014/15 Budget £'000 |
|---|----------------------------|--|
| Income the proposed fees will generate: | 0.1 | 0.1 |

Are concessions available? No

Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money.

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

Home to School Travel

| | | | |
|--|-------|-------|-----|
| Farepayer fees per term on existing routes | 20.00 | 20.00 | 0.0 |
| Lost Passes | | | |

Service: Bracknell Market

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

| | 2013/14 Budget £'000 | Proposed 2014/15 Budget £'000 |
|---|----------------------------|--|
| Income the proposed fees will generate: | 73 | 73 |

Are concessions available? Yes - External charity stalls are free of charge.

Link to the Council's Medium Term Objectives: Work with our communities and partners to be efficient, open, transparent and easy to access and to deliver value for money.

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

| | | | | |
|---------------------------------------|------|------|-----|------|
| Charge per foot run - internal | | | | |
| Non VAT registered stallholders | 2.69 | 2.69 | 0.0 | 3.23 |
| VAT registered stallholders | 3.12 | 3.12 | 0.0 | 3.74 |
| Charge per foot run - external | | | | |
| Non VAT registered stallholders | 2.41 | 2.41 | 0.0 | 2.89 |
| VAT registered stallholders | 2.78 | 2.78 | 0.0 | 3.34 |
| Charity Stall | 0.00 | 0.00 | 0.0 | 0 |

| | | | | |
|--|-------|-------|-----|-------|
| Charge per metre run - internal | | | | |
| Non VAT registered stallholders | 8.82 | 8.82 | 0.0 | 10.58 |
| VAT registered stallholders | 10.22 | 10.22 | 0.0 | 12.26 |
| Charge per metre run - external | | | | |
| Non VAT registered stallholders | 7.90 | 7.90 | 0.0 | 9.48 |
| VAT registered stallholders | 9.11 | 9.11 | 0.0 | 10.93 |
| Charity Stall | 0.00 | 0.00 | 0.0 | 0 |

**TO: THE EXECUTIVE
10 DECEMBER 2013**

**CAPITAL PROGRAMME 2014/2015 - 2016/2017
(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 2014. 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 department's proposals so that the Executive can agree a draft capital programme for 2014/15-2016/17 as the basis for consultation. In compiling the draft programme the main focus is inevitably on determining the requirements for 2014/15, 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 report 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 £8.428m for 2014/15 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 £1.17m of expenditure to be funded from S106 as outlined in para 5.21.**
- 2.4 **Approves, for consultation, the inclusion of £12.801m of expenditure to be externally funded as outlined in para 5.21.**
- 2.5 **Recommends to the Council that the allocation and associated virements resulting from additional grants received in year as noted in paragraph 5.30 and Annex H be approved.**

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 2013 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. Historically 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 between £2m and £3m over the proceeding 10 years. However, added to the miscellaneous sales of surplus land and property planned for next year, including the receipt for Binfield Nursery, it is assumed that receipts in 2014/15 will amount to £5.0m.
- 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 to repay this internal borrowing. 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 2014/15 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 £5.0m 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 2014/15 – 2016/17. 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 & 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 legislation etc. Committed schemes also include those that have been started as part of the 2013/14 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 rolling programme of 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.

Town Centre Highway Works

- 5.10 In order to facilitate transport movements around the Borough, including in the medium term the planned Town Centre redevelopment, it is necessary to continue to fund a number of highway schemes in particular works required on the Twin Bridges site. As such a funding need of £2.0m has been identified in the 2014/15 proposals with further commitments required in future years to ensure that the regenerated town centre functions as a "whole centre" and not just as an isolated shopping outlet. The detail of subsequent years programmes will be worked up in the coming months, but spending levels of around £2m per annum are likely to be required until the new Broadway area is open for trading, which at this stage is anticipated to be in 2016.
- 5.11 This additional expenditure, aimed at maximising the positive experience of visiting the regenerated town centre, should be more than repaid through increases in car parking revenue and a massively increased business rate base.

Maintenance (Improvements and capitalised repairs)

- 5.12 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. 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: |
|--|
| 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. |
| Priority: |
| <ol style="list-style-type: none"> 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. |

- 5.13 The figures below are based on the information held in the Construction and Maintenance Groups' property management system as of the 21st November 2013. They have been adjusted to exclude those works that are already budgeted for within existing 2013/14 schools and corporate planned maintenance programmes.

The priorities can be broken down as follows:

Maintenance Backlog

| | | £ (000) | £ (000) |
|----------------------|------------------|---------------------|------------|
| Schools | Priority 1C & 1D | 2,088 | |
| | Priority 2C & 2D | 4,007 | |
| | Lower Priorities | 10,261 | 16,356 |
| Corporate Properties | Priority 1C & 1D | 1,780 | |
| | Priority 2C & 2D | 5,273 | |
| | Lower Priorities | 7,754 | 14,807 |
| Total | | <hr/> 31,163 | |

- 5.14 The overall maintenance liability has reduced from £40.1m in 2011/12 to £31.2m and reflects the investment that the Council has made in its property asset base and a number of disposals.

Schools

- 5.15 Historically the Schools Maintenance Programme has been funded from the Capital Maintenance grant allocation from the Department for Education. The allocations from the DfE are expected on or after the publication of the Provisional Settlement and will be used to tackle the highest priority items identified in the condition surveys indicated above.

Non-schools

- 5.16 From an analysis of the work required it is clear that some works, whilst urgent, cannot be legitimately capitalised and must be met from a revenue budget. An allowance of £200,000 is available in the 2014/15 Revenue Budget proposals to meet these liabilities. In line with the policy adopted last year the Asset management Group has considered only those works that fall within categories 1C and 1D. Given the financial constraints on both the revenue and capital budgets an allocation of £1.5m is recommended to address the most pressing 1C &1D priorities.
- 5.17 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.

Rolling programmes

- 5.18 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

- 5.19 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

- 5.20 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 2014/15 capital programme for potential Invest to Save schemes.

Capital Programme 2014/15 – 2016/17

- 5.21 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. For reasons of commercial confidentiality the proposed IT schemes are detailed in Annex G (Restricted). 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 council funding requested is £8.428m in 2014/15

| Capital Programme 2014/15-2016/17 | | | | |
|--|--|-------------------------|-------------------------|-------------------------|
| Annex | Service Area | 2014/15 £000 | 2015/16 £000 | 2016/17 £000 |
| B | Adult Social Care, Health & Housing | 2,513 | 2,320 | 2,000 |
| C | Children, Young People & Learning | 8,985 | 270 | 270 |
| D | Corporate Services | 250 | 50 | 0 |
| E | Council Wide | 2,820 | 1,813 | 1,681 |
| F | Environment Culture & Communities | 6,661 | 6,747 | 4,897 |
| | Total Capital Programme | 21,229 | 11,200 | 8,848 |
| | Externally Funded | 12,801 | 3,759 | 3,909 |
| | Total request for Council funding | 8,428 | 7,441 | 4,939 |

Externally Funded Schemes

- 5.22 A number of external funding sources are also available to fund schemes within the capital programme, amounting to £12.801m of investment in 2014/15. External support has been identified from two main sources:

Government Grants (Estimated to be £11.631m)

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.

A significant element of the grant-funded capital programme relates to the planned investment in Schools. The schools investment programme included in this report (and outlined in Annex C) reflects the latest position approved by the Executive in October 2013. In order to effectively deliver a schools investment programme the Government have announced two-year funding deals for schools capital investment. The report to the Executive on 15th October 2013 highlighted the levels of grant that had been initially allocated as a result of the bidding process and approved how these funds would be used. Additional Targeted Basic Needs Grant of £7.867m was initially awarded covering the period 2013/14 to 2014/15; however this has since been reviewed by DfE and reduced to £7.635m as the costs for one of the schemes is now classified as refurbishment rather than new-build and as such attracts a lower grant allocation.

A second key constituent of capital grant funding relates to the Highway Maintenance and Integrated Transport Block. The Council's 2014/15 allocation was provisionally announced as part of a two-year settlement last year, and the Council expects this to be confirmed as part of the Provisional Local Government Settlement.

Section 106 (£1.170m)

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 £5.1m, 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 2014/15, where funding becomes available. These are summarised below

| Department | Schemes | Budget £000 |
|------------|----------------------|----------------|
| CYPL | Schools | 250 |
| ECC | Parks & Open Spaces | 320 |
| ECC | Local Transport Plan | 600 |
| | Total | 1,170 |

The level of new funding available through Section 106 will reduce significantly in the future following the introduction of the Community Infrastructure Levy (CIL). However the more flexible CIL funding should offset this reduction.

On-going Revenue Costs

- 5.23 A number of schemes have associated on-going revenue costs relating primarily to maintenance and support costs (particularly IT schemes). These costs tend to become payable in the year after implementation and as such will be included within the Council's Commitment Budget for 2015/16. These total £54,000 and are summarised in Annex G.

Funding Options

- 5.24 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 estimated to be in the region of £5.0m.
- 5.25 The proposed capital programme for 2014/15 has been developed, therefore, on the assumption that it will be funded by a combination of £5.0m 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.
- 5.26 Should any additional capital receipts be generated in 2014/15 the interest earned on these will be used to mitigate the revenue cost of the capital programme.
- 5.27 For 2014/15 it is unlikely that the Council will need to resort to external borrowing as it will be able to utilise 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.

- 5.28 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.
- 5.29 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 2014/15 to 2016/17 in February 2014, alongside its consideration of the specific budget proposals for 2014/15 and the Council's medium-term financial prospects.
- 5.30 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 2015/16 onwards, will need to be undertaken during next summer.

Virements in 2013/14 Capital Programme

- 5.31 The Education Capital Programme Board continually reviews the Council's school places programme and its alignment with available funding. It is necessary to make a number of minor adjustments to schemes within the approved external funding envelope following a recent update by the Council's construction partner. Annex G sets out the virements requested.
- 5.32 Following on from the Overview and Scrutiny Commission's working group on delegations, their recommendation to delegate approval of virements up to £250,000 within the Education Capital Programme to the Borough Treasurer will be implemented early in 2014 when the Financial Regulations are updated.

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 2014/15

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 2014/15, 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

- 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 Over 50's Forum, the Schools Forum, town and 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 2014/15 Budget is as follows

| | |
|---|------------------------------------|
| Executive agree proposals as basis for consultation | 10 December 2013 |
| Consultation period | 11 December 2013 - 21 January 2014 |
| Executive considers representations made and recommends budget. | 11 February 2014 |
| Council considers Executive budget proposals | 26 February 2014 |

Background Papers

None

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CAPITAL PROGRAMME - CORPORATE SERVICES / CHIEF EXECUTIVE

| | 2014/15 £000 | 2015/16 £000 | 2016/17 £000 |
|--|-----------------|-----------------|-----------------|
| Committed | | | |
| <i>None</i> | 0 | 0 | 0 |
| Unavoidable | | | |
| IT Schemes | 250 | 50 | 0 |
| | <u>250</u> | <u>50</u> | <u>0</u> |
| Maintenance | | | |
| See Council Wide | 0 | 0 | 0 |
| Rolling Programme / Other Desirable | | | |
| | 0 | 0 | 0 |
| TOTAL REQUEST FOR COUNCIL FUNDING | 250 | 50 | 0 |
| External Funding | | | |
| TOTAL EXTERNAL FUNDING | 0 | 0 | 0 |
| TOTAL CAPITAL PROGRAMME | 250 | 50 | 0 |

CAPITAL PROGRAMME - COUNCIL WIDE

| | 2014/15 £000 | 2015/16 £000 | 2016/17 £000 |
|---|-----------------|-----------------|-----------------|
| Committed | | | |
| Capitalisation of buildings, highways and ITC project management included in revenue budget proposals | 400 | 400 | 400 |
| IT Schemes | 120 | 20 | 0 |
| | 520 | 420 | 400 |
| Unavoidable | | | |
| IT Schemes | 542 | 293 | 181 |
| Access Improvement Programme (Equalities Act) | 100 | 100 | 100 |
| | 642 | 393 | 281 |
| Maintenance | | | |
| Improvements & Capitalised Repairs | 1,500 | 1,000 | 1,000 |
| | 1,500 | 1,000 | 1,000 |
| Rolling Programme / Other Desirable | | | |
| IT Schemes | 108 | 0 | 0 |
| Easthampstead House – Future works and occupation | 50 | 0 | 0 |
| | 158 | 0 | 0 |
| TOTAL REQUEST FOR COUNCIL FUNDING | 2,820 | 1,813 | 1,681 |
| External Funding | | | |
| TOTAL EXTERNAL FUNDING | 0 | 0 | 0 |
| TOTAL CAPITAL PROGRAMME | 2,820 | 1,813 | 1,681 |

Corporate Services / Chief Executives Office Schemes

| ICT Scheme | £250,000 |
|--|-----------------|
| An ICT scheme, details of which can be found in Annex G. | |

Council Wide Schemes

| | |
|--|-------------------|
| Capitalisation of buildings, highways and ITC project management | £400,000 |
| Each year the Council undertakes significant initiatives that will deliver efficiencies to the services it currently provides either through one-off projects such as delivering IT solutions, or enhancement to assets such as highway infrastructure. This budget enables a proportion of these schemes and the project management thereof to be capitalised and not funded through the revenue account. | |
| ICT Schemes | £770,000 |
| A variety of ICT schemes, details of which can be found in Annex G. Committed Schemes £120,000 Unavoidable Schemes £542,000 Rolling Programme £108,000 | |
| Access Improvement Programme | £100,000 |
| The January 2014 report to the Bracknell Forest Access Group outlines progress to date. | |
| Improvements and Capitalised Repairs | £1,500,000 |
| A programme to address the highest priority works within the maintenance backlog on Council properties. | |
| Easthampstead House – Future works and occupation | £50,000 |
| <p>This proposal continues the Time for a Change programme of work to deliver the principles agreed in the Accommodation strategy. This will be achieved by delivering phase 2 of the strategy; enabling the space vacated by the registrars to be remodelled for better use, bringing Democratic and Electoral services together and bring Construction & Maintenance from the Commercial Centre into EH to be closer to the property team. This will also contribute to the rationalisation of the Commercial Centre which will eventually assist with any disposal of the Commercial Centre.</p> <p>The risks associated with this scheme include the timescale for the regeneration of the Town Centre altering and making the projected life of the building significantly shorter consequently making the investment not viable. Disruption to the existing occupants and their customers (internal and external) would be unavoidable since the building would have to remain occupied during the works.</p> <p>Revenue Implications – Possible short term rental opportunity at the Commercial Centre.</p> | |