

Notice of Meeting



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Executive

Thursday 11 February 2021 at 5.00pm

This meeting will be held in a virtual format in accordance with The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panels Meetings) (England and Wales) Regulations 2020.

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Date of despatch of Agenda: Wednesday 3 February 2021

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Democratic Services Team on (01635) 519462

e-mail: executivecycle@westberks.gov.uk

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WestBerkshire
C O U N C I L

To:	Councillors Steve Ardagh-Walter, Dominic Boeck, Graham Bridgman, Hilary Cole, Lynne Doherty, Ross Mackinnon, Richard Somner, Jo Stewart and Howard Woollaston
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Agenda

Part I

Pages

- 1. Apologies for Absence**
To receive apologies for inability to attend the meeting (if any).
- 2. Minutes** 7 - 16
To approve as a correct record the Minutes of the meeting of the Executive held on 14 January 2021.
- 3. Declarations of Interest**
To remind Members of the need to record the existence and nature of any personal, disclosable pecuniary or other registrable interests in items on the agenda, in accordance with the Members' [Code of Conduct](#).
- 4. Public Questions** 17 - 20
Members of the Executive to answer questions submitted by members of the public in accordance with the Executive Procedure Rules contained in the Council's Constitution.

Please note that the list of public questions is shown under item 4 in the agenda pack.
- 5. Petitions**
Councillors or Members of the public may present any petition which they have received. These will normally be referred to the appropriate Committee without discussion.

Items as timetabled in the Forward Plan

Pages

- 6. Investment and Borrowing Strategy 2021/22 (C3980)** 21 - 54
Purpose: This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code and sets out the Council's proposed Investment and Borrowing Strategy for 2021/22.



7. **Medium Term Financial Strategy 2021/22 to 2024/25 (C3981)** 55 - 72
- Purpose: To set out the financial planning assumptions for future years and align these with the Council Strategy to ensure that the Council Strategy will be delivered. The MTFS highlights the overarching key issues facing the Council's finances as well as how there are many different scenarios and uncertainty concerning the future revenue streams for the Council in the future.
- The document will enable the Council to commence the next four years of the MTFS from a strong financial base and this position and future projections are highlighted in the report.
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8. **Capital Strategy and Programme 2021/22 - 2023/24 (C3982)** 73 - 124
- Purpose: To outline the Capital Strategy covering financial years 2021/22-2023/24 and the supporting funding framework, providing a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
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9. **Revenue Budget 2021/22 (C3983)** 125 - 198
- Purpose: To consider and recommend to Council the 2021-22 Revenue Budget, which proposes a Council Tax requirement of £104.32m, requiring a Council Tax increase of 1.99%. The Council Tax increase will raise £2.04m. The Council is not proposing any use of the Adult Social Care precept and there will therefore not be any increase in the precept. The overall Council Tax increase is intended to balance the financial impact of the pandemic on residents, mitigating the financial pressures they face, as well as the cost pressures that the Council faces.
- The budget details the investment for the year ahead to deliver the Council Strategy and support core Council Services. This includes investment in Adult Social Care, economic development and prevention work. The budget also allocates revenue funding to deliver the Capital Strategy (separate paper) that has a substantial amount of investment in infrastructure for the year ahead, including savings proposals, other income sources and £3.2m of support from Government for Covid-19 costs. The Council is proposing to support the budget with a £2.2m contribution from reserves; it is rare that the Council would use such a sizeable level of one-off support for the budget but the impact of the pandemic on the current year budget, allied to Government financial support, has led to an expected underspend in the current year that is being proposed to partially use to support the 2021-22 budget.
- This report also proposes the Fees and Charges for 2021-22 as set out in Appendix F and the Parish Expenses as set out in Appendix G and recommends the level of General Reserves as set out in Appendix E.
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Agenda - Executive to be held on Thursday, 11 February 2021 (continued)

10. **Revenue Financial Performance Report - Q3 of 2020/21 (EX3911)** 199 - 216
Purpose: To report on the in-year financial performance of the Council's revenue budgets.
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11. **Potential Redundancies - Strategy and Governance (EX3976)** 217 - 224
Purpose:
- Following a restructure in the Strategy and Governance Department resulting in the creation of 21.5 new posts, including investment into an additional 7.5 posts, 14 posts are to be deleted. This results in the potential for some redundancies. This report seeks authority for redundancy payments to be made if necessary.
 - The overarching purpose of the new structure in Strategy and Governance is to:
 - Improve the delivery of services to the Council's customers
 - Enhance and consolidate the Council's governance arrangements
 - Deliver more effective digital and transformation solutions that provide better services
 - Continue to provide effective support services to the Council
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12. **Members' Questions** 225 - 226
Members of the Executive to answer questions submitted by Councillors in accordance with the Executive Procedure Rules contained in the Council's Constitution.

Please note that the list of Member questions is shown under item 12 in the agenda pack.
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13. **Exclusion of Press and Public**
RECOMMENDATION: That members of the press and public be excluded from the meeting during consideration of the following items as it is likely that there would be disclosure of exempt information of the description contained in the paragraphs of Schedule 12A of the Local Government Act 1972 specified in brackets in the heading of each item. [Rule 8.10.4 of the Constitution refers.](#)
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Part II

14. **Potential Redundancies - Strategy & Governance (EX3976)** 227 - 234
(Paragraph 1 – information relating to an individual)
(Paragraph 2 – information identifying an individual)
(Paragraph 3 – information relating to financial/business affairs of particular person)
(Paragraph 4 – information relating to terms proposed in negotiations in labour relation matters)



Agenda - Executive to be held on Thursday, 11 February 2021 (*continued*)

Purpose: To seek authority for redundancy payments to be made, if necessary, following a restructure in the Strategy and Governance Department.

Sarah Clarke
Service Director: Strategy and Governance

West Berkshire Council Strategy Priorities

Council Strategy Priorities:

PC1: Ensure our vulnerable children and adults achieve better outcomes

PC2: Support everyone to reach their full potential

OFB1: Support businesses to start, develop and thrive in West Berkshire

GP1: Develop local infrastructure to support and grow the local economy

GP2: Maintain a green district

SIT1: Ensure sustainable services through innovation and partnerships

If you require this information in a different format or translation, please contact
Moira Fraser on telephone (01635) 519045.

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DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

EXECUTIVE

MINUTES OF THE MEETING HELD ON THURSDAY, 14 JANUARY 2021

Councillors Present: Steve Ardagh-Walter, Dominic Boeck, Graham Bridgman, Hilary Cole, Lynne Doherty, Ross Mackinnon, Richard Somner, Jo Stewart and Howard Woollaston

Also Present: Nick Carter (Chief Executive), Paul Coe (Service Director, Adult Social Care), Sue Halliwell (Executive Director - Place), Joseph Holmes (Executive Director - Resources), Shiraz Sheikh (Legal Services Manager), Councillor Adrian Abbs, Councillor Phil Barnett, Councillor Jeff Beck, Councillor Jeff Brooks, Stephen Chard (Principal Policy Officer), Councillor Carolyne Culver, Councillor Lee Dillon, Councillor Clive Hooker, Councillor Owen Jeffery, Councillor Alan Law, Councillor Royce Longton, Councillor Alan Macro, Councillor David Marsh, Councillor Steve Masters, Councillor Erik Pattenden, Linda Pye (Principal Policy Officer), Councillor Garth Simpson, Councillor Martha Vickers and Councillor Tony Vickers

Apologies for inability to attend the meeting: Andy Sharp (Executive Director – People)

PART I

69. Minutes

The Minutes of the meeting held on 17 December 2020 were approved as a true and correct record and signed by the Leader.

70. Declarations of Interest

Councillor Lee Dillon declared an interest as public question (c) of Agenda Item 4 made reference to his employer (Sovereign Housing Association), but reported that, as his interest was a personal or an other registrable interest, but not a disclosable pecuniary interest, he determined to remain for the item.

71. Public Questions

A full transcription of the public and Member question and answer sessions is available from the following link: [Transcription of Q&As](#).

- (a) The question submitted by Mr John Gotelee on the subject of an explanation of the measures taken in order to comply with regulation 64 of the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 in relation to the London Road Industrial Estate was answered by the Portfolio Holder for Finance and Economic Development.
- (b) The question submitted by Mr Alan Pearce on the subject of the reasons for not undertaking and publishing an environmental impact assessment prior to constructing the new access road from the A339 onto London Road Industrial Estate was answered by the Portfolio Holder for Finance and Economic Development.
- (c) The question submitted by Mr Graham Storey on the subject of the details around the Joint Venture with Sovereign Housing would be provided with a written answer by the Portfolio Holder for Planning and Housing.
- (d) The question submitted by Mr Graham Storey on the subject of the setting up of a housing company to deliver social housing would be provided with a written answer by the Portfolio Holder for Planning and Housing.

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- (e) The question submitted by Mr Vaughan Miller on the subject of the cuts in funding to Youth Services, youth activities and children's safeguarding services over the last ten years was answered by the Portfolio Holder for Children, Young People and Education.
- (f) The question submitted by Mr Vaughan Miller on the subject of how many of the football pitches currently managed directly or indirectly by the Council were being ruined due to over playing was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (g) The question submitted by Mr Alan Pearce on the subject of a Tree Preservation Order which was put on the Swale situated on land west of Tesco and then removed was answered by the Portfolio Holder for Transport and Countryside.
- (h) The question submitted by Mr Paul Morgan on the subject of the current members of the LRIE Steering Group and their respective roles was answered by the Portfolio Holder for Finance and Economic Development.
- (i) The question submitted by Mr Paul Morgan on the subject of why the detail requested in relation to payments made to Property Consultants had to be obtained via a FoI request was answered by the Portfolio Holder for Finance and Economic Development.
- (j) The question submitted by Mr Vaughan Miller on the subject of new funding for youth services from the youth investment fund would be provided with a written answer by the Portfolio Holder for Children, Young People and Education.
- (k) The question submitted by Mr John Stewart on the subject of funding for the Henwick Worthy Sports Facility project was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (l) The question submitted by Mr John Stewart on the subject of infrastructure funded by s106 in 2019/20 on a Henwick Worthy Sports facilities project was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (m) The question submitted by Mr Lee McDougall on the subject of whether Sport England and the Football Association had been given details regarding the possible replacement football ground was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (n) The question submitted by Mr Jason Braidwood on the subject of grass pitch usage was answered by the Portfolio Holder for Finance and Economic Development.
- (o) The question submitted by Mr Paul Morgan on the subject of the proposed public consultation would be provided with a written answer by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (p) The question submitted by Mr Jason Braidwood on the subject of whether the objectives of the rugby club, the Council and the football community of Newbury would be aligned was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (q) The question submitted by Mr Lee McDougall on the subject of how local football teams would be able to generate income was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (r) The question submitted by Mr Alan Pearce on the subject of the timetable of events and milestones for the new facility was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (s) The question submitted by Mr Vaughan Miller on the subject of whether the replacement facility would be of equivalent or better quality would be provided with a written answer by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.

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- (t) The question submitted by Mr Gary Norman on the subject of whether the Diamond at Pigeon's Farm would be a satisfactory Plan B was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (u) The question submitted by Mr John Stewart on the subject of the Constitution of the new Culture and Leisure Programme Board would be provided with a written answer by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.

72. **Petitions**

There were no petitions presented to the Executive.

73. **Cultural Heritage Strategy 2020-30 (EX3807)**

The Executive considered the Cultural Heritage Strategy 2020-2030 (Agenda Item 6). Councillor Howard Woollaston presented the Strategy. He explained that the Strategy reflected the views of the many people who responded to the public consultation. The level of response made clear the importance of culture and heritage to the residents of West Berkshire.

Councillor Woollaston commended officers for all their hard work in bringing the Strategy together.

Together with approval of the Strategy, the report recommended that a Delivery Group be formed. The group would be chaired by Councillor Woollaston and would focus on achieving the objectives of the Strategy. Councillor Woollaston proposed approval of the Strategy.

This was seconded by Councillor Dominic Boeck. Councillor Boeck stated that adoption of the Strategy would lead to actions being taken that would support and promote opportunities for education, training and employment. It would improve access for children and young people to a range of cultural and heritage activities, and enhance the health and wellbeing of residents.

Councillor Graham Bridgman added his support of the Strategy. From an Adult Social Care perspective, it would be positive to be able to encourage West Berkshire's senior citizens, at the appropriate time, to engage in the culture and heritage of the district. This would benefit their health and wellbeing.

Councillor Bridgman asked that officers review the table on page 11 of the Strategy for accuracy, prior to its publication.

Councillor Tony Vickers felt that the Strategy was missing a reference to the countryside being a part of the district's heritage. Access to the countryside was free via the public rights of way network and more should be done to promote this. Councillor Woollaston was in full agreement with this point as were the Council's officers. Councillor Woollaston would discuss this further with Councillor Vickers outside of this meeting to ensure that appropriate wording was captured within the Delivery Plan.

Councillor David Marsh drew attention to the feedback received in the consultation. This showed that many people wanted a greater number of events to attract visitors to West Berkshire and a greater level of awareness of what was on offer. However, feedback indicated that it was not easy to find out what was taking place. Councillor Marsh felt that a visitor information centre needed to be reinstated to promote what was on offer in the district and asked if this could be considered by the Delivery Group.

Councillor Woollaston agreed that this would be looked at. He felt that greater publicity could be achieved when considering that Newbury Bus Station was adjacent to Newbury Library and the West Berkshire Museum.

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Councillor Erik Pattenden welcomed the Strategy, there was an abundance of culture and heritage activities on offer in West Berkshire and there was much to be positive about. This was on the understanding that the necessary resource would be available to implement the Strategy.

He did however feel that the many activities available in areas including Thatcham, Hungerford and Theale should have been explicitly mentioned. Councillor Pattenden also made the point that many residents who lived in the east of the district would travel to Reading to access cultural activities and he queried if a collaborative approach would be possible to highlight what was available between neighbouring authorities.

Councillor Woollaston explained that he was willing to enter into dialogue on this point, i.e. with Reading Borough Council.

Councillor Jeff Brooks was concerned that the Strategy lacked targets by which to measure whether its objectives would be met by 2030. Councillor Woollaston did not accept that was the case. He explained that the Delivery Group would routinely monitor progress against the Strategy via the Delivery Plan which would be presented to the Executive in future.

RESOLVED that:

- The Cultural Heritage Strategy 2020-2030 be approved, subject to the minor amendment highlighted to the document.
- The Cultural Heritage Strategy Delivery Group would be formed with key stakeholders which would:
 - Develop the Delivery/Action Plan with specific actions, outcomes, measures and resources to deliver the vision and strategic themes - Executive approval of the Plan would be sought within 6 months of the Group's inception.
 - Report on progress to the Health & Wellbeing Board and the Culture & Leisure Programme Board as required.
 - Review / refresh the strategy every 2 years to reflect progress and any changes required to deliver on the vision and objectives.

Other options considered: To not develop a Cultural Heritage Strategy for the district. This would mean that the many benefits of developing and delivering a strategy in partnership with key stakeholders would not be realised, leading to possible negative outcomes (for example, lack of inward investment) and missed opportunities to improve the cultural heritage offer for all in the district.

74. Newbury Sports Ground Update (Urgent Item)

The Executive considered a report (Agenda Item 7) concerning an update on progress with the development of a sports ground in Newbury. It also sought approval from the Executive for the Head of Public Protection and Culture, in consultation with the Portfolio Holder for Leisure and Culture, to enter into the detailed negotiations on the heads of terms with the Newbury Rugby Club in relation to the Newbury Sports Ground project. Provision for the financial implications of the proposed development within the 2021/22 Capital budget and the 2021/2022-24 Medium Term Financial Strategy would also be required.

Councillor Howard Woollaston in introducing the report stated that it could already be seen from the sheer quantity of public questions that there was considerable interest in this proposal.

The report purely sought approval for Officers to agree terms within parameters and was not a final sign off. This would hopefully happen in April 2021. He was sure that most of

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the issues had been addressed in the public questions that had already been answered earlier in the evening.

Councillor Woollaston added that the proposal addressed the requirements the Council agreed to as part of the London Road Industrial Estate Regeneration in that it was in an ideal position, it cemented community sporting in Newbury, it would provide a facility which the community could be proud of as a town and allow Newbury's men's and ladies teams to scale the ladders of their respective leagues. The scheme was future-proofed to a Step 5 facility with relatively minimal additional expenditure required. The Council would be commencing a public consultation exercise which he hoped would endorse the proposal and he was delighted to recommend the report.

Councillor Lynne Doherty seconded the report. She was very exciting about this new option as she had grown up living in Newbury. The Playing Pitch Strategy set out that the Council needed to seek a replacement for the Faraday Road site. Putting together a site analysis and identifying the preferred options at the same time as the pandemic had not been an easy task. However, public consultation had been undertaken to seek the views of members of the public and key stakeholders and the results of that consultation had been taken into consideration. The proposed site at Newbury Rugby Club was not in the Council's ownership but it was a promising option which the Council would continue to pursue whilst at the same time continuing to develop a Plan B. She was therefore happy to second the report which would be a positive step for Newbury provided that all parties were willing to collaborate.

Councillor Richard Somner was also supportive of the proposal. Reading Football Club and London Irish Rugby Team had shared a ground for a number of years and this was becoming a popular and successful option for a lot of clubs.

Councillor Lee Dillon responded that the Playing Pitch Strategy showed that there was a lack of 3G sports provision in the area and therefore this proposal should be welcomed. However, he was struggling to equate the provision of one 3G pitch with the loss of two pitches at the Faraday Road site as it was not comparable. He welcomed the consultation that had taken place but he felt that Plan B for The Diamond at Pigeon's Farm was not a suitable site and he had been surprised to see it included in the report as a failsafe. Councillor Dillon suggested that indicative costings around the proposed provision could be made available in time for the consultation. However, Councillor Lynne Doherty stated that that information was commercially sensitive at this time.

Councillor Howard Woollaston responded to the point made about one 3G pitch replacing two pitches and he said that the 3G pitch would be able to be used more extensively. The Council were looking to provide further 3G pitches over the next few years. Sports England recommended only using grass pitches four times a week.

Councillor Jeff Brooks asked for clarity around what impact would moving Newbury Football Club up to Pinchington Lane have on the Town Centre – had any assessment been done. Councillor Howard Woollaston confirmed that no assessment of that had been carried out at this stage as it was premature. The site was within a 20 minute walk of the Town Centre.

Councillor Tony Vickers stated that there were a number of red lights around this project and he felt that the Council was unlikely to achieve its objective. Football and Rugby communities did not tend to get on. He noted that there was no planning consent in place for the demolition of the football club in Faraday Road and there was no planning policy in place for the London Road Industrial Estate. He was in favour of redevelopment and felt that there was nothing wrong with retaining the football ground in the Town Centre. He asked whether Sports England or the Football Association could veto all of the

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proposal if they did not give their approval. Councillor Howard Woollaston responded that all the views received to date had been very positive and there was no reason for them not to support the proposal. Councillor Ross Mackinnon stated that planning permission for the facility would be considered on its own merits and the application for consent to demolish the Faraday Road site was on its way to planning.

Councillor Adrian Abbs stated that he, along with Councillor Vickers, was a Ward Member for Wash Common and he was also a member of the Parish Council and had not been consulted on the proposals. He had also not been consulted on the plan to use The Diamond as a fallback position. This would not be a suitable site and would not be popular with people who used this valuable community asset. He asked if the Parish Council and the local community could be involved in any future decisions.

Councillor Alan Macro noted that it was proposed to start construction in mid-late 2021 and that it would open in March 2022. This sounded like a very ambitious timescale and he queried how confident was the Council that this could be achieved. Councillor Woollaston accepted that it was stretching but that it would be achievable.

Councillor David Marsh was concerned that the Council was jumping the gun and entering into detailed negotiations prior to any consultation having taken place. What if there were members of the community or key stakeholders who were against this proposal – how much of that would be taken into account if negotiations had already commenced. Councillor Woollaston confirmed that the Council had already been in contact with local football clubs and had received positive feedback. Councillor Lynne Doherty confirmed that the consultation would be meaningful and that part of the consultation would include a plan of the proposed facility.

Councillor Erik Pattenden confirmed that he was a Ward Member for Greenham and agreed that The Diamond was not suitable as a Plan B site. It was too small, had limited access and parking and would be a loss to the local community. It should therefore not be included as a backup. He asked what additional risk would be placed on the project with no suitable Plan B in place. Councillor Woollaston replied that discussions with the Rugby Club were positive and it was not anticipated that there would be any need to have a backup in place.

Councillor Steve Masters raised a number of points. He acknowledged that the timeframe was tight and was therefore a risk which could bring reputational harm to the Council. He referred to paragraph 4.7 of the report where he noted that it was proposed to bring in external project management and he asked whether that was a reflection of a lack of confidence that this could be delivered internally. The site was located adjacent to the proposed Sandleford development site and he asked whether any traffic modelling had been undertaken to consider the impact of that. He was concerned that the site would be a 25-30 minute walk into the Town Centre whereas the Faraday Road site was within a five minute walk. Councillor Masters asked how many meetings had taken place with Sport England and the Football Association in the last few months and whether the assurances received had been verbal or in writing. He also asked if stakeholders would be part of the working group going forward.

Councillor Howard Woollaston responded that it was necessary to decouple what had happened in the past. It would be necessary to appoint a specialist Project Manager and the appointment to that post should be confirmed soon. He felt that the proposal would not create a huge increase in traffic volume. Councillor Lynne Doherty added that the proposal had yet to go through the planning process when a lot of these queries would be addressed. There would be a risk register in place for the project.

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Councillor Phil Barnett had a number of concerns particularly in relation to traffic generation. He gave an example of the sports ground at Henwick Lane which generated quite a bit of additional traffic. The site at Pigeon's Farm would not be able to accommodate that level of increase and he would not want to see the current activities which took place on that site lost. All of these points needed to be considered.

RESOLVED that:

- (1) A public consultation be carried out in relation to the proposed provision to develop a new sports ground with facilities at Newbury Rugby Club.
- (2) The allocation of funds (as detailed in the Part 2 Report) in the 2021/22 Capital Programme be approved and recommended to the Council meeting on 2nd March 2021 (as part of the Budgetary framework).
- (3) The findings of the Consult QRD report be acknowledged and the allocation of funds (as detailed in the Part 2 Report) to the 2021/22 Revenue Budget to the Council meeting on 2nd March 2021 (as part of the Budgetary framework) be approved and recommended to operate the site for the term of the lease, once negotiated.
- (4) The draft heads of terms (as detailed in the Part 2 Report) with the Newbury Rugby Club be approved.
- (5) Delegated authority be given to the Head of Public Protection and Culture, in consultation with the Portfolio Holder for Leisure and Culture, to enter into detailed negotiation on the heads of terms with the Newbury Rugby Club with final documents to be considered by the Executive.

Other options considered:

The Council commissioned feasibility studies at three locations where the Council was the land owner; Northcroft, Henwick, and The Diamond. Each were deliverable to varying degree. Northcroft was considered too risky to proceed given observations about planning issues. Henwick was deliverable but was discounted by Operations Board because it was outside the Newbury settlement and The Diamond site was seen as a satisfactory but not ideal location.

Redevelop Faraday Road – the option to retain a sports ground at this location had been discounted through the London Road Industrial Estate Project Board given the wider regeneration aspirations of the Council which had been in place for nearly 20 years.

Locate a new sports ground at 'The Diamond' at Pigeons Farm, Newbury. This site was not considered as desirable by the Project Board and had more issues to contend with based on the SSL report commissioned. The site was owned by the Council and could accommodate a step 6 facility.

75. Members' Questions

A full transcription of the public and Member question and answer sessions are available from the following link: [Transcription of Q&As](#).

- (a) The question submitted by Councillor Martha Vickers on the subject of the prevention of incidents of domestic abuse during lockdown was answered by the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture.
- (b) The question submitted by Councillor David Marsh on the subject of speed limits in Newbury Town Centre was answered by the Portfolio Holder for Transport and Countryside.
- (c) The question submitted by Councillor Phil Barnett on the subject of emptying of dog waste bins was answered by the Portfolio Holder for Planning and Housing.

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- (d) The question submitted by Councillor Alan Macro on the subject of provision of more Continuing Healthcare Funding was answered by the Portfolio Holder for Adult Social Care.
- (e) The question submitted by Councillor Alan Macro on the subject of the proportion of staff and residents in West Berkshire Care Homes who had received a Covid-19 vaccination was answered by the Portfolio Holder for Adult Social Care.
- (f) The question submitted by Councillor Erik Pattenden on the subject of ensuring West Berkshire nurseries, schools and colleges were safe for all pupils and staff was answered by the Portfolio Holder for Children, Young People and Education.
- (g) The question submitted by Councillor Erik Pattenden on the subject of what help, financial and otherwise, had been provided to charities and other groups supporting young people was answered by the Portfolio Holder for Children, Young People and Education.
- (h) The question submitted by Councillor Erik Pattenden on the subject of the capacity of West Berkshire primary and secondary schools to deliver remote learning in future was answered by the Portfolio Holder for Children, Young People and Education.
- (i) The question submitted by Councillor Adrian Abbs on the subject of the installation of solar panels was answered by the Portfolio Holder for Environment.

76. Exclusion of Press and Public

RESOLVED that members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraphs 1, 3, 4 and 5 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information)(Variation) Order 2006. Rule 8.10.4 of the Constitution also refers.

77. Newbury Sports Ground Update (Urgent Item)

(Paragraph 1 – information relating to an individual)

(Paragraph 3 – information relating to financial/business affairs of particular person)

(Paragraph 4 – information relating to terms proposed in negotiations in labour relation matters)

(Paragraph 5 – information relating to legal privilege)

The Executive considered an exempt report (Agenda Item 10) concerning progress with the development of a sports ground in Newbury.

RESOLVED that the recommendations in the exempt report be agreed.

Other options considered:

The Council commissioned feasibility studies at three locations where the Council was the land owner; Northcroft, Henwick, The Diamond. Each were deliverable to varying degree. Northcroft was considered too risky to proceed given observations about planning issues. Henwick was deliverable but was discounted by Operations Board because it was outside the Newbury settlement and The Diamond site was seen as a satisfactory but not ideal location.

Redevelop Faraday Road – the option to retain a sports ground at this location had been discounted through the London Road Industrial Estate Project Board given the wider regeneration aspirations of the Council which had been in place for nearly 20 years.

Locate a new sports ground at 'The Diamond' at Pigeons Farm, Newbury. This site was not considered as desirable by the Project Board and had more issues to contend with based on the SSL report commissioned. The site was owned by the Council and could accommodate a step 6 facility.

(The meeting commenced at 5.00pm and closed at 7.50pm)

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CHAIRMAN

Date of Signature

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Item 4:

Public Questions to be answered at the Executive meeting on 11 February 2021.

Members of the Executive to answer questions submitted by members of the public in accordance with the Executive Procedure Rules contained in the Council's Constitution.

(a) Question submitted by Ian Hall to the Portfolio Holder for Finance and Economic Development:

"Was it wise not to seek internal or external advice on the closure of the football pitch given the legislation and the protections afforded to football pitches by Her Majesty's Government?"

(b) Question submitted by John Gotelee to the Portfolio Holder for Finance and Economic Development:

"Referring to the Online business case document for the A339 widening and London Rd Industrial Estate access scheme 11/11/2014 would the executive agree with me that several sections including 1.3.1 and 2.1.2 make it clear the junction is an integral part of the regeneration of the LRIE?"

(d) Question submitted by Darren King to the Portfolio Holder for Leader of the Council:

"Would the council agree to have public meetings where the public can discuss topical issues with councillors rather than having the limited time for questions at council meetings?"

(e) Question submitted by Gary Puffett to the Portfolio Holder for Leader of the Council:

"Does the Leader of the Council feel her organisation is being "caring and compassionate" by laying off public servants with no performance or disciplinary problems in the midst of a National health emergency that has tragically seen over 100,000 people lose their lives?"

(f) Question submitted by Graham Storey to the Portfolio Holder for Planning and Housing:

"Does the Executive think it is acceptable that a low income couple with two young children, stuck living with parents in a 3 bedroom house, because they cannot afford to rent privately, can no longer join the housing list due to the recent changes in eligibility, and what would you advise that couple to do now that social housing is no longer even a hope for them?"

(g) Question submitted by Thomas Tunney to the Portfolio Holder for Internal Governance:

"In reference to proposed redundancies in the Council, what efforts were made to ask for the opinion of residents on the proposals to help build a business case that would support them?"

Item 4:

Public Questions to be answered at the Executive meeting on 11 February 2021.

Members of the Executive to answer questions submitted by members of the public in accordance with the Executive Procedure Rules contained in the Council's Constitution.

(h) Question submitted by Mark Beach to the Portfolio Holder for Leader of the Council:

"Does the council feel that investment in communications and public relations – non-statutory activities – are more important than investment in services required by statute?"

(i) Question submitted by Simon Pike to the Portfolio Holder for Planning and Housing:

"Is it not premature for West Berkshire Council to abandon Grazeley as a major housing allocation and to plan a 75 acre solar farm there, given that the draft Local Plan only states that there are 'uncertainties' regarding this site?"

(l) Question submitted by Vaughan Miller to the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture:

"Does the Council honestly believe that there is a real and genuine need to use the Faraday Road football ground as a general recreation space when Victoria Park and Fireman's Field are right next to the estate?"

(m) Question submitted by John Stewart to the Portfolio Holder for Finance and Economic Development:

"Does the Council agree that it is logical to have a redeveloped or new football ground somewhere on the London Road Estate, especially as the area is currently industrial/retail/office with no opposing residents and the its future mixed/residential layout has yet to be planned?"

(n) Question submitted by Jason Braidwood to the Portfolio Holder for Finance and Economic Development:

"Will the Council reconsider re-opening the Faraday Road football ground for the summer to allow local youth football to catch up on the backlog of games due to COVID?"

(o) Question submitted by Jack Harkness to the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture:

"If the proposals for the Rugby Club and/or the Diamond Field do not meet the requirements and policies of Sport England and the FA will the Council still go ahead with these options?"

(p) Question submitted by Paul Morgan to the Portfolio Holder for Finance and Economic Development:

"Can the Council (or a property developer) share with us the current timescales / plans to submit a planning application to build flats on the Newbury Faraday Road Football Ground?"

Item 4:

Public Questions to be answered at the Executive meeting on 11 February 2021.

Members of the Executive to answer questions submitted by members of the public in accordance with the Executive Procedure Rules contained in the Council's Constitution.

(c) Question submitted by John Gotelee to the Portfolio Holder for Finance and Economic Development:

"When an Environmental impact assessment is eventually done, if it indicates substantial extra cost that makes the LRIE unviable or unfeasible where does that leave the taxpayer?"

(j) Question submitted by Simon Pike to the Portfolio Holder for Planning and Housing:

"Given that construction of replacement storage and processing facilities at AWE Burghfield may lead to a reduction in the Detailed Emergency Planning Zone, what implications would this have on the feasibility of allocating a large housing site at Grazeley?"

(k) Question submitted by Simon Pike to the Portfolio Holder for Planning and Housing:

"What consultation did West Berkshire Council have with Reading and Wokingham Borough Councils during the development and determination of the AWE Detailed Emergency Planning Zone, and did they agree to it?"

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Investment and Borrowing Strategy 2021/22

Committee considering report:	Executive on 11 February 2021 Council on 2 March 2021
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	15 January 2021
Report Author:	Shannon Coleman-Slaughter
Forward Plan Ref:	C3980

1 Purpose of the Report

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code and sets out the Council's proposed Investment and Borrowing Strategy for 2021/22.

2 Recommendations

2.1 That Council is requested to adopt the following recommendations:

- (a) To agree and adopt the proposed Investment and Borrowing Strategy for 2021/22.
- (b) To agree and adopt the revised 2021 Property Investment Strategy

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<p>CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast Capital Financing Requirement over the next three years, section 7.2 of this report demonstrates compliance with this requirement.</p> <p>Investment Income and Debt Charges resulting from this strategy form part of the Council's Medium Term Financial Strategy (MTFS).</p>

Human Resource:	Not applicable			
Legal:	Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.			
Risk Management:	The policy is intended to ensure that all borrowing and investment is undertaken with a view to minimising risk and exposure to financial loss.			
Property:	Not applicable			
Policy:	<p>The Investment and Borrowing Strategy is closely related to the Capital Strategy, as it governs the criteria for borrowing to fund capital spending.</p> <p>This strategy is also closely linked to the Council's Property Investment Strategy. The Property Investment Strategy which operates different criteria for investment from those proposed in this report, which relate only to cash investments.</p>			
	Positive	Neutral	Negative	Commentary
Equalities Impact:		X		
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		Not applicable

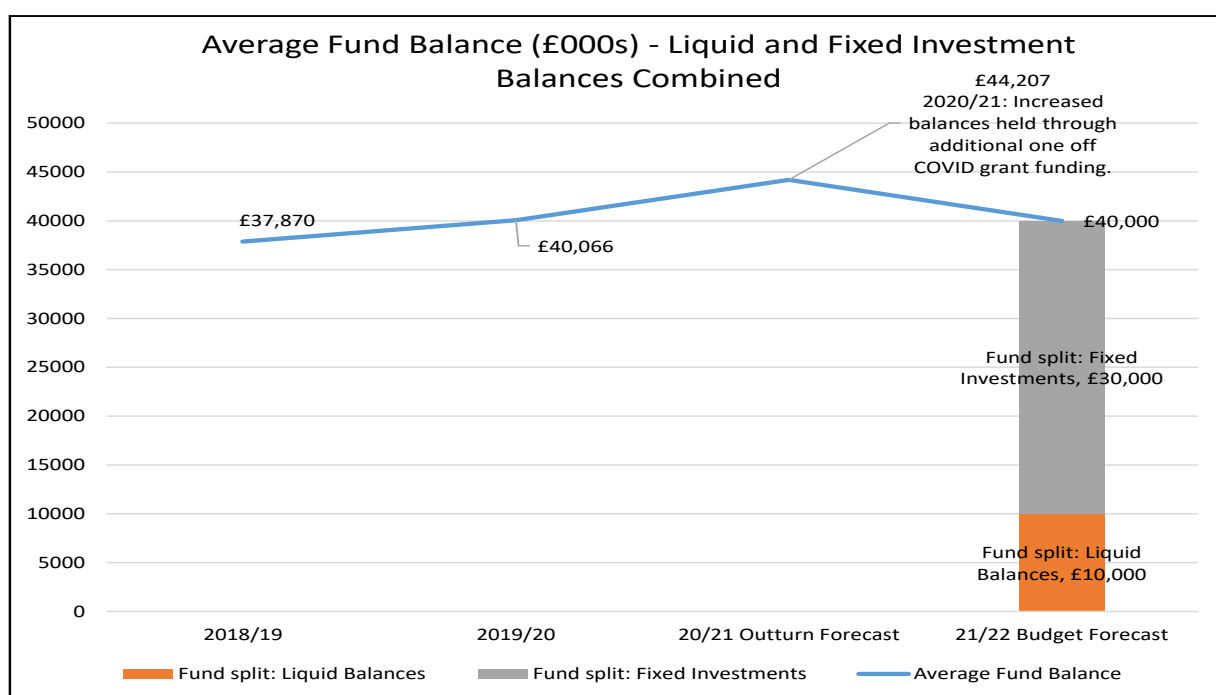
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		Not applicable
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	Joseph Holmes, Executive Director of Resources, s151 Officer			

4 Executive Summary

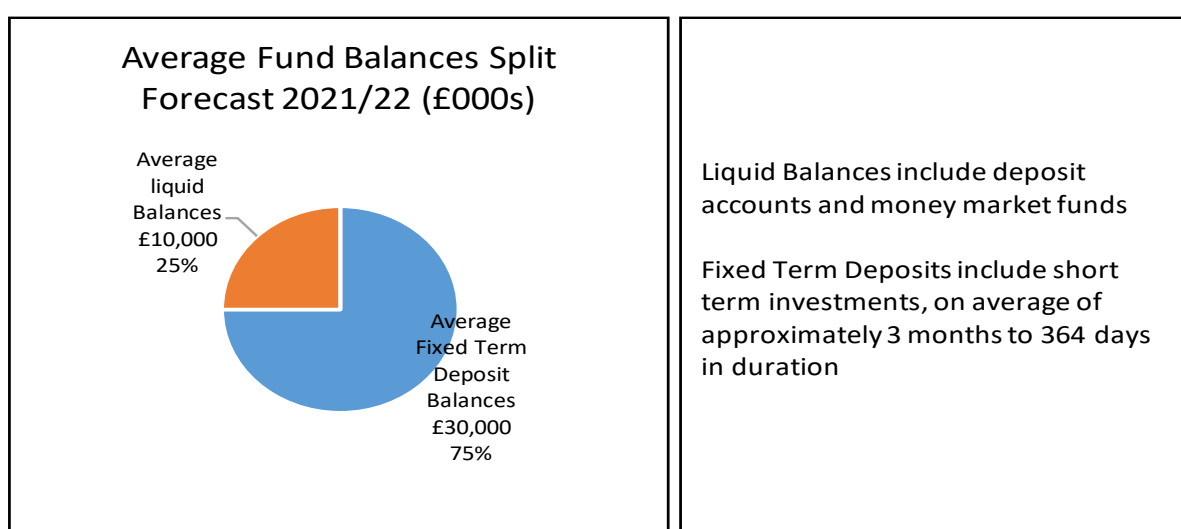
- 4.1 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 4.2 In support of the Capital Strategy and financing the Waste Private Finance Initiative (PFI), the Council expects to borrow up to £29.7 million in 2021/22. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing. The Council has set the authorised limit for borrowing over the duration of the Capital Strategy (2021 – 2024) as follows:

Authorised Limit & Operational Boundary (Borrowing Limits)	2020/21	2021/22	2022/23	2023/24
	Limit	Limit	Limit	Limit
	£000s	£000s	£000s	£000s
Authorised Limit - Operational Borrowing	£275,000	£277,000	£298,000	£331,000
Authorised Limit - PFI and Leases	£13,000	£12,000	£11,000	£10,000
Authorised Limit - Short Term Borrowing	£15,000	£15,000	£15,000	£15,000
Authorised Limit - Total External Debt	£303,000	£304,000	£324,000	£356,000
Operational Boundary - Operational Borrowing	£265,000	£267,000	£288,000	£321,000
Operational Boundary - PFI and Leases	£13,000	£12,000	£11,000	£10,000
Operational Boundary - Short Term Borrowing	£15,000	£15,000	£15,000	£15,000
Operational Boundary - Total External Debt	£293,000	£294,000	£314,000	£346,000

- 4.3 The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to borrow short-term loans instead. By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly.
- 4.4 The Council's average treasury investment balances are approximately £40 million split between highly liquid cash balances and short term fixed investments of less than 12 months. During 2020/21 the Council has held exceptionally high balances as a result of additional COVID related one off funding from government which is generally aimed to provide a range of reliefs and hence has to be maintained in easily accessible liquid accounts. For 2021/22 the Council has assumed an average fund balance of £40 million for budgeting purposes. The Table below details average balances held since 2018/19.



- 4.5 The Council recognises the increasing risk and low returns from short-term unsecured bank investments, however, the period for which funds are invested is determined by the cash flow needs of the Council. Funds are invested for as long as possible, in order to maximise the rate of return, while still ensuring that sufficient funds are available to meet the Council's outgoings. The normal maximum period for which funds may prudently be committed is 12 months. If sufficient funds become available, and market conditions are favourable enough to permit secure longer term investment, funds may, from time to time be invested for longer periods which will offer a better rate of return. However, in order to minimise risk and ensure liquidity, as a minimum the Council always maintains £5 million as highly liquid funds. No more than 40% of the Council's funds will be held at any one time in investments longer than 12 months. The table below details the average forecast split between highly liquid and fixed term deposit balances for 2021/22.



- 4.6 In addition to the investment portfolio, the Council has historically invested £62 million in commercial property with a view to generating additional yields to support delivery of Council services. Based on the current investment of £62m, a budgeted contribution of £700k is made annually to the Council's revenue budget.
- 4.7 In respect net returns from investments in the support of financing delivery of core services, the table below shows the proportionality of net yields from investments generated against the net revenue budget over the duration of the Medium Term Financial Strategy.

Proportionality of Investments	2020/21	2021/22	2022/23	2023/24
	Forecast	Forecast	Forecast	Forecast
	£000s	£000s	£000s	£000s
Net Revenue Budget	£130,216	£132,286	£134,662	£138,605
Net Investment Income from Commercial Property	£1,500	£700	£700	£700
Net Investment Income on cash balances	£256	£120	£120	£120
Investment Income Proportion	1.3%	0.6%	0.6%	0.6%

- 4.8 Anticipated yields from investment balances has been reduced for 2021/22 in line with a low Bank of England base rate, the Council is currently forecasting that interest rates

will remain low in the forthcoming financial year, the economic and interest rate outlook provide by the Council's external treasury advisors is included in appendix C.

- 4.9 In conclusion the Executive Director for Resources and S151 Officer is confident that the Investment and Borrowing Strategy provide an effective, robust and prudent platform from which to support the Council's strategic objectives as set out in the Capital Strategy 2021-2024 and approved Council Strategy.

5 Supporting Information

Introduction

- 5.1 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Background

- 5.2 Economic background: The impact on the UK from coronavirus, together with its exit from the European Union and future trading arrangements with the bloc, will remain a major influence on the Council's treasury management strategy for 2021/22.
- 5.3 The Bank of England (BoE) maintained Bank Rate at 0.10% in November 2020 and also extended its Quantitative Easing programme by £150 billion to £895 billion. The Monetary Policy Committee voted unanimously for both, but no mention was made of the potential future use of negative interest rates. Within the latest forecasts, the Bank expects the UK economy to shrink -2% in Q4 2020 before growing by 7.25% in 2021, lower than the previous forecast of 9%. The BoE also forecasts the economy will now take until Q1 2022 to reach its pre-pandemic level rather than the end of 2021 as previously forecast.
- 5.4 UK Consumer Price Inflation (CPI) for September 2020 registered 0.5% year on year, up from 0.2% in the previous month. Core inflation, which excludes the more volatile components rose to 1.3% from 0.9%. The most recent labour market data for the three months to August 2020 showed the unemployment rate rose to 4.5% while the employment rate fell to 75.6%. Both measures are expected to deteriorate further due to the ongoing impact of coronavirus on the jobs market, particularly when the various government job retention schemes start to be unwound in 2021, with the BoE forecasting unemployment will peak at 7.75% in Quarter 2 2021. In August, the headline 3-month average annual growth rate for wages were 0% for total pay and 0.8% for regular pay. In real terms, after adjusting for inflation, total pay growth fell by -0.8% while regular pay was up 0.1%.
- 5.5 GDP growth fell by -19.8% in the second quarter of 2020, a much sharper contraction from -2.0% in the previous three months, with the annual rate falling -21.5% from -1.6%. All sectors fell quarter-on-quarter, with dramatic declines in construction (-35.7%), services (-19.2%) and production (-16.3%), and a more modest fall in agriculture (-5.9%). Monthly GDP estimates have shown the economy is recovering but remains

well below its pre-pandemic peak. Looking ahead, the BoE's November Monetary Policy Report forecasts economic growth will rise in 2021 with GDP reaching 11% in Q4 2021, 3.1% in Q4 2022 and 1.6% in Q4 2023.

- 5.6 Interest rate forecast: The Council's treasury management adviser Arlingclose is forecasting that BoE Bank Rate will remain at 0.1% until at least the end of 2023. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the Brexit transition period ends. The BoE extended its asset purchase programme to £895 billion in November while keeping Bank Rate on hold. However, further interest rate cuts to zero, or possibly negative, cannot yet be ruled out but this is not part of the Arlingclose central forecast.
- 5.7 Gilt yields are expected to remain very low in the medium-term while short-term yields are likely remain below or at zero until such time as the BoE expressly rules out the chance of negative interest rates or growth/inflation prospects improve. The central case is for 10-year and 20-year to rise to around 0.5% and 0.75% respectively over the time horizon. The risks around the gilt yield forecasts are judged to be broadly balanced between upside and downside risks, but there will almost certainly be short-term volatility due to economic and political uncertainty and events.
- 5.8 A more detailed economic and interest rate forecast provided by Arlingclose as at November 2020 is attached at Appendix A. Updates issued by Arlingclose will be incorporated into this strategy as and when issued.

Proposals

- 5.9 **Borrowing**: The Council expects to borrow up to £29.8 million in 2021/22. The Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £304 million.
- 5.10 The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 5.11 Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to borrow short-term loans instead. By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly.
- 5.12 The Council has previously raised the majority of its long-term borrowing from the PWLB, but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local

authorities planning to buy investment assets primarily for yield. In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.

5.13 The Council's sources of long-term and short-term borrowing are:

- (a) HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- (b) Any institution approved for investments (see below)
- (c) Any other bank or building society authorised to operate in the UK
- (d) Any other UK public sector body
- (e) UK public and private sector pension funds (except The Royal Berkshire Pension Fund)
- (f) Capital market bond investors
- (g) UK Municipal Bonds Agency plc and other organisations that enable local authority bond issues.

5.14 Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- (a) Leasing
- (b) Hire purchase
- (c) Private Finance Initiative
- (d) Sale and leaseback

5.15 Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

5.16 LOBOs: The Council does not hold any LOBO (Lender's Option Borrower's Option loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost).

5.17 Short-term and variable rate loans: These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators.

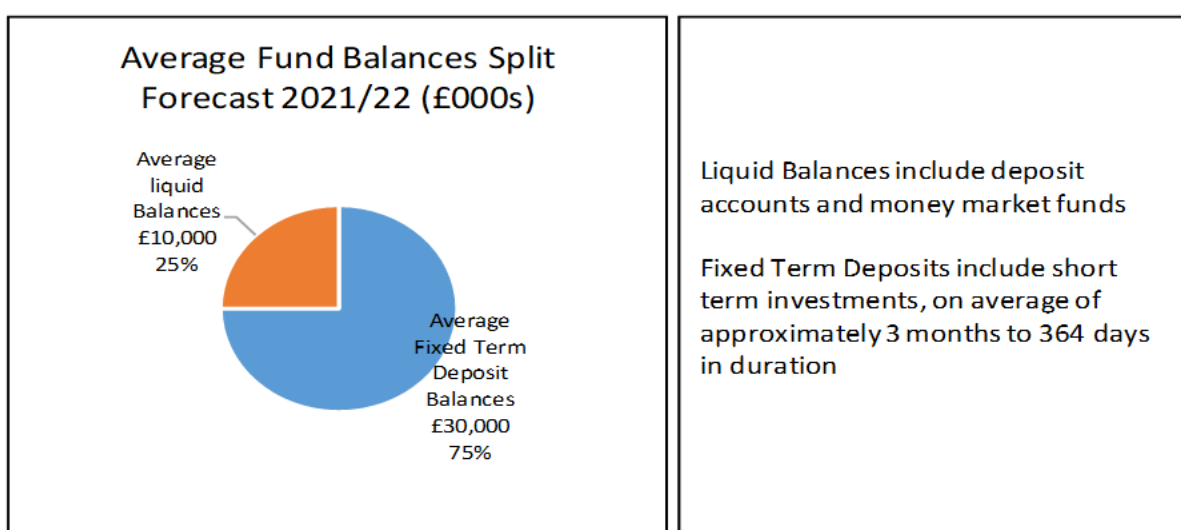
- 5.18 Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.
- 5.19 **Investments:** The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has been consistently around £40 million, and similar levels are expected to be maintained in the forthcoming year.
- 5.20 The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
- 5.21 The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. Since investments cannot pay negative income, negative rates will be applied by reducing the value of investments. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.
- 5.22 The Council recognises the increasing risk and low returns from short-term unsecured bank investments, however, the period for which funds are invested is determined by the cash flow needs of the Council. Funds are invested for as long as possible, in order to maximise the rate of return, while still ensuring that sufficient funds are available to meet the Council's outgoings. The normal maximum period for which funds may prudently be committed is 12 months. If sufficient funds become available, and market conditions are favourable enough to permit secure longer term investment, funds may, from time to time be invested for longer periods which will offer a better rate of return. However, in order to minimise risk and ensure liquidity, no more than 40% of the Council's funds will be held at any one time in investments longer than 12 months.
- 5.23 Business models: Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 5.24 The Council may invest its surplus funds with any of the counterparty types subject to the limits shown in the table below:

Organisations	Credit Rating	Individual Counter Party Limit
		£000s
Debt Management Office		Unlimited
UK Local Authorities (including Police, Fire Authorities and similar bodies)		£5,000
UK Building Societies	1 - 11	£5,000
UK Building Societies	12 - 21	£4,000
UK Building Societies	22 - 25	£3,000
UK Banks and other financial institutions	Prime 1 or equivalent	£5,000
UK Banks and other financial institutions	Prime 2 or equivalent	£4,000
UK Banks and other financial institutions	Prime 3 or equivalent	£3,000
UK Based Money Market Funds	AAA or equivalent	£5,000
Registered Charities, Public Sector Bodies and Council owned companies, joint ventures		£5,000

Note: For credit ratings informing counter party limits, the Council will utilise Moody's or equivalent.

- 5.25 Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
- 5.26 Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.
- 5.27 Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 5.28 Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- 5.29 Strategic pooled funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 5.30 The Council under section 15(1) of the Local Government Act 2003 can choose to make loans to local enterprises, local charities, wholly owned companies and joint ventures as part of a wider strategy for local economic growth.

- 5.31 Exposure to Risk: The proposed investment limits represent the maximum values to be invested with individual organisations. The Treasury Management Group may temporarily reduce these amounts and or shorten the time period of investments in order to spread the exposure to loss from institutions failing. The Council manages its exposure to risk via a series of treasury management indicators. Appendix D provides greater detail on the indicators used to monitor and review the performance of the
- 5.32 To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Council ensures it has readily available cash balances in accordance with only placing short term investments, and manages capital expenditure on a prudent basis in line with the prudential code indicators. The graph below details the split between the Council's forecast highly liquid cash balances and short term investments.



6 Other options considered

Not applicable

7 Conclusion

- 7.1 The Council is forecasting to have gross debt levels of £222 million as at 31.3.2021, with an anticipated borrowing requirement of £29.8 million in 2021/22 (long term funding of the capital programme and Waste PFI obligations). The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.

Capital Financing Requirement (CFR)	2020/21	2021/22	2022/23	2023/24
	Forecast	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
Opening CFR	£272,947	£278,274	£289,449	£302,248
Expenditure on operational assets	£10,565	£17,277	£17,440	£19,242
Expenditure on Invest to Save Schemes	£2,614	£1,050	£1,900	£7,500
Minimum Revenue Provision (exc PFI & Commercial Property)	(£6,680)	(£5,927)	(£5,259)	(£5,218)
Waste PFI Minimum Revenue Provision	(£722)	(£766)	(£813)	(£863)
Commercial Property MRP	(£450)	(£459)	(£468)	(£468)
Total General Fund Items	£278,274	£289,449	£302,248	£322,440

Note: MRP is currently under review with the Council's external treasury advisors is figures above are provisional

- 7.2 The Council has an increasing CFR and anticipates an additional borrowing requirement of £64.4 million to fund the proposed Capital Strategy (2021/22 – 2023/24). CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table below demonstrates that the Council expects to comply with this recommendation during 2021/22.

Gross Debt and CFR	2020/21	2021/22	2022/23	2023/24
	31.3.2021	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
Operational Debt -existing loans	£196,470	£216,472	£235,248	£257,796
Additional debt from capital programme	£13,180	£18,327	£19,340	£26,742
Waste PFI	£12,249	£11,483	£10,670	£9,807
Total Debt including leases and PFI	£221,899	£246,281	£265,257	£294,345
Capital Financing Requirement	£278,274	£289,449	£302,248	£322,440

- 7.3 In respect of investments, the Council's revenue budget includes net returns from investments in the support of financing delivery of core services. The table below shows the proportionality of net yields from investments generated against the net revenue budget over the duration of the Medium Term Financial Strategy.

Proportionality of Investments	2020/21	2021/22	2022/23	2023/24
	Forecast	Forecast	Forecast	Forecast
	£000s	£000s	£000s	£000s
Net Revenue Budget	£130,216	£132,286	£134,662	£138,605
Net Investment Income from Commercial Property	£1,500	£700	£700	£700
Net Investment Income on cash balances	£256	£120	£120	£120
Investment Income Proportion	1.3%	0.6%	0.6%	0.6%

- 7.4 In conclusion the Executive Director for Resources and S151 Officer is confident that the Investment and Borrowing Strategy provide an effective, robust and prudent platform from which to support the Council's strategic objectives as set out in the Capital Strategy 2021-2024 and approved Council Strategy.

8 Appendices

- 8.1 Appendix A – Equalities Impact Assessment
- 8.2 Appendix B – Data Protection Impact Assessment
- 8.3 Appendix C – Arlingclose Economic & Interest Rate Forecast – November 2020

8.4 Appendix D – Treasury Management Indicators

8.5 Appendix E – 2021 Property Investment Strategy

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval X

Delays in implementation could have serious financial implications for the Council ☐

Delays in implementation could compromise the Council's position ☐

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months ☐

Item is Urgent Key Decision ☐

Report is to note only ☐

Officer details:

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Document Control

Document Ref:		Date Created:	
Version:		Date Modified:	
Author:			
Owning Service			

Change History

Version	Date	Description	Change ID
1			
2			

Appendix A

Equality Impact Assessment (EqIA) - Stage One

What is the proposed decision that you are asking the Executive to make:	Approval of the Council's Investment & Borrowing Strategy
Summary of relevant legislation:	Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code)
Does the proposed decision conflict with any of the Council's priorities for improvement? <ul style="list-style-type: none"> • Ensure our vulnerable children and adults achieve better outcomes • Support everyone to reach their full potential • Support businesses to start develop and thrive in West Berkshire • Develop local infrastructure including housing to support and grow the local economy Maintain a green district • Ensure sustainable services through innovation and partnerships 	Yes <input type="checkbox"/> No X If yes, please indicate which priority and provide an explanation
Name of Budget Holder:	Joseph Holmes
Name of Service/Directorate:	Joseph Holmes
Name of assessor:	Shannon Coleman-Slaughter
Date of assessment:	7.1.2021
Version and release date (if applicable):	

Is this a ?		Is this policy, strategy, function or service ... ?	
Policy	Yes <input type="checkbox"/> No X	New or proposed	Yes <input type="checkbox"/> No X
Strategy	Yes X No <input type="checkbox"/>	Already exists and is being reviewed	Yes X No <input type="checkbox"/>
Function	Yes <input type="checkbox"/> No X	Is changing	Yes X No <input type="checkbox"/>
Service	Yes <input type="checkbox"/> No X		

(1) What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?

Aims:	Robust treasury management
Objectives:	Robust treasury management
Outcomes:	Treasury management that is risk appropriate and aids the Council in delivering sustainable services to end users.
Benefits:	Financial sustainability and resilience

(2) Which groups might be affected and how? Is it positively or negatively and what sources of information have been used to determine this?

(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation)

Group Affected	What might be the effect?	Information to support this
Age	Not applicable	
Disability		
Gender Reassignment		
Marriage and Civil Partnership		
Pregnancy and Maternity		
Race		
Religion or Belief		
Sex		
Sexual Orientation		
Further Comments:		

(3) Result

Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
--	---

Please provide an explanation for your answer:

Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Please provide an explanation for your answer:	

If your answers to question 2 have identified potential adverse impacts and you have answered 'yes' to either of the sections at question 3, or you are unsure about the impact, then you should carry out a EqlA 2.

If an EqlA 2 is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the EqlA guidance and template – <http://intranet/index.aspx?articleid=32255>.

(4) Identify next steps as appropriate:	
EqlA Stage 2 required	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Owner of EqlA Stage Two:	
Timescale for EqlA Stage Two:	

Name:

Shannon Coleman-Slaughter

Date: 7.1.2021

Please now forward this completed form to Pamela Voss, Equality and Diversity Officer (pamela.voss@westberks.gov.uk), for publication on the WBC website.

Appendix B

Data Protection Impact Assessment – Stage One

The General Data Protection Regulations require a Data Protection Impact Assessment (DPIA) for certain projects that have a significant impact on the rights of data subjects.

Should you require additional guidance in completing this assessment, please refer to the Information Management Officer via dp@westberks.gov.uk

Directorate:	Resources
Service:	Finance & Property
Team:	Accountancy
Lead Officer:	Shannon Coleman-Slaughter
Title of Project/System:	Treasury Management
Date of Assessment:	7.1.2021

Do you need to do a Data Protection Impact Assessment (DPIA)?

	Yes	No
<p>Will you be processing SENSITIVE or “special category” personal data?</p> <p><small>Note – sensitive personal data is described as “data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation”</small></p>	<input type="checkbox"/>	X
<p>Will you be processing data on a large scale?</p> <p><small>Note – Large scale might apply to the number of individuals affected OR the volume of data you are processing OR both</small></p>	<input type="checkbox"/>	X
<p>Will your project or system have a “social media” dimension?</p> <p><small>Note – will it have an interactive element which allows users to communicate directly with one another?</small></p>	<input type="checkbox"/>	X
<p>Will any decisions be automated?</p> <p><small>Note – does your system or process involve circumstances where an individual’s input is “scored” or assessed without intervention/review/checking by a human being? Will there be any “profiling” of data subjects?</small></p>	<input type="checkbox"/>	X

	Yes	No
Will your project/system involve CCTV or monitoring of an area accessible to the public?	<input type="checkbox"/>	X
Will you be using the data you collect to match or cross-reference against another existing set of data?	<input type="checkbox"/>	X
Will you be using any novel, or technologically advanced systems or processes?	<input type="checkbox"/>	X
Note – this could include biometrics, “internet of things” connectivity or anything that is currently not widely utilised		

If you answer “Yes” to any of the above, you will probably need to complete [Data Protection Impact Assessment - Stage Two](#). If you are unsure, please consult with the Information Management Officer before proceeding.

Appendix C

Arlingclose Economic & Interest Rate Forecast – November 2020

Underlying assumptions:

- The medium-term global economic outlook remains weak. Second waves of Covid cases have prompted more restrictive measures and further lockdowns in Europe and the UK. This ebb and flow of restrictions on normal activity will continue for the foreseeable future, at least until an effective vaccine is produced and importantly, distributed.
- The global central bank and government responses have been significant and are in many cases on-going, maintaining more stable financial, economic and social conditions than otherwise.
- Although these measures supported a sizeable economic recovery in Q3, the imposition of a second national lockdown in England during November will set growth back and likely lead to a fall in GDP in Q4.
- Signs of a slowing economic recovery were already evident in UK monthly GDP and PMI data, even before the latest restrictions. Despite some extension to fiscal support measures, unemployment is expected to rise when these eventually come to an end in mid-2021.
- This situation will result in central banks maintaining low interest rates for the medium term. In the UK, Brexit is a further complication. Bank Rate is therefore likely to remain at low levels for a very long time, with a distinct possibility of being cut to zero. Money markets continue to price in a chance of negative Bank Rate.
- Longer-term yields will also remain depressed, anchored by low central bank policy rates, expectations for potentially even lower rates and insipid inflation expectations. There is a chance yields may follow a slightly different path in the medium term, depending on investor perceptions of growth and inflation, the development of a vaccine or if the UK leaves the EU without a deal.

Forecast:

- Arlingclose expects Bank Rate to remain at the current 0.10% level.
- Additional monetary loosening through increased financial asset purchases was delivered as we expected. Our central case for Bank Rate is no change, but further cuts to zero, or perhaps even into negative territory, cannot be completely ruled out.
- Gilt yields will remain low in the medium term. Shorter term gilt yields are currently negative and will remain around zero or below until either the Bank expressly rules out negative Bank Rate or growth/inflation prospects improve.
- Downside risks remain in the near term, as the government continues to react to the escalation in infection rates and the Brexit transition period comes to an end.

Investment and Borrowing Strategy 2021/22

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Official Bank Rate													
Upside risk	0.00	0.00	0.00	0.15	0.15	0.15	0.15	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Downside risk	-0.10	-0.20	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-month money market rate													
Upside risk	0.05	0.05	0.05	0.10	0.10	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.10	0.10	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Downside risk	-0.40	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5yr gilt yield													
Upside risk	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.00	0.00	0.05	0.10	0.15	0.15	0.20	0.20	0.25	0.25	0.25	0.25	0.25
Downside risk	-0.30	-0.40	-0.50	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60
10yr gilt yield													
Upside risk	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.30	0.30	0.35	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.55	0.55	0.55
Downside risk	-0.30	-0.40	-0.50	-0.55	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
20yr gilt yield													
Upside risk	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.70	0.70	0.70	0.75	0.75	0.75	0.80	0.80	0.85	0.85	0.85	0.85	0.85
Downside risk	-0.20	-0.20	-0.25	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30
50yr gilt yield													
Upside risk	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.55	0.60	0.60	0.65	0.65	0.70
Arlingclose Central Case	0.60	0.60	0.60	0.65	0.65	0.65	0.70	0.70	0.75	0.75	0.75	0.75	0.75
Downside risk	-0.20	-0.20	-0.25	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80% PWLB HRA Rate = Gilt yield + 0.80%

PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Appendix D

Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators:

Interest rate exposures: This indicator is set to control the Council's exposure to interest rate risk in respect of funding debt financing.

Interest Rate Risk Indicator	Limit
Upper limit on one year impact of 1% increase in interest rates	£194,909
Upper limit on one year impact of 1% decrease in interest rates	(£194,532)

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

Maturity structure of borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper Limit	Lower Limit
Under 12months	0%	50%
12 months and within 24 months	0%	50%
24 months and within 5 years	0%	50%
5 years and within 10 years	0%	50%
10 years and above	0%	50%

The maturity structure remains unchanged from 2020/21.

Principal sums invested for periods longer than a year: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. As the Council does not place investments in excess of 364 days in accordance with the Investment & Borrowing Strategy, this indicator is not adopted or monitored.

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West Berkshire Council - Commercial Property Investment Strategy (revised)

Prepared by
Richard Turner, Property Services

March 2021

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Introduction

This document (The Strategy) has been prepared by Richard Turner, Property Services Manager, on behalf of West Berkshire Council (WBC).

This document supersedes both the original Investment Strategy adopted by the Council on 9th May 2017 and the revised Strategy approved by the Council at its meeting of 3rd March 2020 as an appendix to the Capital Strategy.

Embedded within the original strategy was a mechanism to review and revise the strategy, so as to ensure that WBC commercial property portfolio is aligned to WBC's investment objectives.

Whilst the original strategy provided a robust launch point, and with the procured appointment of Montagu Evans (ME) to work with the council in both the acquisition of property and the ongoing management of the portfolio, it is prudent to periodically review the strategy to react to changes in the market, changing legislation and guidance, to empower the WBC Property Investment Board (PIB), enhance flexibility and underpin the portfolio's long term performance.

As part of the HM Treasury response to the consultation on the use of the PWLB (Public Works Loans Board), the Treasury issued guidance including the below statement:

When applying for a new loan, the local authority will be required to confirm that the plans they have most recently submitted remain current and that the assurance that they do not intend to buy investment assets primarily for yield remains valid.

In light of this statement, this Strategy is proposing to cease all future acquisitions of investment assets primarily for yield to ensure that the Council maintains access to PWLB borrowing in the future in order to enable the financing of the Council's future service infrastructure needs.

Core Objectives

Set out below are the core objectives of the investment strategy:

- No further capital acquisitions are proposed, with the Strategy (revised 2021) to manage the current investment portfolio;
- To hold good quality commercial property to generate a sustainable and predictable income return;
- To hold and manage standing commercial property investments which generate sustainable income, through being let on commercial terms, or from properties which are contracted to be let;
- The desired income to provide a clear margin over the cost of capital, in a form which is sustainable, and has the potential to increase through future rental growth;

- An even balance of risk and return is achieved through portfolio diversification;
- To proactively and strategically manage the existing portfolio, through asset specific Asset Management Plans, including renewal of leases when opportunity presents, and planned capital expenditure to influence both lease and capital value.

The portfolio

Since its creation and Council adoption in March 2017, West Berkshire Council has invested in commercial property in accordance with the Property Investment Strategy.

This has resulted in the freehold ownership of a total of nine individual assets, across a number of sectors offering a balanced commercial portfolio.

With quarterly data as reported in October 2020, the portfolio has a running yield of 4.92%, weighted average unexpired lease term (WAULT) to break of 7.5 years and WAULT to end of lease of 9.8 years.

The investment is across sectors to offer a balanced portfolio, with 43% in retail (mainly food retail), 41% in office/alternatives, and 16% in warehouse/industrial.

Summary of the portfolio is as follows:

Purchase date	Property	Purchase price	*Annual rent
25/10/2017	Terminus Road, Eastbourne	£2.90m	£175,000
20/03/2018	High Street, Lincoln	£5.66m	£302,000
31/03/2018	Cleveland Gate, Guisborough	£6.05m	£350,456
27/04/2018	3 The Sector, Newbury	£9.76m	£650,773
27/04/2018	4 The Sector, Newbury	£8.00m	£nil
13/07/2018	Dudley Port, Dudley	£3.51m	£200,000
24/07/2018	Bath Road, Chippenham	£9.10m	£554,250
13/12/2018	Discovery House, Nottingham	£6.55m	£387,000
04/03/2019	High Street, Northallerton	£7.05m	£437,500

Additional capital costs	£3.50m	
Totals	£62.08M	£3.07m

* Note – annual rent is expressed as the gross rental income as at October 2020.

Investment management

The following will be undertaken to achieve or maintain the core objectives of the Property Investment Strategy (refreshed March 2021):

Strategic management

- Individual Asset Management Plans will be maintained for each asset which will include assessment of:
 - Review of tenant breaks and lease end dates;
 - Strategic plan for the asset giving regard to the tenant position;
 - Consideration of any lease re-gearing recommendation;
 - Planning of future capital expenditure
 - The context of the individual asset within the wider portfolio
- Planned capital expenditure will be directed to the existing property portfolio and will be driven by the continued long term income of each asset, and maintaining or improving both the rental value and capital value of the assets;
- Where required, assets will be marketed for the benefit of creating new leases. Any new lease will be created in accordance with the Council's constitution, having consulted the Property Investment Board (PIB);
- Strategic management of the commercial property portfolio will be reported quarterly to the Property Investment Board (PIB), see section below on quarterly reporting.

Asset Management

- The property portfolio will be managed on behalf of WBC by the procured consultant property agents, in consultation with WBC Property Services team. These services include:
 - Receiving rental income on behalf of WBC from tenants;
 - Pursuing tenants for rent where late or not received;
 - Rent scheduling and monitoring;
 - Dealing with tenant issues;
 - Managing the budgets and appointment of service contractors for services charges (normally in shared buildings) and other tenant costs
- Asset Management of the commercial property portfolio will be reported quarterly to the Property Investment Board (PIB), see section below on quarterly reporting.

Quarterly and Annual Reporting

As good practice, the Property Investment Board (PIB) will receive and consider quarterly reports from the council's property agents (Montagu Evans – ME) to convey both market updates, performance of the portfolio and any proposals (see guidance in the table below).

An annual review between WBC and ME will be held so as to ensure that the portfolio does not under-perform the market or its risk profile increase due to changes in both the macro and micro-economic position around the real estate market.

This will provide WBC with a clear understanding of the portfolio's position and management, its risk and return profile and any latent value that can be driven out through strategic asset management.

A regular review of the five year cash flow is important to understand any future working capital requirements, as well as assessing the accuracy of the predicted rental income.

The quarterly and annual reporting will cover:

Quarterly reporting	Annual reporting
Investment: <ol style="list-style-type: none"> 1. Brief market update – investment trends, activity and forecasts 2. Brief update on the occupational markets 3. Review of current investment strategy 4. Report on performance of the portfolio and individual assets 5. Provide a review of portfolio activity and the added value created over the previous quarter 6. Update Work/Hold/Sell asset designation 	Investment: <ol style="list-style-type: none"> 1. Market update on investment trends, activity and forecasts 2. Update on the occupational markets 3. Review of current investment strategy 4. Identify any re-alignment required to match market changes and forecasts 5. Benchmarking the existing portfolio and asset level investment returns 6. Report on performance of the portfolio and individual assets 7. Provide annual property business plans to evaluate added value opportunities 8. Provide a review of portfolio activity and the added value created over the previous 12 months 9. Update Work/Hold/Sell asset designation

<p>Management:</p> <ol style="list-style-type: none"> 7. Report on portfolio management performance including rent collection rates, bad debt provision and service charge reconciliations 8. Advise on all critical lease dates, break options, rent reviews and lease expiries 9. Report on any health and safety incidents and insurance claims 10. Report on dilapidations claims and status 11. Capital expenditure requirements over the preceding quarter 	<p>Management:</p> <ol style="list-style-type: none"> 10. Report on portfolio management performance including rent collection rates, bad debt provision and service charge reconciliations 11. Advise on all critical lease dates, break options, rent reviews and lease expiries 12. Report on any health and safety incidents and insurance claims 13. Report on dilapidations claims and status 14. Capital expenditure requirements over the preceding 12 months
--	---

Portfolio Valuation

An annual external valuation is undertaken to enable WBC to benchmark the property portfolio/asset performance as well as ensure that current book values are in line with prevailing market values, in accordance with the requirements of WBC's external auditors.

Property Investment Board (PIB)

The Property Investment Board (PIB) acts as the Governance for the ongoing strategic management of the commercial property portfolio, and will receive quarterly and annual reports as described in this document.

The Terms of Reference for PIB are attached in appendix A.

Managing risk

Through the creation of a balanced portfolio, WBC has a strong portfolio of commercial property.

The practices within this Property Investment Strategy offers a system and process which reinforces and protects the income as best as possible for the long term continued income from the commercial property portfolio.

Within the reporting to PIB, a master risk register is maintained which forms part of the quarterly reporting.

In addition to this a series of thresholds have been agreed which identifies tasks and issues which are dealt with as 'business as usual' by the property management team, and the thresholds beyond which that business as usual requires escalation. Copy of the schedule related to this is in appendix B.

Appendix A – PIB Terms of Reference

Release Date:	March 2021
---------------	-------------------

1	Background
<p>1. At a full meeting of West Berkshire District Council on 9th May 2017 (C3283) the Council approved the Property Investment Strategy. The Strategy is regularly reviewed and was updated at the March 2020 meeting. The Property Investment Strategy is an appendix to the Capital Strategy 2020/21 to 2022/23;</p> <p>2. Delegates to the Service Director : Strategy and Governance in consultation with and having received agreement from the Property Investment Board to dispose of property in accordance with the above Strategy up to a maximum of £15m per transaction where it would not be expedient for the Executive to make this decision;</p> <p>3. Delegates to the Service Director: Strategy and Governance to inform the next available Executive of any disposal decision;</p> <p>4. Delegates to the Head of Finance and Property in consultation with the Portfolio Holder with responsibility for Property, authority to appoint suitable consultants in accordance with the Contract Rules of Procedure (Part 11 of the Constitution);</p> <p>5. West Berkshire Council will pause investment at the investment levels as at 31.3.2020 following the outcome of the PWLB consultation on its use¹</p>	
2	Purpose
<p>The members of the Property Investment Board (PIB) or their substitutes will collectively be responsible for the recommendations made by them having received reports related to the acquisition (or disposal) of commercial property.</p> <p>The PIB will play a critical role in the governance of the property investment strategy including ongoing monitoring of performance in order to make informed decisions.</p>	

¹ <https://www.dmo.gov.uk/media/17136/pwlb-guidance-for-applicants.pdf>

3	Terms of reference
<p>The PIB terms of reference are:</p> <ol style="list-style-type: none"> 1. In circumstances where a report proposes the acquisition of a property known to be outside the scope of the Delegated Authority criteria, to make recommendation(s) to approve or reject the proposal to progress with the acquisition to the Executive; 2. To make recommendation(s) to approve or reject the proposal to progress with the disposal of an individual property to the Executive. Where it would not be expedient for the Executive to consider a proposal to dispose of an asset authority be delegated to the Service Director Strategy and Governance in consultation with the portfolio holder(s) with responsibilities for finance and property, having received a report from Property Services to do so; 3. To receive quarterly performance reports (including an Annual Review report) conveying information on acquisitions, costs, total capital commitment and performance of the investment. 	
4	Membership
<p>The PIB is to be a joint Officer and Member board formed from the following:</p> <ol style="list-style-type: none"> 1. Executive Director (Resources) (Chair) 2. Service Director: Strategy and Governance (or substitute) 3. Executive Portfolio Holder for Internal Governance (or alternative Executive member) 4. Executive Portfolio Holder for Finance (or alternative Executive member). 5. Head of Finance & Property services <p>Reporting Officers to the PIB will be the Property Services Manager (or substitute) and the external consultant property agent.</p>	

5	Roles and responsibilities
<p>The members of the PIB will collectively be responsible for the recommendations made by the PIB, having given regard to the knowledge and expertise brought by individual members (such as legal, financial or political).</p> <p>Strategy and Governance will:</p> <ul style="list-style-type: none"> • Produce agendas and minutes to record the meetings <p>The Property Services Manager will:</p> <ul style="list-style-type: none"> • Arrange meeting dates, venue; • Produce formal reports (for individual acquisition/disposal or reviews); • Produce formal reports for quarterly reporting/monitoring and annual reviews; • Record and maintain property data for acquired property; • Attending PIB meetings; • Liaise with WBC colleagues within relevant teams sufficient to conclude proposals and the satisfactory outcome of recommendations made by the PIB. • With the input of WBC appointed Property Investment Adviser, monitoring performance of the investment, including identifying any issues with the property portfolio. 	
6	Meetings
<p>Scheduled quarterly PIB meetings will be arranged to monitor the implementation of the strategy and performance of investments. Additional ad hoc meetings will be arranged when required as a property acquisition or disposal is proposed.</p>	

Appendix B – Risk thresholds

Liaising with property managers regarding operational estate management duties including:		Liaising with property managers regarding operational estate management duties including:	
1.1	Rent collection	1.1	When rent arrears exceed 5% of total rent threshold approx £145K or if tenant enters administration.
1.2	Service charge budget administration and collection	1.2	When arrears Exceed 5% of income threshold or legal challenges issued.
1.3	Insurance renewals and claims	1.3	If claims involve substantial damage to building or could affect income revenue.
1.4	L & T relations minor repairs etc	1.4	When tenants in breach and possession proceedings being considered.
1.5	Enforcing repairing covenants and tenant's obligations	1.5	When tenants in breach and possession proceedings being considered.
1.6	Approving or rejecting assignments and sub-letting	1.6	If covenant strengths of tenants are affected causing a change of category of an asset within the portfolio.
1.7	Tenants alterations	1.7	Only when significant changes are sought which may affect strategy or life cycle of the asset.
1.8	Works or improvements to the areas of buildings landlords responsible for.	1.8	If capital expenditure exceeds £50K or 50% of annual sinking fund provision.

Appointing and liaising with specialist professional services		Appointing and liaising with specialist professional services	
2.1	Rating appeals on vacant space / considering vacant strategy to minimise rate liability	2.1	When liability exceeds £100K and or cost of minimisation strategy exceed £50K or 50% of annual sinking fund provision.
2.2	Marketing agents for vacant space - agreeing HOT rent levels and terms	2.2	If marketing could potentially change the asset plan for a building.
2.3	Lease advisory teams for rent reviews lease renewals- Expert witness/ Arbitration / PACT	2.3	If renewal negotiations affect the asset plan for an asset or if review or renewal incurring significant fees in excess of £50K.
2.4	Capital Expenditure for landlord	2.4	Only when capital expenditure is anticipated to exceed £100K or 50% of annual sinking fund provision, whichever is less.
2.5	Planning consultants for change of use applications or added value approved strategies	2.5	If advice received is not in line with expectations of previously agreed PIB strategy.
2.6	Values for annual valuations	2.6	If values change by + or - 15%
2.7	Building surveys for insurance valuations.	2.7	If reinstatement costs change by + or - 20%
2.8	Values for dilapidations claims	2.8	When dilapidations claims have significant revenue value or strategic implications.
2.9	Bailiffs debt collection agencies	2.9	If bailiffs appointed
2.10	Legal specialists for Landlord and Tenant or other	2.10	If costs are becoming significant in excess of £50K.

Medium Term Financial Strategy

Committee considering report:	Executive on 11 February 2021 Council on 2 March 2021
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	27 January 2021
Report Author:	Joseph Holmes/Melanie Ellis
Forward Plan Ref:	C3981

1 Purpose of the Report

- 1.1 The purpose of the Medium Term Financial Strategy (MTFS) is to set out the financial planning assumptions for future years and align these with the Council Strategy to ensure that the Council Strategy will be delivered. The MTFS highlights the overarching key issues facing the Council's finances as well as how there are many different scenarios and uncertainty concerning the future revenue streams for the Council in the future.
- 1.2 The Council is able to commence the next four years of the MTFS from a strong financial base and this position and future projections are highlighted in the report.
- 1.3 The full MTFS is in the appendix A.

2 Recommendation

For Members to approve the Medium Term Financial Strategy.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	All finance information is included within the report
Human Resource:	Some potential longer term implications but none specifically
Legal:	None identified
Risk Management:	Scenario planning is identified within the MTFS

Property:	None identified, though clear link to Capital Strategy			
Policy:	The MTFS purpose is to link financial resources to deliver the Council Strategy.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:	X			See policy comment above – the MTFS should enhance the delivery of the Council Strategy through aligning resources to it.
Core Business:		X		

Data Impact:		X		
Consultation and Engagement:	Portfolio Holder and aligned to the budget simulator; see appendix L to the Revenue Budget.			

4 Executive Summary

The MTFS highlights the Council's medium term financial planning position and is a separate strategy as highlighted in Appendix A.

5 Supporting Information

See the MTFS document set out in the appendix to this covering report.

6 Other options considered

Option of doing nothing and just focussing on the financial position for the year ahead, but this has been disregarded as it would prevent longer term financial planning and have a negative impact on the delivery of the Council Strategy.

7 Conclusion

See the Strategy in Appendix A.

8 Appendices

8.1 Appendix A – MTFS document

Background Papers:

None

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval	<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>
Delays in implementation could compromise the Council's position	<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months	<input type="checkbox"/>
Item is Urgent Key Decision	<input type="checkbox"/>

Report is to note only



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Document Control

Document Ref:		Date Created:	
Version:		Date Modified:	
Author:	Joseph Holmes/Melanie Ellis		
Owning Service	Finance and Property		

Change History

Version	Date	Description	Change ID
1			
2			

Medium Term Financial Strategy

Document Control

Document Ref:		Date Created:	21.8.2020
Version:		Date Modified:	
Revision due			
Author:	Joseph Holmes	Sign & Date:	
Owning Service			

Change History

Version	Date	Description	Change ID
0.1	21.8.20	Initial Draft from JH	
0.2	31.12.20	Updated from LG finance settlement	
0.3	31.12.20	Some minor typo corrections eg foreword and £16.1m cost base reductions in para 4.2	
0.4	7.1.21	New MTFP table, updated some of comments, formatting tidy, update App A	
0.5	7.1.21	New table 1.2	
0.8	22.1.21	Amendments post Budget Board	
0.9	2.2.21	Finalise figures	

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1. **Foreword**

- 1.1 There are a lot of unknowns for Local Government finance in the future. The impact of the Covid-19 pandemic will be felt for a number of years and is likely to change how public services are delivered in the long term. The Government Spending Review (SR20) that was announced in November 2020 was for a one year period for Local Government, understandably so at a time of significant uncertainty over public finance. The absence of a longer term financial envelope for Local Government does mean that there remains significant uncertainty over the financial position from 2022-23. This strategy does though provide estimates for future years and sets out a range of scenarios to help understand the impact on future budgets.
- 1.2 The Council has a history of strong financial management and has a reserves position that, though comparatively remains constrained, is sufficient to allow some flexibility and support in how we can tackle future budgets to avoid having to make knee-jerk responses. The Council has also received significant Government financial support for the Covid-19 pandemic and to help protect the in-year financial position of the Council.
- 1.3 The MTFS does factor in investment for the future. This is included for the Council Strategy delivery plan, social care demand modelling and for capital investment. Further information on capital investment can be found in the capital strategy itself, and this is vital for the future prosperity of our district, and it is incumbent on us to ensure that infrastructure investment takes place to keep West Berkshire as a great place to live. All of these items above will help plan for the long term financial success of the Council in delivering the Council Strategy for our residents and businesses.

2. **Executive Summary**

- 2.1 The Medium Term Financial Strategy (MTFS) highlights the financial planning, high level proposals, and sensitivity analysis that underpins the financial resources that deliver the Council Strategy (2019-23). The Strategy is in itself subservient to the Council Strategy, but in its own right attempts to provide the financial planning framework for the coming years as well as act as guide to the organisation in developing projects and schemes to deliver financial balance and the Council Strategy.
- 2.2 The MTFS looks to a four year horizon; enough to provide some stability over an increasingly volatile financial future, but short term enough so that the first year represents the budget proposals for 2021-22, and for the next three years there are a variety of themes included which form the basis of the future savings areas. The MTFS also includes information on financing the capital strategy and how the scale and profile of this strategy has an impact on the overall financial position of the Council.
- 2.3 The longer term outlook is dominated by three key factors; firstly, the macro-economic recovery from the Covid-19 pandemic and the impact that this will have on the UK economy; secondly the impact on public finances of future Spending Reviews, and thirdly, the long awaited fair funding review and proposed further business rates retention proposals for 2022-23 and beyond which should have a significant impact on the Council's finances and hopefully provide some longer term financial planning certainty.

3. **Introduction**

3.1 ***Purpose***

- 3.2 The purpose of the MTFS is to set out the financial planning assumptions and resources available to the Council to deliver the Council Strategy. The MTFS includes both revenue and capital implications. The MTFS attempts to balance the resources known, and estimated, to be available with the ambitions of the Council Strategy. There is always a calculation to make to even out the additional and current investment in the Council Strategy objectives against the cost of doing so and the pressure that puts on the MTFS.

3.3 ***Vision***

- 3.3.1 The Vision of the MTFS is:

“To ensure that the Council has the financial resources available to work together to make West Berkshire an even greater place in which to live, work and learn”

3.4 ***Dependencies***

- 3.4.1 The delivery of the MTFS cannot occur through the Council alone. A significant proportion, 78%, of the Council’s budget is delivered through partners in the private, public and voluntary sectors. The Council’s proposals for future financial stability will involve all of these partners including where there are proposals to invest in infrastructure, deliver core services and transform how the Council delivers its services in the future.
- 3.4.2 The delivery of the strategy is also dependent on the Government and most importantly the MHCLG (Ministry of Housing, Communities and Local Government) review of ‘fair funding’ and further business rates retention.
- 3.4.3 This fair funding review was originally due to impact on the 2020-21 budget but is now most likely to come into effect from 2022-23. The Review has not been consulted upon yet, so figures included in the MTFS are indicative, but the working assumption in the MTFS is:
- No new additional monies are provided to the Council
 - The notion of no ‘negative RSG (Revenue Support Grant) is maintained and incorporated into the new fair funding model
 - That there is a hard reset of business rates to a new baseline so growth above the existing baseline is not retained by WBC – at a cost of £4m p.a. – but a transitional funding scheme comes into place to mitigate this impact over a 3 year period
 - New Homes Bonus is removed – no assumption has been made on its replacement
 - Council Tax referendum levels remain at 2% and ASC Council Tax precept levels revert to 2% from 2023-24
 - Inflation remains at 2% in the longer term

4. Medium Term Financial Plan

- 4.1 The MTFS is supported by a Medium Term Financial Plan (MTFP). This MTFP sets out the financial planning assumptions and is included below:

Figure 1.1 – MTFS model

2020/21 £m	Line ref	Medium Term Financial Plan (MTFP)	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
1.99%		Council Tax income	1.99%	1.99%	1.99%	1.99%
2.00%		Adult Social Care Precept	0.00%	3.00%	2.00%	2.00%
102.1	1	Council Tax (incl. ASC)	104.3	110.2	115.3	120.6
22.6	2	Retained Business Rates/rates funding	23.2	21.2	20.5	19.9
0.0	3	Additional Government Covid Funding	3.2	0.0	0.0	0.0
2.0	4	New Homes Bonus/other grants	1.3	0.5	0.0	0.0
6.4	5	Adult Social Care BCF and iBCF ringfenced funding	6.5	5.8	6.0	6.1
2.6	6	Social Care Grant	2.8	2.9	3.0	3.0
-5.2	7	Collection Fund deficit (-)/ surplus	-2.2	-0.4	-0.4	0.0
130.6	8	Funds Available	139.1	140.1	144.3	149.5
124.2	9	Base budget	130.2	133.1	134.7	138.8
1.9	10	Pay inflation	1.6	2.3	2.6	2.6
0.8	11	Contract inflation and non pay inflation	0.9	0.8	0.8	0.8
3.0	12	Modelled growth	1.4	2.9	2.9	2.9
1.1	13	Investment in Council Strategy priorities	0.8	0.5	0.7	0.5
0.0	14	Investment due to Covid-19	0.0	0.9	0.0	0.0
1.9	15	Investment in other priorities	1.2	0.2	0.2	0.2
0.5	16	Increase in capital financing cost	0.5	0.6	0.6	0.6
-3.2	17	Savings and income requirement	-3.7	-6.5	-3.7	-2.9
130.2	18	Annual Budget Requirement	133.1	134.7	138.8	143.5
0.0	19	One off investments	3.7	0.0	0.0	0.0
6.4	20	Adult Social Care BCF and iBCF ringfenced funding	6.5	5.8	6.0	6.1
136.6	21	Budget Requirement	143.3	140.6	144.7	149.5
-0.7	22	Use of reserves(-)/add to reserves (+)	-2.0	0.0	0.0	0.0
-5.4	23	Use of Collection Fund and Business Rates reserves	-2.2	-0.8	-0.8	0.0
130.6	24	Budget Requirement after use of reserves	139.1	139.8	144.0	149.5
		<i>£10k roundings may apply</i>				

- 4.2 The MTFP highlights the need for cost base reductions of £16.8m over the next four years and is based upon a number of assumptions which are considered below.

Figure 1.2

Ref	Item	Commentary
1a	Council Tax Income	<p>This is the amount of Council Tax (excluding the ASC precept, see below) raised. A 1% change in the Council Tax base¹ or Council Tax levied equals approximately £1m. Council Tax provides 66% of the Council's funding excluding fees and charges (73% with the ASC precept).</p> <p>Any increase of this number above 2% must be the subject of a public referendum.</p>

¹ the amount of properties in the district adjusted for the Council Tax Reduction scheme and discounts

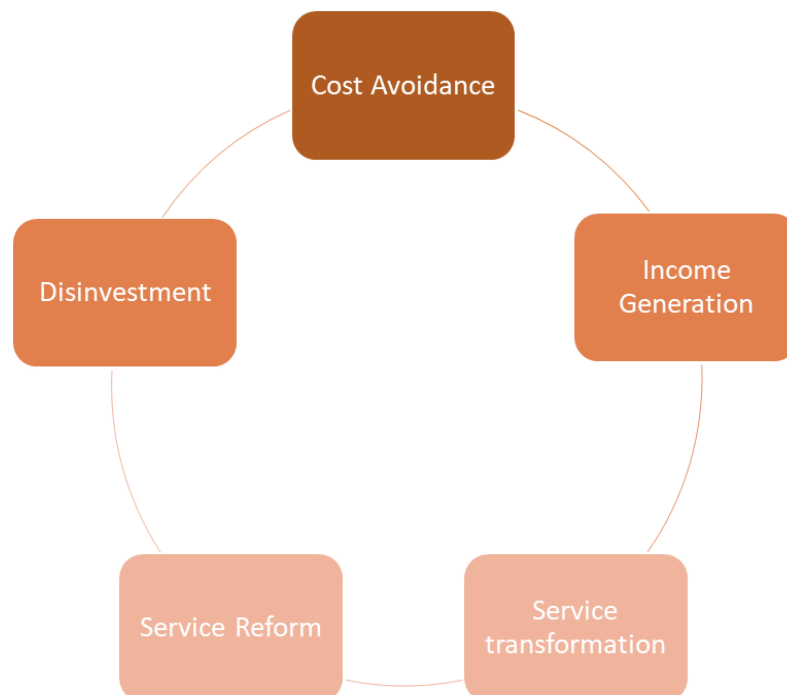
Ref	Item	Commentary
1b	Adult Social Care Precept	A specific element of Council Tax, with a maximum increase of 3% allowed for 2021-22, or the ability to spread the 3% over 2021-23, to help provide funds for Adult Social Care. It has been assumed the ASC precept returns to a maximum of 2% from 2023-24 but no announcements have been made from Government on the future of the precept beyond 2021-22.
2	Retained Business Rates	<p>The Council collects £88m of business rates, and are allowed to retain some of this through a Government controlled scheme. The amount left over for WBC after payments to the Government is £23m. If business rates increase through new growth in the value of business rates, the Council retains approximately 25%, and 100% of all renewable energy schemes.</p> <p>In 2022-23 there is an expected reset of the business rates baseline which will reduce the amount of retained business rates the Council receives.</p> <p>This line shows the amount of retained business rates <i>after</i> an expected transitional fund is provided – see scenario planning for a ‘hard’ business rates reset.</p>
3	Additional Government Covid funding	This is non-ringfenced Government funding for Covid-19 costs in respect of 2021-22 – primarily in respect of Adult Social care and leisure costs.
4	New Homes Bonus/other grants	The New Homes Bonus is a scheme from the Government since 2010 that allows Councils to keep the equivalent band D Council Tax on all additional homes built in the district for a period of 2 years (for 2021-22 with an amendment) then for one year in 2022-23. The scheme is being phased out from retention over a 6 year period to zero during the MTFS.
5	ASC BCF / I-BCF ring-fenced funding	This is the Adult Social Care (ASC) Better Care Fund (BCF) or Improved Better Care Fund (iBCF). This income is exactly matched by expenditure later in the MTFS and is ring-fenced to support the integration of care services with NHS partners.
6	Social Care Grant	In 2020/21 Government provided additional grant funding. This grant funding has been boosted for 2021/22.
7	Collection Fund	This is the surplus or deficit on 2020-21 Council Tax and business rates income budget versus the expected actual income. Councils do not account for this in the year it occurred, but in the subsequent year. This has been spread over three years in line with the Government requirement due to Covid-19 support.
8	Funds available	Total non-ring-fenced income available, excluding fees and charges.
9	Base budget	The budget from the previous year.
10	Pay inflation	Increased costs due to any pay awards (0% assumption 2021/22), increased employer pension costs and incremental pay changes.
11	Contract inflation	The amount of funds set aside for key budgets that have a contractual inflation element; the most significant being the Waste PFI (Private Finance Initiative).

Ref	Item	Commentary
12	Modelled budget growth	Increases to demand led services through estimated increases in client numbers and/or complexity.
13	Investment in Council Strategy priorities	Funding pressures to deliver the Council Strategy.
14	Investment – Covid-19	Ongoing future financial pressures relating to the impact of the Covid-19.
15	Investment in other priorities	Investment to ensure the delivery of core services.
16	Increase in capital financing costs	The revenue funding for additional borrowing that supports the delivery of the Capital Strategy.
17	Savings and income requirement	Items that reduce cost via the themes identified.
18	Annual budget requirement	Sub-total of the above.
19	One off investments	Additional costs that net off the Covid-19 income in line 3 and other one off investments. The main item being a reduction in car parking income to below pre-2020 levels.
20	ASC BCF / iBCF funding	Expenditure that equals the income from this funding source in line 5 above.
21	Budget requirement	Sub-total of the above.
22	Use of Reserves	Use of any earmarked or unallocated reserves to support future budgets.
23	Use of collection fund and business rates reserve	Cost of the deficit highlighted in line 7 above.
24	Budget requirement	The new budget that equates to the funds available in line 8.

- 4.3 The MTFS considers investment as well as savings. The latter is discussed in further detail below but, importantly, the MTFS does have investment set aside over the next four years of £17m. This includes a wide range of areas and remain in line with the Council Strategy ambitions – i.e. investment to achieve the strategy, continue to build on our strengths and investment in infrastructure to deliver the Council Strategy and other supporting strategies.

4.4 The savings place for the MTFS is based on the model below:

Figure 1.3



4.5 The model has been considered to drive different strands of activity and reflect that are a variety of different ways of delivering a long term balanced budget. The Council has wished to commence a more outcomes based budgeting approach for this MTFS, however, the Covid-19 outbreak has put this on hold as the focus of officers time in Spring/Summer 2020 has been on the response to the outbreak.

4.6 Below is a summary of the five key themes and some of the proposals that are included in 2021-22 budget and that are being considered for future financial years. For years beyond 2022-23 worked up proposals will be required for future years and incorporated into the annual budget for that financial year. There is a gap between proposals at present and the total savings requirement in the MTFS, but this highlights that proposals are being considered in advance of their requirement to ensure greater medium term financial planning.

Cost Avoidance - £2.3m

The projects involving, for example, intervening in service demand early to reduce future modelled costs. This is particularly evident in Adult and Children Social Care where the modelled budget line can be reduced through interventions that either avoid anticipated costs or provide alternative service arrangements at no cost to the Council.

Income Generation - £0.7m

Either new income generating opportunities, for example investigations into a Council owned Solar Farm, or through increasing additional revenue from existed income sources from fees and charges.

Service Transformation - £2.8m

Opportunities to transform how services are provided by the Council. Key elements included in this are digital opportunities so that more services are available for those who want to use them online and out of core office hours. The Council is also looking at the physical location of its offices and opportunities to transform how services are delivered and from where to improve customer service and deliver financial savings.

Service Reform - £2.1m

This element is focussed on the improved efficiency and effectiveness of existing services and where incremental adaptations can be made so that they are delivered at a lower cost. Historically, this has been an area of success for the Council but as each year occurs, the scale of the opportunities reduce.

Disinvestment - £0.4m

This is the removal of an existing service or a reduction in the level of service provided without a compensating transformation. This will be the area that the Council prioritises last, but does have to be considered with all other options depending on the overall funding position.

Reserves - £2.0m

Reserves of £2m have been set aside to support the profiling of savings in the MTFS and the delivery of Council Strategy outcomes. The deployment of these reserves will depend on the outcomes of the fair funding review, but they are held to ensure that there is a lesser requirement to make immediate and significant revenue budget changes that would make a deterioration in service delivery without a longer term consideration.

- 4.7 It is also important for the MTFS to consider the different scenarios that relate to the MTFP. Appendix A highlights the detail behind these and is summarised below:

Figure 1.4: Scenario planning

Scenario	Best case	Financial impact	Worst Case	Financial impact
Council Tax base changes	1.25% growth p.a. from 2022-25	£3.9m	0% growth from 2022-25	£3.6m
Council Tax referendum levels	3%	£1m p.a	0%	£2m p.a.
ASC precept	3%	£1m p.a.	0%	£2m p.a.
Business Rates reset	No reset – keep retaining growth	£6.8m increase	Full reset – no transition	£4m drop from 2022-23
Fair Funding review	Additional funding	£3m increase over MTFS	Significant redistribution	£9m loss over the MTFS

Scenario	Best case	Financial impact	Worst Case	Financial impact
New Homes Bonus replacement	Replaced to the 2021-22 budgeted level	£2.6m over the MTFS	None	-
Inflation and pay award	0%	£0.8m	3%	£1.6m
Capital financing costs	Rates drop by 1%	£0.2m	Increased rates of 1%	£0.2m

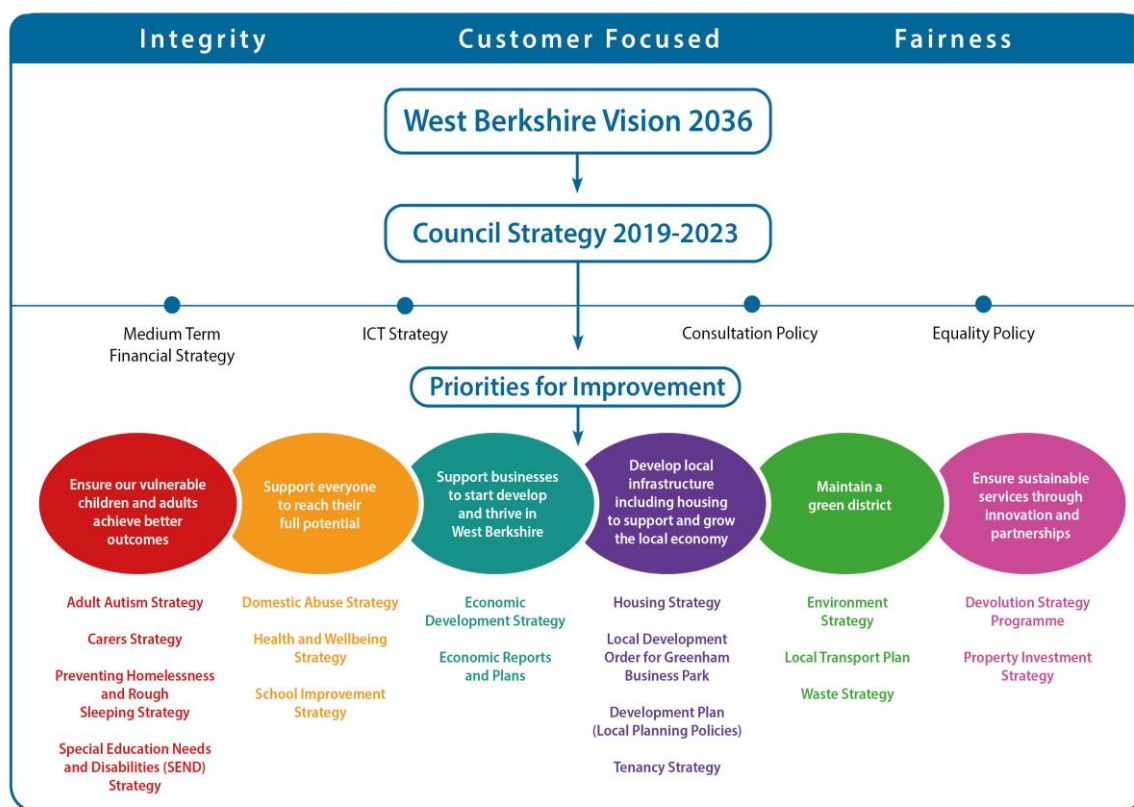
5. Priorities

5.1 The overarching priorities of the MTFS are:

- To ensure a balanced financial position over the medium term
- To ensure that there are sufficient resources to deliver the Council Strategy
- To enable longer term decision making by providing financial planning over a 4 year timeframe

6. Actions

6.1 Unlike other strategies that have a clear action plan, the MTFS is slightly different in that it provides an over-arching view of the financial position and the actions to deliver the strategy are contained in other Council strategies – see the interaction below:



6.2 Key actions to take place though include:

- Review of fair funding outcome and future of business rates
- Further savings proposals for years 2 to 4 of the MTFS
- Further review of reserves to highlight further areas to support the MTFS where required
- Investment in preventative work to support long term cost recovery or avoidance where demonstrable

7. **Implementation**

- 7.1 The MTFS is implemented through the revenue budget for the year ahead (2021-22) as well through the oversight of the Budget Board, an internal board at the Council, which considers changes to the financial planning assumptions as well as future options for delivering the MTFS.
- 7.2 The MTFS also provides a steer for officers on the approach to take and the themes articulated above will help to shape future budgets.

8. **Conclusion**

- 8.1 There remains significant uncertainty over future years within the MTFS caused by a variety of factors, including the macro economic position due to Covid-19, the local economic impact from covid-19, and Government funding reforms due from 2022-23. To help meet the challenge of this uncertainty, the Council has a balanced budget proposed for 2021-22 and a range of savings options from 2022-25 that are being developed. Though these do meet the entire savings requirement, the Council does have reserves set aside to help the profiling of budgets as to ensure that immediate impacts of any of severe funding reductions can be met to enable the Council to deliver the Council Strategy.

Glossary

None

Appendices

Appendix A – Scenario planning

Other relevant documentation

Previous Medium Term Financial Strategies
Accompanying budget papers for 2021-22
Local Government Finance Settlement 2021-22 (MHCLG)

Appendix A – Scenario planning

The below sets out some of the potential changes on the specific lines of the MTFP – all of these are estimates. The amounts show the cumulative position over the MTFS (4 years).

Item	Base Case	Best Case	Worst Case	Commentary
Council Taxbase growth	0.21% growth 2021/22 and 0.6% growth thereafter	1.25% growth p.a from 2022/23 = £3.9m increase	0% p.a. from 2022/23 = £3.6m drop	Historic estimates have been above the actual build rate of properties. Covid-19 has provided a lag in the speed of house building
Council Tax referendum levels	2%	3% = £3m increase	0% = £6m drop	Level of Council Tax increases allowed before requiring a referendum
ASC precept	3% over 2 years	3% = £3m increase	0% = £6m drop	Allowable level of ASC precept
Business Rates growth	0% growth	1% growth = £0.21m increase	5% fall = £1.1m drop	
Business Rates reset	Not known	No reset, retain growth = £6.8m increase	Full reset, no transition = £4m drop from 2022-23	
Fair funding review	Neutral impact	More funding applied to the Council = £3m increase	Over MTFS period = £9m drop	Scheduled in for 2022-23 but delayed twice so far. Review is due to re-allocated funding across LG
New Homes Bonus replacement	Not replaced	Replaced to 2021/22 budget level = £2.6m increase	No impact as modelled for worst case	
Inflation & pay award	1% inflation; 0% pay (21/22) then 2% pay	0% = £0.8m benefit per year	3% = £1.6m additional cost p.a.	
Savings proposals	100% achieved	10% over achieve = £0.4m benefit	20% not achieved = £0.8m cost	Historically we have a good track record of achieving over 80% of savings
Covid-19 further outbreak at scale of Spring 2020	Not assumed	None	Further loss of income of @2m	Depends on Government support, behaviour of individuals for car parking etc
Interest rates changes and PWLB impact	Assumed 3%	A fall of 1% in PWLB = £0.2m	An increase of 1% in PWLB = £0.2m	Interest Rates are at historic lows and UK gilts are low. At present PWLB is artificially high after Government increased the rate in Autumn 2019.

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Capital Strategy and Programme 2021/22 – 2023/24

Committee considering report:	Executive on 11 February 2021 Council on 2 March 2021
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	21 January 2021
Report Author:	Shannon Coleman-Slaughter
Forward Plan Ref:	C3982

1 Purpose of the Report

To outline the Capital Strategy covering financial years 2021/22- 2023/24 and the supporting funding framework, providing a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2 Recommendations

2.1 That Council is requested to adopt the following recommendations:

- (a) That the Capital Strategy and supporting Capital Programme for the period 2021/22 – 2023/24 is approved.
- (b) That the supporting Minimum Revenue Provision Policy (appendix C) for the period 2021/22 – 2023/24 is approved.
- (c) That the supporting Asset Management Strategy (appendix D) is approved.
- (d) That the Flexible Use of Capital Receipts Policy (appendix E) for the period 2021/22 is approved.
- (e) That the proposed CIL (Community Infrastructure Levy) Bids for inclusion in the Capital programme 2021/22 (appendix F) is approved.

3 Implications and Impact Assessment

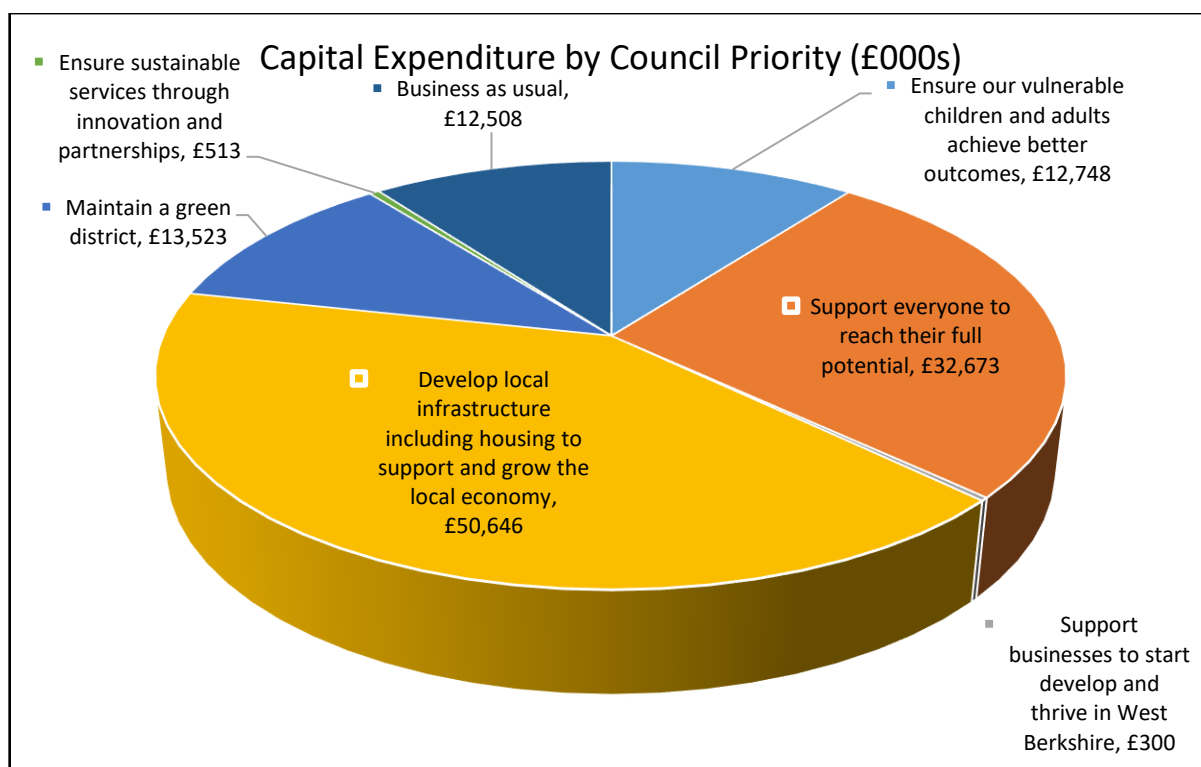
Implication	Commentary
Financial:	£69.4 million of Council funding has been applied to the Capital Strategy and supporting programme of work. This level of investment requires an annual increase in the revenue budget in order to satisfy capital financing requirements. The required annual increases are reflected in the Council's Medium Term Financial Strategy (MTFS).
Human Resource:	£2.8 million of the Council's establishment is funded directly by the Capital Programme where it can be demonstrated that staff directly support and help to deliver the capital programme.
Legal:	<p>The Capital Strategy contains Prudential Indicators that are mandatory under the CIPFA Prudential Code for Capital Finance in Local Authorities which was last updated in 2017. Guidance notes to the Prudential Code were revised in 2018. When the final programme has been approved by Council, the budget managers will have the authority to let contracts for the schemes included in the approved programme in accordance with the Council's Contract Rules of Procedure.</p> <p>£5 million of proposed capital receipts have been applied to the programme. Capital receipts are applied to the programme where use of a receipt is ring-fenced for a specific purposes and cannot be utilised for transformation purposes under the flexible use of capital receipts guidance introduced in 2016/17.</p>
Risk Management:	<p>£64.4 million of the programme over the next three financial years is proposed to be funded from external borrowing. Assumptions as to the anticipated cost of external borrowing are aligned to current guidance as set out by the Bank of England and potential interest rate increases. Significant / unanticipated rises in borrowing costs over and above those assumed within the budget setting will impact on the affordability of the overall programme.</p> <p>The proposed programme relies on £53.5 million of external funding. External funding relating to later years of the programme has yet to be confirmed, programme priorities and the availability of funding will therefore need to be kept under review.</p>

	The balance of funding is through use of capital receipts (see above).			
Property:	The proposed Capital Programme will provide funding for maintenance and improvements to a number of existing Council buildings.			
Policy:	The Capital Strategy is closely aligned to the delivery of the Council Strategy through enabling key projects to be financed and delivered.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		Any impacts have been assessed and publicly consulted upon where necessary.
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		Any impacts have been assessed and publicly consulted upon where necessary. For example, Disabled Facilities Grants are included as part of this programme.
Environmental Impact:	X			There are a number of schemes included to enhance the environmental impact of the Council, for example carbon management, walking and cycling infrastructure and solar energy generation.
Health Impact:	X			Proposals included to encourage more walking and cycling as well as use of the district's environment.

ICT Impact:	X			Opportunities included in the programme for IT projects to enhance efficiency.
Digital Services Impact:	X			Opportunities included in the programme for improved digital access to services
Council Strategy Priorities:	X			The planned programme is aligned to supporting the Council Strategy. Further details are included in section 4.2 of this report.
Core Business:	X			The planned programme provides funding for projects focused on improving business as usual functions. Section 4.2 details the level of funding supporting core business as usual functions.
Data Impact:		X		
Consultation and Engagement:	Joseph Holmes – Executive Director for Resources, s151 Officer. Capital Strategy Group			

4 Executive Summary

- 4.1 This capital strategy report gives a high-level overview of how capital expenditure and capital financing activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. Decisions made regarding capital and capital financing will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.
- 4.2 Despite ongoing pressure on the revenue budget, the Council continues to make significant investment in the future of West Berkshire through its Capital Programme. The Capital Strategy and supporting Capital Programme are aligned to the Council Strategy. The table below details the planned expenditure aligned to priorities within the approved Council Strategy.

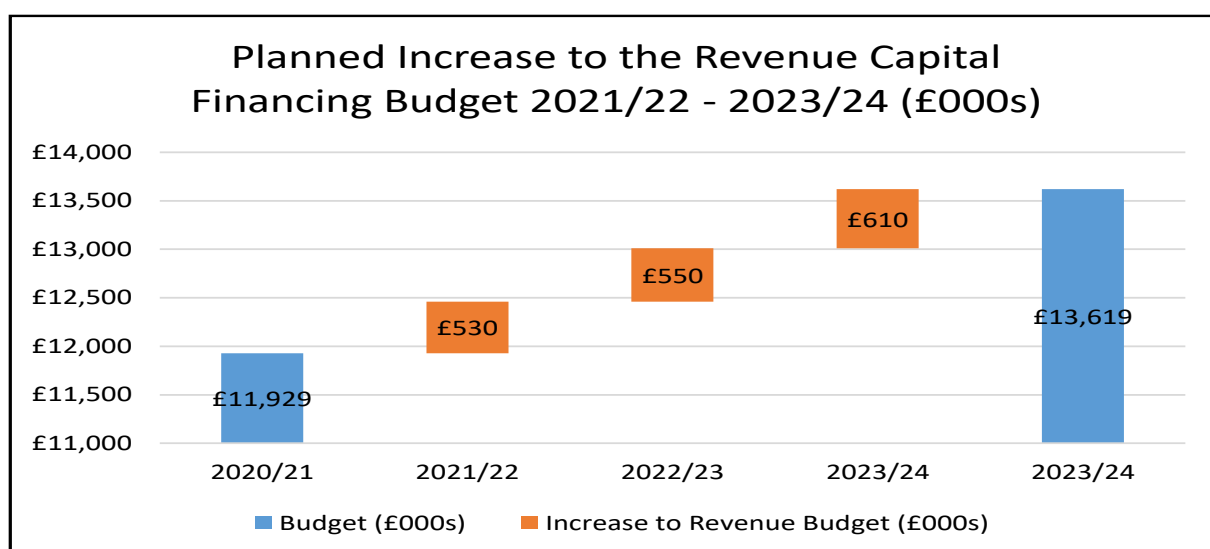


Appendix B provides a detailed breakdown of the Capital Programme

- 4.3 Through the application of the strategy and supporting programme the Council has sought to build on its strengths, focusing on social care, education and enhancements to local infrastructure (including access to superfast broadband, better road and flood prevention and alleviation). The Council has also focused on building its response to the climate emergency via allocating additional funding to environmental projects in support of the Environment Strategy approved on 16th July 2020.
- 4.4 The proposed expenditure on the Capital Programme over the three year period amounts to £122.9 million (£112.5 million on operational assets and £10.4 million on invest to save schemes). All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue budget, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the programme is broken down as follows:

Capital Financing	2021/22	2022/23	2023/24	Totals 2021 - 2024
	£000s	£000s	£000s	£000s
External Grants	£16,205	£9,829	£8,017	£34,052
Section 106 (s106)	£3,210	£911	£920	£5,041
Community Infrastructure Levy (CIL)	£5,266	£5,260	£3,855	£14,381
Total External Resources	£24,682	£16,000	£12,792	£53,474
Capital Receipts	£4,829	£184	£16	£5,029
Debt financing for operational assets	£17,277	£17,440	£19,242	£53,958
Debt financing for invest to save schemes	£1,050	£1,900	£7,500	£10,450
Total Own Resources	£23,156	£19,524	£26,758	£69,437
Total Financing	£47,837	£35,524	£39,549	£122,910

- 4.5 The proposed programme relies on £53.5 million of external funding (i.e. grants, S106 and Community Infrastructure Levy). The level of Section 106 and Community Infrastructure Levy (CIL) included in the financing of the programme are forecasts. Regular monitoring of actual levels received and those forecast to be received will be undertaken and reported to Capital Strategy Group (CSG), and the capital programme adjusted accordingly if necessary.
- 4.6 £64.4 million of debt financing, i.e. external borrowing is required to support delivery of the Capital Programme. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans, repayments of loans and Minimum Revenue Provision payments are charged to revenue, this is referred to as capital financing. In order to effectively deliver the planned programme and align to the Council Strategy, the revenue capital financing budget has been increased in order to accommodate increases in capitalised salary costs, inflation on contracts and new projects. Assumptions as to the anticipated cost of external borrowing are set out in the Council's Investment and Borrowing Strategy, any significant / unanticipated rises in borrowing costs over and above those assumed within the budget setting will impact on the affordability of the overall programme. The planned increases in the capital financing budget over the period of the Medium Term Financial Strategy are detailed below:



- 4.7 £10.4 million of debt financing to support invest to save schemes will be financed through the project via revenue savings or income generation.
- 4.8 Due to the very long-term nature of capital expenditure and financing and the revenue budget implications of expenditure incurred the Executive Director of Resources (s151 Officer) is satisfied that the proposed capital programme is prudent, affordable and sustainable. The Council's Minimum Revenue Provision policy (MRP) is included in Appendix C.

5 Supporting Information

Introduction

- 5.1 Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. The Council has some limited

discretion on what counts as capital expenditure, for example assets costing below £5k are not capitalised and are charged to revenue in year. The Council undertakes capitalisation of expenditure in accordance with the CIPFA Code of Practice.

- 5.2 The Prudential Code (2017), requires the Council to look at capital and investment plans in light of overall organisation strategy and resources to ensure that decisions are made with sufficient regard to the long term financing implications and risks to the Council. To demonstrate compliance, the code sets out a number of indicators which are reviewed within this report and in the Council's Investment and Borrowing Strategy 2021/22.
- 5.3 Over the period of the Capital Strategy (2021/22 – 2023/24), the Council is planning capital expenditure of £122.9 million as summarised in the table below.

Prudential Indicator: Estimates of Capital Expenditure

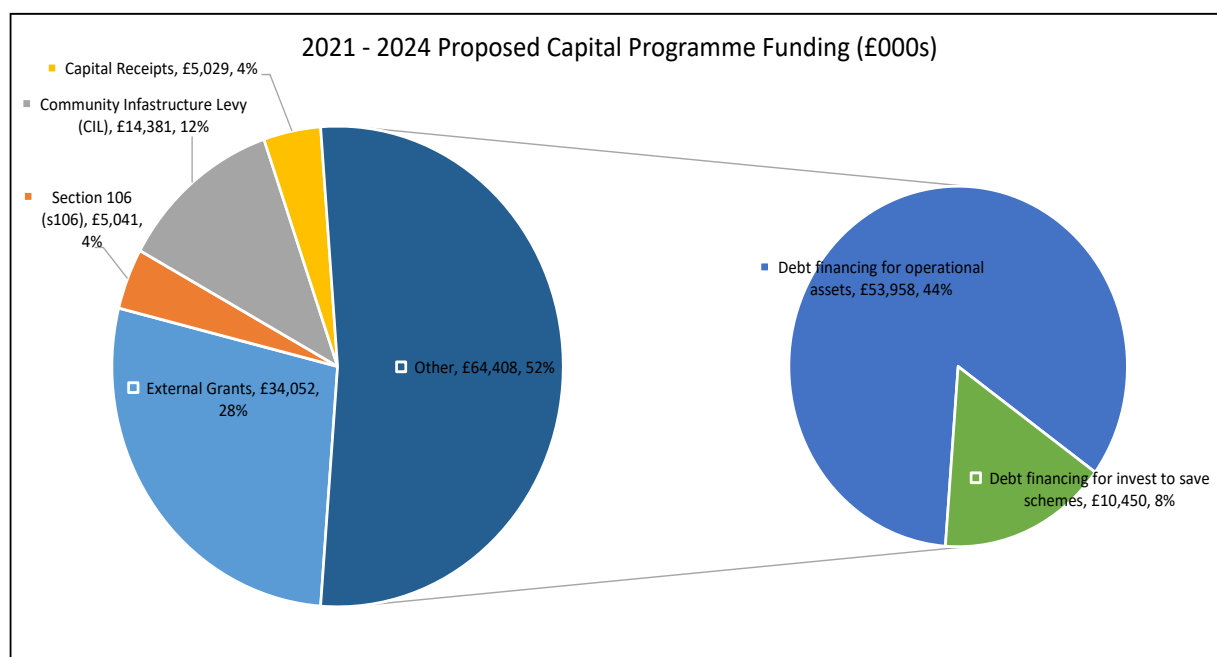
Estimated Capital Expenditure	2021/22	2022/23	2023/24	2021-24
	Actuals	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
People Directorate	£10,502	£13,521	£16,178	£40,201
Place Directorate	£27,597	£16,440	£13,311	£57,347
Resources Directorate	£8,689	£3,664	£2,560	£14,912
Total Expenditure on Operational Assets	£46,787	£33,624	£32,049	£112,460
Invest to Save Schemes	£1,050	£1,900	£7,500	£10,450
Total Expenditure	£47,837	£35,524	£39,549	£122,910

- 5.4 In respect of the Governance arrangements supporting expenditure proposed within the strategy and supporting programme, service managers bid annually in September to include projects in the Council's capital programme. Bids are collated by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). The Capital Strategy Group (CSG) appraises all bids based on a comparison of service priorities against financing costs. The final strategy and supporting programme is then presented to Executive in February and to Council in March annually for approval.

Background

- 5.5 All capital expenditure must be financed and hence the size of the Capital Programme is determined by the amount of funding the Council can afford either from external sources (government grants and other contributions), the Council's own resources (revenue budget, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the Capital Programme expenditure is as follows:

Split of Funding supporting the Capital Programme



- 5.6 The level of Section 106 and Community Infrastructure Levy (CIL) included in the financing of the programme are forecasts. Regular monitoring of actual levels received and those forecast to be received will be undertaken and reported to Capital Strategy Group (CSG), and the capital programme adjusted accordingly if necessary.
- 5.7 £64.4 million of Council funded borrowing, i.e. debt funding, is included within the programme. Debt funding is split between borrowing to fund expenditure on the Council's operational assets (i.e. corporately funded debt) and borrowing to fund invest to save projects, i.e. investing in the project will deliver service objectives and will result in revenue savings within service budgets that will fund the cost of borrowing related to the project. Debt financing is predominately sourced from the Public Works and Loans Board (PWLb), however, the Council's Investment and Borrowing Strategy does make provision for accessing alternative sources of debt financing.
- 5.8 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP) / loans fund repayments. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP / repayments and use of capital receipts are as follows:

Prudential Indicator: Replacement of Debt

Provision for Replacement of Debt	2020/21	2021/22	2022/23	2023/24
	Forecast	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
Capital Receipts	£0	(£4,829)	(£184)	(£16)
MRP repayments (revenue)				
Operational Assets	(£6,680)	(£5,927)	(£5,259)	(£5,218)
Waste PFI	(£722)	(£766)	(£813)	(£863)
Commercial Property	(£450)	(£459)	(£468)	(£468)
Totals	(£7,853)	(£11,981)	(£6,724)	(£6,565)

- 5.9 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP / loans fund repayments and capital receipts used to replace debt. The CFR is expected to increase by £11.2 million during 2021/22. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Prudential Indicator: Capital Financing Requirement

Capital Financing Requirement (CFR)	2020/21	2021/22	2022/23	2023/24
	Forecast	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
Opening CFR	£272,947	£278,274	£289,449	£302,248
Expenditure on operational assets	£10,565	£17,277	£17,440	£19,242
Expenditure on Invest to Save Schemes	£2,614	£1,050	£1,900	£7,500
Minimum Revenue Provision (exc PFI & Commercial Property)	(£6,680)	(£5,927)	(£5,259)	(£5,218)
Waste PFI Minimum Revenue Provision	(£722)	(£766)	(£813)	(£863)
Commercial Property MRP	(£450)	(£459)	(£468)	(£468)
Total General Fund Items	£278,274	£289,449	£302,248	£322,440

- 5.10 The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.10%) and long-term fixed rate loans where the future cost is known but higher (currently 1.5% to 2.5%). Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities, and leases) are shown in the table below, compared with the capital financing requirement.

Prudential Indicator: Gross Debt and the Capital Financing Requirement

Gross Debt and CFR	2020/21	2021/22	2022/23	2023/24
	31.3.2021	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
Operational Debt -existing loans	£196,470	£216,472	£235,248	£257,796
Additional debt from capital programme	£13,180	£18,327	£19,340	£26,742
Waste PFI	£12,249	£11,483	£10,670	£9,807
Total Debt including leases and PFI	£221,899	£246,281	£265,257	£294,345
Capital Financing Requirement	£278,274	£289,449	£302,248	£322,440

- 5.11 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

- 5.12 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower 'operational boundary' is also set as a warning level should debt approach the limit.

Prudential Indicator: Authorised limit and Operational Boundary for external debt

Authorised Limit & Operational Boundary (Borrowing Limits)	2020/21	2021/22	2022/23	2023/24
	Limit	Limit	Limit	Limit
	£000s	£000s	£000s	£000s
Authorised Limit - Operational Borrowing	£275,000	£277,000	£298,000	£331,000
Authorised Limit - PFI and Leases	£13,000	£12,000	£11,000	£10,000
Authorised Limit - Short Term Borrowing	£15,000	£15,000	£15,000	£15,000
Authorised Limit - Total External Debt	£303,000	£304,000	£324,000	£356,000
Operational Boundary - Operational Borrowing	£265,000	£267,000	£288,000	£321,000
Operational Boundary - PFI and Leases	£13,000	£12,000	£11,000	£10,000
Operational Boundary - Short Term Borrowing	£15,000	£15,000	£15,000	£15,000
Operational Boundary - Total External Debt	£293,000	£294,000	£314,000	£346,000

- 5.13 The limits as set out in the table above are detailed within the Council's Investment and Borrowing Strategy and accommodate proposed expenditure included within the Capital Programme.

- 5.14 To ensure that capital assets continue to be of long-term use, the Council has an Asset Management Strategy in place. The Strategy seeks to convey both the context of the West Berkshire Council estate and the drivers and deliverables to ensure that Council assets are utilised to their optimum capability, both in delivering quality services and in economic terms, focusing on:

- Operational efficiency and effectiveness across the estate with financial efficiency, opportunity to generate income in accordance with related investment strategies, and alignment of the estate with other new or emerging council strategies such as the Housing Strategy 2020 – 2036 and Environment Strategy 2020 – 2030.
- To ensure an efficient estate, continuing to commit to maintaining the condition of assets through the capital programme, developing new income streams through the estate and new opportunities through the 'One Public Estate' programme, the wider Place Making activities, and the devolution of assets to parish and town councils and potential for joint working with partners.

The Council's Asset Management Strategy is included in Appendix D.

- 5.15 When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets, repay debt or finance transformation projects (transformation projects can be funded until 2022/23). The Council anticipates total receipts of £2.2 million, of which £2.1 million is ring-fenced to Educational use. £965k of forecast receipts are available to be allocated to the Council's Transformation Fund.

Capital Receipts Receivable and Planned Usage

Capital Receipts Receivable and Application	2019/20	2020/21	2021/22	2022/23	2023/24	Totals
	Actuals	Forecast	Budget	Budget	Budget	
	£000s	£000s	£000s	£000s	£000s	
Unallocated capital receipts from prior years Bfwd	£5,453	£5,453	£5,828	£1,824	£1,640	
Asset sales		£965	£1,200			£2,165
Total Receipts Receivable	£5,453	£6,418	£7,028	£1,824	£1,640	£2,165
Use of Capital Receipts						
Applied to Capital Programme (funding)			£4,829	£184	£16	£5,029
Applied under Flexible Use of Capital Receipts		£590	£375			£965
Total Planned use of Receipts	£0	£590	£5,204	£184	£16	£5,994
Unallocated Capital Receipts	£5,453	£5,828	£1,824	£1,640	£1,624	

Note: £1.2 million estimated receipt in 2021/22 relates to the rationalisation of Parson's Down Infant & Junior Schools, receipt is ring-fenced to Educational use, but not currently applied to programme.

The Council's Flexible Use of Capital Receipts Policy is included in Appendix E.

Proposals

5.16 The Capital Strategy and supporting Capital Programme propose total gross expenditure of £122.9 million of which £69.4 million is funded via Council resources, i.e. application of capital receipts and debt financing. Debt financing of £52 million is funded via the Council's revenue capital financing budget, which is proposed to increase by £1.6 million over the period of the Capital Strategy. £10.4 million of debt financing will be funded directly by projects via savings generation. The proposed allocation of expenditure across the programme by Directorate is detailed in the table below.

People Directorate	Council Funded	External Grants	S106	CIL	Total by Service
	£'000	£'000	£'000	£'000	£'000
Adult Social Care	£2,526	£1,923	£0	£0	£4,449
Children & Family Services	£60	£0	£0	£0	£60
Education Services	£21,972	£6,230	£1,562	£5,928	£35,692
Total People Directorate	£24,558	£8,153	£1,562	£5,928	£40,201
Place Directorate	Council Funded	External Grants	S106	CIL	Total by Service
	£'000	£'000	£'000	£'000	£'000
Public Protection and Culture	£7,358	£1,175	£0	£150	£8,683
Environment	£24,031	£19,004	£3,478	£7,300	£53,813
Development and Planning	£1,702	£3,600	£0	£0	£5,302
Total Place Directorate	£33,091	£23,779	£3,478	£7,450	£67,797
Resources Directorate	Council Funded	External Grants	S106	CIL	Total by Service
	£'000	£'000	£'000	£'000	£'000
Finance and Property	£5,984	£0	£0	£1,000	£6,984
Customer Services and ICT	£5,317	£2,120	£0	£0	£7,437
Strategy and Governance	£487	£0	£0	£4	£491
Total Resources Directorate	£11,788	£2,120	£0	£1,004	£14,912
Total Proposed Expenditure	£69,437	£34,052	£5,041	£14,381	£122,910

5.17 Key areas of capital expenditure focus on:

- £12.5 million of initiatives linked to the Environment Strategy approved by the Executive on 16th July 2020, including £1.6 million of carbon reduction initiatives and £10.4 million focused on solar photovoltaic energy generation.
- £39.7 million of projects with a focus on developing local infrastructure including housing to support and grow the local economy, predominately maintaining the

local road and cycle networks across the district and £2 million on flood defences and drainage works.

- 5.18 The Council does have a number of potential options to pursue further through this strategy to deliver strategic return. Projects with a cumulative value of £14.8 million are included within the proposed Capital Programme relating to projects that require further feasibility investigations. These projects are predominately aligned to the Council's Leisure Strategy (under development) and approved Energy Strategy, further detail will be presented to Capital Strategy Group for review in the coming months as investigations are progressed. These projects are detailed in the table below.

Projects at Feasibility Stage	2021/22	2022/23	2023/24	Totals
VMS/Intelligent Traffic Signs	£15,000	£485,000	£0	£500,000
Traffic Signal Upgrades	£320,000	£320,000	£70,000	£710,000
Refurbishment of Kennet Leisure Centre	£0	£200,000	£0	£200,000
Feasibility Study - Newbury Lido	£100,000	£0	£0	£100,000
Shaw House. Restoration of disused outbuildings in the gardens.	£0	£225,000	£150,000	£375,000
West Berkshire Museum. Reducing the damp in the historic buildings	£100,000	£150,000	£100,000	£350,000
West Berkshire Museum. Options for long-term storage of museum collections	£0	£100,000	£150,000	£250,000
Expansion of Berkshire Records Office. Reading	£675,000	£675,000	£0	£1,350,000
Renewable energy provision	£1,050,000	£1,900,000	£7,500,000	£10,450,000
Hungerford LC - Modular exercise studio	£160,000	£0	£0	£160,000
Feasibility studies for options to deliver the Leisure Strategy	£100,000	£300,000	£0	£400,000
Total estimated expenditure	£2,520,000	£4,355,000	£7,970,000	£14,845,000

Further details of all planned expenditure on a project basis are included in Appendix B.

6 Other options considered

Not applicable

7 Conclusion

- 7.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP / loans fund repayments are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Ratio of financing costs to net revenue budget	2020/21	2021/22	2022/23	2023/24
	Forecast	Forecast	Forecast	Forecast
Ratio	9.2%	8.8%	9.1%	9.3%

- 7.2 Further details on the revenue implications of capital expenditure are included in the 2021/22 Revenue Budget Report.
- 7.3 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Executive Director of Resources (s151 Officer) is satisfied that the proposed capital programme is prudent, affordable and sustainable.

8 Appendices

Appendix A – Equalities Impact Assessment

Appendix B – Capital Programme 2021/22 – 2023/24

Appendix C – Minimum Revenue Provision Policy 2021/22

Appendix D – Asset Management Strategy 2019 – 2023 Refresh

Appendix E – Flexible Use of Capital Receipts Policy 2021/22

Appendix F – Proposed CIL (Community Infrastructure Levy) Bids for inclusion in the Capital programme 2021-22

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval X

Delays in implementation could have serious financial implications for the Council ☐

Delays in implementation could compromise the Council's position ☐

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months ☐

Item is Urgent Key Decision ☐

Report is to note only ☐

Officer details:

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Document Control

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Author:			
Owning Service			

Change History

Version	Date	Description	Change ID
1			

Version	Date	Description	Change ID
2			

Appendix A

Equality Impact Assessment (EqIA) - Stage One

What is the proposed decision that you are asking the Executive to make:	
Summary of relevant legislation:	Approve the Capital Strategy & Supporting appendices
Does the proposed decision conflict with any of the Council's priorities for improvement? <ul style="list-style-type: none"> • Ensure our vulnerable children and adults achieve better outcomes • Support everyone to reach their full potential • Support businesses to start develop and thrive in West Berkshire • Develop local infrastructure including housing to support and grow the local economy Maintain a green district • Ensure sustainable services through innovation and partnerships 	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, please indicate which priority and provide an explanation
Name of Budget Holder:	Various
Name of Service/Directorate:	Joseph Holmes
Name of assessor:	Shannon Coleman-Slaughter
Date of assessment:	7.1.2021
Version and release date (if applicable):	

Is this a ?		Is this policy, strategy, function or service ... ?	
Policy	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	New or proposed	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Strategy	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Already exists and is being reviewed	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Function	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Is changing	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Service	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

(1) What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?

Aims:	To outline the Capital Strategy covering financial years 2021/22 -2023/24 and the supporting funding framework.
Objectives:	Provide a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
Outcomes:	Financial sustainable capital expenditure in line with the approved Council Strategy.
Benefits:	Provision of local services

(2) Which groups might be affected and how? Is it positively or negatively and what sources of information have been used to determine this?

(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation)

Group Affected	What might be the effect?	Information to support this
Age	Not applicable	
Disability		
Gender Reassignment		
Marriage and Civil Partnership		
Pregnancy and Maternity		
Race		
Religion or Belief		
Sex		
Sexual Orientation		
Further Comments:		

(3) Result

Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
--	---

Please provide an explanation for your answer:	
Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Please provide an explanation for your answer:	

(4) Identify next steps as appropriate:	
EqlA Stage 2 required	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Owner of EqlA Stage Two:	
Timescale for EqlA Stage Two:	

Name: Shannon Coleman-Slaughter

Date: 7.1.2021

Please now forward this completed form to Pamela Voss, Equality and Diversity Officer (pamela.voss@westberks.gov.uk), for publication on the WBC website.

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Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
People	Adult Social Care	Occupational Therapy Equipment	Annual provision for essential aids & equipment for vulnerable people.	£455,030	£641,000	£0	£0	£1,096,030	£543,170	£641,000	£0	£0	£1,184,170	£554,000	£641,000	£0	£0	£1,195,000	£3,475,200
People	Adult Social Care	Social Services - Planned Maintenance	Maintenance of Care Homes and Resource Centres	£150,000	£0	£0	£0	£150,000	£150,000	£0	£0	£0	£150,000	£150,000	£0	£0	£0	£150,000	£450,000
People	Adult Social Care	Care Director V6	Update the support system that is used by social care teams	£523,930	£0	£0	£0	£523,930	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£523,930
People	Children & Family Services	Building Work :Fostering	To enable more children to be fostered in West Berkshire	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£60,000
People	Education Services	Early Years Free Entitlement	Capital investment to support LA duty under the Childcare Act 2016 to secure sufficient places for the extended entitlement of 30 hours childcare for eligible working parents of 3 and 4 year olds.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£22,930	£0	£0	£0	£22,930	£22,930
People	Education Services	Additional Places - Secondary Basic Need	Additional primary provision to meet the impact from the Sandleford Park Housing Development.	£0	£0	£0	£0	£0	£0	£0	£0	£214,870	£214,870	£1,788,350	£0	£0	£1,187,250	£2,975,600	£3,190,470
People	Education Services	SEMH/ASD Resourced Provision - Primary	Provision of resourced provision for primary aged pupils with SEMH/ASD to meet demand and reduce pressure on the High Needs Block.	£0	£0	£0	£0	£0	£0	£277,060	£0	£500,240	£777,300	£0	£0	£0	£19,190	£19,190	£796,490
People	Education Services	SEMH/ASD Resourced Provision - Secondary	Provision of resourced provision for secondary aged pupils with SEMH/ASD to meet demand and reduce pressure on the High Needs Block.	£108,700	£44,940	£0	£0	£153,640	£807,240	£254,010	£0	£544,890	£1,606,140	£544,890	£0	£0	£0	£544,890	£2,304,670
People	Education Services	Calcot Schools Remodelling	The remodelling of accommodation to align with change of PAN to address financial pressures associated with current PAN and deficiencies with current accommodation.	£12,800	£0	£0	£80,840	£93,640	£2,170,660	£0	£0	£663,000	£2,833,660	£3,822,510	£0	£0	£0	£3,822,510	£6,749,810
People	Education Services	Wrap around care	Provision of accommodation on school sites to facilitate childcare outside of school hours, via a range of models, that meets these needs of local families and supports school viability.	£0	£0	£0	£0	£0	£0	£0	£49,500	£0	£49,500	£585,000	£0	£0	£0	£585,000	£634,500
People	Education Services	North Newbury - New primary school	Additional primary provision to meet the impact from the North Newbury Housing Development.	£0	£0	£0	£0	£0	£60,950	£0	£0	£0	£60,950	£165,040	£0	£149,720	£0	£314,760	£375,710
People	Education Services	Garland School - Nurture Provision	Re-purposing and extension of the on-site caretaker's dwelling to provide a therapeutic support base and facilities for before and after school club provision.	£136,510	£72,080	£0	£0	£208,590	£3,000	£0	£0	£0	£3,000	£0	£0	£0	£0	£0	£211,590
People	Education Services	Brookfields School - accessibility	Remodelling and refurbishment works to address general; toilet and changing room accessibility and suitability issues.	£20,000	£0	£0	£0	£20,000	£233,750	£0	£0	£0	£233,750	£233,750	£0	£0	£0	£233,750	£487,500
People	Education Services	Project Management - Education	Capital element of the Place Planning & Development Team	£295,990	£0	£0	£0	£295,990	£301,900	£0	£0	£0	£301,900	£307,940	£0	£0	£0	£307,940	£905,830
People	Education Services	Theale Primary Basic Need Project	Expansion of the school from 1.0FE to 1.5FE to meet local primary basic need.	£0	£106,860	£1,100	£0	£107,960	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£107,960
People	Education Services	Highwood Copse	Provision of a new 1FE Primary school with Nursery class to meet primary basic need across Newbury.	£99,500	£0	£0	£0	£99,500	£81,200	£0	£0	£0	£81,200	£15,340	£0	£0	£0	£15,340	£196,040
People	Education Services	Park House - Impact of new housing	Impact at Park House school of additional pupil numbers from Racecourse and Sandleford new housing developments.	£0	£0	£871,160	£0	£871,160	£0	£0	£383,040	£0	£383,040	£0	£0	£67,200	£0	£67,200	£1,321,400
People	Education Services	The Wincombe Primary - Basic Need Bulge	Increase accommodation to enable an additional bulge class of 30 from September 2016.	£0	£0	£0	£4,880	£4,880	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£4,880
People	Education Services	Schools Statutory Compliance Surveys	5-year rolling programme to undertake Asbestos, Condition, Fire and Legionella surveys.	£15,000	£0	£0	£0	£15,000	£15,000	£0	£0	£0	£15,000	£15,000	£0	£0	£0	£15,000	£45,000
People	Education Services	Hungerford Primary - Universal Free School Meals	Kitchen expansion to enable continued delivery of universal infant free school meals	£9,020	£0	£0	£0	£9,020	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£9,020
People	Education Services	The Willink - Basic Need	To mitigate the impact from secondary basic need and potential further housing developments within the school's catchment area.	£914,620	£10	£0	£0	£914,630	£130,980	£0	£0	£0	£130,980	£0	£0	£0	£0	£0	£1,045,610
People	Education Services	Speenhamland - 2FE Project	Provision of a nursery class and works to expand and address deficiencies of the Physical Disability Resourced Unit.	£324,270	£0	£0	£0	£324,270	£19,900	£0	£0	£0	£19,900	£0	£0	£0	£0	£0	£344,170
People	Education Services	i-college Alternative Education	Provision of a new accommodation for the iCollege east of area provision to address suitability and sufficiency issues.	£0	£0	£0	£1,226,890	£1,226,890	£0	£0	£0	£39,800	£39,800	£0	£0	£0	£0	£0	£1,266,690
People	Education Services	Trinity School Basic Need	Expansion of Trinity Secondary School from 6FE to 7FE as part of Planning Area 12 pupil place strategy.	£25,860	£0	£0	£0	£25,860	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£25,860
People	Education Services	Parsons Down Rationalisation	Rationalisation of accommodation to align with reduced admission number due to decline in forecast pupil numbers and to create a viable 2FE school.	£1,507,260	£0	£0	£48,760	£1,556,020	£26,540	£0	£0	£0	£26,540	£76,300	£0	£0	£0	£76,300	£1,658,860

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
People	Education Services	Aids & Adaptions for special educational needs and disabilities	Provision of special equipment for children with disabilities, including proportion of occupational therapists' time	£53,700	£0	£0	£0	£53,700	£55,100	£0	£0	£0	£55,100	£56,610	£0	£0	£0	£56,610	£165,410
People	Education Services	Westwood Farm Infant - Library and Store	Creation of a library space to enable full use of main school hall space.	£810	£0	£0	£0	£810	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£810
People	Education Services	Castle Gate - increased capacity	Provision of additional bedrooms and associated support spaces to increase capacity and reduce costs of out of county provision.	£0	£0	£0	£0	£0	£4,770	£0	£0	£31,800	£36,570	£158,400	£0	£0	£365,160	£523,560	£560,130
People	Education Services	Downlands Sport Centre - replacement and expansion	Replacement of undersized and poor condition sports hall with suitable and sufficient facilities to meet the needs of increased numbers of pupils at the school.	£0	£221,770	£0	£0	£221,770	£2,930,020	£0	£0	£0	£2,930,020	£80,430	£0	£0	£0	£80,430	£3,232,220
People	Education Services	Falkland Primary School - Classroom Replacement	Modular building replacement to address poor condition, poor environmental performance and limited external space.	£0	£0	£0	£0	£0	£46,430	£0	£40,710	£0	£87,140	£2,072,400	£0	£0	£1,000,000	£3,072,400	£3,159,540
People	Education Services	Education - Planned maintenance programme	Rolling maintenance programme formulated for each service using the current condition survey data.	£535,260	£1,973,460	£0	£0	£2,508,720	£600,000	£1,680,000	£0	£0	£2,280,000	£480,000	£1,600,000	£0	£0	£2,080,000	£6,868,720
Place	Development and Planning	Home Repair Assist Grant	Grants for emergency home repairs for older/vulnerable people	£50,000	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£50,000	£150,000
Place	Development and Planning	Disabled Facilities Grant	Mandatory grant for disabled adaptations, to enable local residents to live independently in their own homes.	£479,830	£1,200,000	£0	£0	£1,679,830	£487,290	£1,200,000	£0	£0	£1,687,290	£491,970	£1,200,000	£0	£0	£1,691,970	£5,059,090
Place	Development and Planning	New Oracle Server	Replacement Solaris Server to host a new version of Oracle, which is the operating system of Uniform. ICT has advised that the existing server must be replaced.	£40,000	£0	£0	£0	£40,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£40,000
Place	Development and Planning	Temp Accommodation Refurbishment	Refurbishment of temporary accommodation	£17,500	£0	£0	£0	£17,500	£17,500	£0	£0	£0	£17,500	£17,500	£0	£0	£0	£17,500	£52,500
Place	Public Protection and Culture	Playing Pitch Action Plan	Provision to support the development of the PPS through additional facilities, including six 3G pitches as part of the PPS Delivery plan subject to business case development, including a suitable replacement for the Faraday Road Sports Ground.	£1,650,000	£0	£0	£0	£1,650,000	£900,000	£0	£0	£0	£900,000	£900,000	£0	£0	£0	£900,000	£3,450,000
Place	Public Protection and Culture	Refurbishment of Northcroft Leisure Centre preliminary works	Refurbishment of Northcroft Leisure Centre preliminary works	£151,000	£0	£0	£0	£151,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£151,000
Place	Public Protection and Culture	Denefield Community Football Pitch	Funding towards Denefield Community Football Pitch	£0	£0	£0	£150,000	£150,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£150,000
Place	Public Protection and Culture	Library Service - self service kiosk replacement	Replacing the current self-service kiosks in libraries when they reach the end of their useful life.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£100,000	£0	£0	£0	£100,000	£100,000
Place	Public Protection and Culture	Libraries Book Stock	Replenishing book stock	£136,260	£0	£0	£0	£136,260	£136,260	£0	£0	£0	£136,260	£140,000	£0	£0	£0	£140,000	£412,520
Place	Public Protection and Culture	Berkshire Records Office Expansion	Project to extend the building to extend storage space for county archives	£10,000	£25,000	£0	£0	£35,000	£10,000	£25,000	£0	£0	£35,000	£10,000	£25,000	£0	£0	£35,000	£105,000
Place	Public Protection and Culture	Planned maintenance of library buildings	Provision for essential repairs	£25,000	£0	£0	£0	£25,000	£25,000	£0	£0	£0	£25,000	£25,000	£0	£0	£0	£25,000	£75,000
Place	Public Protection and Culture	Shawhouse Mansion Mtce	Maintenance Programme as advised by Consultants and under terms of HLF grant (25 year duration)	£70,000	£0	£0	£0	£70,000	£70,000	£0	£0	£0	£70,000	£0	£0	£0	£0	£0	£140,000
Place	Public Protection and Culture	Museum Maint & Repair	Ongoing programme of repairs including addressing damp issues	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£60,000
Place	Public Protection and Culture	Core Sites Essential Investment	Capital Investment in Leisure Provision as contractually agreed as part of Parkwood contract.	£0	£0	£0	£0	£0	£100,000	£0	£0	£0	£100,000	£100,000	£0	£0	£0	£100,000	£200,000
Place	Public Protection and Culture	Leisure Centre Compliance & Modernisation	Capital Investment in Leisure Provision - required to maintain existing sites as EoA new site currently removed.	£94,030	£0	£0	£0	£94,030	£100,000	£0	£0	£0	£100,000	£100,000	£0	£0	£0	£100,000	£294,030
Place	Public Protection and Culture	Cultural Services - Planned maintenance programme	Planned Maintenance of Leisure Centres	£120,000	£0	£0	£0	£120,000	£120,000	£0	£0	£0	£120,000	£120,000	£0	£0	£0	£120,000	£360,000
Place	Public Protection and Culture	Hungerford LC - Modular exercise studio	Hungerford LC - Modular exercise studio	£160,000	£0	£0	£0	£160,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£160,000

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
Place	Public Protection and Culture	Feasibility studies for options to deliver the Leisure Strategy	Review of leisure offering in line with Leisure Strategy	£100,000	£0	£0	£0	£100,000	£300,000	£0	£0	£0	£300,000	£0	£0	£0	£0	£0	£400,000
Place	Environment	Hampstead Norreys Flood Alleviation Scheme	Subject to DEFRA funding - Flood alleviation scheme for Hampstead Norreys.	£0	£40,000	£0	£0	£40,000	£0	£500,000	£0	£0	£500,000	£0	£0	£0	£0	£0	£540,000
Place	Environment	A4 Faraday Road Improvements	CIL funded capacity improvements and signals upgrade at the A4/Faraday Road junction.	£0	£0	£0	£320,000	£320,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£320,000
Place	Environment	Burger King Junction Improvements	Network capacity improvements at the Burger King Roundabout in Newbury.	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£440,000	£0	£440,000	£440,000
Place	Environment	Local S106 Highway Improvements	A selection of network and road safety improvements to mitigate the impact of developments throughout the District.	£0	£0	£150,000	£0	£150,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£150,000
Place	Environment	Aldermaston Footways	Improved Footway, S106 funded	£0	£237,210	£0	£0	£237,210	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£237,210
Place	Environment	Kings Road Improvements	Environmental and Traffic Management Improvements to existing road network following completion of the Kings Road Link Road	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£350,000	£350,000	£0	£0	£0	£0	£0	£400,000
Place	Environment	Car Park Maintenance	Routine capital maintenance of the Council's public car parks.	£35,000	£0	£0	£0	£35,000	£15,000	£0	£0	£0	£15,000	£15,000	£0	£0	£0	£15,000	£65,000
Place	Environment	Henwick Sports Pavilion	Delivering infrastructure improvements at Henwick Pavilion	£0	£0	£0	£65,000	£65,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£65,000
Place	Environment	Access Improvements Public Rights Of Way	Delivering infrastructure improvements at sites in West Berkshire that will offer improved provision, for able bodied and for those who find access difficult and for people who rely on wheelchairs.	£0	£0	£0	£112,630	£112,630	£0	£0	£0	£55,430	£55,430	£0	£0	£0	£55,430	£55,430	£223,490
Place	Environment	Habitat Creation	This project is about working with our partners and communities in order to address the negative impacts of climate change, a key component of the Environment Strategy. To create new habitat for declining species	£0	£0	£10,000	£0	£10,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£10,000
Place	Environment	Environment Strategy - Minor projects and improvements	To develop and deliver a range of projects that will fulfil the aims of the Environment Strategy and the Environment Delivery Plan.	£0	£0	£0	£150,000	£150,000	£0	£0	£0	£150,000	£150,000	£0	£0	£0	£0	£0	£300,000
Place	Environment	Separate Food Waste	The provision of fleet and infrastructure to provide a separate food waste service for the Council.	£0	£0	£0	£900,000	£900,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£900,000
Place	Environment	Village Speed Limits	Assessment and implementation of speed limits resulting from the speed limit review process.	£0	£45,000	£0	£0	£45,000	£0	£30,000	£0	£0	£30,000	£0	£30,000	£0	£0	£30,000	£105,000
Place	Environment	Accident Reduction Works	Road safety improvements as a result of accident investigations	£0	£25,000	£0	£65,000	£90,000	£0	£25,000	£0	£50,000	£75,000	£0	£25,000	£0	£50,000	£75,000	£240,000
Place	Environment	Footway Improvements Existing & New	Footway improvement schemes	£0	£20,000	£0	£50,000	£70,000	£0	£20,000	£0	£50,000	£70,000	£0	£20,000	£0	£50,000	£70,000	£210,000
Place	Environment	Recreational Walk Route	To improve selected pedestrian rights of way in order to increase their recreational value	£0	£0	£0	£41,890	£41,890	£0	£0	£0	£13,890	£13,890	£0	£0	£0	£13,890	£13,890	£69,670
Place	Environment	Street Lighting	Ongoing capital replacements of lighting columns and lanterns	£0	£100,000	£0	£0	£100,000	£0	£100,000	£0	£0	£100,000	£0	£100,000	£0	£0	£100,000	£300,000
Place	Environment	Signing Improvements	Signing improvements in the district.	£0	£30,000	£0	£0	£30,000	£0	£30,000	£0	£0	£30,000	£0	£30,000	£0	£0	£30,000	£90,000
Place	Environment	New / Improved Cycle ways	Developing and implementing active travel solutions for West Berkshire	£0	£515,000	£0	£420,000	£935,000	£0	£20,000	£0	£620,000	£640,000	£0	£20,000	£0	£620,000	£640,000	£2,215,000
Place	Environment	Rights Of Way Volunteer	To undertake rights of way maintenance work by the use of volunteers	£0	£0	£0	£2,500	£2,500	£0	£0	£0	£2,500	£2,500	£0	£0	£0	£2,500	£2,500	£7,500
Place	Environment	Improvements To Pedestrian Routes	Improve the condition of pedestrian routes	£0	£0	£0	£49,980	£49,980	£0	£0	£0	£13,890	£13,890	£0	£0	£0	£13,890	£13,890	£77,760
Place	Environment	Disabled Access To Countryside	Improve selected rights of way in order to increase their usability and recreational value for less able users.	£0	£0	£0	£7,000	£7,000	£0	£0	£0	£45,000	£45,000	£0	£0	£0	£7,000	£7,000	£59,000
Place	Environment	Bridleway Improvement for Pedestrians	To improve selected rideable and cycle able rights of way in order to increase their recreational and/or utilitarian value	£0	£0	£0	£23,890	£23,890	£0	£0	£0	£13,890	£13,890	£0	£0	£0	£13,890	£13,890	£51,670
Place	Environment	Ridgeway Trail	To maintain the trail at the standard required by Natural England	£0	£0	£0	£13,000	£13,000	£0	£0	£0	£13,000	£13,000	£0	£0	£0	£13,000	£13,000	£39,000
Place	Environment	Recreational Cycle ways	To improve selected cycle able rights of way in order to increase their recreational and/or utilitarian value.	£0	£0	£0	£27,880	£27,880	£0	£0	£0	£27,880	£27,880	£0	£0	£0	£13,880	£13,880	£69,640
Place	Environment	Rural Signing	Maintenance & improvement of direction signage on rural rights of way	£0	£0	£0	£0	£0	£5,270	£0	£0	£0	£5,270	£5,270	£0	£0	£0	£5,270	£10,540
Place	Environment	Countryside & Environment Capital Salaries	To manage the capital projects the Countryside Service is responsible for under the Local Transport Plan	£35,980	£0	£0	£0	£35,980	£36,700	£0	£0	£0	£36,700	£37,400	£0	£0	£0	£37,400	£110,080
Place	Environment	Land Drainage	Capital Land Drainage and Flood Risk Management works	£0	£200,000	£0	£0	£200,000	£0	£400,000	£0	£0	£400,000	£0	£300,000	£0	£0	£300,000	£900,000
Place	Environment	West Isley Flood Alleviation	The proposed project will assist with flood defence within West Isley	£0	£0	£0	£24,470	£24,470	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£24,470

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
Place	Environment	Future Programme Development	Assessment and feasibility of works to support bids for grant, S106, CIL, LDF and LTP3.	£0	£50,000	£0	£50,000	£100,000	£0	£50,000	£0	£50,000	£100,000	£0	£50,000	£0	£50,000	£100,000	£300,000
Place	Environment	School Safety Programme	Annual programme of safety improvements in the vicinity of schools.	£0	£20,000	£0	£30,000	£50,000	£0	£20,000	£0	£30,000	£50,000	£0	£20,000	£0	£30,000	£50,000	£150,000
Place	Environment	Pavement to St. Mary's School	The widening of the Pavement between the centre of Mortimer and St Mary's Junior school.	£0	£0	£0	£35,000	£35,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£35,000
Place	Environment	Essential Maintenance - Bridges	Capital maintenance of the Council's bridges and other structures.	£0	£300,000	£0	£0	£300,000	£0	£300,000	£0	£0	£300,000	£0	£300,000	£0	£0	£300,000	£900,000
Place	Environment	Preventative Maintenance - Bridges	Routine painting and vegetation clearance from the Council structures to prevent the need for substantive future maintenance.	£0	£100,000	£0	£0	£100,000	£0	£100,000	£0	£0	£100,000	£0	£100,000	£0	£0	£100,000	£300,000
Place	Environment	Robin Hood Roundabout & A4	Network capacity improvements at the Robinhood Roundabout in Newbury.	£0	£0	£1,495,000	£0	£1,495,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,495,000
Place	Environment	Travel Plans (Transport Planning)	Includes transport model and transport policy officer	£47,760	£10,000	£0	£0	£57,760	£51,800	£0	£0	£0	£51,800	£52,800	£0	£0	£0	£52,800	£162,360
Place	Environment	Public Transport Infrastructure	Real Time Passenger Information and other public transport infrastructure.	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£50,000	£50,000	£150,000
Place	Environment	Highway Improved Programme	Annual Carriageway Treatment Schemes	£1,794,970	£2,082,570	£0	£0	£3,877,540	£1,932,970	£2,100,000	£0	£0	£4,032,970	£1,932,970	£2,048,740	£0	£0	£3,981,710	£11,892,220
Place	Environment	Kings Road Link, Newbury	Design, assessment and construction of the Kings Road Link Road.	£0	£750,000	£200,000	£0	£950,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£950,000
Place	Environment	Hermitage to Hampstead Norreys Cycle Route	Development and implementation of the Local Cycle and Walking Infrastructure Delivery Plan	£0	£0	£0	£25,000	£25,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£25,000
Place	Environment	Sandleford Access Improvements	Widening of the A339 and an access road which will serve both the school and the Sandleford development	£2,250,000	£300,000	£0	£0	£2,550,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,550,000
Place	Environment	Term Maintenance Establishment	Set-up and resources costs for the Term Maintenance contract.	£250,000	£272,550	£0	£0	£522,550	£250,000	£275,500	£0	£0	£525,500	£250,000	£275,500	£0	£0	£525,500	£1,573,550
Place	Environment	Newbury Rail Station Improvements	Upgrade to Newbury Rail Station - LEP Funded in partnership with FGW & NR	£0	£2,400,000	£0	£0	£2,400,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,400,000
Place	Environment	On Street Electrical Charge Point	Provision of electric vehicle charge points.	£0	£0	£0	£272,590	£272,590	£0	£0	£0	£150,000	£150,000	£0	£0	£0	£150,000	£150,000	£572,590
Place	Environment	Carriageway patching	Annual hand patching programme.	£358,000	£0	£0	£0	£358,000	£358,000	£0	£0	£0	£358,000	£358,000	£0	£0	£0	£358,000	£1,074,000
Place	Environment	Signs & Road Markings	Annual road sign and road marking replacement programme.	£110,000	£0	£0	£0	£110,000	£110,000	£0	£0	£0	£110,000	£110,000	£0	£0	£0	£110,000	£330,000
Place	Environment	Capitalised Drainage Maintenance	Annual highway drainage maintenance and improvement work.	£175,000	£100,000	£0	£0	£275,000	£175,000	£0	£0	£0	£175,000	£175,000	£0	£0	£0	£175,000	£625,000
Place	Environment	Pay Machine Replacement	Replacement/modernisation of the Car Park Pay Machines	£90,000	£0	£0	£0	£90,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£90,000
Place	Environment	Reactive Maintenance	DFT Funded	£0	£132,000	£0	£0	£132,000	£0	£132,000	£0	£0	£132,000	£0	£132,000	£0	£0	£132,000	£396,000
Place	Environment	Cycle Parking at Schools	Introduction of covered cycle stands at all secondary schools	£140,000	£0	£0	£0	£140,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£140,000
Place	Environment	Transport Services Fleet Upgrade	Replacement of one fleet minibus each year	£100,000	£0	£0	£0	£100,000	£100,000	£0	£0	£0	£100,000	£100,000	£0	£0	£0	£100,000	£300,000
Place	Environment	Community Transport	Funding that Community Transport providers can bid for the upkeep of their vehicles. Community Transport providers mainly tend to be voluntary organisations and this funding ensures these essential providers can continue.	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£50,000	£50,000	£0	£0	£0	£0	£0	£100,000
Place	Environment	Natural Carbon Reduction Measures	Investment in measures to naturally capture and reduce carbon dioxide. Examples of natural measures could include large scale tree planting, natural regeneration, wetland regeneration (subject to feasibility and cost/benefit analysis).	£1,225,000	£0	£0	£0	£1,225,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,225,000

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
Place	Environment	Electronic Logging Management System Replacement	The Council's Electronic Logging Management system, used predominantly to report issues on the Highway network is in need of modernizing	£26,500	£0	£0	£0	£26,500	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£26,500
Place	Environment	Park Homes Efficiency Project	The project looks to target low income households in Park Homes across West Berkshire with an actual or estimated EPC rating of primarily E, F and G with some low scoring D rated properties included that would benefit from energy efficient retrofit measures.	£0	£862,500	£0	£0	£862,500	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£862,500
Place	Environment	Thatcham Nature Discovery	Completely new interpretation space with exhibits to tell visitors about the fascinating history and wildlife of the Kennet valley, the canal and reed beds	£0	£0	£0	£0	£0	£0	£0	£0	£125,000	£125,000	£0	£0	£0	£0	£0	£125,000
Place	Environment	Open Space Improvements	These Parks will fall into decline and disrepair. There may be H&S implications.	£0	£0	£25,000	£0	£25,000	£0	£0	£25,000	£0	£25,000	£0	£0	£25,000	£0	£25,000	£75,000
Place	Environment	Council Carbon Management Plan	Schemes to improve energy efficiency and reduce carbon emissions in Council buildings, funded from revenue savings from carbon management schemes implemented from 2011/12 to 2013/14	£50,950	£0	£0	£0	£50,950	£51,600	£0	£0	£0	£51,600	£52,600	£0	£0	£0	£52,600	£155,150
Place	Environment	BBOWT Capital Projects	Berkshire, Buckinghamshire and Oxford Wildlife Trust capital works funded from S106.	£0	£0	£100,000	£0	£100,000	£0	£0	£100,000	£0	£100,000	£0	£0	£100,000	£0	£100,000	£300,000
Place	Environment	Urban tree fund	Capital required for investigation, design and implementation of urban trees	£40,000	£0	£0	£0	£40,000	£40,000	£0	£0	£0	£40,000	£0	£0	£0	£0	£0	£80,000
Place	Environment	Playground Equipment	To refurbish existing childrens' play areas that are now reaching the end of their recommended life span to ensure their compliance with relevant modern safety standards	£110,000	£0	£30,000	£0	£140,000	£21,880	£0	£30,000	£0	£51,880	£110,000	£0	£30,000	£0	£140,000	£331,880
Place	Environment	Henwick Worthy Sports Facility	New sports pitch. x 1 possibly 2 pitches if match funding becomes available	£0	£0	£200,000	£0	£200,000	£0	£0	£175,000	£0	£175,000	£0	£0	£0	£0	£0	£375,000
Place	Environment	Prevention of Access Works	Measures to prevent undesirable access and occupation of public open spaces.	£0	£0	£20,000	£0	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£0	£0	£40,000
Place	Environment	Infrastructure Design and Delivery	Annual Salaries for Projects Team - part funded by s.106	£115,000	£918,410	£107,700	£100,000	£1,241,110	£115,000	£939,830	£107,700	£100,000	£1,262,530	£15,000	£939,830	£107,700	£100,000	£1,162,530	£3,666,170
Place	Environment	Solar PV Initiative	Invest to Save Scheme to install solar panels on council buildings to reduce energy costs and carbon usage	£150,000	£0	£0	£0	£150,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£150,000
Resources	Customer Services and ICT	Geographic Information Systems	Funding for the maintenance and development of the Council's GIS infrastructure when the current balance sheet fund has been depleted.	£71,830	£0	£0	£0	£71,830	£72,730	£0	£0	£0	£72,730	£80,000	£0	£0	£0	£80,000	£224,560
Resources	Customer Services and ICT	Corporate IT Replacement	Re-provision of WBC ICT equipment and software (Predominately PCs) on an ongoing basis.	£627,980	£0	£0	£0	£627,980	£578,600	£0	£0	£0	£578,600	£600,000	£0	£0	£0	£600,000	£1,806,580
Resources	Customer Services and ICT	Telephony Infrastructure (SIP and MPLS)	Strategic deployment of SIP and MPLS to save voice and data costs	£50,000	£0	£0	£0	£50,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£50,000
Resources	Customer Services and ICT	Upgrade Internet Bandwidth	Expand the internet bandwidth to support greater IT capacity	£15,000	£0	£0	£0	£15,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£15,000
Resources	Customer Services and ICT	Contact Centre Systems Enhancements	Introduction of new access channels and technologies to improve customer contact experience and efficiency	£90,000	£0	£0	£0	£90,000	£90,000	£0	£0	£0	£90,000	£0	£0	£0	£0	£0	£180,000
Resources	Customer Services and ICT	Cyber Security Enhancements	Introduce a Security Incident Event Management Tool (SIEM)	£20,000	£0	£0	£0	£20,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£20,000
Resources	Customer Services and ICT	Upgrade of Print Room	Replace the folding machine/wide format printer and finishing equipment in the print room	£25,000	£0	£0	£0	£25,000	£15,000	£0	£0	£0	£15,000	£0	£0	£0	£0	£0	£40,000
Resources	Customer Services and ICT	Network / App Performance Monitoring	Introduce a network / application performance monitoring tool	£15,000	£0	£0	£0	£15,000	£5,000	£0	£0	£0	£5,000	£0	£0	£0	£0	£0	£20,000

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
Resources	Customer Services and ICT	Project Resource Budget	Funds to allow contract resources/consultants to be engaged to supplement ICT resources and avoid project bottlenecks	£200,000	£0	£0	£0	£200,000	£200,000	£0	£0	£0	£200,000	£200,000	£0	£0	£0	£200,000	£600,000
Resources	Customer Services and ICT	VMWare Hardware Refresh	Replace physical servers (hosts) as they reach end of life.	£15,000	£0	£0	£0	£15,000	£15,000	£0	£0	£0	£15,000	£100,000	£0	£0	£0	£100,000	£130,000
Resources	Customer Services and ICT	Public Services Network Accreditation Maintenance	Essential security enhancement to maintain compliance with Government Connect requirements.	£40,000	£0	£0	£0	£40,000	£40,000	£0	£0	£0	£40,000	£40,000	£0	£0	£0	£40,000	£120,000
Resources	Customer Services and ICT	Members ICT	Members ICT	£0	£0	£0	£0	£0	£80,000	£0	£0	£0	£80,000	£0	£0	£0	£0	£0	£80,000
Resources	Customer Services and ICT	Superfast Broadband	Project Management	£0	£140,000	£0	£0	£140,000	£0	£140,000	£0	£0	£140,000	£0	£140,000	£0	£0	£140,000	£420,000
Resources	Customer Services and ICT	Remote Working Infrastructure Maintenance	Maintenance of WBC's remote working infrastructure (Currently Citrix but may change in future)	£50,000	£0	£0	£0	£50,000	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£90,000
Resources	Customer Services and ICT	Network Infrastructure (Core Switches)	Replace core switches at end of life	£90,000	£0	£0	£0	£90,000	£20,000	£0	£0	£0	£20,000	£0	£0	£0	£0	£0	£110,000
Resources	Customer Services and ICT	Network Infrastructure (Wi-Fi Provision)	Increase capacity coverage of Wi-Fi in WBC offices	£45,000	£0	£0	£0	£45,000	£10,000	£0	£0	£0	£10,000	£0	£0	£0	£0	£0	£55,000
Resources	Customer Services and ICT	Superfast Broadband Infrastructure	Full fibre project – use of £1.7 million grant from the Government's Getting Building Fund	£0	£1,700,000	£0	£0	£1,700,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£1,700,000
Resources	Customer Services and ICT	Planning Service Upgrade	System upgrades for planning systems	£0	£0	£0	£0	£0	£11,250	£0	£0	£0	£11,250	£0	£0	£0	£0	£0	£11,250
Resources	Customer Services and ICT	Server Windows Licensing	Upgrade Windows Server Operating System to Windows Server 2012(Costs are largely resource to do the work)	£0	£0	£0	£0	£0	£75,000	£0	£0	£0	£75,000	£0	£0	£0	£0	£0	£75,000
Resources	Customer Services and ICT	Upgrade Backup Infrastructure	Upgrade / Replace Backup facilities before they reach end of life	£30,000	£0	£0	£0	£30,000	£15,000	£0	£0	£0	£15,000	£5,000	£0	£0	£0	£5,000	£50,000
Resources	Customer Services and ICT	Virtual Private Network Firewall Replacements	IPSEC/ VPN Firewall Replacement	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£50,000	£0	£0	£0	£50,000	£50,000
Resources	Customer Services and ICT	Corporate SAN	Existing Hitachi SAN reaching end of product life.	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£20,000	£0	£0	£0	£20,000	£60,000
Resources	Customer Services and ICT	Telephony Infrastructure (VoIP Corporate Offices)	Migrate telephony from analogue to VoIP	£140,000	£0	£0	£0	£140,000	£145,000	£0	£0	£0	£145,000	£0	£0	£0	£0	£0	£285,000
Resources	Customer Services and ICT	Telephony Infrastructure (VoIP Outlying Offices)	Migrate telephony from analogue to VoIP	£20,000	£0	£0	£0	£20,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£20,000
Resources	Customer Services and ICT	Blackberry Enterprise Service/Mobile Device Management Infrastructure	Corporate smartphone replacement programme	£30,000	£0	£0	£0	£30,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£30,000
Resources	Customer Services and ICT	Maintenance of Disaster Recovery Facility	Replace DR equipment at Turnham's Green when it reaches end of life	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£50,000	£0	£0	£0	£50,000	£50,000
Resources	Customer Services and ICT	Telephony Infrastructure (Unified Communications Core Infrastructure)	Replace unified communication hardware/infrastructure as it reaches end of life	£60,000	£0	£0	£0	£60,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£60,000
Resources	Customer Services and ICT	Telephony Infrastructure (Unified Communications Software)	Replace unified communication hardware/infrastructure as it reaches end of life	£113,800	£0	£0	£0	£113,800	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£113,800
Resources	Customer Services and ICT	Refresh Multi Functional Device Fleet	Refresh the MFD Fleet as they fail or go end of life	£125,000	£0	£0	£0	£125,000	£75,000	£0	£0	£0	£75,000	£0	£0	£0	£0	£0	£200,000
Resources	Customer Services and ICT	ICT Helpdesk System	Implement a new IT Service Management System to include an Asset Management System	£100,000	£0	£0	£0	£100,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£100,000
Resources	Customer Services and ICT	Corporate Database Server Replacement	Replace the Corporate database server when it goes end of life	£25,000	£0	£0	£0	£25,000	£65,000	£0	£0	£0	£65,000	£25,000	£0	£0	£0	£25,000	£115,000

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
Resources	Customer Services and ICT	Transition to Office 365	Moving from our 'on premise' Microsoft email and office applications to the cloud based version.	£40,000	£0	£0	£0	£40,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£40,000
Resources	Customer Services and ICT	Project Management - ICT	Capitalise proportion of ICT Staff salaries for those who work on Capital projects	£168,680	£0	£0	£0	£168,680	£172,000	£0	£0	£0	£172,000	£175,500	£0	£0	£0	£175,500	£516,180
Resources	Finance and Property	Building Maintenance Total Provision	Annual maintenance provision - will be allocated to individual services in year using Condition Survey data.	£438,000	£0	£0	£0	£438,000	£288,000	£0	£0	£0	£288,000	£150,000	£0	£0	£0	£150,000	£876,000
Resources	Finance and Property	Project Management - Property	Capitation Costs of Property Project Managers	£722,370	£0	£0	£0	£722,370	£736,820	£0	£0	£0	£736,820	£751,550	£0	£0	£0	£751,550	£2,210,740
Resources	Finance and Property	Cond/Asb/Meas Surveys	Condition/Measured Surveys - Annual Programme	£42,000	£0	£0	£0	£42,000	£5,000	£0	£0	£0	£5,000	£11,750	£0	£0	£0	£11,750	£58,750
Resources	Finance and Property	Unallocated Buildings	Planned Maintenance of Other Corporate Buildings PMP	£25,600	£0	£0	£0	£25,600	£20,000	£0	£0	£0	£20,000	£0	£0	£0	£0	£0	£45,600
Resources	Finance and Property	Asbestos - Planned maintenance programme	Health & Safety Compliance	£27,000	£0	£0	£0	£27,000	£44,000	£0	£0	£0	£44,000	£26,000	£0	£0	£0	£26,000	£97,000
Resources	Finance and Property	Agresso Upgrade	To migrate the Agresso system to a cloud hosted environment so as to support current and future operational requirements	£150,000	£0	£0	£0	£150,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£150,000
Resources	Finance and Property	Corporate Allocation	Contingency for unforeseen capital budget pressures across all services	£40,000	£0	£0	£0	£40,000	£40,000	£0	£0	£0	£40,000	£0	£0	£0	£0	£0	£80,000
Resources	Finance and Property	Income Manager	Upgrade of the Cash Management System	£100,000	£0	£0	£0	£100,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£100,000
Resources	Finance and Property	Corporate Furniture Replacement	Corporate Furniture Replacement	£5,300	£0	£0	£0	£5,300	£5,300	£0	£0	£0	£5,300	£5,300	£0	£0	£0	£5,300	£15,900
Resources	Finance and Property	Enterprise Resource Planning System	Streamlining of existing software provision. One system solution in order to generate potential future revenue savings	£2,000,000	£0	£0	£0	£2,000,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,000,000
Resources	Finance and Property	Rationalisation of council offices	Capital costs associated with the working practices in Council offices.	£200,000	£0	£0	£0	£200,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£200,000
Resources	Finance and Property	Acquisitions & Development	Investment property Acquisitions and Development	£150,000	£0	£0	£0	£150,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£150,000
Resources	Finance and Property	CIL community infrastructure funding bids	Funding, via bidding process, for community groups to access funding that supports the IDP using CIL funds top-sliced of between £10k-£100k per scheme	£0	£0	£0	£500,000	£500,000	£0	£0	£0	£500,000	£500,000	£0	£0	£0	£0	£0	£1,000,000
Resources	Strategy & Governance	Shop Mobility	Provides electric wheelchairs for use by people with mobility problems visiting Newbury town centre	£7,000	£0	£0	£4,000	£11,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£11,000
Resources	Strategy & Governance	Parish Planning	Grants to Parish Councils and other community groups to support community based capital projects. This programme replaces the Parish Planning and Vibrant Villages programmes which had a combined annual budget of £55k up to 2015/16.	£30,000	£0	£0	£0	£30,000	£30,000	£0	£0	£0	£30,000	£30,000	£0	£0	£0	£30,000	£90,000
Resources	Strategy & Governance	Digitalisation Infrastructure/ ICT Allocation	Migrate and Upgrade the Council's Digital Platform	£100,000	£0	£0	£0	£100,000	£50,000	£0	£0	£0	£50,000	£0	£0	£0	£0	£0	£150,000
Resources	Strategy & Governance	Adaptations for Disabilities	Essential adaptations for WBC staff and service users	£10,000	£0	£0	£0	£10,000	£10,000	£0	£0	£0	£10,000	£10,000	£0	£0	£0	£10,000	£30,000
Resources	Strategy & Governance	Members Bids	Matched funding to support local community schemes	£70,000	£0	£0	£0	£70,000	£70,000	£0	£0	£0	£70,000	£70,000	£0	£0	£0	£70,000	£210,000
				£21,780,600	£15,635,360	£3,209,960	£4,951,200	£45,577,120	£16,823,580	£9,259,400	£910,950	£4,475,080	£31,469,010	£18,857,500	£7,997,070	£919,620	£3,805,080	£31,579,270	£108,625,400

Agreed in principle - further business case required

[illegible]

Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22/23	CIL 22/23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 21 - 24
Place	Public Protection and Culture	Shaw House. Restoration of disused outbuildings in the gardens.	Review of Cultural Services in 2021 will scope costed options for restoring the outbuildings to bring them into economic use to generate income and protect the heritage for the benefit of residents and visitors. The outbuildings are on the English Heritage Register of Historic Parks and Gardens and are included in the Listed status of the historic house. There may be possibilities to lever in capital investment from other funders - for example, if Shaw and/or the Museum buildings were managed by a charitable trust.	£0	£0	£0	£0	£0	£225,000	£0	£0	£0	£225,000	£150,000	£0	£0	£0	£150,000	£375,000
Place	Public Protection and Culture	West Berkshire Museum. Reducing the damp in the historic buildings	Review of Cultural Services in 2021 will scope costed options for reducing the damp in the museum buildings. The 2012 restoration of the buildings made the existing damp conditions worse. Rising water table, high rainfall (climate change)	£100,000	£0	£0	£0	£100,000	£150,000	£0	£0	£0	£150,000	£100,000	£0	£0	£0	£100,000	£350,000
Place	Public Protection and Culture	West Berkshire Museum. Options for long-term storage of museum collections	Review of Cultural Services in 2021 will scope costed options for improving the storage of museum collections so that they meet the required standards for security and environmental control. Currently collections (50,000 objects spanning at least 20,000 years of local history) are kept in conditions that don't meet the standards required for their protection. The most likely option is a project to upgrade Building 150 at Greenham Common. It is not yet know what this would cost but an indicative amount is submitted here.	£0	£0	£0	£0	£0	£100,000	£0	£0	£0	£100,000	£150,000	£0	£0	£0	£150,000	£250,000
Place	Public Protection and Culture	Expansion of Berkshire Records Office. Reading	Project to extend the building to extend storage space for county archives. The total cost is currently estimated to be £1.35M and the WBC portion of that (under the joint arrangements for the 6 Berks LAs) is £250,000. Could start end of 2021/22 or in early 2022/23. To Be Confirmed.	£125,000	£550,000	£0	£0	£675,000	£125,000	£550,000	£0	£0	£675,000	£0	£0	£0	£0	£0	£1,350,000
				£325,000	£570,000	£0	£315,000	£1,210,000	£800,000	£570,000	£0	£785,000	£2,155,000	£400,000	£20,000	£0	£50,000	£470,000	£3,835,000

Invest to Save Schemes																			
Directorate	Service	Project Title	Description of Project	Council 21/22	Government and other Grants 21/22	S106 21/22	CIL 21/22	Total 21/22	Council 22/23	Government and other Grants 22/23	S106 22-23	CIL 22-23	Total 22/23	Council 23/24	Government and other Grants 23/24	S106 22-23	CIL 22-23	Total 23/24	Total 20-23
Place	Environment	Renewable energy provision	Provision of green energy infrastructure in line with the Council's Environment Strategy. To develop opportunities and expertise to take advantage of the production, storage and utilisation of green energy	£1,050,000	£0	£0	£0	£1,050,000	£1,900,000	£0	£0	£0	£1,900,000	£7,500,000	£0	£0	£0	£7,500,000	£10,450,000
				£1,050,000	£0	£0	£0	£1,050,000	£1,900,000	£0	£0	£0	£1,900,000	£7,500,000	£0	£0	£0	£7,500,000	£10,450,000

Full programme total	£23,155,600.00	£16,205,360.00	£3,209,960.00	£5,266,200.00	£47,837,120.00	£19,523,580.00	£9,829,400.00	£910,950.00	£5,260,080.00	£35,524,010.00	£26,757,500.00	£8,017,070.00	£919,620.00	£3,855,080.00	£39,549,270.00	£122,910,400.00
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Minimum Revenue Provision Policy

Annual Minimum Revenue Provision Statement 2021/22

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.

- For capital expenditure incurred before 1st April 2008 and for supported capital expenditure incurred on or after that date, MRP will be determined as 4% of the capital financing requirement in respect of that expenditure.
- For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years. Annual capital expenditure in support of the Council's operational assets are charged in accordance with this principle.
- For assets acquired by leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability. The Council's Waste PFI is charged in accordance with this principle.

Capital expenditure incurred during 2021/22 will not be subject to a MRP charge until 2022/23.

Based on the Authority's latest estimate of its capital financing requirement (CFR) on 31st March 2021, the budget for MRP has been set as follows:

Capital Financing Requirement (CFR)	2020/21	2021/22	2022/23	2023/24
	Forecast	Budget	Budget	Budget
	£000s	£000s	£000s	£000s
Opening CFR	£272,947	£278,274	£289,449	£302,248
Expenditure on operational assets	£10,565	£17,277	£17,440	£19,242
Expenditure on Invest to Save Schemes	£2,614	£1,050	£1,900	£7,500
Minimum Revenue Provision (exc PFI & Commercial Property)	(£6,680)	(£5,927)	(£5,259)	(£5,218)
Waste PFI Minimum Revenue Provision	(£722)	(£766)	(£813)	(£863)
Commercial Property MRP	(£450)	(£459)	(£468)	(£468)
Total General Fund Items	£278,274	£289,449	£302,248	£322,440

Helping to shape our District through transforming our assets



1. Foreword

The West Berkshire Vision 2036 conveys the priorities to demonstrate a collective aim of maintaining West Berkshire's status as a great place to live, work and learn whilst rising to the challenges we will face in the years to come.

These priorities will deliver:

- A West Berkshire where everybody has what they need to fulfil their potential
- A West Berkshire with a housing mix with something for everyone
- A West Berkshire that welcomes business, enterprise and industry into a productive, growing and dynamic local economy
- A West Berkshire where the health and wellbeing of residents of all ages and backgrounds is good
- A West Berkshire with beautiful, historic and diverse landscapes and a strong cultural offering

The Council Strategy 2019 – 2023 supports this Vision and sets out six important areas that we want to improve between now and 2023. Just as importantly, it reaffirms our commitment to continue delivering the core services.

West Berkshire Council has a significant property portfolio which either contributes directly with the delivery of its services (such as libraries, schools, and care homes) or indirectly (such as corporate offices, depots, and investment properties) and contributes to the vision, themes and priorities of the Council Strategy 2019 to 2023.

It is vital that the Council assets are utilised to their optimum capability, both in delivering quality services and in economic terms. This is especially so given that properties are high value and high cost resources.

This Asset Management Strategy seeks to offer a coordinated approach to property and land asset management, to ensure West Berkshire Council continues to properly manage the property portfolio, enabling it to direct capital funding to the right places, whilst embracing new asset strategies and opportunities available to us.

To enable the property assets to work most effectively, West Berkshire Council is pursuing a number of opportunities, working with other public sector organisations. Through the 'One Public Estate' forum we are working with partners including other Berkshire unitary authorities, the Fire Brigade, Police and NHS Estates to develop common asset benefits. We are also seeking opportunities to develop affordable housing by working jointly with Sovereign Housing Association in a Joint Venture.

Additionally the council is pursuing the potential for wider asset opportunities which align with other council strategies including the Environment Strategy 2020 – 2030, and Housing Strategy 2020 – 2036 (draft).

This Asset Management Strategy and the asset plans and actions conducted through it will contribute to the Council's resilience, its working relationship with other partners, and its service delivery.



Councillor Ross Mackinnon

Executive Portfolio Holder for Finance & Economic Development.

Part A – Context and objectives



2. Context and Objectives

The annual refresh (March 2021) of the Asset Management Strategy for 2019 to 2023 builds on and develops the existing strategy, builds on successes and embraces new initiatives which have emerged.

This Asset Management Strategy supports delivery of the Council's overarching vision, themes and priorities and forms part of the Capital Strategy 2021/22 to 2023/24.

2.1 Asset Strategy

This Asset Management Strategy seeks to convey both the context of the West Berkshire Council estate and the drivers and deliverables to ensure that Council assets are utilised to their optimum capability, both in delivering quality services and in economic terms.

The drivers, enablers and deliverables for the Strategy are discussed in more detail within this document but may be summarised as:

Drivers: Operational efficiency and effectiveness across the estate with financial efficiency, opportunity to generate income in accordance with related investment strategies, and alignment of the estate with other new or emerging council strategies such as the Housing Strategy 2020 – 2036 and Environment Strategy 2020 – 2030.

Enablers: To ensure an efficient estate, continuing to commit to maintaining the condition of assets through the capital programme, developing new income streams through the estate and new opportunities through the 'One Public Estate' programme, the wider Place Making activities, the devolution of assets to parish and town councils and potential for joint working with partners.

Deliverables: Actions to ensure the objectives of the strategy are achieved are to include, the review of the estate both operationally and financially through 'asset challenge' and to act on any opportunities which arise from it, to conduct condition surveys to drive the 'needs' based commitment to capital maintenance of our buildings, to consider the transfer of assets through the 'devolution', and the move toward the council acting as a Corporate Landlord.

2.2 Council Strategy

The Asset Management Strategy supports delivery of West Berkshire Council's overarching aims and objectives contained within the Council Strategy 2019 – 2023 'Building on our strengths'.

2.2.1 The Vision

The Council Strategy supports the West Berkshire Vision 2036 – which strives to achieve:

- A West Berkshire where everybody has what they need to fulfil their potential
- A West Berkshire with a housing mix with something for everyone
- A West Berkshire that welcomes business, enterprise and industry into a productive, growing and dynamic local economy
- A West Berkshire where the health and wellbeing of residents of all ages and backgrounds is good
- A West Berkshire with beautiful, historic and diverse landscapes and a strong cultural offering

The Council's vision is 'Working together to make West Berkshire an even greater place in which to live, work and learn'.

2.2.2 Our Themes

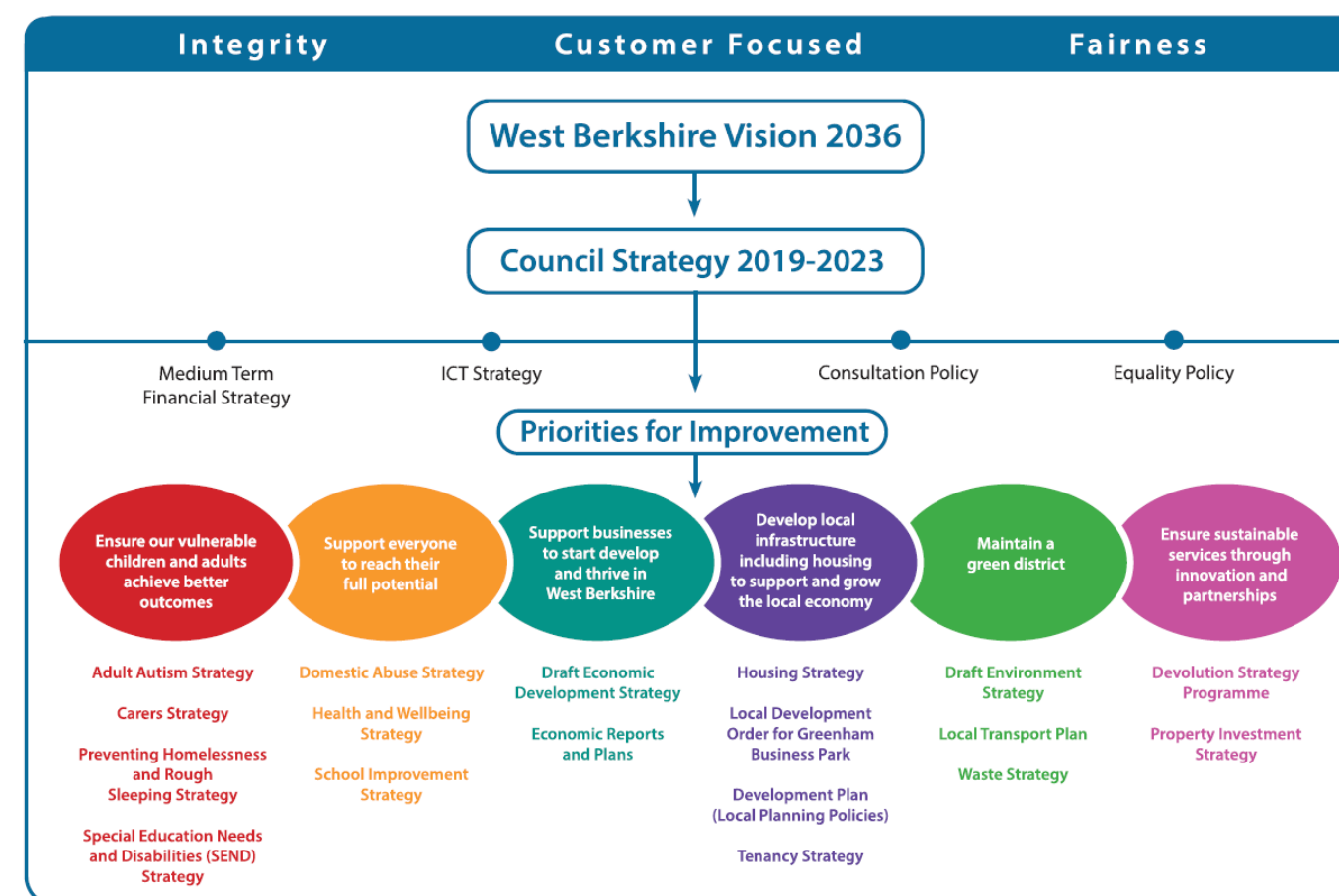
Four themes have been set to support this vision. These are:

- A. Great Place;
- B. Sustainable and Innovative Together;
- C. Protected and Cared for;
- D. Open for Business.

2.2.3 Our Priorities for Improvement

Six key priorities for improvement have been identified to achieve these themes and the overall vision of the council. These are:

- Ensure our vulnerable children and adults achieve better outcomes;
- Support everyone to reach their full potential;
- Support businesses to start, develop and thrive in West Berkshire;
- Develop local infrastructure including housing, to support and grow the local economy;
- Maintain a Green District;
- Ensure sustainable services through innovation and partnerships.



2.3 Council Strategies

The Asset Management Strategy sits within a suite of council strategies, and complements those strategies to achieve the visions within the West Berkshire Council Strategy 'Building on our Strengths' 2019 – 2023 as the primary document in conveying the Council's vision of 'Working together to make West Berkshire an even greater place in which to live, work and learn', which in turn achieves the objectives of The West Berkshire Vision 2036.

The following strategies are relevant to the Asset Management Strategy:

2.3.1 The Medium Term Financial Strategy (MTFS) 2021/22 to 2023/24

The Medium Term Financial Strategy (MTFS) is a rolling three year strategy which is built to ensure that the financial resources, both revenue and capital, are available to deliver the Council Strategy. The MTFS should be read in conjunction with the Revenue Budget, Capital Programme, and the Investment and Borrowing Strategy reports.

The aim of the MTFS is to:

1. Allocate available resources focussing on those determined as most critical in supporting the Council's priorities and statutory responsibilities;
2. Ensure that capital investment is affordable; and
3. Ensure that the Council has sufficient levels of reserves.

2.3.2 The Capital Strategy 2021/22 -2023/24

provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

2.3.3 Economic Development Strategy 2019 - 2036

Supports the aims of the West Berkshire Vision 2036 and focuses on people, places, infrastructure and business environment with the key theme throughout that West Berkshire is 'open for business';

2.3.4 Environment Strategy 2020 – 2030

West Berkshire Council has developed an Environment Strategy in response to its declaration of a Climate Emergency in July 2019. The Strategy details the different ways the council, with the help of the local community and businesses, can contribute towards tackling the climate crisis and achieving carbon neutrality by 2030.

2.3.5 Housing Strategy 2020 – 2036

Sets out the vision for the period to 2036 for Housing in West Berkshire in support of the West Berkshire Vision 2036, concentrating on economic growth, housing solutions for all residents, health and wellbeing, independence, and reduced carbon.

This will be delivered through a range of plans which will seek to address housing issues including, reducing homelessness and rough sleeping, affordable housing, empty homes, housing allocations, and gypsy and traveller needs.

2.3.6 Local Plan to 2036 (DRAFT)

The Local Plan sets out the strategic priorities for development of the area and covers housing, commercial, public and private development, including transport infrastructure, along with the protection for the local environment. The Local Plan plans positively for the development and infrastructure communities need, setting out the strategic priorities for the area.

2.3.7 Property Investment Strategy 2021

The Property Investment Strategy was first adopted by the Council in May 2017 and is refreshed annually, with latest revision March 2021.

The council has invested approximately £62m of capital in commercial properties, which brings long term revenue income streams to the council to supports its operational services.

The revised strategy seeks to retain the invested portfolio, manage the assets through individual asset management plans, to ensure the long term income as well as preserve the lease and freehold values of the assets.

2.4 Drivers for change/objectives

In supporting both the Council Strategy and Capital Strategy the performance of assets is important to enable:

1. Financial efficiency, budget reduction, generating income, and capital release;
2. Efficient and effective service use of operational buildings;
3. Better coordinated and shared public service delivery points;
4. Improved procurement;
5. Greater community involvement in local services;
6. Energy sustainability standards;
7. Improved staff productivity, retention and recruitment.

2.5 Enablers

2.5.1 *Transforming the estate to create efficiencies.* Intended to ensure services are making most efficient and cost effective use of both operational and corporate assets to deliver services. This will enable potential rationalisation, cost reduction and asset release;

2.5.2 *Asset based long term income streams.* To continue to manage the commercial investment property, through the Property Investment Strategy, and wider asset investment opportunities which align with council strategies;

2.5.3 *Maintaining the quality of our public and corporate buildings.* Through the prioritised allocation of both revenue and capital maintenance budgets across the estate to address condition based repairs. This will ensure assets continue to be fit for purpose and provide a high quality environment for occupants and visitors;

2.5.4 *Supporting communities to do more for themselves.* Working with Town and Parish Councils to establish assets which would benefit from 'devolution';

2.5.5 **Public sector partnering.** Through working with other public sector organisations (other Berkshire LA's, NHS, fire brigade and police) within the 'One Public Estate' environment and 'Place Shaping' to seek shared financial benefits through best use of assets, and to take opportunities to benefit from available grants;

2.5.6 **Supporting regeneration.** Through the support of significant infrastructure and regeneration projects such as the redevelopment of the London Road Industrial Estate and the Newbury Town Centre master planning.

2.5.7 **Joint working to deliver affordable housing.** Working jointly with Sovereign Housing Association, through a Joint Venture to bring forward affordable housing

2.6 Action Plan/deliverables

Action plan for the deliverables proposed to ensure West Berkshire Council achieves the outcomes necessary to achieve its aims and objectives are summarised as:

- 1. Asset Management Strategy, minor update annually, and refresh in line with Council Strategy;
- 2. The Asset Management Strategy is to help inform the Capital Programme to assist with the annual refresh of the programme;
- 3. To bring up to date and then maintain assets data on the Property Database;
- 4. To assist the operational Services to refresh the Service Plans and Asset Management Plans which come from them;
- 5. To establish, set against the service requirements, the efficiency of both the corporate buildings and operational buildings, giving regard to space utilisation and cost when benchmarked against alternative accommodation;
- 6. To review all land/built assets through an 'asset challenge' process;
- 7. To carry out a rolling programme of condition surveys of all assets and offer an annual refresh of prioritised 'condition' based works within the capital programme;
- 8. To agree and progress actions coming from the One Public Estate partnership;
- 9. To work toward the implementation of WBC as a 'corporate landlord';
- 10. To work to promote and develop opportunities for the transfer of assets to the community, including through the 'devolution' programme. Appendix D offers detail on the asset transfer process;
- 11. To represent WBC as landowner in any opportunities related to the joint venture between West Berkshire Council and Sovereign Housing Association;
- 12. To manage the commercial property portfolio in accordance with the Property Investment Strategy;
- 13. To act for WBC in emerging wider asset investment opportunities, aligning with emerging new strategies (Environment Strategy and Housing Strategy).

Additionally the following section 'Approach to Asset Management' offers detailed information on the elements summarised in this section.

2.7 'Plan on a Page'

The manner in which West Berkshire Council carries out its approach to Asset Management is summarised in the following 'Plan on a Page' offering a single visual representation of the strategy.

Asset Management Strategy 2020 to 2023 'Plan on a Page'		
Key Principles:		
<div><div>1. The operational estate is an enabler, not driver of the service delivery;</div><div>2. The commercial estate will achieve revenue income streams to benefit council services;</div><div>3. We will ensure the estate is fit for purpose and maintained in good condition;</div><div>4. We will make efficient and effective use of the estate;</div><div>5. We will maximise value for money from the estate;</div><div>6. We will seek to implement a Corporate Landlord model for the management of the estate;</div><div>7. We will explore the potential for flexible and shared use of the estate for the public benefit.</div></div>		
Overview and context:		Action Plan/ Deliverables:
<div><div>▪ WBC owns and operates from 385 built or land assets;</div><div>▪ Assets include schools, leisure centres, residential and car parks;</div><div>▪ A significant number of assets are owned freehold, but leasehold ownership is in place for some assets;</div><div>▪ Affordable housing stock in West Berkshire is primarily held by Housing Associations but WBC retains ownership of emergency accommodation, DIY shared ownership (DIYSO) and caretaker properties.</div></div>		<div><div>1) Review the Asset Management Strategy annually, with major refresh every four years;</div><div>2) Asset Management Strategy is to inform and contribute to the Council Strategy;</div><div>3) To record and maintain property data on the Asset Management database;</div><div>4) To review the corporate estate to ensure efficient and economic utilisation;</div><div>5) To review the Operational Service Plans and assess efficient utilisation of the estate;</div><div>6) To assess the operating cost of operational and corporate buildings against benchmarks;</div><div>7) To invest capital funds to ensure the condition of the estate is maintained in suitable condition;</div><div>8) To continue to progress opportunities through the One Public Estate forum;</div><div>9) Joint Venture working with Sovereign Housing Association;</div><div>10) To management the commercial property portfolio in accordance with the Property Investment Strategy.</div></div>
Drivers:		
<div><div>A. Improved public services;</div><div>B. Financial efficiency, income generation, budget reduction and capital receipts;</div><div>C. Greater community involvement in local services;</div><div>D. Improved staff productivity, retention and recruitment.</div></div>		
Enablers:		
<div><div>a) Berkshire 'One Public Estate' initiative;</div><div>b) The potential for 'Devolution' of assets to Town and Parish Councils;</div><div>c) Joint working with Housing Associations for the delivery of affordable housing;</div><div>d) The capital investment in our estate.</div></div>		

Part B – Approach to Asset Management



3. Approach to Asset Management

3.1 The estate

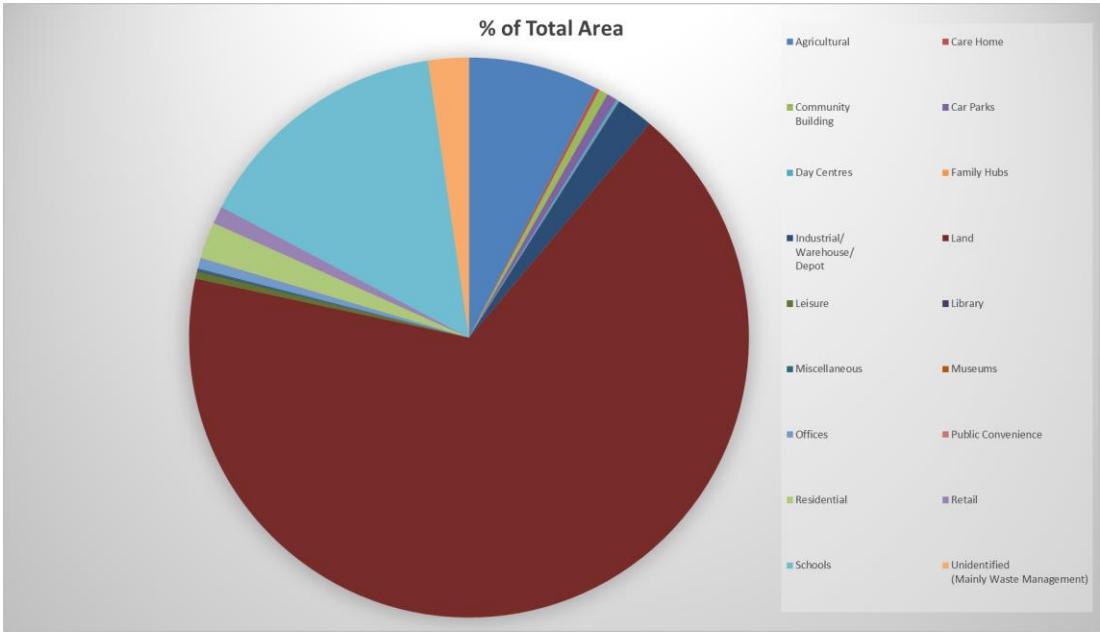
West Berkshire Council owns a substantial and diverse property and land estate, both held in urban and rural locations. Properties are held primarily for the delivery of frontline public services or generally to support the key objectives of the Council whether directly or indirectly.

The diverse portfolio includes not just schools, family hubs, libraries, care homes, museums, leisure centres, waste recycling centres but also commercial property let to other organisations bringing revenue income which directly contributes to the Council’s service delivery, and farms let to tenant farmers.

A significant amount of the land assets either are registered as common land, public open space or are let to other tiers of local government such as town councils and parish councils.

The affordable housing stock in West Berkshire is primarily held by Housing Associations, mainly Sovereign Housing but West Berkshire Council retains ownership of residential emergency accommodation and do it yourself shared ownership (DIYSO) properties as well as caretakers properties for its schools.

The following represents how the asset ownership of the council is shared:

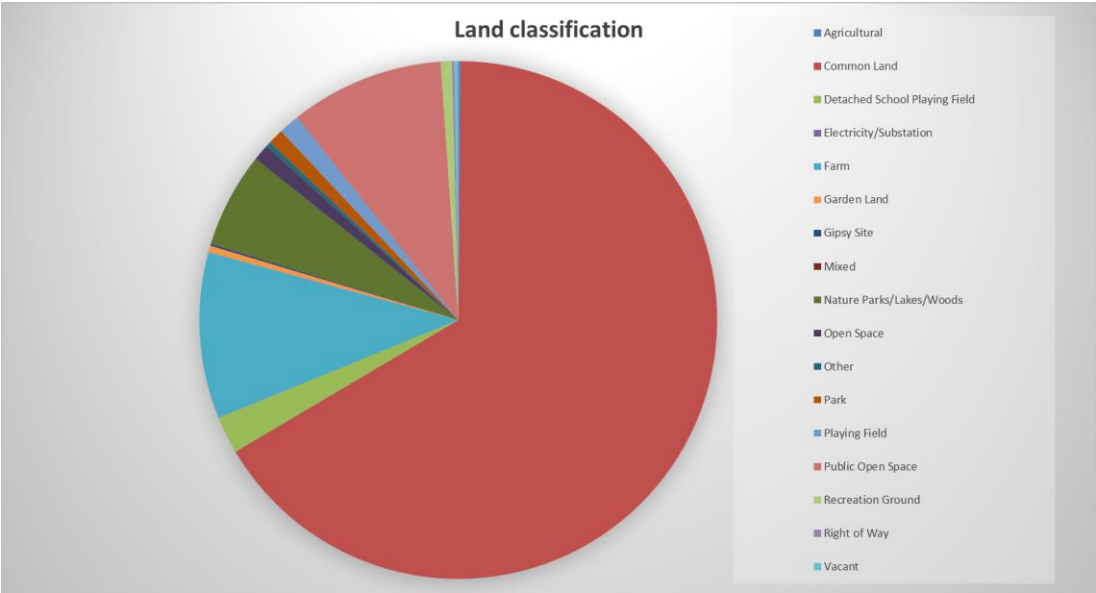


Land 67.2%	Agriculture 7.5%	Schools 14.9%	Care homes 0.2%
Community bldg 0.5%	Car parks 0.6%	Day centres 0.1%	*Family hubs 0.1%
Warehouse/ind 2.1%	Leisure 0.4%	Libraries 0.7%	Misc 0.1%
*Museums 0.1%	Offices 0.6%	*Public conv' 0.1%	Residential 2.1%
Retail 1.0%	Waste management 1.7%		

* Nominal – rounded up to 0.1%

3.2 Land use/classification

A significant amount of the land/property assets of the council is comprised of land/agriculture, largely open and undeveloped. The following shows how this land is classified.



Common land 66.3%	Farm land 10.4%	Public open space 9.6%	Parks/lakes/woods 5.9%
Open space 1.0%	Garden 0.4%	Agriculture 0.1%	Detached schl field 2.3%
*Elec/sub-stn 0.1%	Gypsy 0.1%	Playing field 1.3%	Recreation ground 0.7%
Right of way 0.2%	Park 1.0%	Vacant 0.2%	*Mixed 0.1%
'other' 0.3%			

* Nominal – rounded up to 0.1%

3.3 The decision making process

3.3.1 Roles and responsibilities

To successfully deliver the strategy, through its asset plans, this requires clear roles and responsibilities within the organisation and support from across West Berkshire Council.

Senior Management

The Chief Executive Officer and Executive Directors are to lead on the overall organisational culture for asset management and drive the links between the asset management strategy and the organisational objectives.

The Executive Director for Resources is to be responsible for leading asset management decision making at ‘board’ level, principally Asset Management Group and Capital Strategy Group.

Operational Directors/Heads of Service

Heads of Service are to be the link with the operational business of the Services and form linkages between the Service Asset Management Plans and the Strategy.

Asset Management Lead

The Service Manager for the Property Team is to act as the lead officer for asset management and property matters, both in terms of the planned activities and links with the Services.

Portfolio Holder for Property and Assets

The Executive Portfolio Member for Property is to act as the key contact for and link between the asset management process and the Executive Members.

This will include close involvement in asset management decisions through governance forums. The Property Services Manager is responsible for keeping the Portfolio Holder informed of key aspects of the asset management functions and key decisions required.

3.3.2 Asset Management Group (AMG)

The Asset Management Group (AMG) is the key forum on matters related to the management of the Council's assets. AMG considers and offers recommendation to the Council in its formal decision making.

The group is formed from both Officers from across the organisation and elected Executive Members.

Membership and Terms of Reference for the Asset Management Group is shown in appendix A.

3.3.3 Capital Strategy Group

The Asset Management Group is a subordinate group to the Capital Strategy Group (CSG). CSG ensures the Council's capital strategy is being well managed and that the key objectives of the capital strategy are being met, these being:

- Enable the Council's assets and systems to be maintained and improved, to enable the effective and efficient delivery of the Council's key priorities as set out in the Council Strategy 2021/22 to 2023/24;
- To ensure that capital investment is affordable within the terms of the Medium Term Financial Strategy (MTFS);
- To target funding at Council priorities, within available resources, in particular to maintain and improve the highways network and schools and to improve the efficiency of Council services through investment in ICT.
- The direction of the organisation through its Asset Management Strategy and associated Service Plans and decisions of the Asset Management Group has a direct influence on the direction of the capital programme.

3.3.4 Other asset management forums

A number of other forums exist for the management of specific asset related activities. These are:

- Corporate Programme Board
- Devolution – Officer liaison group
- Accommodation Group
- Working groups for specific projects
- One Public Estate
- Place Making Group

Each of these groups has the potential to make proposals which relate to or impact the asset management of the Council and proposals made by these groups are to be referred to the Asset Management Group for discussion and where necessary decision.

The route for decisions related to property assets is shown in appendix B.

3.3.5 Decision making and the council constitution

All decisions made by the Asset Management Group are required to be within the decision making cycle of the Council's Constitution.

This is particularly relevant when considering either acquisition or disposal of an asset (whether freehold or leasehold).

'Part 3 - Scheme of Delegation' is particularly relevant which gives authority to Heads of Service to make decisions (within thresholds) on matters relating to borrowing of capital, housing and the purchase and sale of land and property.

For decisions which fall outside of the delegated authority thresholds any decision made by the Asset Management Group related to the acquisition or disposal of an asset will require final approval by the Council's Executive.

3.4 The Property Services Team

West Berkshire Council's Property Services Team is an internally resourced team of property professionals. The team is responsible for a range of property based services. These are:

- Strategic Asset Management (including asset data management);
- Property based Technical Compliance (eg – asbestos, legionella and fire);
- Maintenance surveying support for corporate buildings;
- Facilities Management (of the main corporate office buildings);
- Project Management of capital construction projects and capital maintenance projects;
- Health and Safety Services.

Each of the different elements of the Property Services Team's role contribute to the overall asset management strategy.

The Property Services Team works closely with other internal teams in delivering its services, including Planning, Building Control and Legal Services.

The Property Services Team is responsible for the Asset Management Strategy as well as delivering the projects which are formed from it.

A copy of the Property Services team structure chart is attached in appendix C.

3.5 Asset data management

The management of data forms an important part of the overall management of the estate and its assets. The volume of data can be considerable.

3.5.1 The Property Services Team is responsible for the data collection and recording for the Council and this system is used to:

- Support the continuous management and maintenance of the property assets;
- To satisfy statutory and other external reporting;
- To maintain an accurate and complete asset register.

3.5.2 The property database records the following key information:

- Unique Property reference Number
- Site address
- Site ownership status
- Size of the site
- Building scale
- Lease information

3.5.3 Collaboration with Services is also key to maintaining accurate data and close communication is required between those managing the operational estate and the Property Services Team managing the data.

3.6 Asset priorities

3.6.1 In achieving the outcomes expected of the Asset Management Strategy and the corporate objectives it helps deliver, there are a number of Council priorities that drive the best use of a given asset.

It can be the case that when deciding the best approach for a site, that these priorities compete for the asset, and it is key that the Asset Management Group considers all of the available options on a site by site basis, but giving regard to the organisations overall objectives.

3.6.2 When deciding on the best approach for any asset, the following priorities exist:

- Retain for the operational use of a Service;
- Retain for Corporate Services;
- Re-assign/redevelop for purposes of revenue income;
- Allocate for redevelopment of affordable housing (including through available Joint Venture housing agreements);
- Transfer the asset (community transfer or devolution);
- Dispose of for capital receipt.

3.7 Reviewing the estate

3.7.1 To ensure the estate is being managed most effectively, the process of reviewing the estate and its assets is a continuous one, by way of 'asset challenge'.

3.7.2 Reviewing the estate is driven by a number of factors:

1. The up to date provision of Operational Service Plans;
2. The outcomes from activities such as One Public Estate and Joint ventures;
3. The outcomes of asset transfers through the devolution process;
4. Changes in legislation relevant to assets.

3.7.3 In property terms the assets require to be assessed in performance terms on a regular basis against the following criteria:

- The cost performance of the building (revenue and capital) as a comparison with other buildings and industry benchmarks;
- Space usage and efficiency of use;
- Surplus space.

As well as the quantitative measures, the review will also give consideration to whether the asset is achieving the objectives of the Service, the customer, and operational demands.

To react to changes over time, the Asset Management Strategy itself and the plans formed under it will be reviewed.

3.8 Asset disposal

3.8.1 The disposal of an asset is one of a number of criteria for assessing an asset and normally disposal of an asset will be on the basis that the asset is surplus.

3.8.2 Any disposal of an asset will be formed on the basis that:

- An assessment of other available opportunities has been completed;
- The asset disposal has received the approval of Asset Management Group;
- Approval has been received either by Delegated Authority or from WBC Executive in accordance with WBC Constitution;
- The disposal demonstrates 'best consideration' or has received approval in accordance with General Disposal Consent 2003 at a value below best consideration.

3.8.3 The review of assets through continuous assessment with operational services, will identify assets which potentially are surplus and available for consideration for disposal.

3.9 Working in partnership

The Council has strong links with a number of organisations both with other Berkshire Unitary Authorities through shared services and external organisations, including community groups and charities, all helping to deliver high quality public services.

This partnership approach is being developed to ensure that the public assets owned by West Berkshire Council with wider assets held within Berkshire are being managed effectively.

3.9.1 One Public Estate

One Public Estate (OPE) is an established national programme delivered in partnership by the Cabinet Office Government Property Unit (GPU) and the Local Government Association (LGA). It provides practical and technical support and funding to councils to deliver ambitious property-focused programmes in collaboration with central government and other public sector partners.

OPE partnerships across the country have shown the value of working together across the public sector and taking a strategic approach to asset management. At its heart, the programme is about getting more from our collective assets - whether that's catalysing major service transformation such as health and social care integration and benefits reform; unlocking land for new homes and commercial space; or creating new opportunities to save on running costs or generate income. This is encompassed in three core objectives:

1. creating economic growth (new homes and jobs)
2. delivering more integrated, customer-focused services
3. Generating efficiencies, through capital receipts and reduced running costs.

West Berkshire Council is working with all of the Berkshire Unitary Authorities as well as Thames Valley Police, the Royal Berkshire Fire and Rescue Service and the NHS Estate in recognition of the opportunities presented through the OPE environment.

Acting as the Berkshire Property Partnership, West Berkshire Council and its partners has been successful in obtaining £500,000 of OPE funding to develop projects and continues to promote Berkshire wide projects through bidding to ongoing rounds of both One Public Estate and Land Release Fund opportunities.

3.9.2 Place making

We are aiming for high quality place-making to support clean and inclusive growth. Our ambition is to protect and enhance our distinctive West Berkshire quality of place, to improve quality of life for our residents and attract and retain those investors, entrepreneurs, skilled workers and visitors who will contribute to future economic growth.

Our aim is for a holistic approach to place that enables inclusive and sustainable growth; a better understanding of the relationship between investment in place and economic performance; development of our environmental assets; attracting inward investment; improving place competitiveness; coordinating activity and strategic funding.

It is clear from recent round table discussions hosted by Thames Valley LEP and from the National Infrastructure Strategy that central government focus on investment is now shifting, with green recovery, decarbonisation and digital at the forefront.

The newly formed West Berkshire Place Making Group has defined specific areas for Place investment aligning to those set out by the TV LEP.

Five areas of 'Place' infrastructure development are proposed:

- Digital Connectivity
- Green Energy and Infrastructure
- Sustainable and Connected Transport
- Economic Recovery
- Skills, Innovation & Human Capital

3.9.3

West Berkshire Council is already operating successful shared services with other local authorities across some of its services including Building Control Solutions (in partnership with Wokingham Borough Council and Royal Borough of Windsor and Maidenhead) and Public Protection Services (in partnership with Bracknell Forest District Council and Wokingham Borough Council).

3.9.4 Asset Transfer and Devolution

West Berkshire Council is working with Community Groups, Parish and Town Councils to help maintain or improve services, which can include best use of property and land assets.

The Council's discretionary powers are now supported by statutory backing, to enable the transfer of its building assets to community groups and town and parish councils.

West Berkshire Council gives consideration to transferring assets through two routes:

1. *Community Asset Transfer Policy*

Community Asset Transfer is the transfer of the Council's land and buildings to community and voluntary organisations at less than best consideration, normally on a leasehold arrangement.

The purpose of the policy is to set out a framework to show how West Berkshire Council will consider requests from the community and voluntary sector to use the Council's land and buildings.

2. *Devolution transfer*

A devolution prospectus has been developed by WBC for the devolution of services and assets.

Devolution is about devolving, primarily to Town and Parish Councils, services and assets which the community feel would add value locally.

Devolution does not include statutory services, it is about those services which the Council has had to reduce or stop altogether and which local communities feel should be delivered at the most appropriate level of government.

As part of the Devolution agenda, a Parish Portal has been developed. This Portal provides Parish and Town Councils with a range of information to support both service and asset transfers.

Summary of the process is attached in appendix **D**.

3.9.5 Joint ventures

West Berkshire Council has a strong working relationship with Sovereign Housing Association (SHA) as the largest social housing provider in West Berkshire. To further develop the provision of affordable housing the Council has formed a joint venture partnership with SHA with the key aim of developing affordable housing.

Part C – Services and the Corporate Estate



4. Operational Services

4.1 Key services

Public services are delivered through a range of distinct Services, some services which rely on the estate to enable them to deliver their service and others which rely only on the corporate offices.

1. Adult Social Care
2. Children and Family Services
3. Education Service
4. Development and Planning
5. Public Protection and Culture
6. Environment

4.2 Other services

In addition to the key operational services which have a direct requirement for assets, further services exist within the Council which do not have wider asset requirements, other than the use of the corporate offices. These are:

1. Commissioning
2. Customer Services and ICT
3. Finance and Property
4. Strategy and Governance
5. Public Health and Wellbeing

4.3 Service Plans and Asset Management Plans

Each Service will conduct its business through Service Plans, offering an expected operational direction for the ongoing and future business of the Service.

Such operational service plans will in turn drive the creation of an Asset Management Plan specific to each Service which relies upon the estate to conduct its business. In some cases this will simply rely upon the corporate offices to deliver services and in other cases requires a specific suite of building assets to deliver the services.

5. Corporate Strategies

5.1 Delivering the Capital Programme

- 5.1.1 A significant amount of the capital programme is delivered by the transport and Countryside Service for the highways improvement programme. The Property Services team manages construction projects for the built asset environment, formed principally from the Education capital programme and capital maintenance.

- 5.1.2 Projects are managed using a formal Project Management Methodology (PMM) based on industry accepted Prince2 process methodology. This offers consistency of method and best opportunity for a positive outcome.

The management of projects is supported by the use of the appointment of external specialist consultants, such as architects, cost consultants, services engineers and health & safety specialists.

- 5.1.3 The appointment of external consultants and contractors is conducted in accordance with public sector procurement legislation and the West Berkshire Council constitution. This can be by way of open tendering or through the use of public sector frameworks.

- 5.1.4 Governance of capital projects is carried out through Project Boards which monitor performance of individual projects and the progress of all projects on the capital programme is monitored by the Capital Strategy Group to ensure spend is being directed in a timely fashion.

5.2 Maintaining the estate

The built asset environment can be expressed in terms of the education estate and the non-education or corporate estate.

- 5.2.1 In the case of schools, the Education Service conducts needs based assessments of sufficiency, suitability and condition. The Education Service continues to be successful in achieving capital grant allocations to address capital maintenance in schools.
- 5.2.2 Additionally a number of successful bids has resulted in significant condition issues in some schools being addressed through the Priority Schools Building Programme 2.
- 5.2.3 For the non-education estate, conditions surveys of all council owned buildings drives the basis for capital maintenance funding, which is distributed to the Services accordingly.

5.3 Corporate Offices

5.3.1 Introduction and objectives

The council has adopted a Mobile and Flexible Working Policy ('Timelord'), which aims to reduce accommodation costs, reduce time for employees spent travelling, and improve face-to-face time for our customers. Employees are provided with the technology to work from the office, at home or from other locations.

This working practice was adopted following a successful project to implement new flexible working practices to offer the benefits:

1. For West Berkshire Council
 - Increased productivity for flexible staff
 - Reduced travel and expense
 - Reduced office foot print
 - Savings in revenue and capital costs

2. For customer
 - Increased face to face advisory time available
 - Quicker and easier for customers to contact WBC staff
3. For staff
 - Improved staff satisfaction
 - Reduced travel time and cost
 - Improved work/home life balance
 - Reduced stress and sickness

The flexible working policy has enabled the council to reduce its office footprint by approximately 30% from the pre-project baseline.

The core corporate buildings the council operates from are Market Street (Newbury), West Street House (Newbury) West Point (Newbury) and Turnhams Green (Calcot).

5.3.2 Strategy for delivery

- The flexible working policy has been operating for some time now and has settled into being 'business as usual'
- The continued efficient use of the corporate office space is monitored through an Accommodation Group, which examines space requirements
- With the change to working practices as a consequence of Covid-19 during 2020 being the requirement for more home working wherever possible, this has lead to further consideration regarding the long term corporate office requirement. Consultation with staff has commenced and a working group is examining the potential for future changes to the flexible working system.
- Exploring opportunities for service partners to benefit from using council office space to deliver services benefitting the people of West Berkshire.

5.4 The devolved estate and Corporate Landlord

- 5.4.1 West Berkshire Council's current model for the management of its operational estate is based on a devolved method of management, with operational services responsible for the revenue and capital maintenance, budget management and health and safety management of the buildings within their service.
- 5.4.2 Following consultation with and guidance from The Chartered Institute of Public Finance and Accountancy (CIPFA), WBC will, over the period of this Asset Management Strategy 2020 to 2023 be migrating its estate to be a Corporate Landlord model.
- 5.4.3 This will identify services within the council which will benefit from centralised control of all estate functions, bringing them within the management of the Property Services team. This will offer a single point of responsibility, and improve prioritisation of budgets across the estate.

5.5 Commercial property

- 5.5.1 Traditionally local authority property acquisition has been for the direct purpose of operational delivery of services. West Berkshire Council's property estate largely comprises properties necessary to deliver public services and has a reasonably small commercial property portfolio located on the London Road Industrial Estate in Newbury and the Kennet Enterprise Centre in Hungerford.
- 5.5.2 However increasing financial pressures combined with significantly reduced resources meant that West Berkshire Council needed to consider the potential opportunities available to it to generate new revenue income streams.
- 5.5.3 On 09th May 2017 the Council approved as an addendum to the Treasury Management Strategy for financial year 2017/18 a Property Investment Strategy to invest capital funds for the purchase of commercial property.
- 5.5.4 The Property Investment Strategy is reviewed annually as part of the Capital Strategy with current review March 2021.
- 5.5.5 The council has spent a total of approximately £62m on commercial property, across a number of sectors including offices, industrial and retail. This has created a diverse commercial property portfolio to protect the rental income.
- 5.5.6 It is proposed to manage the portfolio in its current form, by creating individual asset management plans, to ensure long term rental income, and where required capital investment in the current assets to protect or enhance both the lease value and capital value of the assets.



Appendix A – Asset Management Group, terms of reference

Purpose:	To convey the terms of reference and role of the Asset Management Group and business/expected outcomes for 2019/2020.
Author:	Richard Turner Property Services Manager
1	Purpose/objective of the group
1.1	<p>To ensure that the strategic asset management of the council's land and built assets is adequately managed included but not limited to:</p> <ol style="list-style-type: none"> 1. Senior Officer and Member oversight of asset decisions; 2. That decisions align with wider political and strategic direction; 3. Cohesive direction for the council's assets; 4. The effective and efficient utilisation of the council's land/built assets.
2	Reporting and Accountability
2.1	AMG does not in itself act as a formal decision making forum within the Constitution of West Berkshire Council, but acts as a significant forum for ensuring adequate control, debate and influence on matters related to strategic asset management of the Council's land and built assets to better inform the decisions of the council.
2.2	AMG is a sub-ordinate group to the Capital Strategy Group (CSG) and reports key strategic issues in to CSG, especially where such issues impact on or have the potential to impact or influence the Capital Strategy or capital programme within it.
2.3	<p>AMG is to receive, consider and make recommendation on reports which relate to a land or building asset proposal which requires formal decision through the corporate cycle.</p> <p>AMG is to have first sight of such reports prior to the reports consideration at any formal governance cycles, including:</p> <ul style="list-style-type: none"> • Corporate Board • Operations Board • Strategy Board • Executive • Council
2.4	Reporting to AMG is overseen by the Property Services team within the council, with individual proposals reported by operational services where the proposal relates to an asset within a specific service.

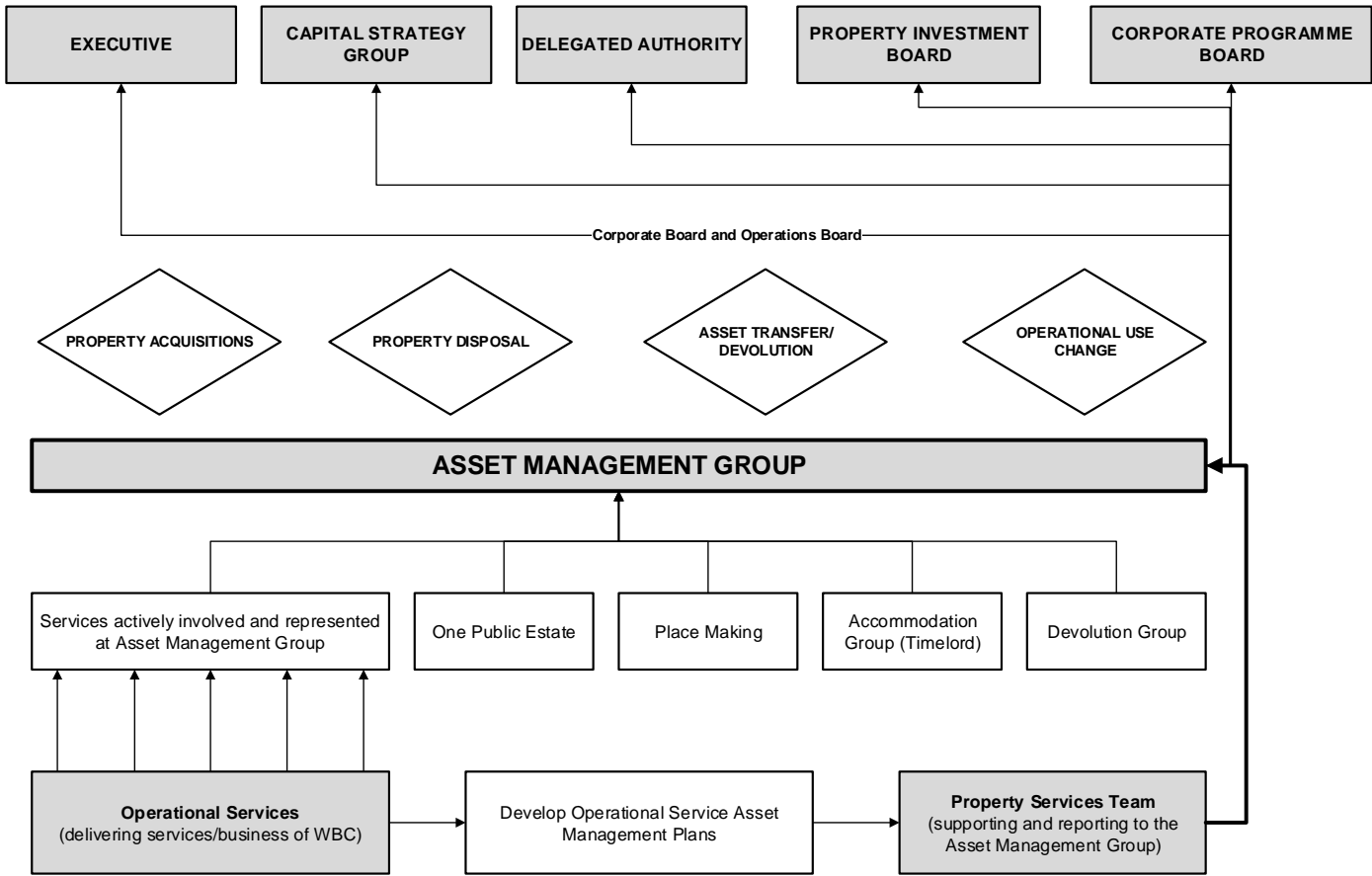
3	Key objectives
3.1	To receive regular reports on the status and progress of key strategic land and property asset decisions.
3.2	To receive regular reports on land/property assets which are or have the potential to become surplus to operational use by the council.
3.3	<p>To receive individual reports ahead of them advancing through the corporate cycle, (in accordance with the WBC constitution) recommending decision which relates to or impacts on a land or built asset.</p> <p>This will normally relate to the acquisition, disposal, lease in or out, or transfer of an asset.</p>
3.4	<p>In circumstances where a decision relating to or impacting on a land/property asset is within the thresholds of Delegated Officer Authority, but is sufficient in nature for the Property Services Manager to wish to bring the subject to the attention of AMG for consideration.</p> <p>This will normally relate to the acquisition, disposal, lease in or out, or transfer of an asset.</p>
3.5	Receive updates on progress with the proposed transfer of land/property assets through the Devolution process.
3.6	<p>Receive individual reports as required on assets based initiatives both from within the council and nationally, including:</p> <ol style="list-style-type: none"> 1. One Public Estate; 2. Housing development; 3. Energy management initiatives; 4. Fire safety initiatives.
3.7	To complete an asset challenge process to review all assets within 18 months and ensure optimum use of assets.

4	Significant activities 2019/2020		
4.1	The following activities are expected to be of specific interest or significance to AMG in the period April 2019 to March 2020: 1. One Public Estate (shared service, corporate landlord); 2. Housing Development (feasibility of affordable housing development); 3. Joint Venture with Sovereign Housing Association; 4. WBDC Sites for inclusion on Local Plan; 5. Grazeley development.		
5	Routine management of AMG		
5.1	WBDC Property Services team is to manage the AMG in general terms including: 1. Keeping a forward plan of meetings; 2. Arranging attendance and apologies of all members and attendees; 3. Producing minutes with listed actions; 4. To prepare, collate and issue all reports and documents for AMG meetings.		
5.2	The Property Services Manager is to be lead reporting Officer for each AMG meeting, supplemented by reports from individual authors. The Property Services Manager is to keep the AMG Chairman and Executive Portfolio Holder informed of significant issues being brought to AMG, through pre-meetings and portfolio briefings.		
5.3	AMG is to meet with a frequency of approximately eight weekly (or approximately six times in a calendar year), depending on availability of those attending.		
6	Membership and attendance		
6.1	<u>Chairman</u> Joseph Holmes Executive Director Resources Directorate <u>Membership</u> Andy Walker Head of Finance and Property Resources Directorate Cllr. Ross Mackinnon Council Member for Bradfield and Executive Portfolio: 		

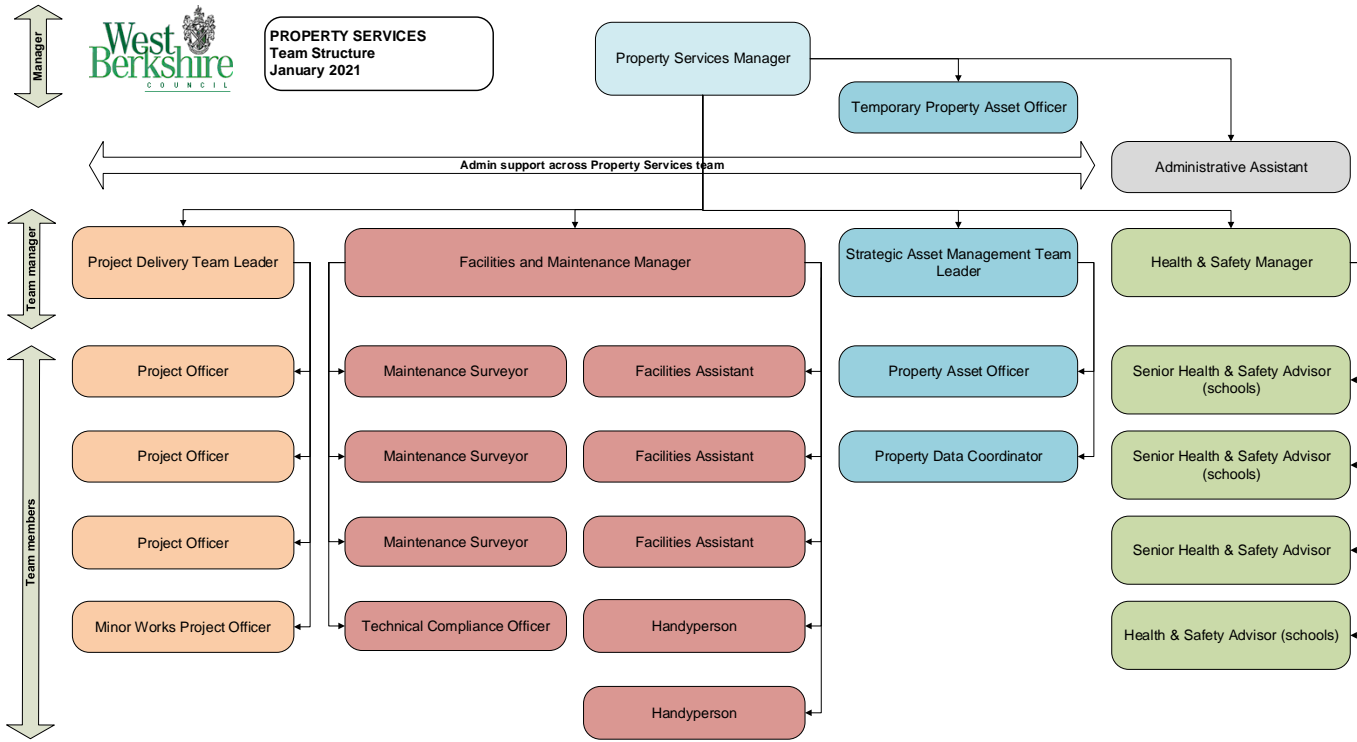
6.2	The following are WBC Officers with regular attendance, who either represents a significant involvement in the council's assets or offer technical support to the group.		
	Richard Turner	Property Services Manager	Property Services
	Ann McManners	Strategic Asset Management Team Leader	Property Services
	Colin Broughton	Strategic Asset Officer	Property Services
	Shiraz Sheikh	Interim Legal Services Manager	Legal Services
	Sarah Mitchell	Senior Accountant – Capital	Accountancy

6.3	Admin support and secretarial support including meeting forward plan arrangements and minute taking		
	Contact:	Sasha Lang	
	01635 519889	Sasha.Lang1@westberks.gov.uk	

Appendix B – Decision route for property assets



Appendix C – Property Services structure chart



Appendix D – Asset Transfer

Devolution

1.0 What is Devolution?

- 1.1 As part of the Council’s strategic priority of “Communities Helping Themselves” a devolution prospectus has been developed. The prospectus includes the transfer of services and assets.
- 1.2 Devolution is about devolving, primarily to Town and Parish Councils, services and assets which the community feel would add value locally.
- 1.3 Devolution does not include statutory services, it is about those services which the Council has had to reduce or stop altogether and which local communities feel should be delivered at the most appropriate level of government.
- 1.4 In relation to the transfer of assets, a formal decision making process has been established. This includes the Devolution Officers Group processing and vetting applications followed by the Asset Management Group and then through the normal Executive cycle.
- 1.5 As part of the Devolution agenda, a Parish Portal has been developed. This Portal provides Parish and Town Councils with a range of information to support both service and asset transfers.

Community Asset Transfer Policy

2.0 What is Community Asset Transfer?

- 2.1 Community Asset Transfer is the transfer of the Council’s land and buildings to community and voluntary organisations at less than best consideration, normally on a leasehold arrangement.
- 2.2 The policy will apply when either:
 - A community or other voluntary organisation approaches the Council to request the use of a Council property asset, or
 - The Council identifies an asset as being surplus to its requirements and is considering how best to dispose of it.

3.0 Purpose of the Policy

- 3.1 The Council has a disposal policy which is contained in the Asset Management Plan and the general presumption is that disposals will be on the open market for best price. Reference is made in the Asset Management Plan about disposals to not for profit organisations. This community and asset transfer policy is to give fuller guidance on how to achieve that.
- 3.2 The purpose of the policy is to set out a framework to show how West Berkshire Council will consider requests from the community and voluntary sector to use the Council’s land and buildings. It is also sets out the information that is required from the community and voluntary sector and the expectations for the transfer fulfilling the Council’s strategic objectives and to empower local communities.

4.0 National Policy Context

- 4.1 National Government has, for some time, encouraged local authorities to involve local people in the direct running of their communities and has produced legislation, such as the Local Government Public Involvement Act 2007 and the Localism Act 2011, to create strong communities and deliver better public services through a rebalancing of the relationship between local people and public bodies.
- 4.2 The Localism Act has introduced the concept of the Community Right to Bid. This process allows relevant bodies (e.g. Parish Councils and Community Groups) to ask for assets of community value to be listed. This effectively means that the asset cannot be sold until the relevant body has been given a chance to confirm that they wish to bid for the asset. If so they must also be given sufficient time to submit their bid. A separate process has been introduced to manage this requirement, although the properties and applicants involved are likely to be similar to those affected by the Community Asset Transfer Policy.

4.3 The Quirk Review undertaken in 2007 set out the benefits to local groups by the management or ownership of public property assets which, in turn leads to stronger communities. The Quirk review recognised that the voluntary and community groups would need assistance to understand the risks and rewards of community asset transfer.

5.0 Local Context and Links to Council Strategies

- 5.1 Working in partnership with the local voluntary sector should help the Council to achieve some of its own objectives such as those in the Council Strategy including to reshape the way cultural, countryside and other services are delivered, with significantly greater involvement from local communities, the voluntary sector and parish councils and seek to transfer assets and services where these can clearly be delivered more effectively.

6.0 Criteria for community asset requests

- 6.1 When considering requests for a community asset transfer the Council must bear in mind the following in relation to the affected property:
 - The need to raise capital receipts.
 - The loss of any income or opportunity costs.
 - Requirements for the property for direct service delivery by the Council.
 - The benefits to all parties by transferring the property.
 - That, where the property is needed to deliver a service, additional ongoing revenue costs are not incurred.
- 6.2 *The Property*
 - The property must be owned by the Council, either freehold or leasehold and be legally capable of being transferred.
 - It must be surplus to operational requirements.
 - The transfer of the property has been approved by the Asset Management Group.
 - The transfer will deliver a strategic or operational benefit to the Council.
- 6.3 *The Use*
 - The use will support the Council’s strategic priorities set out in the Council Strategy.
 - The property will be used for the benefit of the local community to enable local people to have access to services or facilities that meet their local needs.
 - The use will be inclusive of a wide and diverse range of people.
 - The use will deliver a demonstrable social, economic or environmental benefit to the local community.
 - The use is not already provided in the locality.
 - The use to be environmentally sustainable and Disability Discrimination Act compliant.

The Applicant

- Interested organisations must be community led with strong local links.
- Be properly constituted and be capable of being a legal entity.
- Not for profit.
- Be financially viable.
- Have good governance through open and accountable processes.
- Have the skills and capacity to deliver the service and manage the property.
- Have a well prepared business case.
- Have a track record of delivering similar projects either as an organisation or by way of key individuals within the organisation.

6.5 *Basis of transfer of property*

- Transfers will usually be on a leasehold basis. This makes it easier to limit the use for community benefit.
- Freehold will be considered if the applicant pays full market value.
- The applicant will be responsible for all management of the property including health and safety matters and all required surveys.
- The use is to be for community benefit and the organisation is to provide continuing evidence of a community benefit on a periodic basis.
- If planning consent is required then the applicant must obtain this.
- The applicant will be expected to meet all the running, maintenance and repair costs of the property.
- Collaboration and sharing of the property with other community or voluntary groups will be encouraged.
- The Council may be prepared to take back the property in cases where the transfer has been unsuccessful.

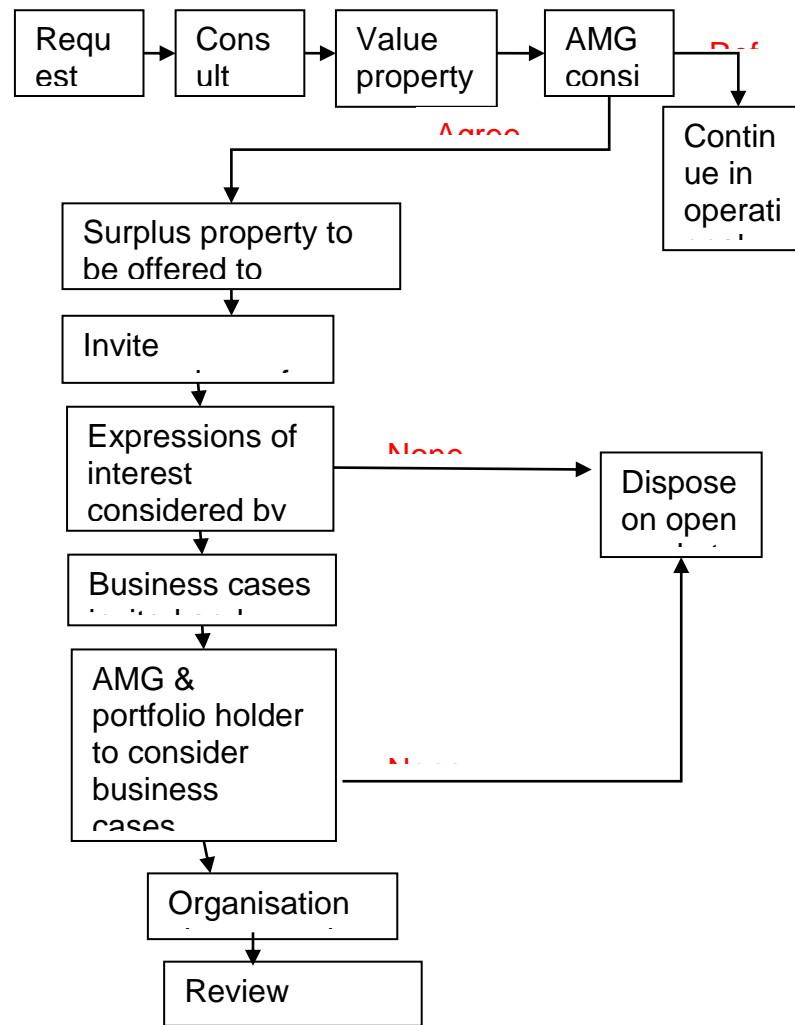
7.0 **The Community Asset Transfer Process**

- 7.1 A property asset is identified, either by WBC as being surplus to requirements or by a request by a community or voluntary organisation for a particular property. In the latter case the property may be operational so consultation will be required with the service to see if the property could be released from operational use.
- 7.2 Valuation undertaken bearing in mind that the transfer may be at less than best consideration.
- 7.3 Expressions of interest invited from suitable groups.
- 7.4 Expressions of interest appraised by Asset Management Group to include the relevant portfolio holder and recommendation to be made to Management Board.
- 7.5 Short listed groups requested to submit a business case for the transfer.
- 7.6 Business cases appraised by the Asset Management Group and relevant portfolio holder along with the option of an open market disposal. The assessment matrix shown later can be used to assist in the decision making process.
- 7.7 Decision recommended to Executive if outside the delegation of the Head of Legal Services.
- 7.8 Terms agreed with successful applicant and lease completed.
- 7.9 The timescale for applications will vary depending upon the complexity of the proposal, the number of applicants, the route it needs to take through the Council's governance structure and for the completion of the lease. However, applicants should be aware that the process could take 12 months.

- Proposed use and maintenance of the property.
- Details of the local needs that will be met by the proposal and how the benefits will be measured and reported on an annual basis.
- Details of any new jobs that might be created.
- Evidence of local consultation and that there is a demand and local support for the scheme.
- How the scheme fits in with the Council's strategic objectives.
- Evidence of the ability, skills and capacity of the organisation to run the proposed service, including governance details.
- Evidence of the scheme complying with equal opportunity, sustainability and health and safety requirements.
- Financial details of the organisation and how the scheme will be funded, at the outset and going forward.
- Project plan to show likely timescales to set up and fund the scheme.
- A risk assessment and contingency plan in the case that the scheme is not successful.

9.0 **Risks in Community Asset Transfer**

- 9.1 There is an element of risk in a community asset transfer and the potential risks are listed below. These will need to be considered in conjunction with any application.
- Organisation does not have the capacity or skills to take over the property and provide the service, or loses these at a later date.
 - Reliance on key personnel either within the organisation or at the Council, lack of succession planning.
 - Organisation cannot fund the proposed scheme either at the outset or at some time in the future.
 - Property is not used for community purposes or taken over by a minority interest.
 - Transfer contravenes State Aid or procurement regulations.
 - Confusion over roles and responsibilities between the Council and the organisation.
 - Objectives of the organisation are unclear and not aligned to Council objectives.
 - Scheme is not value for money.
 - Potential liability for Council if the scheme fails.
- 9.2 These risks can be reduced by the provision of clear legal documentation and a summary of expectations by each party at the outset.



Flexible Use of Capital Receipts Policy

In the Spending Review 2015, the Chancellor of the Exchequer announced that to support local authorities to deliver more efficient and sustainable services, the government will allow local authorities to spend up to 100% of their capital receipts on the revenue costs of transformation projects. Initially this flexibility on the use of capital receipts was limited to those receipts received between 1 April 2016 and 31 March 2019, however, this has been extended to March 2022 and is currently under further review.

Commencing in 2017/18 the Council has embarked on a major programme of transformation, covering a number of years, in pursuit of its strategic ambitions and priorities and in order to deliver financial sustainable services to residents in the long term. To deliver this transformation programme the Council has utilised the opportunity provided by government to flexibly utilise capital receipts (with the exception of receipts specifically ring-fenced for Educational purposes). A requirement of this flexibility is that the County Council approve a Flexible Use of Capital Receipts Strategy and individual business cases for their use.

Since 1 April 2017, the council has allocated £1.5 million of capital receipts to transformation projects alongside a further £703k of revenue funding (total funding allocation as at 1.4.2020). It is proposed that a further £965k of capital receipts are to be allocated to transformational projects over 2020/21 and the period of the Capital Strategy (2021/22 – 2023/24).

The table below details the projects that have been funded via the transformation programme and associated revenue savings and cost avoidance identified. In some cases there is a direct link between a project and the realisable financial benefit. In others, the project contributes to enabling the savings in other business cases or provide a wider benefit, which would not otherwise be realised.

Projects	Funding Agreed	Savings Identified	Cost Avoidance Identified
Emotional Health Academy	£5,570	£0	£0
Transport - Adult Social Care	£5,300	£0	£0
Invest to save - Family Hub transformation	£28,000	£0	£0
Invest to save posts in commissioning	£225,000	£67,800	£323,500
Invest to save post - Apprenticeship Coordinator	£74,000	£0	tbc
Shared service advice	£12,000	£0	£0
Invest to save - New Ways of Working project	£268,930	tbc	£0
Transport data reviewing officer extension	£2,700	£0	£0
Review of care packages	£150,000	£253,161	£0
Assistive Technology	£142,000	£52,794	£0
Emotional Health Academy	£11,000	£0	£0
Commercial Group 2 sales & marketing officers(2yrs) *2	£169,000	£0	£0
Extend fixed term post 1 yr re ASC	£40,700	£0	£0
Digital transformation Revs and Bens	£55,000	tbc	£0
Shared service advice	£16,000	£0	£0
Invest to save posts in commissioning	£42,000	£0	£0
Lottery start up	£13,000	£0	tbc
Commercial wellbeing	£27,500	£0	£0
Digital Transformation Project	£250,000	£51,000	£0
Clinical Specialist Occupational Therapist (double handed care revenue saving)	£108,000	£0	£103,503
Emotional Health Academy 0.5fte backfill to be offset by additional income	£14,500	£0	£0
Modernising Adult Social Care	£180,000	£0	£0
Project Manager for Housing Improvement Plan & IT system/Service Improvement Plan	£80,000	£0	£0
Corporate Programme Office - Principle Policy Officer	£49,000	£0	£0
Enterprise Resource Planning - Project Manager	£61,000	tbc	£0
Special Educational Needs Portal	£22,600	£0	£0
Timelord Phase 2	£30,000	tbc	£0
Libraries review/strategy	£22,000	£0	£0
Procurement specialist for sports facilities (football pitch)	£50,000	£0	£0
Roadmunk project prioritisation software	£6,000	£0	£0
Web Data Content Review Officer resource (contractor)	£45,000	£0	£0
Additional resourcing Strategic Support (Governance & Strategy)	£60,000	tbc	£0
Feasibility study for development of a housing company	£65,000	tbc	£0
Road Safety: SID training and create central supporting portal to remove single point of failure	£18,425	£0	£0
Totals	£2,349,225	£424,755	£427,003

Note: A number of schemes included in the table above have been funded from revenue contributions, an exercise is currently underway to review application of future funding and savings generation / cost avoidance potential.

The regulations on the flexible use of capital receipts require the Council to disclose the impact of the strategy on prudential indicators. The council's current capital programme has not sought the use of capital receipts received since 1 April 2017 as a source of funding for schemes. Therefore historically there has been no change to the Council's prudential indicators that are contained in the Treasury Management Strategy Statement. For the Capital Strategy 2021/22 – 2023/24, a significant element of the programme is proposed to be funded via the utilisation of capital receipts, therefore the proposed reallocation of receipts to transformation has been reflected within the indicators set out in the Council's Investment and Borrowing Strategy 2021/22.

Appendix F

Proposed CIL (Community Infrastructure Levy) Bids for inclusion in the Capital programme – 2021-22.

For the first time, the Council has set aside £500k to enable local community groups, town and parish Councils to bid for schemes that provide infrastructure to local communities. The bidding process and criteria were included on <https://info.westberks.gov.uk/cilbidding>

Bids were invited between £10k and £100k that will provide infrastructure.

Total bids of £810k were received with 29 different bids submitted. To enable the spending to be contained within the £500k level set, a group met to consider the bids and apply a threshold for successful bids. If members approve further funding for this scheme to continue in the future, this threshold will continue.

In total, 16 bids totaling £490k were approved for proposed inclusion in the Capital budget for the 2021-22 financial year. Some of the bids rejected did not meet the initial criteria, for example they were too small or were enable a pure 'like-for-like' replacement of infrastructure. Other schemes were suggest for inclusion within other elements of the capital programme where they would be more appropriate. The group would like to thank all of the bidders for their time in submitting bids in what was a very busy and relatively short timescale.

The list of successful bids is included in the table overleaf.

Summary of successful bids and CIL amounts are included in the table below.

Organisation/Group ▼	Project Title ▼	CIL Funding require ▼	CIL % of the project ▼
Gladstone Memorial Trust	Kintbury Village playground equipment enhancement	12,081	50%
West Ilsley Cricket Club 7 West Ilsley Recreation & Social Association	West Ilsley Community Cricket Nets Project	11,700	40%
1st Wash Common Scout Group	1st Wash Common New Scout Hall	100,000	17%
East Ilsley Parish Council	East Ilsley Pond Restoration	14,122	56%
Purley on Thames parish Council	Replacement of outdoor Gym equipment and enhancement of adjoining play equipment	16,955	50%
SUN Village Hall Trustees	Ensuring the Hall has a future	10,000	50%
1st Ufton Nerve Scout Group	The Spire - Ufton Nerve	68,032	51%
Inkpen Memorial Playing Field Trust	Sports & Community Equipment Storage Building	15,000	50%
Victory Room Trustees	Victory Room Refurbishment & Extension	15,045	5%
Pangbourne & District Tennis Club	Pangbourne Tennis Club New Courts Surface	12,000	54%
Tilehurst Parish Council	Provision of New Multi-Purpose Community Hub by refurbishing & repurposing a Building formerly used by Calcot Community Association	50,000	50%
Burghfield Parish Council	Burghfield Village hall	34,000	15%
Newbury Cricket Club	Newbury Cricket Club - Clubhouse re-development	36,812	19%
Hermitage Village Hall CIO Trustees	Hermitage Village hall - Smaller Hall completion	22,818	79%
Newbury Town Council	Promoting Active Travel to Newbury Town Centre	11,500	50%
Trustees of Bradfield Village Hall	The preparation of documents/drawings/technical design (RIBA Stage 4) to allow Trustees to go out to Tender for a New Village Hall, Playground, Multiuse Games Area and Site Improvements	59,700	50%
	TOTAL CIL REQUESTED	489,765	

Revenue Budget 2021-22

Committee considering report:	Executive on 11 February 2021 Council on 2 March 2021
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	28 January 2021
Report Author:	Melanie Ellis
Forward Plan Ref:	C3983

1. Purpose of the Report

- 1.1 The purpose of this paper is to consider and recommend to Council the 2021-22 Revenue Budget, which proposes a Council Tax requirement of £104.32m, requiring a Council Tax increase of 1.99%. The Council Tax increase will raise £2.04m. The Council is not proposing any use of the Adult Social Care precept and there will therefore not be any increase in the precept. The overall Council Tax increase is intended to balance the financial impact of the pandemic on residents, mitigating the financial pressures they face, as well as the cost pressures that the Council faces.
- 1.2 The budget details the investment for the year ahead to deliver the Council Strategy and support core Council Services. This includes investment in Adult Social Care, economic development and prevention work. The budget also allocates revenue funding to deliver the Capital Strategy (separate paper) that has a substantial amount of investment in infrastructure for the year ahead, including savings proposals, other income sources and £3.2m of support from Government for Covid-19 costs. The Council is proposing to support the budget with a £2.2m contribution from reserves; it is rare that the Council would use such a sizeable level of one-off support for the budget but the impact of the pandemic on the current year budget, allied to Government financial support, has led to an expected underspend in the current year that is being proposed to partially use to support the 2021-22 budget.
- 1.3 This report also proposes the Fees and Charges for 2021-22 as set out in Appendix F and the Parish Expenses as set out in Appendix G and recommends the level of General Reserves as set out in Appendix E.

2. Recommendations

The Council is recommended to resolve as follows – please note that for Executive, figures remain incomplete as figures are awaited from other preceptors:

- (1) That Council approves the 2021-22 Council Tax requirement of £104.32 million, requiring a Council Tax increase of 1.99% with a 0% increase in the Council Tax Precept ring-fenced for adult social care.
- (2) That the Fees and Charges are approved as set out in Appendix F and the appropriate statutory notices be placed where required.

- (3) That the Parish Expenses of £xxxx are approved as set out in Appendix G.
- (4) It is proposed to again provide a £150 reduction to Council Tax for claimants receiving Council Tax Reduction falling within a working age category during the 2021-22 financial year. Where the balance to pay for a working age claimant is less than £150, we will credit all the remaining liability through this hardship scheme. The remaining funding from the allocation of £838k will be utilised to support the Collection Fund and consideration of the further impact on the Council Tax Reduction Scheme as well as the overall Collection Fund.
- (5) That it be noted that the following amounts for the year 2021-22 in accordance with regulations made under Section 31B of the Local Government Finance Act 1992, as amended (by the Localism Act 2011):-
 - (a) 65,343.65 being the amount calculated by the Council, (Item T) in accordance with regulation 31B of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Localism Act 2011), as its council tax base for the year (the number of properties paying council tax).
 - (b) Part of the Council's area as per Appendix K being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which a Parish precept relates.
- (6) Calculate that the Council Tax requirement for the Council's own purposes for 2021-22 (excluding Parish precepts) is £xxxxxxx.
- (7) That the following amounts be now calculated by the Council for the year 2021-22 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992, amended by the Localism Act 2011:-
 - (a) £xxxxxxx being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2), (a) to (f) of the Act taking into account all precepts issued to it by Parish councils.
 - (b) £xxxxxxx being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3), (a) to (d) of the Act.
 - (c) £xxxxxxx being the amount by which the aggregate at 7(a) above, exceeds the aggregate at 7(b) above, calculated by the Council, in accordance with the Section 31A(4) of the Act, as its Council Tax requirement for the year (Item R).
 - (d) £xxxx being the amount at 7(c) above (Item R), all divided by 5(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the 'basic amount of its Council Tax for the year (including Parish precepts)'.

- (e) £xxxxx being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per Appendix K).
 - (f) £1596.41 being the amount at 7(d) above less the result given by dividing the amount at 7(e) above by the amount at 5(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relates.
- (8) That it be noted that for the year 2021-22, Police and Crime Commissioner for Thames Valley & The Royal Berkshire Fire and Rescue Service have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Councils area as indicated in Appendix K.
- (9) That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables in Appendix K as the amounts of Council Tax for 2021-22 for each part of its area and for each of the categories of dwellings.
- (10) To consider the motion presented at the Council meeting of 3rd December 2020 regarding the Citizen's Advice Bureau and to reject or approve.

3. Implications and Impact Assessment

Implication	Commentary
Financial	<p>These are contained in further detail within the report. The key implication is the proposed 1.99% Council Tax increase, which leads to a savings and income generation programme of £3.7m in 2021-22. The Council has a good track record of delivering past savings programmes and monitors and reports on progress on a monthly basis.</p> <p>The Council is proposing a one off use of reserves of £2m to support the revenue budget. The in-year (2020-21) underspend supports this use of funds, though this does have an implication for the medium term.</p> <p>The Council is also proposing no use of the Adult Social Care Precept for 2021-22, but the Government has allowed a 3% rise in the precept over the period 2021-23, so the option for the full precept remains for 2022-23 which would support the medium term financial position.</p>
Human Resource:	There may be some implications for staff. The trade unions have been consulted and any reductions in staffing will be handled in accordance with the Organisational Change Procedure.
Legal:	There is a requirement to produce a Revenue Budget under the various Local Government Finance Acts.

	<p>The savings proposals have been consulted upon as appropriate, and further consultations may be required prior to implementing certain proposals.</p> <p>The Public Sector Equality Duty (149 (1) requires a Local Authority in exercise of its functions to have due regard to the need to:</p> <ul style="list-style-type: none"> (a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act. (b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>Decision makers must keep the above requirements in mind when making decisions.</p>			
Risk Management:	As part of the 2021-22 financial monitoring, savings proposals will be kept under monthly review to ensure they are deliverable. Appendix E sets out how the impact of increased volatility in Local Government finance will be managed and considers the impact on levels of reserves.			
Property:	None – significant amendments to the property and infrastructure portfolio are included as part of the capital strategy which is funded through revenue financing.			
Policy:	Specific investment in the Council Strategy is included as part of this budget. These areas are highlighted separately in the budget paper.			
Implication	Positive	Neutral	Negative	Commentary
Equalities Impact:				
Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?	Y			Any impacts have been assessed and publicly consulted upon where necessary. Specific investment in equality and diversity co-ordinator to enhance the Council's responsiveness and commitment to equalities and diversity.
Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		Y		Any impacts have been assessed and publicly consulted upon where necessary.
Environmental Impact:	Y			Investment detailed in this report in delivering the Environmental Strategy

Health Impact:		Y		
ICT or Digital Services Impact:		Y		
Council Strategy Priorities or Business as Usual:	Y			As detailed in the report £938k of specific investment in priority areas has been identified separately
Other				
Data Impact:		No		
Consultation and Engagement:	<p>See appendix L on the budget simulator exercise where 200 individuals responded to an engagement exercise on the potential budget proposals over December 2020/January 2021.</p> <p>Business meeting comments to follow from online Webinar</p>			

4. Executive Summary

- 4.1 The purpose of this paper is to consider and recommend to Council the 2021-22 Revenue Budget, which proposes a Council Tax requirement of £104.32m, requiring a Council Tax increase of 1.99%. The Council Tax increase will raise £2.04m. There are some appendices to be completed that are specifically for the full Council papers, e.g. parish precepts.
- 4.2 In order to arrive at a balanced budget for 2021-22, £3.7m of savings and income generation proposals have been recommended.
- 4.3 The Council is forecasting an underspend of £3.4m in 2020-21 which will enhance the level of reserves. The ongoing effect of any budget pressures and future investment in the Council Strategy priorities has been factored into the 2021-22 budget. In order to fund this the Council has chosen to increase Council Tax by 1.99%, not to increase the adult social care Council Tax Precept, and find savings or income generation of £3.7m. West Berkshire Council has a strong track record of delivering on its savings proposals and of reacting to ongoing pressures in order to minimise the budgetary impact.
- 4.4 Proposals
- (1) That Council approve the 2021-22 Council Tax requirement of £104.32 million, requiring a Council Tax increase of 1.99% and a 0% increase in the Council Tax Precept ring-fenced for adult social care.
 - (2) That the Fees and Charges be approved as set out in Appendix F and the appropriate statutory notices be placed where required.
 - (3) That the Parish Expenses be approved as set out in Appendix G.

5. Introduction

- 5.1 The purpose of this paper is to consider and recommend to Council the 2021-22 Revenue Budget, which proposes a Council Tax requirement of £104.32m, requiring a Council Tax increase of 1.99% and a 0% increase to the adult social care Council Tax Precept. The Council Tax increase will raise £2.04m.
- 5.2 In order to arrive at a balanced budget for 2021-22, £3.7m of savings and income generation proposals have been recommended.
- 5.3 This report also proposes the Fees and Charges for 2021-22 as set out in Appendix F, the Parish Expenses of £xxxxx as set out in Appendix G, and recommends the level of General Reserves as set out in Appendix E.

6. Implications of Covid-19

- 6.1 Covid-19 has had a significant impact on the Council's finances. The Government has provided a variety of funding schemes to support the Council's budget in 2020-21. The main support has been through a non ring-fenced grant which to date has totalled £9.5m. The estimated additional costs to the Council for the 2020-21 financial year of Covid-19 is £5.9m.
- 6.2 On top of this the Government has provided an income guarantee scheme whereby, for any non-commercial income losses, the Council must fund the first 5% of income losses but for the residual amount, the Council funds 25% of the loss and Government 75%. The estimated income losses are £4.3m, of which £2.3m is expected to be reimbursed via the guarantee scheme.
- 6.3 The impact of additional costs and income losses for 2021-22 has been factored into these budget papers. The main areas of focus and budget adjustments are shown below; these are found in the appendices to the report as either cost pressures or savings:
 - (1) Ongoing reduction in assumed car parking income of £0.5m which represents a drop of 25% compared to previous years
 - (2) Ongoing additional Adult Social Care costs due to market price increases of £0.53m.
 - (3) Investment in maintaining local bus routes due to social distancing requirements £0.4m
 - (4) Savings in staffing mileage budgets of £0.17m
 - (5) Savings in printing and postage budget of £0.04m
 - (6) Reduced expenditure on office accommodation of £0.16m
- 6.4 The Government also provided other one-off funding to fund a variety of projects and schemes, for example on local outbreak plans, supporting the high street and business grants.
- 6.5 The government has provided support through allowing Councils to spread any forecast collection fund (the account that looks at the amount of council tax and

retained business rates collected in year again the budgeted income) deficit over a three year period instead of one year. The positive of this proposal is that it does not immediately burden the taxpayer with all of any deficit in 2021-22 as there would only be a third of the deficit in that year. However, it does mean that for 2022-23 and 2023-24 it would create a longer term financial burden at a time of unknown funding.

7. Specific announcement made as part of the Local Government Finance Settlement for 2021-22

- 7.1 The Government announced £670m for a Local Council Tax Support Grant (LCTSG). The purpose of the grant is to provide funding to local authorities to help them deal with the expected increase in the cost of LCTS in 2021-22. Payments will be made direct to billing authorities and major preceptors. The grant is un-ringfenced; and it is payable to the general fund and does not go through the collection fund. The scheme funds are distributed under a proposed methodology where the LCTS grant will provide funding based on the total number of working-age claimants. The allocations to each authority are based largely on the number of working-age claimants and so the amount of funding relative to each authority's council tax requirement will vary. Those authorities with a higher number of working-age claimants will receive more funding, and the implied losses in council tax that are being funded will also be higher. The taxbase should represent the amount that billing authorities estimate they can collect in 2021-22, taking into account growth in the number of properties on the valuation list, the impact of local council tax support schemes, and the estimated collection rate. The LCTS grant will be treated as a grant in the same way as other corporate grants.
- 7.2 West Berkshire's allocation is £838k and it is proposed that this is utilised to provide a reduction in Council Tax to those claimants of the Council Tax Reduction Scheme of up to £150 per household. This amount will be applied in the new financial year after the Council Tax bills have been issued.

8. 2020/21 In-Year Position

- 8.1 At Quarter Three of 2020-21, the forecast year end position is an underspend of over £3.4m of which the People Directorate is forecasting an underspend of £3.2m.
- 8.2 The 2020-21 budget was set with service specific risk reserves. This was in response to the volatility of some of the Council's budgets and because the Council was facing a number of risks that could not be quantified at the time of budget setting, including increased demand for services over and above budget assumptions, inflationary pressures, income risks and risk to delivery of savings plans. The Quarter Three position is after no proposed release from reserves except for £0.5m from the property fund to support the lack of income from 4 The Sector as part of the Council's commercial property portfolio.
- 8.3 For the 2021-22 budget setting, provision has been made for the ongoing pressures that have arisen during 2020-21, including anticipated impacts due to Covid-19 as well as to adjust the budget for any known changes to the in-year savings position and the impact that this might have in the longer term.

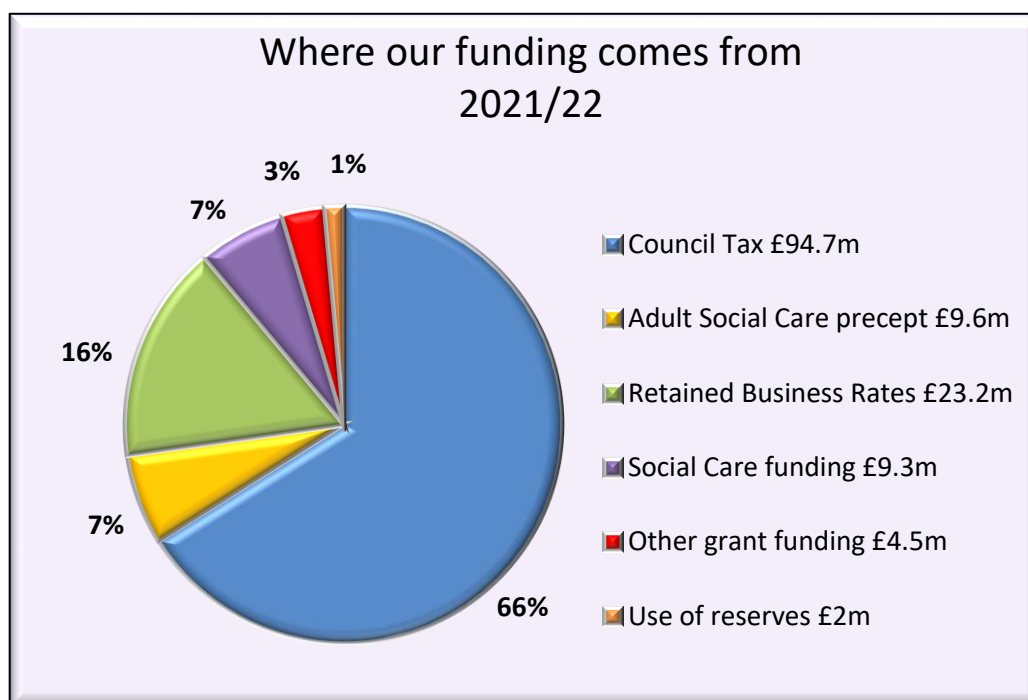
9. The 2021/22 Local Government Finance Settlement

The final settlement figures are still awaited, with a draft finance settlement announced on the 17th December with subsequent individual notifications of specific grant allocations. The 2020 Spending Round was announced in September 2020 and a consultation took place in October. The key points are:

- (1) That the Spending Review encompasses a one year period from 2021-22
- (2) The Government has proposed to protect all social care grants from 2020-21 into 2021-22.
- (3) For Council Tax, a core principle of up to 2% increase was announced, together with a further 3% increase in council tax through the Adult Social Care precept, with an option to defer some or all of its use into 2022-23. The Council is proposing a 0% ASC precept in 2021-22, which allows the full 3% for 2022-23, dependent on that year's budget decision.
- (4) It has been announced that negative Revenue Support Grant will not be charged in 2021-22. Negative RSG is the name given to a downward adjustment of a local authority's business rates tariff, as a consequence of changes to distribution methodology adopted in 2016-17.
- (5) There will be a new round of New Homes Bonus payments in 2021-22 which will not attract new legacy payments. All legacy payments associated with previous allocations will be honoured in the 2021-22 allocations. This total £1.1m compared with £1.8m in the previous year.
- (6) Awaiting the Public Health grant allocation.
- (7) A number of other grants have been announced to combat rough sleeping, homelessness and improved building safety.
- (8) That the Council must spread any collection fund deficit over a three year period.

10. Revenue Funding

- 10.1 The main sources of funding for the 2021-22 revenue budget are shown in the following chart.



- 10.2 West Berkshire Council's main source of funding is from Council Tax (66%). Council Tax is collected from local residents based on the value of the property in which they live. This report recommends a Council Tax increase of 1.99% for 2021-22 which will raise an additional £2.04m.
- 10.3 The Council is proposing no use of the Adult Social Care Precept for 2021-22, but the Government has allowed a 3% rise in the precept over the period 2021-23, so the option for the full precept remains for 2022-23 which would support the medium term financial position. The previous adult social care precepts now raise annual funds of £9.6m. Adult social care makes up over a third of the Council's net revenue budget. Whilst efficiencies are being made in the way the Council operates this Service, the precept has helped to fund the pressures faced in the areas of learning disability, demographic increases, increased costs and additional staffing requirements. In light of the impact of Covid, where care numbers have dropped and the Adult Social Care Market will take time to rebalance, there continues to be a lot of uncertainty over the long term costs of providing care.
- 10.4 Income from Council Tax is also expected to increase by a further 0.21% as a result of growth in the tax base (the number of properties paying Council Tax). This is based on a collection rate of 99.6%.
- 10.5 Retained Business Rates represents the Council's share of the actual business rate collected in West Berkshire. The Government has paused the further retention of business rates to 75% until 2021-22 at the earliest; therefore West Berkshire continues to receive 50% of business rates less a significant tariff to Government meaning the overall amount of business rates retained by the Council is 25% of the total business rates collected.
- 10.6 Social care funding via the Better Care Fund (BCF) and Improved Better Care Fund (iBCF) is to be spent locally on health and care with the aim of achieving closer integration and improved outcomes for patients and service users and carers.

10.7 Other grant funding consists of New Homes Bonus and other non ring-fenced grants. West Berkshire Council has not received any of the non ring-fenced Revenue Support Grant since 2017-18. In addition to the funding above, the Council also receives ring-fenced funding which must be spent on specific areas, and raises fees and charges. These income streams are shown within individual service budgets where the expenditure occurs. The largest of these are detailed below:

- (1) **Dedicated Schools Grant (DSG).** The DSG is a ring-fenced grant which can only be spent on school/pupil activity. The DSG consists of four funding blocks: Schools, Central Schools Services, Early Years and High Needs.

The DSG settlement for 2021-22 was announced by Government in December 2020. The following table sets out the 2021-22 DSG settlement for each block.

Categories	(£'m)
Schools block	114.83
Central school services block allocation	1.01
High needs block allocation	23.63
Early years block	10.36
Total DSG allocation	149.83

The DSG has a deficit balance of £1.7m as at 31.3.2020, and at Quarter Three of 2020/21 is looking at increasing this deficit by £1.3m to £3m by 31.3.2021. The deficit has arisen largely in high needs but also in early years.

DSG budgets are discussed in detail at the School Forum. The Forum has agreed to transfer 0.5% of funding to the High Needs Block amounting to £0.5m and this has been ratified by Individual Member Decision.

- (2) **Public Health Grant.** West Berkshire Council receives a ring-fenced grant to fund public health functions. The 2021-22 grant totals are to be confirmed by Government.
- (3) **Fees and Charges:** There are generally two types of fees and charges; statutory and discretionary. The rationale behind the proposed increases to each Directorates' fees and charges are included in detail in Appendix F. The Council also continues to receive income from its investment in commercial property, which is budgeted to generate £0.7m per year.

11. Revenue Expenditure

The Revenue funding outlined above, funds the 2021-22 revenue budget as follows:

Directorate	Base budget	Budget growth and inflation	Budget increases and investment	Savings & income generation	Annual budget requirement 2021/22
	£m	£m	£m	£m	£m
People	75.88	2.60	0.27	-2.09	76.66
Place	30.97	0.93	0.47	-0.90	31.46
Resources/Chief Executive	12.29	0.48	1.21	-0.48	13.50
Capital Financing/Corporate	11.08	0.00	0.63	-0.18	11.53
Total	130.22	4.00	2.57	-3.65	133.14

11.1 **Base budget £130.22m:** This is the ongoing budget requirement for the three Directorates together with the ongoing revenue cost of the capital programme.

11.2 **Budget growth and inflation £4m:** This is the budget increase required for the Council to perform existing services each year. As part of the budget setting process, the Council provides for general inflationary pressures such as salary increases (0% assumption) based on the established number of posts, together with salary increments and increases to National Insurance and pension contributions.

Budgets are inflated where a contract is in place and is subject to annual inflationary increases. The largest single item of contract inflation is from the waste PFI contract. This contract increase is based on the RPIx measure in January of each year (released mid-February) and is estimated to be £279k (1.5%) for 2021-22. Full details of contract inflation and modelled growth are given in Appendix A.

The majority of growth has arisen in supporting social care, and it has been necessary to invest £1.4m into the budget due to rising demand and price increases. Financial modelling has been undertaken in demand led budgets which tracks client numbers, demand for services and pricing. Extracts from the models are shown in Appendix B.

11.3 **Budget Investment £2.57m:** Each year new unavoidable service investment is required to be built into the revenue budget. The Council Strategy is for the period 2019-23 and is investing an additional £0.8m into the annual revenue budget to support the strategy and investing a further £0.14m from reserves. Investment in the Council's operational assets is funded from external borrowing and this requires an annual increase of £525k in the revenue budget in order to fund the additional revenue costs of borrowing for the capital programme, for example:

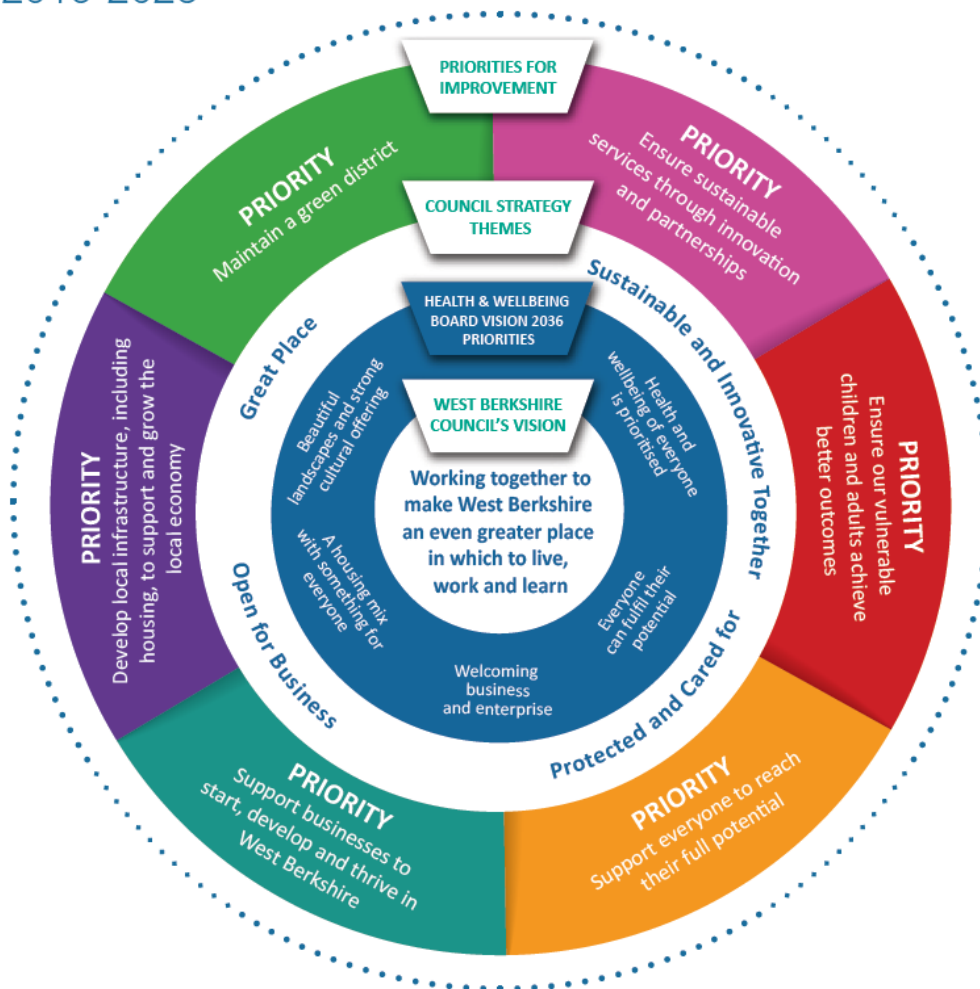
- (a) £12.5 million of initiatives linked to the Environment Strategy approved by the Executive on 16th July 2020, including £1.6 million of carbon reduction initiatives and £10.4 million focused on solar photovoltaic energy generation.
- (b) £23 million of potential leisure initiatives linked to the Leisure Strategy currently under development, including provision for new facilities at East of district.
- (c) £39.7 million of projects with a focus on developing local infrastructure including housing to support and grow the local economy, predominately maintaining the local road and cycle networks across the district and £2 million on flood defences and drainage works.

- (d) £45 million expenditure is planned across maintaining and upgrading the schools estate, and improvements to care homes and day centres, with a drive to ensuring that all individuals reach their full potential and that the most vulnerable in our society are able to access resources to achieve better outcomes.

11.4 A further £3.2m will be invested into areas impacted by Covid-19 for 2021-22, funded by grant and £0.5m into other areas. £0.89m has already been identified against the Covid grant and the remainder will be identified during 2021-22, and will likely include expenditure on Adult Social Care, leisure and lost income from service areas.

11.5 Full details of the Council investments are given in Appendix C.

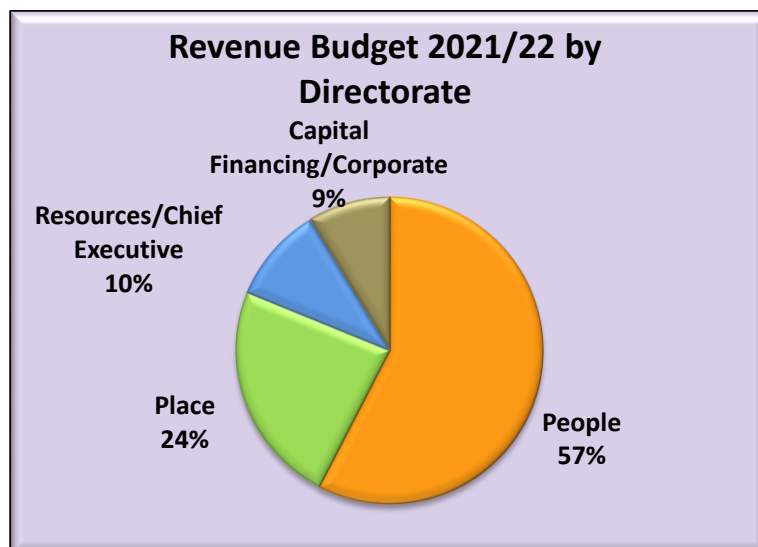
West Berkshire Council Strategy 2019-2023



11.6 As part of this strategy, the Council is setting to more closely align financial resources to invest in the priority outcomes included in the strategy (see the Medium Term Financial Strategy for an overview). This investment started from 2020-21 with £0.68m of investment and for 2021-22 a further investment is being provided to help deliver the strategy:

No	Council Strategy priority	Item	Amount £k
1	Maintain a green district	<ul style="list-style-type: none"> Investment in Environment Strategy, primarily staffing resources to the deliver the strategy and moving the Council to a green energy supply 	150
2	Support businesses to start, develop and thrive in West Berkshire	<ul style="list-style-type: none"> Investment in economic development 	87
3	Develop local infrastructure, including housing, to support and grow the local economy	<ul style="list-style-type: none"> Investment in former LRIE site Investment in economic development resource 	100 98
5	Ensure our vulnerable children and adults achieve better outcomes	<ul style="list-style-type: none"> Investment in prevention strategy Investment in family support workers 	40 80
6	Support everyone to reach their full potential	<ul style="list-style-type: none"> Investment in the apprenticeship strategy Investment in Public Health projects 	16 35
7	Ensure sustainable service through innovation and partnerships	<ul style="list-style-type: none"> Enhanced engagement and communication resources to increase involvement and participation with the Council Enhanced digital team to expand online services making it easier to access Council services when residents want 	118 99
8	Business as usual	<ul style="list-style-type: none"> Procurement strategy Chatbot 	103 12
	TOTAL COUNCIL STRATEGY INVESTMENT		938
	Investment into areas impacted by Covid-19	Government funding support. Non ring-fenced but most likely to provide continue support similar to in 2020-21; which has mainly been in Adult Social Care, leisure, and lost income	3,200
	TOTAL COUNCIL STRATEGY AND COVID INVESTMENT		4,138

11.7 The following chart shows how the budget is split by Directorate.



11.8 In order to achieve a balanced budget, £3.7m of savings and income generation proposals have been made.

12. Reserves

12.1 As part of the financial planning process, the Council considers the establishment and maintenance of reserves. Reserves are categorised into unusable and usable reserves. Unusable reserves includes those reserves which are kept to manage the accounting processes for non-current assets, retirement and employee benefits. These do not represent usable resources for the council. Usable Reserves consist of the General Reserve and Earmarked Reserves.

12.2 The General Reserve exists to cover a number of non-specific items and risks. The Council s151 officer recommends that the General Reserve is a minimum £7m. Earmarked Reserves are held for specific future projects or service risks.

Usable Reserves	1.4.2020	1.4.2021*
	Actual	Estimate
	£m	£m
General Reserve	8.03	9.35
Earmarked Reserves	28.74	19.24
Total Usable Reserves	36.77	28.59
*The 1.4.21 estimate is after use of funds to support the 2021/22 budget.		

12.3 During 2020-21 the main changes to reserves were where the collection fund deficit from previous years had required specific funding from earmarked reserves, as highlighted in the 2020-21 budget papers. For 2021-22, the Council is proposing to support the budget with a £2m contribution from reserves; it is rare that the Council would use such a sizeable level of one-off support for the budget but the impact of the pandemic on the current year budget, allied to Government financial support, has led to an expected underspend in the current year that is being proposed to partially use to support the 2021-22 budget.

12.4 There will also be some use of earmarked reserves during the year to support, for example, transformation. Further information can be found in Appendix Ei and Eii.

13. Funding Statement

The Funding Statement for 2021-22 shows the funding available to the Council which can be used to fund the budget requirement.

2021/22 Funding Statement			
Income	£m	£m	Appendix
Council Tax	94.72		
Adult Social Care precept	9.60		
Council Tax income		104.32	
Retained Business Rates	23.19	23.19	
Adult Social Care BCF and iBCF	6.51		
Social Care grant	2.75		
Social Care funding		9.27	
Other non-ringfenced grants	0.19		
Additional Government Covid Funding	3.20		
New Homes Bonus	1.15		
Other grant funding		4.54	
Collection Fund deficit (-)/ surplus - Council Tax	-0.98		H
Collection Fund deficit (-)/ surplus - NNDR	-1.22		
Collection fund deficit		-2.20	
Funds Available		139.11	
Expenditure	£m	£m	Appendix
Expenditure budget (net of ring-fenced grants)	159.04		
Fees, charges and commercial income	-28.82		
Opening base budget		130.22	
Inflation	2.02		
Contract inflation	0.55		A
Modelled growth	1.44		B
Budget growth and inflation		4.00	
Investment in Council Strategy priorities	0.80		C
Investment in other priorities	1.24		C
Increase in capital financing costs	0.53		
Budget increases and investment		2.57	
Savings and income proposals	-3.65		D
Savings and income generation		-3.65	
Annual Budget Requirement		133.14	
One off investments	3.69		C
Adult Social Care BCF and iBCF	6.51		
2021/22 investment		10.20	
Budget Requirement		143.34	
Use of reserves(-)/add to reserves (+)	-2.03		E
Use of Collection Fund and Business Rates reserves	-2.20		E
One off funding		-4.23	
Budget Requirement after use of reserves		139.11	
<i>£10k roundings may apply</i>			

14. Proposals

- (1) That Council approve the 2021-22 Council Tax requirement of £104.32 million, requiring a Council Tax increase of 1.99% with a 0% increase in the Council Tax Precept ring-fenced for adult social care.
- (2) That the Fees and Charges be approved as set out in Appendix F and the appropriate statutory notices be placed where required.
- (3) That the Parish Expenses be approved as set out in Appendix G.

15. Consultation and Engagement

- 15.1 All savings and income generation proposals have been reviewed and, where required, public consultation has taken place. Individual groups affected by specific proposals were consulted as required. If any proposals require consultation at a later stage, this will be undertaken when appropriate.
- 15.2 Appendix L highlights the outcome of a budget simulator exercise undertaken with the public where 200 responses were received.

16. Other options considered

The budget proposal is contains a blend of savings options and Council Tax changes. The Council could go to a Council Tax referendum to put substantially more money into the budget, though this has been rejected due to the quality of Council services that are able to be provided within the existing budget and that the increased burden on local taxpayers could have a negative local economic impact.

17. Conclusion

The Council is forecasting an underspend of £3.4m in 2020-21 which will enhance the level of reserves. The ongoing effect of any budget pressures and future investment in the Council Strategy priorities has been factored into the 2021-22 budget. In order to fund this the Council has chosen to increase Council Tax by 1.99%, make no increase to the adult social care Council Tax Precept and find savings or income generation of £3.7m. West Berkshire Council has a strong track record of delivering on its savings proposals and of reacting to ongoing pressures in order to minimise the budgetary impact.

18. Appendices

Appendix A – Contract inflation
Appendix B – Modelled growth
Appendix C – Investment
Appendix D – Savings and income proposals
Appendix Ei) – Reserves Statements
Appendix Eii) – Adequacy of reserves and robustness of budget
Appendix F – Fees and charges
Appendix L – Budget simulator

For Full Council March 2021 – to be updated after the Executive

Appendix G – Parish Expenses (for Council meeting)

Appendix H – Council Tax Collection Fund (for Council meeting)
Appendix I – Unison comments (tbc – for Council meeting)
Appendix J – Briefing paper for Ratepayers (for Council meeting)
Appendix K – Council Tax Resolution (for Council meeting)

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Appendix A

Contract Inflation

Contract Inflation		2021/22	Rate used
Directorate	Description	£000	
Corporate	Total	0	
People	Birchwood Lease	10	2.60%
People	IDOX (Open Objects) - Hub Licence	2	5.00%
People	Total	12	
Place	Waste contract (at RPIX)	279	1.50%
Place	Waste - Tax Base adjustment	36	
Place	Henwick Worthy sports ground maintenance (CPI)	5	1.00%
Place	Winter service software licence uplift	2	4.00%
Place	Pay and Display maintenance contract		
Place	Street Lighting	25	7.00%
Place	BBOWT partnership (CPI)	9	1.00%
Place	Grounds Maintenance (CPI)	21	1.00%
Place	Highways term maintenance contract (set %)	88	4.00%
Place	Bone Lane Rent		
Place	Berkshire Records Office Joint Arrangement	16	2.2% p.a.
Place	Emergency Planning Out of Hours Service	2	7% p.a.
Place	Total	484	
Resources	Corporate insurance	50	7.70%
Resources	Total	50	
	Total contract inflation	546	

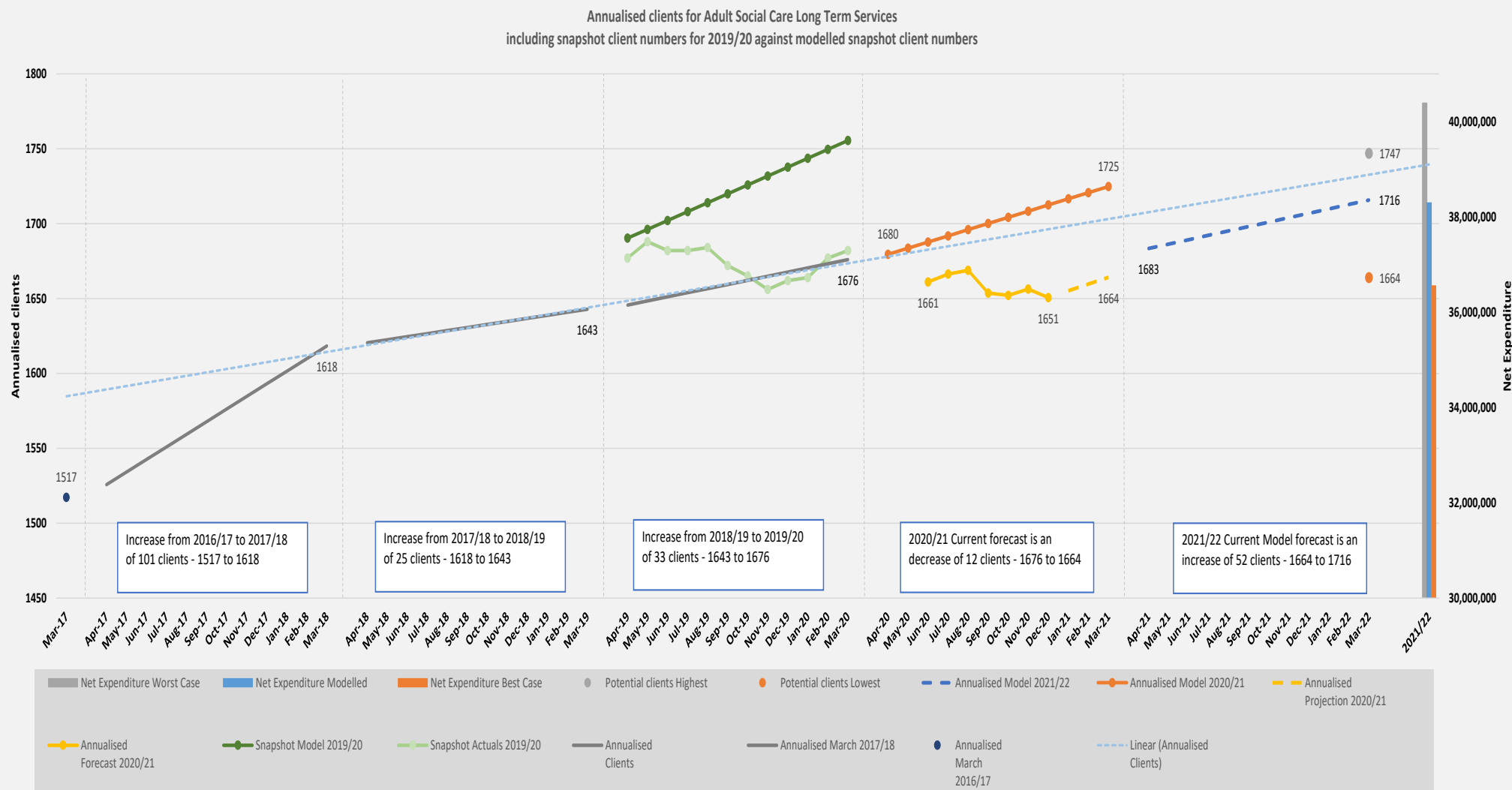
n.b. roundings may apply to £10k

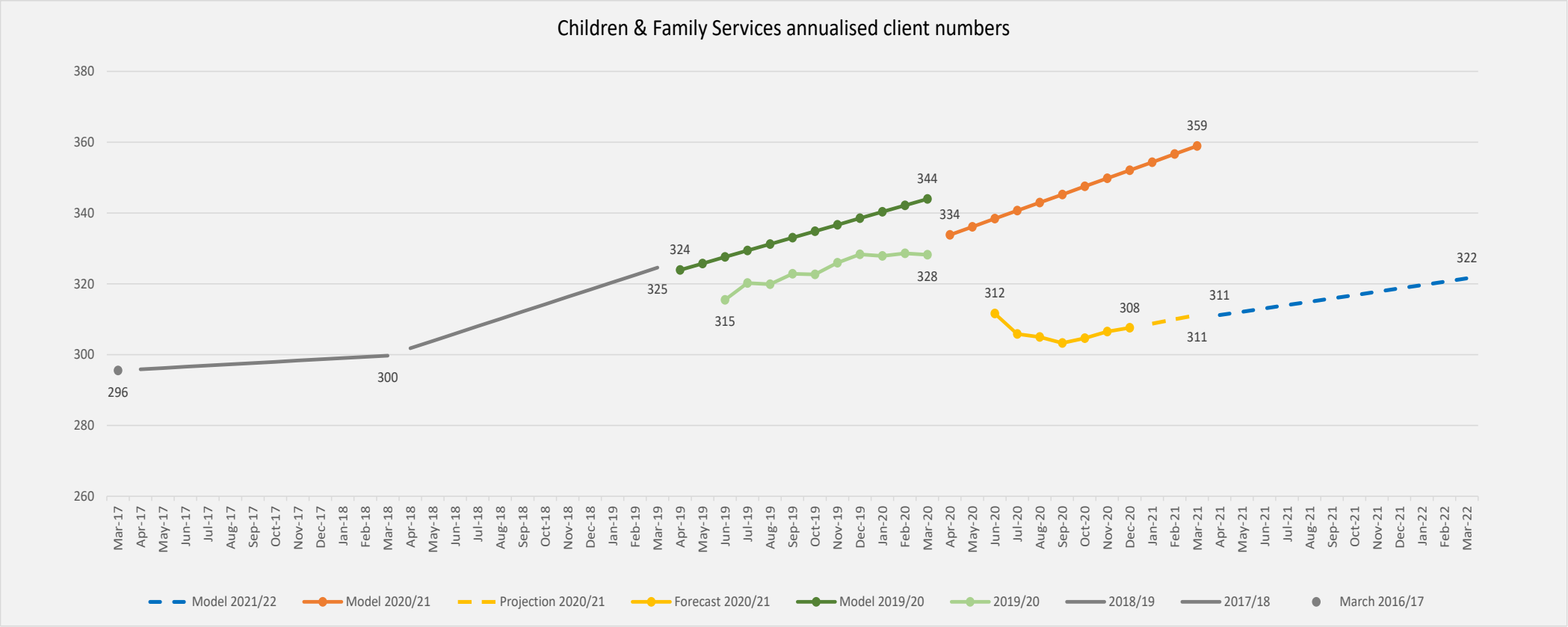
Appendix B

Modelled Growth

The table below shows the amount of budget growth required for 2021-22 from the modelling undertaken in Adult Social Care, Children & Family Services and Education. Modelling graphs are also shown for the ASC and CFS models.

			2021/22 Investment	Modelled Growth
Directorate	Service	Ref	Description	£000
People	ASC	P1	Learning Disability Transitions	750
People	ASC	P2	Commissioning Budgets demographic increases - long term services	427
People	ASC	P3	Commissioning Budgets demographic increases - short term services	110
People	CFS	P7	Placement budget modelled increased demand	0
People	ED	P12	Disabled Children's budgets modelled increased demand	150
People			Total	1,437





Appendix C

Investment

			2021/22 Investment	Invest- ment in Council Strategy	Invest- ment in other priorities	One off Covid-19 funded from grant	One off fund from reserves	Total Investment
Directorate	Service	Ref	Description	£000	£000	£000	£000	£000
Corporate	All		Unachievable commercialisation target		100			100
Corporate			Total	0	100	0	0	100
People	ASC	P4	ASC lost income and other costs related to covid-19			2,305		2305
People	ASC	P6	Care Director Cloud hosting costs		92			92
People	CFS	P8	Emergency Duty Service Joint arrangement hosted by Bracknell, contract recently renewed. Statutory duty to provide services 24 hours a day.		28			28
People	ED	P9	SEND restructure and new finance assistant post		32			32
People	C&W	P13	Senior Project Manager				35	35
People	ASC	P16	DoLS officer (one year only)				25	25
People	CFS	P17	2 Family Support Workers Identified in the Council Strategy Delivery Plan.	80				80
People	CFS	P18	Post to support the implementation of the Prevention Strategy	40				40
People			Total	120	152	2,305	60	2,637

Revenue Budget 2021-22

			2021/22 Investment	Invest- ment in Council Strategy	Invest- ment in other priorities	One off Covid-19 funded from grant	One off fund from reserves	Total Investment
Directorate	Service	Ref	Description	£000	£000	£000	£000	£000
Place	D&P	D&P2	Private sector stock condition survey				50	50
Place	D&P	D&P10	Three statutory examinations				150	150
Place	D&P	D&P11	Economic Development Team Restructure	87				87
Place	D&P	D&P12	Project Support for LRIE development	98				98
Place	D&P	D&P13	LRIE site investment				100	100
Place	ENV	ENV1	Income loss due to fall in prices for recycling materials		131			131
Place	ENV	ENV2	Maintaining capacity on local bus routes due to social distancing requirements.			250		250
Place	ENV	ENV3	Maintaining commercial 1a and 1b bus services.			145		145
Place	ENV	ENV4	Car Park Income			500		500
Place	ENV	ENV7	Street Manager DFT software licence dual running in 2122				15	15
Place	ENV	ENV8	Green Energy	10				10
Place	ENV	ENV9	Investment in Environment Strategy	140				140
Place			Total	335	131	895	315	1,676

Revenue Budget 2021-22

			2021/22 Investment	Investment in Council Strategy	Investment in other priorities	One off Covid-19 funded from grant	One off fund from reserves	Total Investment
Directorate	Service	Ref	Description	£000	£000	£000	£000	£000
Resources	CSI	CSI1	Arc/GIS Licences		17			17
Resources	CSI	CSI2	Chatbot (BAU)	12				12
Resources	COM	COM1	Procurement strategy implementation	103				103
Resources	COM	COM2	Reduction in schools kitchen help desk income		20			20
Resources	COM	COM3	Supplier Appraisals Software				15	15
Resources	F&P	F&P1	Medical Malpractice insurance		14			14
Resources	F&P	F&P2	Asset Management Resource		37			37
Resources	F&P	F&P3	Security at former Theale Primary School				35	35
Resources	F&P	F&P4	Forecast shortfall in commercial property income		402			402
Resources	F&P	F&P5	Treasury Advisors		23			23
Resources	F&P	F&P6	Subscriptions to CIPFA electronic publications		6			6
Resources	F&P	F&P7	Agresso Income Manager				50	50
Resources	S&G	HR1	Subscription to SE Employers & Xpert HR				14	14
Resources	S&G	HR2	Leadership and Mgt Development		50			50
Resources	S&G	HR3	Apprenticeship Strategy	16				16
Resources	S&G	S&G1	Additional communications resource	98				98
Resources	S&G	S&G2	Ongoing funding for GovDelivery comms system	20				20
Resources	S&G	S&G3	Digital Services	99				99
Resources	S&G	S&G4	Transfer of land charges to land registry					0
Resources	S&G	S&G6	Health scrutiny resource		20			20
Resources	CDIR	CDIR2	Transformation funding mainstream		252			252
Resources	CDIR	CDIR1	Audit Fee		20			20
Resources			Total	348	861	0	114	1,323
			Total Investment	803	1,244	3,200	489	5,736

Appendix D

Savings and Income Generation

Summary of Savings/Income Proposals 2021/22							
Directorate	Ref	Service	Description	Current Budget £k	Proposal £k	Type	Implications
People	P2/3	ASC	Closure of Walnut Close	1,574	600	Service Reform	Savings identified from the closure of Walnut Close Care Home. This saving is after taking into account costs of buying beds on the market and ensuring the remaining WBC run care homes are at 95% occupancy (higher than the industry average).
People	P4	ASC	New local Supported Accommodation unit for Learning Disability clients.	7,976	50	Transformation	Potentially involves moving service users from out of area placements.
People	P5	ASC	Health funding Review shared funding for clients with Mental Health needs (S117) and Continuing Healthcare (CHC).	46,273	200	Service Reform	Up until now the CCG have been reluctant to participate in discussions around joint funding arrangements, and the Covid pandemic has hampered assessments leading to backlogs.
People	P6	ASC	Review of care packages		100	Cost Avoidance	Service users will have their care delivered differently. There is potential for complaints from service users and their families when care is removed.
People	P7	ASC	Resource Allocation System (RAS)		25	Transformation	This system is reliant on the Care Director upgrade.
People	P8	ASC	Market Management		250	Transformation	The work focuses on increasing the availability of cost-effective care and support services within the district. The benefit will be care delivered for lower costs; there maybe some resistance from parts of the market.
People	P9	ASC	Hillcroft Reduction in rent due to reduced occupancy within the building.	97	50	Transformation	Could impact on joint working with the NHS. Unpopular with some members of staffing team. Mitigations being explored.
People	.	ASC			1,275		

Revenue Budget 2021-22

			Summary of Savings/Income Proposals		2021/22		
Directorate	Ref	Service	Description	Current Budget £k	Proposal £k	Type	Implications
People	P11	CFS	Legal Through earlier intervention (Family Safeguarding Model) and using 'pre proceedings' we expect to reduce the need for costly Court interventions. When we have to do so, we expect those hearings to be shorter and less contested (because the evidence has been obtained and presented in a way that reduces likelihood of challenge or review).	746	150	Cost Avoidance	Less use of Court 'solutions' is desirable, and fits well with our model of working with families to achieve solutions rather than in contested environments. Even so, the safeguarding of children is a statutory duty, and demand led, so one can not be certain that events do not occur which drive exceptional expenditure.
People	P12	CFS	Placements Actions leading to reduced demand. The mostly costly and invasive form of intervention is when a child has to be cared for outside of their family home. It is our ambition to support children to live at home, and preventative interventions can help achieve this. Whilst the national number of children in care continues to climb, West Berks is countering this trend. As we seek to embed Family Safeguarding Model, and develop the early response hub, we hope to continue to reduce, or at least prevent an escalation, of children entering care.	7,876	250	Cost Avoidance	Fewer children in care is a purposeful ambition, and for those that must enter for safeguarding and welfare reasons are only in care for as long as needed (possibly to be able to return home) or are cared for in the least costly provision.
People	P13	CFS	Family Safeguarding Model CCG Income.	300	110	Income	The Family Safeguarding Model is proving to be an effective multi agency model of working. One of the benefits, through having mental health practitioners based in the social work teams, has been the reduction of acute mental health episodes by parents and also reductions in self harm by children. Therefore this has been of significant benefit and cost avoidance to the CCG. The FSM way of working is multi agency partnership based, and we have asked the CCG to contribute financially to assist the ongoing delivery of this model.
People	P14	CFS	Family Safeguarding Model TVP Income.		99	Income	The Family Safeguarding Model is proving to be an effective multi agency model of working. One of the benefits, through having domestic abuse workers in the social work teams, has been the reduction of domestic abuse incidents and also missing children. Also a reduction in child protection cases. Combined, this has a value to the police of close to £400,000 in cost avoidance. TVP have contributed £100,000 for 2020/21 and we will make a further request for 2021/22.
People	.	CFS			609		

Revenue Budget 2021-22

			Summary of Savings/Income Proposals 2021/22				
Directorate	Ref	Service	Description	Current Budget £k	Proposal £k	Type	Implications
People	P16	Ed	Premature Retirement Costs	340	20	Disinvestment	Due to the nature of these costs, they will decrease over time
People	P17	Ed	Additional trading within Education Psychology	(264)	30	Income	Over achievement of income in the prior two years
People	P18	Ed	Virtual School Service	246	26	Cost Avoidance	Saving from virtual school service by recharging eligible costs to the PPP grant
People	P20	Ed	Disabled Children's Team	790	23	Cost Avoidance	Saving on agency budget in Disabled Children's Team.
People	P21	Ed	CHC income generation	628	50	Income	Income from health to support children's care packages.
People	.	Ed			149		
People	P25	C&W	Staffing Reduction & AFC Uplift contract not realised		60	Service Reform	None
People	.	C&W			60		
People	.	People Directorate			2,093		

			Summary of Savings/Income Proposals 2021/22				
Directorate	Ref	Service	Description	Current Budget £k	Proposal £k	Type	Implications
Place	E1	D&P	Digitisation of planning	477	20	Transformation	Paperless planning already implemented
Place	E2	D&P	CIL - increase in income for administration to cover corporate overheads	(183)	15	Income	Dependent on CIL income remaining at current level
Place	E3	D&P	Reduction in DC team net of reduction in income	1,458	20	Disinvestment	Potential to delete one post following reduction in workload, however, work load is fluctuating due to Covid, which is being monitored.
Place	E4	D&P	Delete vacant Planning Enforcement post	1,458	30	Disinvestment	This post has been vacant for 18 months. Planning enforcement prioritisation policy is currently in place and would continue
Place	.	D&P			85		

Revenue Budget 2021-22

			Summary of Savings/Income Proposals 2021/22				
Directorate	Ref	Service	Description	Current Budget £k	Proposal £k	Type	Implications
Place	E8	ENV	Term Maintenance Annual Servicing Costs	500	250	Cost Avoidance	Adjustment of the term contract set-up costs (paid equipment and resources) to reflect the actual revenue/capital split (given significant capitalisation in recent years).
Place	E9	ENV	Emergencies	160	80	Cost Avoidance	Changes in the way we treat pothole emergencies means some of this can be capitalised. Many pothole emergencies are now treated with a permanent repair first time and can therefore be considered a capital measure rather than a temporary revenue one.
Place	E10	ENV	Digitisation of highways asset management processes	650	33	Service Reform	Efficiencies in the way we process access - online payments, working with our term contract to process payments, cross-over licences. One vacant post to be removed
Place	E11	ENV	Electrical Revenue	360	20	Transformation	This saving can be achieved as a result of investment from DfT funding received this financial year.
Place	E12	ENV	Waste Minimisation - Reduced Use of Landfill	16,362	75	Transformation	This saving is derived from 1) Changes in consumption patterns in wider society e.g. switch to digital services from some physical products and de-linking of waste generation from population increases in recent years; and 2) Improving waste minimisation activities and communications with householders.
Place	E13	ENV	Food Waste Diversion from Landfill	16,362	55	Transformation	Assuming separate food waste collection will be brought in from Dec 2021. Would need investment in food waste trucks and bins. Limited possibility that the Government might cover this capex later as part of new burdens alleviation. We are delivering this in advance of any potential government funding because it is an important part of the Environment Strategy.
Place	E14	ENV	Garden Waste - Over Performance in Subscriptions	(1,409)	110	Income	Based on previous annual subscription levels.
Place	E17	ENV	Urban Traffic Control SLA	67	30	Transformation	Efficiencies in the delivery of our Urban Traffic Control.
Place	E18	ENV	Capitalisation of Traffic Management & ITS staff	30	15	Cost Avoidance	Traffic Management and ITS staff who are undertaking more capital works. Borrowing to be funded from the service.
Place	E19	ENV	Street Naming and Numbering	57	10	Income	Charging for this service.
Place	E20	ENV	Cashless Parking	122	80	Transformation	£35k for removing the cash collection contract plus 2 vacant CEO posts in year 1 and a further CEO in year 2. CEO's spend a considerable amount of time attending to coin jams and maintaining unreliable machines. Investment in the parking machine stock and moving to cashless will mean we need less CEO's. This may result in a small reduction in PCN's which has been factored in.
Place	E21	ENV	Parking Team Review	814	50	Transformation	Efficiencies in processes found within the team. 2 vacant posts to be deleted with minimal impact on service delivery.
Place	E22	ENV	Digitisation of Playing Pitch Bookings	15	10	Transformation	Will rely on a digital booking system being in place by October 2021.
Place	.	ENV			818		
Place	.	Place Directorate			903		

Revenue Budget 2021-22

			Summary of Savings/Income Proposals		2021/22		
Directorate	Ref	Service	Description	Current Budget £k	Proposal £k	Type	Implications
Resources	R1	CSI	Print Savings	103	25	Service Reform	Continue with reduced numbers of staff in the office / greater use of zoom appointments
Resources	R2	CSI	Postage Savings	280	10	Service Reform	Continue with reduced numbers of staff in the office / greater use of zoom appointments
Resources	.	CSI			35		
Resources	R3	F&P	Cheque Printing/bank charges	50	10	Service Reform	None
Resources	R4	F&P	Issue of Community Bond to reduce borrowing costs	11,929	14	Transformation	None - Bond issued in 2020-21
Resources	R5	F&P	Alternative Borrowing Options to PWLB / Reduced PWLB rates to reduce revenue cost of capital strategy	11,929	250	Transformation	Greater due diligence / legal implications of alternative options.
Resources	R6	F&P	Accommodation savings through reduced office footprint requirement	1,093	158	Transformation	Move office accommodation to Market Street sized footprint, six months worth of saving in 2021/22
Resources	.	F&P			432		
Resources	R6	S&G	Summons Charges	(175)	10	Income	
Resources	.	S&G			10		
Resources	.	Resources Directorate			477		
Corporate	C1	Corp	Reduced mileage due to changed working practices	900	170	Transformation	Continue with reduced numbers of staff in the office / greater use of zoom appointments
Corporate	C2	Corp	Savings through reduced mileage claims for shorter journeys under 5 miles - proposal to purchase x2 e-bikes	0	10	Transformation	The proposal will replace some of the claims and encourage greater physical health and reduce Co2/NoX emissions.
Corporate	.	Corp			180		
	.	Total Savings and Income proposals			3,653		

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Reserves Statements

The Statement of Accounts that are produced each year details all the Council's reserves and explains why they are held. Reserves are reported in two categories: unusable and usable reserves. Unusable reserves include those reserves which are kept to manage the accounting processes for non-current assets, retirement and employee benefits. Unusable reserves cannot be used to provide Council services. Usable reserves are those reserves that a Council may use to provide services or reduce local taxation, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use.

The level of usable reserves the Council holds is reviewed each year as part of the budgetary process. Consideration is given to the current financial standing of the Council, the funding outlook into the medium term and the financial risk environment the Council is operating in.

Councils generally hold usable reserves for a number of reasons:

- To use at a later date to support investment projects
- To temporarily hold unused portions of grants that can be legally used at a later date
- To insure themselves against major unexpected events such as flooding
- To guard against general risk
- To smooth the impact of funding reductions
- To guard against emergent specific risks, such as business rate appeals, increased demand, and the impact of social care reform.

The Council's usable reserves are as follows:

- General Reserve: held for non-specific items and risks
- Earmarked Reserves: amounts held for specific schemes and for specific purposes e.g. self-insurance

During 2021-22, earmarked reserves are expected to reduce by £8.6m. This will fund investment in the Council Strategy, Covid-19 grants, a shortfall in commercial property income and the Collection Fund deficit.

A summary is shown in the following table:

Usable Reserves Summary	Actual 1.4.2020 £m	2020/21 Use of Reserves £m	Planned increase in Reserves £m	Planned use of Reserves £m	Estimate 1.4.2021* £m
General Reserve	8.03	-	3.35	-2.03	9.35
Earmarked Reserves	28.74	-8.62	1.75	-2.63	19.24
Total Usable Reserves	36.77	-8.62	5.10	-4.66	28.59

*The 1.4.21 estimate is after use of funds to support the 2021/22 budget.

Note: It is anticipated that there will be some large movements in reserves due to accounting for Covid-19 business rate reliefs.

The General Reserve

The purpose of the General Reserve is to act as a fund to be used in emergencies and to protect council taxpayers from any steep rises in future Council Tax if the Council over spends against its budget. The s151 officer, Executive Director (Resources) recommends that the General Reserve totals, as a minimum, £7m of the Council's net revenue expenditure.

The calculation of the £7m is based on the below. It is very unlikely that all of these risks would occur at the same time. However, there is cumulative risk of a number of these factors taking place over a short period of time. The purpose of the general reserve is enable the Council to continue to function and perform its services without significant impediment:

Item	Rationale	Amount
Pressure on demand and significant income budgets	A 5% movement on demand budgets and on reduced income	£5.5m
Pressure on traded budgets	A 10% movement on traded budgets,	£0.2m
General risks to cover the items below	See items below	£1.3m
Total <i>minimum</i> required General Reserve		£7m
Current General Reserve (including service specific risks)	Service specific risks are part of general reserves	£8m

The General Reserve is expected to cover any of the following risks should they arise:

- The impact of significant increases in demand
- Lack of delivery of all savings targets
- Economy measures and service reductions always contain some degree of uncertainty as to whether their full effects will be achieved
- Unforeseen events such as the flooding during January 2014 or Covid-19 in 2020-21
- Litigation
- Changes from specific grants to the non ring fenced government grants
- Grants being introduced or removed mid-year
- Unforeseen circumstances
- General day to day cash flow needs and avoid unnecessary temporary borrowing
- Reduced income due to deferred income and social care clients' property decreasing in value

Earmarked Reserves

The Council has other reserves which are earmarked for specific purposes.

Earmarked Reserves	Actual	2020/21 Use of	Planned increase	Planned use	Estimate
	1.4.2020	Reserves	in Reserves	of Reserves	1.4.2021*
	£m	£m	£m	£m	£m
Schools balances	5.41	-	-	-	5.41
Parish special expenses	0.00	-	-	-	-
Self-insurance fund	1.14	-	-	-	1.14
Specific earmarked reserves	22.19	-8.62	1.75	-2.63	12.69
Total Earmarked Reserves	28.74	-8.62	1.75	-2.63	19.24

*The 1.4.21 estimate is after use of funds to support the 2021/22 budget.

Schools balances

This is an amalgamation of unspent and overspent balances.

Parish special expenses

These are explained in detail in Appendix G.

Self-insurance fund

This fund has been established to ensure that costs to the Council in relation to claims, can be met whilst limiting the impact of higher premiums on the Council's revenue budget. The fund is used to pay the first £250k of any property claim and the first £100k of other claims. External insurance covers the balance of claims.

Specific earmarked reserves

Funds set aside to cover specific future liabilities. The main items in here are:

Specific Earmarked Reserves	Actual	2020/21 Use of	Planned increase	Planned use	Estimate
	1.4.2020	Reserves	in Reserves	of Reserves	1.4.2021*
	£m	£m	£m	£m	£m
Transformation	1.40	-	0.00	-0.25	1.15
Restructuring	0.24	0.35	0.00	-	0.59
Schools in financial difficulty	0.50	-	0.00	-	0.50
Waste management	0.15	-	0.00	-	0.15
Business Rate volatility	4.09	-4.09	1.25	-1.22	0.03
Council Tax volatility	1.21	-	0.35	-0.98	0.58
Commercial property	1.52	-0.50	0.00	-0.18	0.84
Council Strategy support	0.90	-0.68	0.00	-	0.22
Future town centre studies	0.00	-	0.15	-	0.15
Outcomes based budgeting	2.00	-	0.00	-	2.00
Commuted sums	0.71	-	0.00	-	0.71
Service specific risk reserves	1.40	-	0.00	-	1.40
Other reserves (including C-19)	8.08	-3.70	0.00	-	4.38
Total Specific Earmarked Reserves	22.19	-8.62	1.75	-2.63	12.69

*The 1.4.21 estimate is after use of funds to support the 2021/22 budget.

Transformation - In order to support the Medium Term Financial Strategy to deliver its transformation plans, the Executive established a Transformation Reserve. This will ensure that the Council has the resources to pursue plans outlined in the MTFS and to invest in strategies that will bring future benefits to the organisation. The reserve was increased during 2019-20 to support future transformation projects.

Restructuring - used to cover the exit costs associated with some of the savings proposals. The balance remaining in the restructuring reserve at the end of the financial year will be rolled forward to fund any future restructuring costs to the Council.

Schools in financial difficulty - to fund any additional support that the Council may need to provide to schools in financial difficulty.

Waste management - to support the transition to a new model of waste management.

Business Rate volatility - to support the volatility associated with business rates in relation to estimates, appeals and timing.

Council Tax volatility - to support the volatility associated with taxbase estimates upon which the Council Tax is collected.

Commercial property - established to cover risks associated with the investment in commercial property. The Council may need to use £500k of this to support lower than expected income during 2020-21.

Council Strategy support – to enable delivery of measures to support the Council Strategy as referenced elsewhere in the budget papers.

Future town centre studies – funding set aside to deliver town centre studies to support local centres in a similar manner to Newbury town centre piece of work undertaken in 2020-21.

Outcomes based budgeting – to support the re-profiling of savings *if* required as part of the MTFS; see the MTFS document.

Commuted sums: Ring-fenced for specific schemes and cannot be added into general fund reserves.

Service risk reserves: Within the Earmarked Reserves are Service Specific Risk Funds for:

- Adult Social Care £815k,
- Children & Family Services £364k,
- Education £120k and
- Legal Disbursements £100k.

Other

Other specific earmarked reserves are in place to support specific service requirements or projects. Over £3m of this relates to Covid monies received in 2019-20 but which needed to be released in 2020-21.

A full list of the Council's reserves are disclosed in the Council's financial statements 2019-20 available on our website. Please note that these reserves estimates are before any changes from the 2020-21 financial year end.

**Adequacy of Reserves and Robustness of Budget Estimates
s151 Officer Statement**

1. Section 25 of the Local Government Act 2003 requires the Section 151 Officer, Executive Director (Resources) to formally report to Council as part of the tax setting report his view of the robustness of estimates and the adequacy of reserves. The Council is required to take these views into account when setting the Council Tax at its meeting on 2 March 2021.

2 Adequacy of Reserves

- 2.1 This statement focuses upon the unallocated general reserve and excludes schools' budgets and schools' unspent balances, which will be reviewed by the schools funding forum when Governing Bodies have submitted their budgets. The minimum prudent level of reserves that the Council should maintain is a matter of judgement and cannot be judged merely against the current risks facing the Council as these can and will change over time.
- 2.2 The consequences of not keeping a prudent minimum level of reserves can be serious. In the event of a major problem or a series of events, the Council would run a serious risk of a deficit or of being forced to cut spending during the year in a damaging and arbitrary way.
- 2.3 CIPFA (Chartered Institute of Public Finance and Accountancy) have issued a notification from the LAAP (Local Authority Accounting Panel) stating that there should be no imposed limit on the level or nature of balances required to be held by an individual Council (except under section 26 where this has been imposed by ministers). West Berkshire Council policy has consistently kept a prudent historic minimum level of balances of 5% of net revenue expenditure (NRE); this analysis has been updated for more specific demand and general risks with a minimum level of £7m set out for the 2021-22 budget.

It is recommended that general reserve balances be set at a minimum of £7m

Before the 2020-21 outturn, the general reserves stood at just over £8m and this ensures that the Council has a sufficient level of reserves to support it in the immediate future.

3 Robustness of Estimates

3.1 The treatment of inflation and interest rates

The 2021-22 pay award for staff has been estimated in line with the Government's pay announcements of a pay freeze for those earning above £24,000. Non pay related budgets have been inflated at the contractually committed rate of inflation or where services can demonstrate a requirement to do so to maintain service delivery levels. Interest rates for 2021-22 have been assumed to remain at current levels for new long term borrowing. Increases to fees and charges have been set in line with inflation where appropriate.

3.2 Efficiency saving and productivity gains

Appendix Eii)

The budget contains proposals to deliver £3.7m of savings or income. The Medium Term Financial Strategy (MTFS) includes a four year savings or income programme to ensure that future revenue budgets remain in financial balance to ensure the Council has adequate resources to deliver its Council Strategy outcomes.

3.3 Budget and Financial management and the impact of Covid-19

West Berkshire has an excellent record of budget and financial management. The level of under and overspends in recent years is as follows:

Year	Over/ -under spend £m	% of net budget
2011/12	-0.49	0.39%
2012/13	-0.62	0.50%
2013/14	-0.45	0.37%
2014/15	0.03	0.02%
2015/16	0.12	0.10%
2016/17	0.01	0.01%
2017/18	0.28	0.23%
2018/19	-0.08	0.15%
2019/20	-1.50	-1.16%
2020/21 est	-3.40	-2.62%

This level of control is achieved by significant management and policy action to ensure that spending is kept within budgets each year. All relevant reports to the Executive have their financial effects identified and Operations Board keeps any emerging budget pressures under review during the year. Quarterly Performance reports are received by Corporate Board, Operations Board, the Executive, and the Overview and Scrutiny Management Commission. These reports detail both budgetary and performance indicators. A traffic light system of indicators is used.

The Council has a number of demand led budgets. The Council has historically been able to manage changes to demand to ensure a sound financial standing at the end of the financial year.

Covid-19 has had a significant impact on the Council's financial position. Government funding to date though has been sufficient to support services to continue without an impact on the overall financial position of the Council. The longer term impact of Covid-19, though not fully known, has been addressed in the 2021-22 budget through £3.2m of Government funding, and support for the collection fund position and the continuation of the income compensation schemes for Q1 of 2021-22. These areas of support, as well as the Council's overall financial system of control, including general reserves, provides a significant level of protection to enable the Council to continue to operate and deliver its services for 2021-22. Covid has also had an impact on some of the demand led services and has reduced financial pressures in Adult Social Care, for example.

There has also been a significant impact on business rates. In 2020-21 the Council passported almost £40m of business rates reliefs to businesses across the district. The accounting for this will mean a significant move through reserves on the NNDR1

(government return for business rates) and on the collection fund. The collection of the residual business rates in 2020-21 and 2021-22 will remain constrained and the estimates in the NNDR1 reflect this. The Council is spreading the Collection Fund deficit (for business rates and Council Tax) over a three year period, and so the estimates assumed for collection fund deficits will have ramification for future financial years as well. Significant uncertainty remains around, especially on business rates but to a lesser extent Council Tax, the amount of tax collected and what will need to be written off in future years.

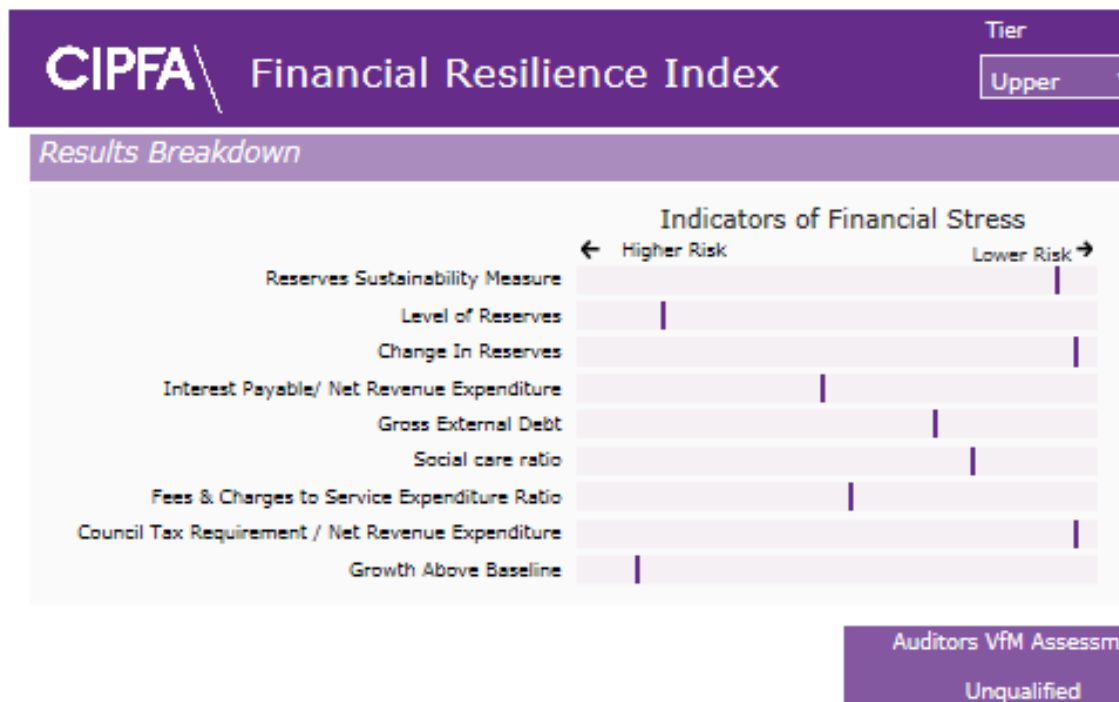
3.4 Adequacy of insurance and risk management

Strategic risk management is being embedded throughout the Council to ensure that all risks are identified, ameliorated and managed appropriately. The Council's insurance arrangements are a balance of external insurance premiums and internal funds to self-insure some areas. As well as an internal risk manager the Council also make use of an external consultant to advise on the level of funds required to underpin those risks not externally insured.

3.5 Overall financial standing of the authority

West Berkshire Council borrows money to support the Council's capital programme. It has calculated its capacity for borrowing within the provisions of the prudential framework and budgeted accordingly. The assumed Council Tax collection rate is 99.6% and this is an achievable if demanding target. Each 1% uncollected amounts to approximately £1m and any surplus or deficit on the collection fund is apportioned between the Council and its major precepting bodies the Royal Berkshire Fire and Rescue Authority, and the Thames Valley Police Authority.

As part of the consideration of the financial standing of the Council, CIPFA have released a financial resilience index. The indicators included are relatively small in number, they do provide a comparative (versus other unitary councils) snapshot of the previous year's position. The summary below (unfortunately just for 2018/19) is highlighting that although the overall level of reserves are comparably lower, i.e. a potentially higher risk, there have been increases to these during that financial year which reduces risk levels. However, in 2019-20 the level of reserves did increase due to an under spend of £1.5m in that financial year. As part the above, general fund reserves are above the minimum level set out. The below also highlights some risk around taxbase growth and this has been adjusted for across the financial papers in this budget cycle.



4 Maintaining balances

- 4.1 The balance of the in year budgetary position against the proposed budget will be managed against the General Reserve and service specific reserves. If budget pressures emerge then it is first for the Service to contain, then the Directorate and finally a corporate issue. If there is still a pressure at year end then General Reserves and service specific reserves will reduce. If the General Reserve falls below the minimum recommended level, it would need to be replenished to restore the minimum level. This helps ensure that the Council is in a position to maintain its service provision without drastic actions.
- 4.2 If an event occurs that is so serious it depletes the Council reserves to below the limit set, then the Council will take appropriate measures to raise general fund reserves to the recommended level in as soon a timeframe as possible without undermining service provision.

Joseph Holmes
Executive Director (Resources)
February 2021

People Directorate Fees & Charges Proposals 2021/22

1 Adult Social Care

- 1.1 Councils have the power to charge for certain social care services, and are required to have a charging policy that is demonstrably fair and does not undermine the overall objectives of social care – that is, to promote both independence and social inclusion of service users. It is recognised that the level of fees and charges can have a direct impact on usage and take up, and in some instances work against the Council's social inclusion agenda by effectively discriminating against those who are less able to pay.
- 1.2 The Council's policy is therefore to charge service users an 'affordable' amount, which is uplifted by inflation each year where appropriate. However, where other local authorities, or Health organisations, are purchasing Council services on behalf of their service users, the charges made to these organisations are designed to reflect the actual costs of the service.
- 1.3 West Berkshire Council's Charging Policy for Adult Social Care services, introduced in 2015, states the individual will have one assessed charge for all services. All services will be added together before a service user is financially assessed.
- 1.4 The guidance allows for a prescribed list of allowances, for example, rent, mortgage, council tax, buildings insurance etc plus disability related costs, for example, community alarm system, extra heating costs that meet an individuals presenting care needs.
- 1.5 These allowances are then deducted from the total income to give an assessable income when an individual is receiving care in a non-residential setting.
- 1.6 From April 2012 any new or reviewed eligible individual requiring support from Adult Social Care receives this in the form of a Personal Budget through which they can arrange their support. As of 1st April 2011 individuals have been charged for each day they have booked at a Resource Centre and only in exceptional circumstances will charges be waived for non attendance.
- 1.7 There are generally two types of charges – discretionary and statutory:

- **Discretionary Charges**

Unless otherwise stated, the fee increase for 2021/22 is by September CPI of 0.5%. The charge to other local authorities and Health organisations for places in West Berkshire Resource Centres will be increased by 0.5% for 2021/22.

Community Based Services will be charged at the actual cost of the service, including administration costs.

Other Day Centre and Transport will be charged at the actual cost.

Some fees have been increased by more than CPI to ensure that the cost covers the work being undertaken.

- **Statutory Charges**

The method of assessing contributions from clients in long-term residential care is covered by section 14 of the Care Act 2014, the Care and Support (Charging and Assessment of Resources) Regulations 2014, the Care and Support Statutory Guidance and the Council's ASC Charging Policy 2015.

The charges to full cost payers in WBC Homes, and to other local authorities who access services run by West Berkshire Council, are based on current information in respect of cost and the estimated number of clients using the service. The proposed full standard charge for WBC Homes is to increase by 1%.

Deputyship Fees are set by the Court of Protection.

The Responsive Care Provider Service are undertaking a review of all Residential and Nursing placement costs and intend to incorporate a banding system based on level of need, along with respite provision and one to one support. This review has been delayed due to the Covid pandemic, but it is expected to be implemented during the 2021/22 financial year.

Adult Social Care		
Description	Fees 2020/21	Proposed Fee 2021/22
Residential care independent sector homes - full cost per week	Actual cost	Actual cost
Residential care WBC Homes - full cost per week	Willows Edge £831.00 Notrees £831.00 Walnut Close £831.00 Birchwood £861.00	Willows Edge £839.00 Notrees £839.00 Walnut Close – Home closed Birchwood £870.00
Nursing care WBC Homes - full cost per week	Birchwood £861.00 excludes Funded Nursing Care	Birchwood £870.00 excludes Funded Nursing Care
Meals provided in WBC Resource Centres	£5.20	£5.30
WBC Resource Centre outreach workers	£19.70	£19.80
WBC Transport - maximum charge per journey	£8.90	£8.90
WBC Foot Care service regular appointment	£21.30	£21.40
WBC Foot Care Equipment	£12.90	£13.00
External day activities	Actual cost	Actual cost
WBC Resource Centres - charge to other Local Authorities and Clinical Commissioning Groups: - Older People - Learning Disability - Physical Disability	 £69.00 £112.00 £104.00	 £69.30 £112.60 £104.50
Charges to any organisation using WBC Resource Centres: Greenfield, Hungerford & Phoenix	Actual cost	Actual cost
WBC Resource Centres - charge per day	£49.60	£49.80
Administration fee for commissioning care for full cost clients	£230.00 per annum	£231.00 per annum

Set up fee for deferred payers	£150.00	£151.00
Administration fee for deferred payers	£250.00 per annum	£251.00 per annum
Next of kin support administration following the death of a Deputyship client	£103.00 per hour	£103.50 per hour
Support in making a Lasting Power of Attorney application	£155.00	£156.00
Support in making a Deputyship application	£350.00	£352.00
Residential and Nursing care WBC Homes - charge the assessed contribution whilst in hospital if bed retained at the home	Assessed charge	Assessed charge
Residential and Nursing care WBC Homes - charge the assessed contribution from date of admission even if client subsequently decides to leave the home during the review period	Assessed charge from date of admission	Assessed charge from date of admission
Transporting clients from care homes to resource centres (charge to provider)	Actual cost	Actual cost
Adult Placement - management fee	<p>£109.00 per week for a full time placement.</p> <p>£32.60 per week for an overnight respite session.</p> <p>£4.20 per hour for day support.</p>	<p>£109.50 per week for a full time placement.</p> <p>£32.80 per week for an overnight respite session.</p> <p>£4.30 per hour for day support.</p>

Resource Centre - Rental Charges						
	Fees 2020/21			Proposed Fees 2021/22		
Room	Daily Rate	Half Day Rate	Hourly Rate	Daily Rate	Half Day Rate	Hourly Rate
Phoenix Resource Centre						
Ground floor woodwork room	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
External car washing facility	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
Ground floor Theatre (with lighting and audio system)	From £87.30 to £152.70	From £45.70 to £81.80	From £21.70 To £39.20	From £87.70 to £153.50	From £45.90 to £82.20	From £21.80 To £39.40
Audience seating (setting up and taking down)	£81.80	£81.80	£81.80	£82.20	£82.20	£82.20
First floor Theatre office	£16.30	£16.30	£16.30	£16.40	£16.40	£16.40
Ground floor frailty and dementia suite (Lilac Lounge)	£60.00	£32.60	£12.00	£60.30	£32.80	£12.10
Ground floor physical disability suite (Sunshine Room)	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
Ground floor sensory cooking room	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
Ground floor sensory room	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
Ground floor optimusic room	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
Ground floor dining room	£87.30	£45.70	N/a	£87.70	£45.90	N/a
Ground floor dining room and kitchen	£98.10	£51.20	N/a	£98.60	£51.50	N/a
Ground floor small activity room	£28.70	£14.70	£6.50	£28.80	£14.80	£6.50
First floor Craft activity room	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
First floor computer suite	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
First floor activity / office space - full space (large)	£113.40	£57.70	£20.70	£114.00	£58.00	£20.80
First floor activity / office space - medium	£87.30	£45.70	£16.30	£87.70	£45.90	£16.40
First floor Art room	£57.70	£29.50	£10.30	£58.00	£29.60	£10.40
First floor large meeting room without equipment	£36.00	£18.50	£7.60	£36.20	£18.60	£7.60
First floor large meeting room with equipment	£46.90	£22.80	£9.10	£47.10	£22.90	£9.10
First floor small meeting rooms	£21.70	£11.30	£4.20	£21.80	£11.40	£4.20
Accessible shower facility and personal care rooms	N/a	N/a	£9.80	N/a	N/a	£9.80

	Fees 2020/21			Proposed Fees 2021/22		
Room	Daily Rate	Half Day Rate	Hourly Rate	Daily Rate	Half Day Rate	Hourly Rate
Hungerford Resource Centre						
Ground floor main activity room	£101.40	£51.20	£17.90	£101.90	£51.50	£18.00
Ground floor computer suite	£51.70	£26.10	£9.10	£52.00	£26.20	£9.10
Ground floor quiet room	£26.10	£13.50	£5.40	£26.20	£13.60	£5.40
Ground floor hairdressing salon	£26.10	£13.50	£5.40	£26.20	£13.60	£5.40
First floor meeting room 1	£51.70	£26.10	£9.10	£52.00	£26.20	£9.10
First floor meeting room 2	£51.70	£26.10	£9.10	£52.00	£26.20	£9.10
Accessible shower facility and personal care rooms	N/a	N/a	£9.80	N/a	N/a	£9.80

	Fees 2020/21			Proposed Fees 2021/22		
Room	Daily Rate	Half Day Rate	Hourly Rate	Daily Rate	Half Day Rate	Hourly Rate
Greenfield Resource Centre						
Atrium	£101.40	£51.20	£17.90	£101.90	£51.50	£18.00
Computer suite	£51.70	£26.10	£9.10	£52.00	£26.20	£9.10
Frailty and dementia suite	£76.30	£38.70	£13.50	£76.70	£38.90	£13.60
Physical disability suite	£76.30	£38.70	£13.50	£76.70	£38.90	£13.60
Learning disability suite	£51.70	£26.10	£9.10	£52.00	£26.20	£9.10
Optimusic / sensory room	£51.70	£26.10	£9.10	£52.00	£26.20	£9.10
Small office	£26.10	£13.50	£5.40	£26.20	£13.60	£5.40
Accessible bath facility and personal care rooms	N/a	N/a	£9.80	N/a	N/a	£9.80
Security opening and locking building at weekends	£18.50	N/a	N/a	£18.60	N/a	N/a

Hourly rate applies for bookings of between 1 and 2.5 hours, all bookings over this time duration are charged as a half day.

2 Family Hubs

- 2.1 The Family Hubs may enter into hire agreements in order to deliver services to children, young people, families and the local community. Family Hubs are non-profit making organisations and as such it is agreed that West Berkshire Family Hubs have a reduced charge for statutory providers for use of the Centres' facilities where they are delivering services for families with children 0-5 years that fall within the remit of Family Hubs e.g.
- Family Groups and contact visits held by Children Services
 - Clinics and drop-in's held by Health Professionals
- 2.2 The Family Hubs started to charge for activity sessions provided to the general public in 2018/19. These activities are pre-booked via an online booking system. Activities are allocated to a pricing band, depending on their nature.
- 2.3 The Family Hubs increased the room hire charges for 2019/20, which is the first increase for a number of years. It has therefore been decided to not increase the charges in 2021/22.

Family Hubs Fees and Charges (charges per hour)

Family Hubs						
	Fees 2020/21			Proposed Fees 2021/22		
Room Hire	Non profit Organisation	Profit Organisation	Statutory Services	Non profit Organisation	Profit Organisation	Statutory Services
East District - Calcot	£10.00	£20.00	£6.00	£10.00	£20.00	£6.00
Central District - Thatcham Park Lane	£10.00	£20.00	£6.00	£10.00	£20.00	£6.00

Note: contributions are accepted for Stay and Play activities towards refreshments.

Family Hubs Additional Fees and Charges (Out of hours)

*Charges after 6pm Weekdays and on Saturdays

	Fees 2020/21		Proposed Fees 2021/22	
Room Hire	*Caretaker Opening Charge	*Caretaker Waiting Time Charge	*Caretaker Opening Charge	*Caretaker Waiting Time Charge
1 Hour	£10.00	N/A	£10.00	N/A
2 Hours	£10.00	£7.00	£10.00	£7.00
3 Hours	£10.00	£10.50	£10.00	£10.50
4 Hours	£10.00	£14.00	£10.00	£14.00
5 Hours	£10.00	£17.50	£10.00	£17.50
6 Hours	£10.00	£21.00	£10.00	£21.00

Family Hubs Activity Sessions

	Fees 2020/21	Proposed Fees 2021/22
Band	£	
A	£0 - £3	£0 - £3
B	£3.01 - £10	£3.01 - £10
C	£10.01 - £20	£10.01 - £20

Name of session/Group	Charging Band	Basis
All Stay, Play & Learn Groups	A	Per family per session
Messy Play	A	Per family per session
All Baby Groups	A	Per family per session
Post Natal Group	A	Per family per session
Family Learning Courses	B	Per learner per session
Paediatric First Aid	B	Per adult one off session
Baby massage	B	Per family per session
Little Stars	C	Per family per 6 week course

3 Home to School Transport

The Standard Rate for academic year 2021/22 will continue at the same rate as academic year 2020/21 at £804. The Rate represents £4.23 for a return journey per school day. The Rate applies across West Berkshire so that rural communities are not disadvantaged with a higher price.

Home to School Transport Fees and Charges

Home to School Transport		
Banding	Fees 2020/21	Fees 2021/22
Standard rate	£804	£804
Replacement bus pass admin fee	£15	£15
Rail pass admin fee	£20	£20

Resources and Place Fees & Charges Proposals – 2021/22

1. Introduction

- 1.1 The starting point for the base budget for the 2021/22 budget build is that Fees and Charges should increase at least in line with inflation in order to maximise income accepting that:
- Fees and charges can have a direct impact on usage and take up.
 - In some circumstances the Council is providing services in direct competition to the private sector. Where this is the case, price is likely to have a direct link with demand and it is important that the Council does not price itself out of the market. In some areas benchmarking has taken place to ensure West Berkshire can compete with other authorities.
 - Raising fees and charges can in some instances work against the Council's social inclusion agenda by effectively discriminating against those who are less able to pay.
 - For some services there is a clear expectation that fees and charges will reflect the costs incurred in providing the service; the Council may be subject to legal challenge if increases in fees and charges cannot be justified.
- 1.2 Statutory fees are not set by the council and may be subject to change during the year.
- 1.3 Fees below are correct at the time of publication, some may change during the year for operational reasons, subject to the appropriate authorisations.

2. Proposals – Place Specific Directorate

2.1 Development and Planning

(1) Housing

Temporary accommodation is charged in line with Local Housing Allowance (LHA) rates which have not yet been released for 2021/22. Do It Yourself Shared Ownership (DIYSO) leases will be increased in line with the rate of CPI inflation as at September 2020 (0.5%); The rental costs of Gypsy and Traveller accommodation owned or let by West Berkshire Council would also normally be increased by CPI, but as the increase would be less than £1, no increase is proposed for 2021/22.

The Council also charge for homeless households placed in Bed and Breakfast accommodation. Households will need to claim Housing Benefit, or will be charged up to the amount Housing Benefit would pay, if they were eligible. In addition households will need to pay the ineligible charges, mainly breakfast. These charges are proposed to increase in line with inflation at 0.5% for 2021/22.

The Council may also charge applicants placed in emergency bed provision at Two Saints Hostel. Applicants are unable to claim Housing Benefit when placed in an emergency bed. A charge of £1 a night may be made for emergency bed provision for people who are not employed and £5 a night for people who full or part time employment. However the process for charging for emergency accommodation at Two Saints Hostel is under review with a view to bringing the process in line with that for other types of temporary accommodation.

In some instances, the Council provides transport to temporary accommodation for households who have no other means of getting to that accommodation. The cost of providing the transport will be recharged, in full to the client.

The Council can assist with providing removals and/or storage for homeless applicants. The full cost of providing this service will be recharged to the client.

The Council can assist with securing cattery or kennel provision for homeless applicants in temporary accommodation, as pets are not permitted in temporary accommodation. The full cost of providing this service will be recharged to the client.

The Council provides repairs and maintenance to a small supply of temporary accommodation, including an out-of-hours service. In the event that a tenant or licensee uses the emergency service for a non-emergency repair, or fails to attend an appointment for a contractor to attend to a repair, a charge will be made to the tenant to cover the call-out costs. Where repairs arise as a result of neglect or damage caused by the tenant or licensee, or a member of their household, or a visitor to their home, the full cost of the repair will be recharged to the tenant or licensee.

Housing related support services will be charged at the actual cost of the service received.

For 2021/22 the council will charge a fee of 12% of total works value for private work which is not eligible for a Disabled Facilities Grant.

Description	Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Copy of housing assessment	No Charge	No Charge
Average rent for temporary accommodation per week	In Line with Local Housing Allowance	In Line with Local Housing Allowance
Do It Yourself Ownership rent (DIYSO) rent	1.5 % increase on individual contracts	0.5 % increase on individual contracts
Transport costs to temporary accommodation (TA)	Actual cost	Actual cost
Gypsy Traveller rent (Per week, per plot)	£94.00	£94.00
Home Improvement Agency (HIA) fee for private adaption work	12% of total cost of works to eligible clients	12% of total cost of works to eligible clients
Failed call out charges	Actual cost	Actual cost
B&B charging		
<i>Ineligible Charges for Bed and Breakfast Accommodation</i>		
Heating, lighting and hot water per week per Family Unit**	£40.00	£40.20
Breakfast per person, per week	£3.50	£3.50
** Family Units include: Single person, Couple - no children, Couple with 1-4 children, Single person with 1-4 children.		

(2) Development Control

Fees for planning applications are set centrally by the MHCLG. For invalid applications, 25% of the set fee will be retained by the service after the 3rd failed attempt.

Pre application fees were reviewed prior to the start of 2020/21 to ensure they are reflective of the costs of the service. It is therefore proposed to increase Pre-application planning fees by 0.5% for 2021/22, in line with CPI inflation at September 2020.

		Fees and Charges 2020/21		Proposed Fees and Charges 2021/22	
Planning applications		Government Set Fees		Government Set Fees	
Invalid applications charge		25% of Government set fee after 3 failed attempts		25% of Government set fee after 3 failed attempts	
Pre-application fees		Basic Fee Stage 1	Basic Fee Stage 2	Basic Fee Stage 1	Basic Fee Stage 2
Residential Development:					
Minor	One dwelling	£231.00	£220.00	£232.00	£221.00
	2-4 dwellings	£410.00	£363.00	£412.00	£365.00
	5-9 dwellings	£462.00	£410.00	£464.00	£412.00
Small Major	10-25 dwellings	£726.00	£654.00	£730.00	£657.00
Large Major	26-49 dwellings	£944.00	£726.00	£949.00	£730.00
	50-199 dwellings	£944.00	£726.00	£949.00	£730.00
	>=200 dwellings	£1,234.00	£726.00	£1,240.00	£730.00
Non-residential Development					
Minor	0-249 m2	£264.00	£230.00	£265.00	£231.00
	250-999 m2	£462.00	£410.00	£464.00	£412.00
Small Major	1000-9999 m2	£726.00	£654.00	£730.00	£657.00
Large Major	>= 10,000 m2	£944.00	£726.00	£949.00	£730.00
Other Development:					
Household		£86.00	£60.00	£86.00	£60.00
LBC/Conservation (no extension involve		£120.00	£86.00	£121.00	£86.00
Extns to Listed Bldgs (where PP not		£132.00	£100.00	£133.00	£101.00
Change of Use		£174.00	£120.00	£175.00	£121.00
Advert		£72.00	£60.00	£72.00	£60.00
Variation of Conditions		£86-£170	£120.00	£91-£181	£121.00
Telecoms		£220.00	£220.00	£221.00	£221.00
Shopfronts		£220.00	£73.00	£221.00	£73.00
Agricultural Notification		£220.00	£220.00	£221.00	£221.00

2.2 Environment

(1) **Car Park Charges** – There is no proposed increase in car park charges for 2021/22.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Newbury - Car Park Charges (Mon to Sun inc Bank Holidays):			
Kennet Centre and Northbrook Multi-storey Car Parks	Up to 1 hour	£1.50	£1.50
	Up to 2 hours	£2.70	£2.70
	Up to 3 hours	£3.90	£3.90
	Up to 4 hours	£5.20	£5.20
	Up to 6 hours	£7.20	£7.20
	Up to 8 hours	£8.70	£8.70
	Over 8 hours	£12.00	£12.00
	Evening Charge	£2.00	£2.00
Short and Long Stay Car Parks - Pelican Lane, West Street, 8 Bells, Market Street , Bear Lane, Central and Library	Up to 1 hour	£1.50	£1.50
	Up to 2 hours	£2.70	£2.70
	Up to 3 hours	£3.90	£3.90
	Up to 4 hours	£5.20	£5.20
	Up to 6 hours	£7.20	£7.20
	Up to 8 hours	£8.70	£8.70
	Over 8 hours	£12.00	£12.00
	Evening Charge	£2.00	£2.00
Short Stay Car Parks – Northcroft Lane and The Wharf	Up to 1 hour	£1.50	£1.50
	Up to 2 hours	£2.70	£2.70
	Up to 3 hours	£3.90	£3.90
	Up to 4 hours	£5.20	£5.20
	Over 4 hours	£12.00	£12.00
	Evening Charge	£2.00	£2.00
Long Stay Car Parks – Northcroft Lane West 08:00 am to 10:00pm	Up to 2 hours	£1.70	£1.70
	Up to 4 hours	£3.20	£3.20
	Over 4 hours	£5.20	£5.20
Long Stay Car Parks – Newbury Football Club and Market Street staff car park. Market Street (Saturday's only).	Up to 4 hours	£1.00	£1.00
	Over 4 hours	£2.00	£2.00
	no evening charge		
Goldwell Park	Up to 4 hours	£1.00	£1.00
	Over 4 hours	£2.00	£2.00
	No Evening Charge	Free	Free
Newbury Car Park Charges (Sunday) - All car Parks	Daily charge up to 6.00pm	Same as Mon to Sat	Same as Mon to Sat
	Evening charge from 6.00pm	£2.00	£2.00
Newbury on-street Charges (Mon to Sat inc Bank Holidays):			
Northbrook Street (west side) - either side of Albert Road Broadway (east side)- near Clock Tower Cheap Street (west side) Bartholomew Street	30 Mins	Free	Free
	1 hour	£1.00	£1.00
Kings Road West	30 Mins	Free	Free
	1 Hour	£1.00	£1.00
	2 Hours	£1.50	£1.50
	4 Hours	£3.00	£3.00
Newtown Road (north of St John's Road) West Mills	30 Mins	Free	Free
	2 hours	£1.00	£1.00
	4 hours	£2.00	£2.00
Pelican Lane (west side)	30 mins	Free	Free
	1 hour	£1.00	£1.00
	2 hours	£2.20	£2.20

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Newbury on-street Charges (Mon to Sat inc Bank Holidays) continued:			
Newtown Road (south of St John's Road) - west side	4 hours	£1.00	£1.00
	over 4 hours	£2.00	£2.00
Catherine Road and Link Road	2 hours	£1.00	£1.00
	4 hours	£2.00	£2.00
	over 4 hours	£3.80	£3.80
Station Road	2 hours	£1.00	£1.00
	4 hours	£2.00	£2.00
	over 4 hours	£3.80	£3.80
Old Bath Road (south side) west of Leys Gardens	2 hours	£0.50	£0.50
	4 hours	£1.00	£1.00
	over 4 hours	£1.50	£1.50
Faraday Road area	30 mins	Free	Free
	2 hours	£0.50	£0.50
	4 hours	£1.00	£1.00
	over 4 hours	£1.50	£1.50
Newbury On-Street Charges (Sunday)			
Standard daily charge of £1.00 at all locations where on-street charging applies. The 30 minutes free parking will be retained at all locations where it applies Monday to Saturday as will the £0.50 charge for up to 2 hours parking at the two locations where it applies (Old Bath Road and Faraday Road)		£1.00	£1.00
Newbury Season Ticket Prices:			
Kennet Centre:	Per Quarter	£350.00	£350.00
Northbrook MSCP:	Per Quarter	£350.00	£350.00
	Per Annum	£1,150.00	£1,150.00
Newbury "General":	Per Quarter	£350.00	£350.00
	Per Annum	£1,150.00	£1,150.00
Out of Newbury Car Park Hourly Rates:			
Hungerford: Church St	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Up to 3 Hours	£1.70	£1.70
	Up to 4 Hours	£2.00	£2.00
	Up to 10 hours	£4.00	£4.00
	Over 10 hours	£10.00	£10.00
Hungerford: Station Road	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Up to 3 Hours	£1.70	£1.70
	Up to 4 Hours	£2.00	£2.00
	Up to 10 hours	£4.00	£4.00
	Over 10 hours	£6.00	£6.00
Hungerford High Street (On-Street)	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Up to 4 hours	£3.80	£3.80
	Up to 8 hours	£6.00	£6.00
	Over 8 hours	£10.00	£10.00
Pangbourne Station Road:	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Up to 3 hours	£1.70	£1.70
	Over 3 hours	£5.50	£5.50
Pangbourne River Meadow	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Up to 3 hours	£1.70	£1.70
	Up to 4 hours	£2.00	£2.00
	Up to 8 hours	£2.50	£2.50
	Over 8 hours	£5.50	£5.50

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Out of Newbury Car Park Hourly Rates continued:			
Thatcham Kennet Leisure Centre - Monday to Friday 8:30 to 17:30	Up to 2 hours (no return within 4 hours)	Free - (a ticket must be displayed)	Free - (a ticket must be displayed)
	Up to 3 hours	£1.00	£1.00
	Over 3 hours	£10.00	£10.00
Thatcham Kingsland Centre	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Up to 3 hours	£1.70	£1.70
	Over 3 hours	£3.00	£3.00
Thatcham Gilbert Court	Up to 1 hour	Free	Free
	Up to 2 hours	£0.60	£0.60
	Up to 3 hours	£0.90	£0.90
	Over 3 hours	£2.00	£2.00
Thatcham Burdwood Centre	Up to 2 hours	Free	Free
	Up to 3 hours	£0.90	£0.90
	Over 3 hours	£2.00	£2.00
Thatcham Station	Off Peak (arrival after 10.00 am and return by midnight same day and up to 24 hours Saturdays and Sundays)	£2.00	£2.00
	Up to 24 Hours Monday to Friday (arrival before 10.00 am)	£3.40	£3.40
Thatcham On-Street:			
Pipers Lane (Monday to Sunday at all times)	Up to 4 hours	£1.00	£1.00
	Over 4 hours	£1.50	£1.50
Ayleford Way (Monday to Sunday 8.00am to 6.00pm)	Up to 4 hours	£1.00	£1.00
	Over 4 hours	£1.50	£1.50
Theale Main	Up to 2 hours	£0.80	£0.80
	Over 2 hours	£1.30	£1.30
Theale West	Up to 1 hour	£0.80	£0.80
	Up to 2 hours	£1.30	£1.30
	Over 2 hours	£5.50	£5.50
Out of Newbury Season Tickets			
Hungerford	Annual	£425.00	£425.00
Pangbourne	Per Quarter	£160.00	£160.00
	½ year	£315.00	£315.00
	Annual	£500.00	£500.00
Theale	Annual	£160.00	£160.00
West Berkshire Residents Parking Permits		£30.00	£30.00
West Berkshire Visitor Parking Permits		£1.00	£1.00
Hungerford High Street (Zone HHS)		£70.00	£70.00
Park Terrace		£70.00	£70.00
Blue Badge (new application)		£10.00	£10.00
Replacement Blue Badge		£10.00	£10.00
Parking Dispensation	Per Day	£15.00	£15.00
Parking Suspensions	Per application	£15.00	£15.00
	Per 5m bay per day	£10.00	£10.00

(2) Licence Fees, Permits and Other Charges

Fees are charged for a range of services e.g. where Highway Authority approval is required to place items or to work on the public highway. These include vehicular crossings, skips, scaffolds, table and chairs on the highway, issuing permits for and inspecting utility operations, temporary or permanent traffic regulation orders. It is proposed to increase these charges by 0.5%, in line with CPI inflation at September 2020.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Tree Preservation Order		£27.00	£27.00
Michaelmas Fair		£3,000.00	£3,020.00
Public Rights of Way	Search fees	£74.00	£75.00
	Path order fees	£1,500.00-£3740.00	£1,500.00-£3770.00
Statutory Declarations		£200 flat rate with rights to increase if the work required is onerous	£205 flat rate with rights to increase if the work required is onerous
Highways Act Charges:			
Land charges		£52.00	£52.00
Vehicular Crossing (S.184)		£127.00	£150.00
Skips on the Highway (S.139)	Initial fee	£46.00	£46.00
	per week	£54.00	£54.00
Scaffold/hoarding on the Highway (S.169/172)	Initial fee	£92.00	£93.00
	per week	£53.00	£53.00
Tables and Chairs on the Highway (based on number of Chairs) (S.115)	1 to 10	£231.00	£233.00
	Transport and Countryside	£380.00	£383.00
	27+	£761.00	£766.00
Storing Materials on the Highways (S.171)	Initial fee	£86.00	£87.00
	per week	£29.00	£29.00
Temporary Excavation in the highway (S.171)		£115.00	£116.00
Cranes, machinery, structure on the highway (S.178)		£167.00	£168.00
Per Necessary inspection		£63.00	£63.00
S142 Licence to plant in the highway		£138.00	£139.00

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Other Licences and Charges:				
Licence to place advertising sign on public highway (A board or similar) in Newbury Town Centre		£55.00	£55.00	
Streetworks licence (S.50 NRSWA)		£260.00	£262.00	
Utility Works Inspection (NRSWA/TMA)		£55.00	£55.00	
Fixed Penalty Charge (Utility Companies) NRSWA/TMA		£120.00/£80.00	£120.00/£80.00	
Permanent Traffic Regulation Order for Developer		£870.00 plus actual costs of signage, road markings, agency & advertising	£880.00 plus actual costs of signage, road markings, agency & advertising	Plus agency & advertising costs and cost of signage and road markings
Temporary Traffic Regulation Orders Section 14(1)		£885.00	£891.00	
Emergency Temporary Traffic Regulation Orders Section 14(2)		£458.00	£461.00	
Retrospective Temporary Traffic Regulation Orders Section 14(2)		£660.00	£665.00	
Temporary Traffic Regulation Orders Section 16A where appropriate & Section 21 of PTCA		£80.00	£81.00	
Cutting through signal loops and not informing LA		£500.00 plus cost of recutting loops	£505.00 plus cost of recutting loops	New Charge
Tourist / Direction signs		£530.00	£534.00	
Traffic Signs / Signals Equipment damaged by Road Traffic Accident or other event		10% of cost of repairs	10% of cost of repairs	Charge for our administration of the claim
Use of permanent Traffic Regulation Order for railway crossing works		£80.00	£81.00	
Access Protection Marking (single standard width dropped kerb driveway)		£127.00	£128.00	Cost for single standard width dropped kerb driveway
Sewerage treatment property charge		£386.00	£389.00	
Events/Promotions on the Public Highway		£120.00 to £1,200.00 per day	£120.00 to £1,210.00 per day	
Cycle Training		£40.00	£40.00	
Recovery and storage of unauthorised signs		£138.00	£139.00	
Provision of Data:				
Highway search enquiries	One A4 plan covering 100 metres of highway	£52.00	£52.00	
	Additional 100 metres	£14.00	£14.00	
	Additional question	£14.00	£14.00	
Provision of recorded injury accident Data		£144.00 + £47.00 per additional block of up to 10 accidents	£145.00 + £47.00 per additional block of up to 10 accidents	
Provision of Traffic Data, per request per site:	data up to 1 year old	£138.00	£139.00	
	data up to 3 years old	£110.00	£111.00	
	data over 3 years old	£81.00	£82.00	

(3) Public Transport

Use of public transport has fallen off significantly during 2020 because of Covid. No increases are therefore proposed for 2021/22 in charges to bus operators and passengers.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Charge per departure		£0.60	£0.60
Bus stands 0400-1800	up to 20 minutes	£0.00	£0.00
	20 minutes to 1 hour (max stay)	£1.20	£1.20
Coach stands 0400-1800	up to 90 mins (max stay)	£4.00	£4.00
Bus/coach stand and Bays B-F Mon-Sat 1800-0400 and all day Sunday	up to 3 hours	£3.00	£3.00
	over 3 hours	£6.00	£6.00
Additional charge for breaches		£25.00-£50.00	£25.00-£50.00
Temporary bus stop closure	Per stop	£150.00	£150.00
	Per pair of opposite stops	£180.00	£180.00
Provision of information at bus stops for services not subsidised by WBC	Per stop	£11.20	£11.20
Concession bus pass replacement fee		£16.50	£16.50

(4) Highways Development Control Fees

Fees are charged to developers for design checking, supervision and inspection of new roads under construction and off site highway improvements. The charges proposed have been benchmarked with other authorities. It is proposed to increase these charges by 0.5%, in line with CPI inflation at September 2020.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Street naming and numbering - Property name change		£86.00	£87.00
Changes to new addresses due to the development changing after the schedule has been issued.	Per plot	£86.00	£87.00
Provision of Pre-Planning Application Advice			
Transport Assessment Scoping Note		£161.00	£162.00
Draft Transport Assessment		£545.00	£549.00
Provision of Private Access		£100.00	£101.00
Highway Advice for New Developments	Less than 5 Dwellings	£161.00	£162.00
	5 to 25 dwellings	£364.00	£367.00
	26 to 79 dwellings	£473.00	£476.00
	80 to 200 dwellings	£545.00	£549.00
	More than 200 dwellings	£617.00	£621.00
	0 to 249 sqm	£132.00	£133.00
	250 sqm to 999 sqm	£232.00	£234.00
	1,000 to 9,999 sqm	£364.00	£367.00
	over 10,000 sqm	£473.00	£476.00
Meeting charge	per hour	£134.00	£135.00

(5) Hire of sports facilities

Sports facilities at Henwick Worthy, Holy Brook, Northcroft, Moorside and The Diamond at Greenham. It is proposed to increase the charges for use of our sports facilities by 0.5%, in line with CPI inflation at September 2020.

		Fees and Charges 2020/21		Proposed Fees and Charges 2021/22	
		Single Booking	Block Booking	Single Booking	Block Booking
Henwick Worthy Sports Ground:					
Cricket – 1 st Hand Wicket (per match)	Adult	£103.84	£86.53	£104.60	£87.10
	Junior	£47.91	£39.92	£48.20	£40.20
Cricket – 2 nd Hand Wicket (used grass)	Adult	£76.91	£64.09	£77.40	£64.50
	Junior	£37.37	£31.14	£37.60	£31.40
Cricket – Artificial Wicket	Adult	£69.16	£57.63	£69.60	£58.00
	Junior	£35.27	£29.39	£35.50	£29.60
Cricket – 2 nd (Reserve) Artificial Wicket	Adult	Free	Free	Free	Free
	Junior	Free	Free	Free	Free
Football – Grass (per game)	Adult	£78.66	£65.55	£79.20	£66.00
	Junior	£38.49	£32.07	£38.80	£32.30
Football - Mini Pitch	Adult	£44.51	£37.09	£44.80	£37.30
	Junior	£22.27	£18.56	£22.40	£18.70
Rugby – Grass (per game)	Adult	£78.66	£65.55	£79.20	£66.00
	Junior	£38.49	£32.07	£38.80	£32.30
Rugby Training	Cost per Hour	£21.34	£17.78	£21.50	£17.90
Use of Portable Lights	Cost Per Hour	£21.34	£17.78	£21.50	£17.90
Full Pitch Artificial Grass - peak	30 Mins	£42.62	£35.52	£42.90	£35.80
	1hr Only	£85.25	£71.04	£85.80	£71.50
	1hr 30mins (11 a side)	£127.87	£106.56	£128.80	£107.30
Half Pitch Artificial Grass - peak	30 Mins	£23.82	£19.85	£24.00	£20.00
	1hr Only (5 a side)	£47.65	£39.71	£48.00	£40.00
	1hr 30mins	£71.47	£59.56	£72.00	£60.00
Full Pitch Artificial Grass – off-peak	30 Mins	£19.87	£16.56	£20.00	£16.70
	1hr Only	£39.74	£33.12	£40.00	£33.40
	1hr 30mins (11 a side)	£59.61	£49.68	£60.00	£50.00
Half Pitch Artificial Grass – off-peak	30 Mins	£10.37	£8.64	£10.40	£8.70
	1hr Only (5 a side)	£20.73	£17.28	£20.90	£17.40
	1hr 30mins	£31.10	£25.92	£31.30	£26.10
Hardcourt Activities:					
Netball (per court per hr) (OUT OF ORDER AT TIME OF PUBLICATION)	Adult	£22.20	£18.50	£22.40	£18.60
	Junior	£11.08	£9.23	£11.20	£9.30
Tennis (per court per hr) (OUT OF ORDER AT TIME OF PUBLICATION)	Adult	£6.67	£5.56	£6.70	£5.60
	Junior	£3.60	£3.00	£3.60	£3.00
Basketball Hardcourt and BMX Pump Track	Adult	Free	Free	Free	Free
	Junior	Free	Free	Free	Free
Moorside:					
Football - Grass (Per Game)	Adult	£65.80	£54.83	£66.30	£55.20
	Junior	£32.60	£27.17	£32.80	£27.40
The Diamond -Greenham:					
Football - Grass (Per Game)	Adult	£65.80	£54.83	£66.30	£55.20
	Junior	£32.60	£27.17	£32.80	£27.40
Holybrook Park:					
Football – Grass (per game)	Adult	£65.80	£54.83	£66.30	£55.20
	Junior	£32.60	£27.17	£32.80	£27.40
Northcroft Recreation Ground:					
Football - Grass (per game)	Adult	£65.80	£54.83	£66.30	£55.20
	Junior	£32.60	£27.17	£32.80	£27.40
Open space hire for Community events / festivals		P.O.A		P.O.A	

Peak Rate – Weekday evenings after 6pm and all day Saturday; **Off-Peak Rate** – Weekdays before 6pm and all day Sunday; **Block Booking**: 10 games and over; **Schools Rate**: £18.60 Per Hour (£22.32 inc vat if applicable)

(6) Charges to Householders for Sewage Treatment

Approximately 150 properties, mainly in rural areas, are connected to small sewage treatment plants. These are the responsibility of West Berkshire Council to maintain, having previously been the ownership of Newbury District Council from when the housing stock was transferred to Sovereign Housing Association. The householders pay a fee to the Council which contributes to the maintenance costs.

(7) Waste

Fees include bulky household collection, garden waste collection and provision of additional wheelie bins for garden waste collection. No increases are proposed for waste charges in 2021/22.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Special Collection Charges (Bulky Household Collection)	Normal (within 7 days)	£45.00	£45.00
	Within 7 days by appointment outside property	£60.00	£60.00
	Within 7 days by appointment inside property	£70.00	£70.00
Provision of wheelie bin		£27.00	£27.00
Collection of garden waste for year (scheduled) - for 1st green bin (new subscriptions or renewals).		£50.00	£50.00
Garden Waste service charge for 2nd to 5th green bins (For renewals only where one off set up payment has already been made).		£40.00	£40.00
Removal of fly tipping on private land		P.O.A	P.O.A
Removal of graffiti up to 2m ² area		P.O.A	P.O.A
HWRC non-household waste charges:			
Soil and Rubble	Per 25L bag or equivalent/ single item	£2.50	£2.50
	Standard Car/Hatchback	£14.30	£14.30
	Trailer	£23.80	£23.80
	Small Van /Estate Car	£28.60	£28.60
	Transit van or similar	£95.20	£95.20
Plasterboard	Per 25L bag or equivalent	£2.10	£2.10
	Standard car / Hatchback	£12.90	£12.90
	Trailer	£21.40	£21.40
	Small Van / Estate car	£25.80	£25.80
	Transit Van or similar	£85.60	£85.60
Tyres	Motorised mini bike / motorised go-kart	£2.50	£2.50
	Standard tyre off rim (car/motorcycle)	£5.00	£5.00
	Standard tyre on rim (car motor cycle)	£7.00	£7.00
	Medium tyre off rim (large 4 x4 / large van)	£9.00	£9.00
	Medium tyre on rim (large 4 x 4 / large van)	£11.00	£11.00
	Miscellaneous tyres	£2.50	£2.50
Gas canisters		£6.00	£6.00
Charges for Non WBC Residents' Use of HWRCs	New charge per visit TBC		£7.00

3. Public Protection and Culture

(1) Public Protection Partnership

The Fees and Charges for this service include weights and measures, licences for petroleum, taxi licensing, temporary events, premises, food safety etc. The proposed fees for 2021/22 have been agreed by the Public Protection Partnership Board and the relevant licensing committees for West Berkshire, Wokingham and Bracknell Forest Councils.

Some of these fees are set nationally by statute or according to a national agreement e.g. the Buy with Confidence Scheme. Some are based on the hourly rate for licensing staff and the estimated amount of time taken to process each type of licence. The chargeable hourly rate has been reviewed based on estimated staffing and overhead costs for 2021/22. The estimated time needed to process each type of licence has also been reviewed and in some cases this has resulted in a reduction in cost. Other fees (i.e. except where otherwise shown in the table below) have been increased by the rate of CPI inflation as at June 2020 which was 0.6%. (The CPI rate was taken slightly earlier than for other services in order to meet deadlines for the Partnership Board).

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Hourly Rate for PPP		£57.00	£59.00	Hourly rate revised calculation carried out September 2020 based on estimated staffing costs and overheads for 2021/22
Environmental Protection				
Prevention of Damage by Pests				
Pest Site survey		N/A		Hourly rate as part of cost recovery where WID only
Rat treatment		N/A		Hourly rate as part of cost recovery where WID only
Any other Pest treatment		N/A		Hourly rate as part of cost recovery where WID only
Dog Warden Services				
Stray Dogs - Not taken to Kennel		£73.00	£73.00	Amalgamate. Vet fees separate as applicable
Stray Dogs - Taken to Kennel		Fees based on charges & cost recovery. Vet fees separate as applicable		Fees based on charges & cost recovery. Vet fees separate as applicable
Dog Fouling fixed penalty charge		£75.00	£75.00	In accordance with fixed penalty notice policy
Misc stray dog activities ie taxi, relocating, microchipping etc		£57.00	£59.00	Plus cost recovery on charges.
Trading Standards				
Weights and Measures Fees (per hour)		£64.00	£64.00	Discretionary, includes the cost of maintaining calibration of equipment annually
Explosives Licenses / Registrations - set by statute				NEC = Net Explosive Content
New licence for explosives below 250Kg NEC	1 year	£109.00	£109.00	Set by statute
	2 years	£141.00	£141.00	Set by statute
	3 years	£173.00	£173.00	Set by statute
	4 years	£206.00	£206.00	Set by statute
	5 years	£238.00	£238.00	Set by statute
Renewal licence for explosives below 250Kg NEC	1 year	£54.00	£54.00	Set by statute
	2 years	£86.00	£86.00	Set by statute
	3 years	£120.00	£120.00	Set by statute
	4 years	£152.00	£152.00	Set by statute
	5 years	£185.00	£185.00	Set by statute

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Trading Standards Continued				
New licence for explosives above 250Kg NEC	1 year	£185.00	£185.00	Set by statute
	2 years	£243.00	£243.00	Set by statute
	3 years	£304.00	£304.00	Set by statute
	4 years	£374.00	£374.00	Set by statute
	5 years	£423.00	£423.00	Set by statute
Renewal licence for explosives below 250Kg NEC	1 year	£86.00	£86.00	Set by statute
	2 years	£147.00	£147.00	Set by statute
	3 years	£206.00	£206.00	Set by statute
	4 years	£266.00	£266.00	Set by statute
	5 years	£326.00	£326.00	Set by statute
Varying the name of licensee or address of site		£36.00	£36.00	Set by statute
Any other kind of variation		£40.00	£40.00	Set by statute
Transfer of licence		£36.00	£36.00	Set by statute
Replacement licence		£36.00	£36.00	Set by statute
Full year registration for fireworks		£515.00	£515.00	Set by statute
Petroleum Licensing - set by statute				
Petroleum Licensing Fees	not exceeding 2,500 litres	£44.00	£44.00	Set by statute
Petroleum Licensing Fees	not exceeding 50,000 litres	£60.00	£60.00	Set by statute
Petroleum Licensing Fees	exceeding 50,000 litres	£125.00	£125.00	Set by statute
Primary Authority				
Primary Authority Work hourly chargeable rate		£57.00	£59.00	
Annual charge - previous year usage 10 hours or less		£513.00	£516.00	
Annual charge - previous year usage 20 hours		£1,025.00	£1,031.00	
Anything likely to be in excess of 20 hours				Individually assessed
Support with Confidence				
Application fee	1-5 employees	£59.00	£59.00	All disbursements charged at cost
	6-20 employees	£119.00	£120.00	As above except fee reduced to £50 if registered with confidence
	21+ employees	£298.00	£300.00	As above except fee reduced to £50 if registered with confidence
Buy with Confidence				
Members from 2017/18 Application Fee	1-5 employees	£128.00	£125.00	Nationally agreed with 'Buy with Confidence' scheme holder as varied from time to time
	6-20 employees	£170.00	£167.00	Nationally agreed with 'Buy with Confidence' scheme holder
	21+ employees	£212.00	£208.00	Nationally agreed with 'Buy with Confidence' scheme holder
Annual Fee	1-5 employees	£255.00	£250.00	Nationally agreed with 'Buy with Confidence' scheme holder
	6-20 employees	£383.00	£375.00	Nationally agreed with 'Buy with Confidence' scheme holder
	21-49 employees	£510.00	£500.00	Nationally agreed with 'Buy with Confidence' scheme holder
	50+		POA	Nationally agreed with 'Buy with Confidence' scheme holder
Commercial				
Food Export Certificates		£57.00	£59.00	Full cost recovery based on officer hourly rate
Food Hygiene Rating Scheme rescore	2 hours	£114.00	£118.00	New - agreed dec 2019
Anti-Social Behaviour Act:				
High Hedges Fee (Class A – Fee Discretionary)		£1,199.00	£1,206.00	Cost recovery for consultant
Licences, Registrations and Similar Consents				
<i>Licensing Act 2003:</i>				
Premises Licence – “one off” fees set by statute based upon rateable value (RV) of premises (Class B – Statutory Fee)				
Band A – RV up to 4300		£100.00	£100.00	Statutory -no increase.
Band B – RV 4300 to 33000		£190.00	£190.00	Statutory -no increase.
Band C – RV 33001 to 87000		£315.00	£315.00	Statutory -no increase.
Band D – RV 87001 to 125000		£450.00	£450.00	Statutory -no increase.
Band E – RV 125001 and above		£635.00	£635.00	Statutory -no increase.
Pre-Application Advice, Hourly charge	Min 1 Hr	£57.00	£59.00	

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Premises Licence – Annual Fee (Class B – Statutory Fee)				
Band A		£70.00	£70.00	Statutory -no increase.
Band B		£180.00	£180.00	Statutory -no increase.
Band C		£295.00	£295.00	Statutory -no increase.
Band D		£320.00	£320.00	Statutory -no increase.
Band E		£350.00	£350.00	Statutory -no increase.
Personal Licence - (Class B – Statutory Fee)				
Personal Licence - (Class B – Statutory Fee)		£37.00	£37.00	Statutory -no increase.
Temporary Event Notices (TEN's) - (Class B – Statutory Fee)		£21.00	£21.00	Statutory -no increase.
Application for copy licence, change address or club rules		£10.50	£10.50	Statutory -no increase.
Application to vary DPS/ transfer licence/ Interim notice		£23.00	£23.00	Statutory -no increase.
Application for making a provisional statement		£315.00	£315.00	Statutory -no increase.
Minor variation		£89.00	£89.00	Statutory -no increase.
Application to disapply mandatory DPS condition		£23.00	£23.00	Statutory -no increase.
Pre-Application Advice, hrly charge	Min 1 Hr	£57.00	£59.00	
Gambling Licenses				
Casinos (regional)	New Application	£15,000.00	£15,000.00	100% of Statutory Maximum
	Provisional Statement	£15,000.00	£15,000.00	100% of Statutory Maximum
	Application with Provisional Statement	£8,000.00	£8,000.00	100% of Statutory Maximum
	Variation	£7,500.00	£7,500.00	100% of Statutory Maximum
	Transfer/Reinstatement	£6,500.00	£6,500.00	100% of Statutory Maximum
	Annual Fee	£15,000.00	£15,000.00	100% of Statutory Maximum
Casinos (large)	New Application	£10,000.00	£10,000.00	100% of Statutory Maximum
	Provisional Statement	£10,000.00	£10,000.00	100% of Statutory Maximum
	Application with Provisional Statement	£5,000.00	£5,000.00	100% of Statutory Maximum
	Variation	£5,000.00	£5,000.00	100% of Statutory Maximum
	Transfer/ Reinstatement	£2,150.00	£2,150.00	100% of Statutory Maximum
	Annual Fee	£10,000.00	£10,000.00	100% of Statutory Maximum
Casinos (small)	New Application	£8,000.00	£8,000.00	100% of Statutory Maximum
	Provisional Statement	£8,000.00	£8,000.00	100% of Statutory Maximum
	Application with Provisional Statement	£3,000.00	£3,000.00	100% of Statutory Maximum
	Variation	£4,000.00	£4,000.00	100% of Statutory Maximum
	Transfer/Reinstatement	£1,800.00	£1,800.00	100% of Statutory Maximum
	Annual Fee	£5,000.00	£5,000.00	100% of Statutory Maximum
Bingo Clubs	New Application	£3,500.00	£3,500.00	100% of Statutory Maximum
	Provisional Statement	£3,500.00	£3,500.00	100% of Statutory Maximum
	Application with Provisional Statement	£1,200.00	£1,200.00	100% of Statutory Maximum
	Variation	£1,750.00	£1,750.00	100% of Statutory Maximum
	Transfer/Reinstatement	£1,200.00	£1,200.00	100% of Statutory Maximum
	Annual Fee	£1,000.00	£1,000.00	100% of Statutory Maximum
Betting Premises	New Application	£3,000.00	£3,000.00	100% of Statutory Maximum
	Provisional Statement	£3,000.00	£3,000.00	100% of Statutory Maximum
	Application with Provisional Statement	£1,200.00	£1,200.00	100% of Statutory Maximum
	Variation	£1,500.00	£1,500.00	100% of Statutory Maximum
	Transfer/Reinstatement	£1,200.00	£1,200.00	100% of Statutory Maximum
	Annual Fee	£600.00	£600.00	100% of Statutory Maximum
Tracks	New Application	£2,500.00	£2,500.00	100% of Statutory Maximum
	Provisional Statement	£2,500.00	£2,500.00	100% of Statutory Maximum
	Application with Provisional Statement	£950.00	£950.00	100% of Statutory Maximum
	Variation	£1,250.00	£1,250.00	100% of Statutory Maximum
	Transfer/Reinstatement	£950.00	£950.00	100% of Statutory Maximum
	Annual Fee	£1,000.00	£1,000.00	100% of Statutory Maximum

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Gambling Licences Continued				
Family Entertainment Centres	New Application	£2,000.00	£2,000.00	100% of Statutory Maximum
	Provisional Statement	£2,000.00	£2,000.00	100% of Statutory Maximum
	Application with Provisional Statement	£950.00	£950.00	100% of Statutory Maximum
	Variation	£1,000.00	£1,000.00	100% of Statutory Maximum
	Transfer/Reinstatement	£950.00	£950.00	100% of Statutory Maximum
	Annual Fee	£750.00	£750.00	100% of Statutory Maximum
Adult Gaming Centres	New Application	£2,000.00	£2,000.00	100% of Statutory Maximum
	Provisional Statement	£2,000.00	£2,000.00	100% of Statutory Maximum
	Application with Provisional Statement	£1,200.00	£1,200.00	100% of Statutory Maximum
	Variation	£1,000.00	£1,000.00	100% of Statutory Maximum
	Transfer/Reinstatement	£1,200.00	£1,200.00	100% of Statutory Maximum
	Annual Fee	£1,000.00	£1,000.00	100% of Statutory Maximum
Lotteries and Amusements	New Application	£40.00	£40.00	Statutory -no increase.
	Annual Fee	£20.00	£20.00	Statutory -no increase.
All Licences	Notification of change	£50.00	£50.00	100% of Statutory Maximum
	Copy of Licence	£25.00	£25.00	100% of Statutory Maximum
Pre-Application Advice, hrly charge	Min 1 Hr	£57.00	£59.00	
Club Gaming Machines				
Club Gaming or Machine Permit	New Application	£200.00	£200.00	Statutory-no increase
Club Gaming or Machine Permit	Existing holder	£100.00	£100.00	Statutory-no increase
Club Gaming or Machine Permit	Renewal	£200.00	£200.00	Statutory-no increase
Club Gaming or Machine Permit	Annual Fee	£50.00	£50.00	Statutory-no increase
Club Gaming or Machine Permit	Variation	£100.00	£100.00	Statutory-no increase
Club Gaming or Machine Permit	Copy of Licence	£15.00	£15.00	Statutory-no increase
Club Gaming or Machine Permit (holds a Club Premises Certificate under Licensing Act 2003)	New Application	£100.00	£100.00	Statutory-no increase
Club Gaming or Machine Permit(holds a Club Premises Certificate under Licensing Act 2003)	Renewal	£100.00	£100.00	Statutory-no increase
To make available up to 2 gaming machines on premises which hold on-premises alcohol licence	Notification of intention	£50.00	£50.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Application (existing holder)	£100.00	£100.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	New Application	£150.00	£150.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Annual Fee	£50.00	£50.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Annual Fee (payable within 30 days of date permit takes effect)	£50.00	£50.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Variation	£100.00	£100.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Transfer	£25.00	£25.00	Statutory-no increase
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Change of Name	£25.00	£25.00	Statutory-no increase

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Club Gaming Machines Continued				
Gaming Machine Permit (more than 2 machines) on premises which hold on premises alcohol licence	Copy of Permit	£15.00	£15.00	Statutory-no increase
Pre-Application Advice, hrly charge	Min 1Hr	£57.00	£59.00	
Sex Establishments – (Class A – Fee Discretionary)				
Cinema		min £3,100 to max £5,150	min £3,100 to max £5,150	No change
Shop		min £3,100 to max £5,150	min £3,100 to max £5,150	No change
Entertainment Venue		min £3,100 to max £5,150	min £3,100 to max £5,150	No change
Pre-Application Advice, hrly charge	Min 1 Hr	£57.00	£59.00	
Street Trading Consents – (Class A – Fee Discretionary)				
	Monthly Rate	£227.00	£228.00	
	6 months	£800.00	£805.00	
	Annual Fee	£1,370.00	£1,378.00	
Variation fee		£90.00	£91.00	
Community Events			£0.00	50% reduction of appropriate fee for non profit making events
Refund for Street Traders	If application withdrawn	£115.00	£116.00	WB & WOK only
Pre-Application Advice, hrly charge	Min 1 Hr	£57.00	£59.00	
Skin Piercing Registrations (one off registration) – (Class A – Fee Discretionary)				
Individual		£179.00	£180.00	Cost recovery
Premises		£280.00	£282.00	Cost recovery
Joint Application		£448.00	£451.00	Cost recovery
Pre-Application Advice, hrly charge	Min 1 Hr	£56.00	£59.00	
Animal Licences (Class A – Fee Discretionary) * +vet fee where applicable		NEW or RENEWAL		Licenses issued form 1-3 years depending on inspection rating
Animal Boarding Establishment - combined (dogs and cats)	New Application	£684.00	£590.00	Application Fee - 4 hours and Grant Fee 6 hours = 10 hrs total
	Renewal Fee		£531.00	
Animal Boarding Establishment - single species (dogs or cats))	New Application	£570.00	£472.00	Application Fee - 3 hours and Grant Fee 5 hours = 8 hrs total
	Renewal Fee		£413.00	
Home boarder (Separate cost recovery charge for mid term inspections)	New Application	£570.00	£271.85	Application Fee - 3 hours and Grant Fee 5 hours = 8 hrs total
	Renewal Fee		£241.85	NEW
Home Boarder - Franchisee arrangers licence (excludes inspection fee per host)	New Application	£228.00	£207.00	Application Fee - 2.5 hours and Grant Fee 1 hours = 3.5 hrs total
	Renewal Fee		£177.00	
Home Boarder - Assessment of hobby host as part of a franchisee licence	New Application	£112.00	£118.00	2hrs minimum
	Renewal Fee		£118.00	
Dog Day Care	New Application	£684.00	£590.00	Application Fee - 4 hours and Grant Fee 6 hours = 10 hrs total
	Renewal Fee		£531.00	
Dog Breeding Establishment (excluding vet fee)	New Application	£684.00	£590.00	Application Fee - 4 hours and Grant Fee 6 hours = 10 hrs total
	Renewal Fee		£531.00	
Dog Breeding Establishment (in domestic dwelling)	New Application	£570.00	£472.00	Application Fee - 3 hours and Grant Fee 5 hours = 8 hrs total
	Renewal Fee		£413.00	
Pet Vending / Sale of pets	New Application	£570.00	£472.00	Application Fee - 3 hours and Grant Fee 5 hours = 8 hrs total
	Renewal Fee		£413.00	
Animal for Exhibition	New Application	£684.00	£590.00	Application Fee - 4 hours and Grant Fee 6 hours = 10 hrs total
	Renewal Fee		£531.00	
Riding Establishment (excluding vet fee)*				
Main inspection fee, plus fee per horse	New Application	£570.00	£472.00	Application Fee - 3 hours and Grant Fee 5 hours = 8 hrs total
	Renewal Fee		£413.00	
Fee per horse, for the first 10 horses		£15.00	£15.00	
Fee per horse, for next 11-50 horses		£10.00	£10.00	
Fee per horse, for every horse 51 & over		£8.00	£8.00	
* Inspections are carried out annually, regardless of the star rating or length of licence, by a vet and officer. Vets fees will be recharged separately.				

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Riding Establishments Continued				
Example of charge per horse in a yard with 60 horses				
1- 10 horses @ £15 = £150.00				
horses 11-50 @ £10 = £400.00				
horses 51 - 60 @ £8 = £80.00				
Other fees 2020/2021				
Variation to the licence fee (inclusive of one visit)		£224.00	£224.00	
Replacement licence fee (lost or stolen paperwork, change of name, etc.)		£56.00	£56.00	
Re-evaluation of star rating (inclusive of one visit)		£112.00	£112.00	
Transfer due to death of licensee		£56.00	£56.00	
Dangerous Wild Animal Consent*	2 years	£457.00	£460.00	WB & WOK only Cost recovery
Zoo Licenses (new and renewals)*	Up to 6 Years	£2,054.00	£2,066.00	Cost recovery
Scrap Metal				
Scrap Metal Site - New	3 Years	£498.00	£501.00	Cost recovery
Scrap Metal Site - Renewal	3 Years	£498.00	£501.00	Cost recovery
Scrap Metal Mobile Collector - New	3 Years	£265.00	£267.00	Cost recovery
Scrap Metal Mobile Collector - Renewal	3 Years	£265.00	£267.00	Cost recovery
Scrap Metal -Variation of Licence		£366.00	£368.00	Cost recovery
Scrap Metal-Change of Site Manager		£68.00	£68.00	Cost recovery
Scrap Metal- Copy of licence		£11.00	£11.00	Cost recovery
Scrap Metal- Change of Name		£36.00	£36.00	Cost recovery
Pre-Application Advice, hrly charge		£57.00	£59.00	
Private Water Supplies (Statutory Maximums stated)				
Risk Assessment	Carried out every 5 years	£57.00	£59.00	Minimum charge 1 Hr, simple risk assessment and report typically 5 hours
Sampling		£57.00	£59.00	Cost recovery charge for a visit, taking a sample and delivering it to the laboratory. Typically 2.5 hours
Private water and pool samples	includes cost of testing	£60.00	£60.00	
Investigation		£108.00	£109.00	Carried out in the event of a test failure, can be substituted by the risk assessment - this does not include any required analysis costs.
Analysis - Regulation 10		£28.00	£28.00	Where a supply provides <10m ³ /day or serves <50 people and is used for domestic purposes
Analysis of Group A Parameters				Cost of laboratory analysis will be recovered and will depend on type of suite being analysed. Customer will be advised of cost.
Analysis of Group B Parameters				Additional parameters sampled less often to ensure the water complies with all safety standards - Hrly rate applies
Environmental Permitting (Eng&W) Regulations 2016				
Scheduled Processes - (Class B – Statutory Fee)				
Standard Process		£1,650.00	£1,650.00	Statutory-no increase
Service Stations (PVI & PVII)		£257.00	£257.00	Statutory-no increase
Dry Cleaners		£155.00	£155.00	Statutory-no increase
Vehicle Refinishers		£362.00	£362.00	Statutory-no increase
Mobile screening & crushing plant		£1,650.00	£1,650.00	Statutory-no increase
for the third to seventh applications		£985.00	£985.00	Statutory-no increase
for the eighth and subsequent applications		£498.00	£498.00	Statutory-no increase
Substantial Changes				
Standard Process		£1,050.00	£1,050.00	Statutory-no increase
Reduced Activities		£102.00	£102.00	Statutory-no increase
Annual Substance Charge				
Standard Process	LOW	£772.00	£772.00	Statutory-no increase
	MEDIUM	£1,161.00	£1,161.00	Statutory-no increase
	HIGH	£1,747.00	£1,747.00	Statutory-no increase
Service Stations PVR2	LOW	£113.00	£113.00	Statutory-no increase
	MEDIUM	£226.00	£226.00	Statutory-no increase
	HIGH	£341.00	£341.00	Statutory-no increase

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Environmental Permitting (Eng&W) Regulations 2016 (Continued)				
VRs and other reduced fees	LOW	£228.00	£228.00	Statutory-no increase
	MEDIUM	£365.00	£365.00	Statutory-no increase
	HIGH	£548.00	£548.00	Statutory-no increase
Dry Cleaners /PVR1	LOW	£79.00	£79.00	Statutory-no increase
	MEDIUM	£158.00	£158.00	Statutory-no increase
	HIGH	£237.00	£237.00	Statutory-no increase
Mobile Screening & Crushing Plant	LOW	£646.00	£646.00	Statutory-no increase
	MEDIUM	£1,034.00	£1,034.00	Statutory-no increase
	HIGH	£1,506.00	£1,506.00	Statutory-no increase
For the second permit	LOW	£646.00	£646.00	Statutory-no increase
	MEDIUM	£1,034.00	£1,034.00	Statutory-no increase
	HIGH	£1,506.00	£1,506.00	Statutory-no increase
For the third to seventh permit	LOW	£385.00	£385.00	Statutory-no increase
	MEDIUM	£617.00	£617.00	Statutory-no increase
	HIGH	£924.00	£924.00	Statutory-no increase
For the eighth & subsequent applications	LOW	£198.00	£198.00	Statutory-no increase
	MEDIUM	£316.00	£316.00	Statutory-no increase
	HIGH	£473.00	£473.00	Statutory-no increase
Late payment charge	When invoice issued & not paid in 8 weeks	£52.00	£52.00	Statutory-no increase
Transfer & Surrender				
Transfer		£169.00	£169.00	Statutory-no increase
Partial Transfer		£497.00	£497.00	Statutory-no increase
Surrender		£0.00	£0.00	Statutory-no increase
Transfer Reduced fees		£0.00	£0.00	Statutory-no increase
Partial Transfer Reduced fees		£47.00	£47.00	Statutory-no increase
Private Sector Housing				
Inspection of Housing Premises for Immigration purposes (Class A – Fee Discretionary)		£400.00	£402.00	
Enforcement Notices served under Housing Act 2004		£115.00	£116.00	Activities as prescribed
HMO Licence NEW - assisted application		£1,197.00	£1,204.00	
HMO Licence RENEWAL		£800.00	£805.00	
Civil Penalties housing offences				Up to £30,000.00
Caravan Site Licence				(Option 2 of DCLG Guide for Charging)
Site licence new		£437.00	£440.00	
New licence per pitch		£16.00	£16.00	
Transfer of licence		£185.00	£186.00	
Alteration of conditions		£339.00	£341.00	
Annual fee per pitch		£14.00	£14.00	
Enforcement action -per hour		£57.00	£59.00	Hourly rate as for activity as prescribed.
Deposit, vary or deleting site rules		£116.00	£117.00	
Variation of licence		£115.00	£116.00	
Other Fees				
Environmental Info Individual or Non Commercial		£115.00	£118.00	Cost recovery
Environmental Info Commercial and Government		£115.00	£118.00	Cost recovery
Civil Actions (Class A – Fee Discretionary)		£115.00	£118.00	Cost recovery
Safety Certification and administration	Minimum 2 hours	£115.00	£118.00	Cost recovery
Pre-Application Advice, hourly charge		£57.00	£59.00	
Resident and Business Advice				
General Business Advice (non-primary authority)	Per hour - free for first 30 minutes	£57.00	£59.00	
Request for Advice		£57.00	£59.00	

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Hackney Carriage / Private Hire Licensing				
Vehicle Licences				
Hackney Carriage Vehicle New / Renewal		£288.00	£290.00	cost recovery
Private Hire Vehicle New / Renewal		£288.00	£290.00	cost recovery
Private Hire Vehicle with Dispensation		£288.00	£290.00	Included in operator fees
Temporary Vehicle licence	Issue up to 3 months maximum	£231.00	£232.00	cost recovery
Private Hire Operators - NEW	NEW from 2020-2021 LICENCE FEE SCHEDULE BASED ON PER VEHICLE for 5 YEARS: per vehicle calculation of 4 hours at hourly rate plus an hour per year (for years 2-5) for first vehicle, plus 15 minutes per additional vehicle per year (years 1-5) up to a maximum of 20 vehicles (2021-2022 hourly rate £59.00)			
1 vehicle		£456.00	£472.00	
2 vehicles		£527.25	£545.75	
3 vehicles		£598.50	£619.50	
Private Hire Operators NEW Continud				
4 vehicles		£669.75	£693.25	
5 vehicles		£741.00	£767.00	
6 vehicles		£812.25	£840.75	
7 vehicles		£883.50	£914.50	
8 vehicles		£954.75	£988.25	
9 vehicles		£1,026.00	£1,062.00	
10 vehicles		£1,097.25	£1,135.75	
11 vehicles		£1,168.50	£1,209.50	
12 vehicles		£1,239.75	£1,283.25	
13 vehicles		£1,311.00	£1,357.00	
14 vehicles		£1,382.25	£1,430.75	
15 vehicles		£1,453.50	£1,504.50	
16 vehicles		£1,524.75	£1,578.25	
17 vehicles		£1,596.00	£1,652.00	
18 vehicles		£1,667.25	£1,725.75	
19 vehicles		£1,738.50	£1,799.50	
20 vehicles		£1,809.75	£1,873.25	
20+ vehicles		£1,809.75	£1,873.25	
Private Hire Operators - RENEWAL	NEW from 2020-2021 LICENCE FEE SCHEDULE BASED ON PER VEHICLE for 5 YEARS: per vehicle calculation of 2 hours at hourly rate plus an hour per year (for years 2-5) for first vehicle, plus 15 minutes per additional vehicle per year (years 1-5) up to a maximum of 20 vehicles (2020-2021 hourly rate £59.00)			
1 vehicle		£342.00	£354.00	
2 vehicles		£413.25	£427.75	
3 vehicles		£484.50	£501.50	
4 vehicles		£555.75	£575.25	
5 vehicles		£627.00	£649.00	
6 vehicles		£698.25	£722.75	
7 vehicles		£769.50	£796.50	
8 vehicles		£840.75	£870.25	
9 vehicles		£912.00	£944.00	
10 vehicles		£983.25	£1,017.75	
11 vehicles		£1,054.50	£1,091.50	
12 vehicles		£1,125.75	£1,165.25	
13 vehicles		£1,197.00	£1,239.00	
14 vehicles		£1,268.25	£1,312.75	
15 vehicles		£1,339.50	£1,386.50	
16 vehicles		£1,410.75	£1,460.25	
17 vehicles		£1,482.00	£1,534.00	
18 vehicles		£1,553.25	£1,607.75	
19 vehicles		£1,624.50	£1,681.50	
20 vehicles		£1,695.75	£1,755.25	
20+ vehicles		£1,695.75	£1,755.25	
Variation to licence		£57.00	£59.00	to include reissue of licence with additional vehicle registration added plus extra fees for these for length of licence

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	Notes
Driver Licences				
Driver – New / Renewal	3 years	£269.00	£271.00	
Conversion of driver licence to another type		£80.00	£80.00	
Other Private Hire and Hackney Carriage Charges				
Transfer of vehicle to new owner		£114.00	£118.00	2 hours
Change of vehicle		£74.00	£74.00	
Replacement licence		£41.00	£41.00	
Replacement badge		£41.00	£41.00	
Replacement vehicle licence plate		£57.00	£59.00	
Meter test - retest after failure	Bracknell Forest and Wokingham	£32.00	£32.00	Not West Berks
Knowledge Test		£74.00	£74.00	
Missed Appointment		£37.00	£37.00	
Disclosure and Barring Service Check (DBS)	West Berkshire and Wokingham	£92.50	£94.00	Capita cost + half an hour at hourly charge (£64+£29.50)
Change of Address (PH & HC)		£14.00	£14.00	
Backing Plate		£26.00	£26.00	
Medical Exemption from carrying assistant dog		£22.00	£22.00	
Refund processing fee		£57.00	£59.00	
Change of vehicle registration		£57.00	£57.00	
Pre-Application Advice, hourly charge	Min 1 Hr	£57.00	£59.00	
Age of vehicle inspection initial/reinspection		£56.00	£59.00	
Disability Awareness Training Course			POA	
Safeguarding Training			POA	

Note – all statutory fees may be subject to change.

(2) Leisure

The leisure centres are managed by Parkwood Leisure. The actual level of charge is set in accordance with Parkwood's own marketing policies. Taking account of the Council's objectives for the residents' leisure card the Council agrees the maximum fee that can be charged for admission. Increases in Parkwood's prices are agreed in December for January implementation and they have no impact on the Council's budget. Due to the Covid-19 pandemic, the contractor has proposed no price increases for any of the activity (core or other) from January 2021.

(3) Shaw House

The highest priority is to develop a sustainable income stream by marketing Shaw House to the business, public and community sectors as a venue for hire for meetings, conferences, training, civic occasions, celebrations and other events and activities. It is therefore proposed to increase room hire fees for 2021/22 by 0.5% in line with CPI inflation at September 2020.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Shaw House - Room Hire Charges:			
Registered Charity	per hour	£20.00 - £31.00	£20.00 - £32.00
Public Sector and Community use	per hour	£26.00 - £38.00	£26.00 - £39.00
Commercial use	per hour	£32.00 - £50.50	£33.00 - £51.00

(4) Heritage

The [West Berkshire Historic Environment Record](#) (HER) is a public record used by many enquirers for a variety of purposes: decision-making, planning, conservation, research, education and personal interest. Information is currently provided to all by the HER officer, and a charge is made for commercial enquiries to cover the costs of staff time. There is no charge for the data itself. There is no charge for reasonable enquiries from the public.

It is proposed to increase these charges by 0.5% in line with CPI inflation at September 2020.

	Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
West Berkshire - Archaeological Archive Box Fee		
Fieldwork Fee This charge covers the fieldwork notification and processing of the Archaeological deposit and includes issuing of an accession number and subsequent administration. Non-refundable.	£50.00	£50.00
Deposit Fee This charge includes the provision of up to three standard size boxes and the ongoing care and management of the archaeological deposit. Non-refundable.	£100.00	£101.00
Additional Boxes		
Full Box 0.4 x 0.25 x 0.22m =0.022m3	£71.00	£71.00
Half Box 0.4 x 0.25 x 0.11 =0.011 m3	£31.00	£31.00
Quarter Box 0.4 x 0.125 x 0.11 =0.00275 m3	£20.00	£20.00
Eighth Box 0.2x 0.125 x 0.11 m= 0.00275m3	£10.00	£10.00
Sixteenth Box 0.1 x 0.125 x 0.11 m= 0.001375m3	£0.00	£0.00
Skull Box = 1/2 Box 0.2 x 0.2 x 0.25 = 0.012m3	£34.00	£34.00
Human Bone = 1 1/2 Box 0.6 x 0.25 x 0.25 = 0.039m2	£102.00	£103.00
Map Rolls per 100 grams3	£2.00	£2.00
Archive Box deposit charges	£0.00	£0.00
Full Box 0.4 x 0.075 x 0.27m =0.0081m3	£25.00	£25.00
Half Box 0.4 x 0.045 x 0.27 =0.0049 m3	£15.00	£15.00
Archaeology - Historic Environment Record Charges		
A4 computer print out (b/w) HER Data	£0.20	£0.20
A4 computer print out (colour) HER data	£0.60	£0.60
A3 computer print out (colour) HER Data	£1.00	£1.00
Research charges - HER enquiries	Hourly rate of £120 exc. VAT with a minimum of £75 exc. VAT for the first half hour.	Hourly rate of £121 exc. VAT with a minimum of £75 exc. VAT for the first half hour.
Providing archaeologic information and advice for agri-environment scheme in line with nationally agreed service standards	Scale of charges, depending on the type of scheme and the area covered, in line with nationally agreed service standards	Scale of charges, depending on the type of scheme and the area covered, in line with nationally agreed service standards
Heritage Service - Use of Image Collection		
If supplied for private personal use only the image production fee is payable. Images supplied for publication incur both an image production fee and a reproduction charge.		
Image Production Fee		
Photo Print - up to A6	£5.20	£5.20
Photo Print - up to A5	£10.00	£10.00
Photo Print - up to A4	£16.00	£16.00
Laser Scan - up to A4	£5.20	£5.20
Digital Scan - to CD	£16.00	£16.00
making organisations	Free	Free

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Reproduction Charges			
Commercial Publication:			
Up to full page, B&W or Colour		£42.00	£42.00
Up to Full Page B&W or Colour - Discounted rate for the promotion of culture in West Berkshire		£15.00 one image; £5.00 for all subsequent images	£15.00 one image; £5.00 for all subsequent images
Cover (front or back)		£78.00	£78.00
Cover (front or back) - Discounted rate for the promotion of culture in West Berkshire		£30.00 one image	£30.00 one image
Local Publication		£16.00	£16.00
Local Publication - Discounted rate for West Berkshire non-profit making organisations		£15.00 one image; £5.00 for all subsequent images	£15.00 one image; £5.00 for all subsequent images
Academic Publication		£31.00	£31.00
Academic Publication, etc - Discounted rate for West Berkshire non-profit making organisations		£15.00 one image; £5.00 for all subsequent images	£15.00 one image; £5.00 for all subsequent images
Magazine or Newspaper		£42.00	£42.00
Advertising or Brochure		£78.00	£78.00
Exhibition Use		£42.00	£42.00
Exhibition Use - Discounted rate for West Verksire non-profit making organisations		£30.00 one image £10.00 for all subsequent images	£30.00 one image £10.00 for all subsequent images
Website (3 year use)	Per 3 Years	£78.00	£78.00
Website (3 year use) - Discounted rate for West Berkshire non-profit making organisations	Per 3 Years	£30.00 one image £10.00 for all subsequent images	£30.00 one image £10.00 for all subsequent images
Supply fee			
Image already in our catalogue and supplied in a physical format	Plus Postage	£15.00	£15.00
New photograph required taken in-house and supplied digitally	Per Object	£50.00	£50.00
New photograph required taken in-house and supplied in a physical format	Per Object, plus postage	£65.00	£65.00
Copying and laminating charges			
These charges are common with the library service			
A4 Photocopy b/w		£0.20	£0.10
A4 Photocopy colour		£0.60	£0.60
A3 Photocopy b/w		£0.30	£0.30
A3 Photocopy - colour		£1.00	£1.00

(4) Libraries

In order to make library services as accessible as possible to the public, it is proposed to make no increases to library service charges for 2021/22. For services which are now very little used, e.g. hire of DVDs and black and white photocopying, a small reduction in the charge is proposed.

Description		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Request Charges			
Items available in SELMS libraries		£3.00	£3.00
Notification charge for posted request notices		£1.00	£1.00
Not applicable to pensioners			
Overdue Charges			
Overdue Books for children	per day	£0.10	£0.10
Ovedue Books for Adults	per day	£0.25	£0.25
DVDs	per day	£0.75	£0.25
Admin fee for debt recovery process		£12.00	£12.00
Printing and Photocopying charges			
A4 B&W		£0.20	£0.10
A4 Colour		£0.60	£0.60
A3 B&W		£0.30	£0.30
A3 Colour		£1.00	£1.00
Microfilm Copying		£0.20	£0.20

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Other Charges for Library Services			
Lost Tickets		£3.00	£3.00
Reference and Research enquiry charges		NWN enquiries: £20 per half hour, (WB library members get first half hour free). Copying charges are additional and there is a £3 admin charge for postage.	NWN enquiries: £20 per half hour, (WB library members get first half hour free). Copying charges are additional and there is a £3 admin charge for postage.
Book group service (per annum)		£26.00	£26.00
Vocal Scores		£6 per month per set of 20 scores from SE region. (Loans in multiples of 20.)	£6 per month per set of 20 scores from SE region. (Loans in multiples of 20.)
Orchestral sets from SE region	per month	£15.00	£15.00
Play sets from SE region	per month	£6.00	£6.00
Hire charges			
U Cert DVDs	per week	£2.00	£1.00
Other Cert DVDs	per week	£2.50	£2.00
Room Hire			
Newbury Library - Carnegie Lounge	per hour	£18.00	£18.00
Newbury Library - Small Meeting Room	per hour	£10.00	£10.00

(5) Registration Services

Registration fees are largely controlled by statute. Regular benchmarking of discretionary fees is undertaken in order to ensure our charges are in line with other providers. Increases are proposed in ceremony fees for 2021/22 to reflect the latest benchmarking data. No increase is proposed to the approved premises licence, as this sector has been severely affected by Covid. It is proposed to increase all other discretionary fees by 0.5%, in line with CPI inflation at September 2020.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Shaw House Ceremony Room			
	Tues- Fri	£215.00	£266.00
	Sat	£285.00	£296.00
Ceremonies at approved premises	Mon-Fri	£455.00	£466.00
	Sat	£485.00	£496.00
	Sun & Bank Holiday	£555.00	£566.00
Approved Premise Licence - any number of rooms		£2,136.00	£2,136.00
Celebratory Services - Baby Naming/Affirmation of vows - Shaw House	Monday to Friday	£260.00 + £52.00 VAT	£262.00 VAT
	Saturday	£330.00 + £66.00 VAT	£332.00 + VAT
Celebratory Services - Baby Naming/Affirmation of vows - At approved premises	Mon- Fri	£310.00 + £62.00 VAT	£312.00 + VAT
	Sat	£370.00 + £74.00 VAT	£373.00 + VAT
	Sun & Bank Holiday	£415.00 + £83.00 VAT	£418.00 + VAT
Private Citizenship ceremony Mon to Sat		£122.00	£123.00
European Passport Return Service		£22.00	N/A
Marriages & Civil Partnerships Booking Fee (non refundable)		£25.00	£25.00
Marriages & Civil Partnerships Cancellation Fee	More than 4 months before ceremony	Fees refunded minus £100	Fees refunded minus £100
	1-4 months before ceremony	50% refund	50% refund
	Less than 1 month before ceremony	No refund	No refund

4. Specific Proposals – Resources Directorate

2.1 Electoral Services

These charges are statutory and the Council has no discretion to vary.

2.2 Local Land Charges

Local Land Charges for 2021/22 have still to be confirmed, but will be shown in the final report on the 2021/22 revenue budget for approval by Executive in February. An increase of 0.5% in line with CPI at September 2020 would be less than £1, so no increase is proposed in the draft proposed charges shown below. The final charges will be set in line with legislation, which requires the Council only to recover costs incurred in service delivery.

	Fees and Charges 2020/21	DRAFT Proposed Fees and Charges 2021/22
LLC1	£75.00	£75.00
Con29 PT1	£52.00	£52.00
Con29PT11	£26.00	£26.00
Additional Questions	£47.00	£47.00
Con29 additional parcel	£41.00	£41.00
LLC1 additional parcel	£56.00	£56.00

2.3 Legal Fees

Proposed recharges of staff time have been inflated by 0.5% for 2021/22, in line with CPI at September 2020. No uplift is proposed to other charges for legal services.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Managers	Hourly	£149.00	£150.00
Team Leader	Hourly	£141.00	£142.00
Solicitor / Barrister	Hourly	£136.00	£137.00
Legal Executive/Senior Legal	Hourly	£126.00	£127.00
Trainee Solicitor	Hourly	£106.00	£107.00
Landowners Statements		£1,140.00	£1,140.00
Registration of new town or Village Green by Landowner by Owner		No Fee	No Fee
Correction for the purpose of section 19 (2)(a) of a mistake made by the Registration Authority		No Fee	No Fee
Correction for a purpose described in section 19(2)(b)(C) or (e)		£200.00	£200.00
Correction for a purpose described in section 19(2)(d) - payable per register unit		£30.00	£30.00

2.4 Social Care Training

The Government provides funding for care sector training and we use this funding to deliver a comprehensive joint training programme for staff and people working in the private and voluntary care sector. Anyone can access the training. The grant funding enables charges to local and accredited social care providers to be subsidised, hence the lower rate fee. Charging is essential to make the funding go further and ensure people book on courses and turn up. An increase of 0.5% has been applied to these charges for 2021/22, in line with CPI inflation at September 2020.

The Department of Health requires Councils to work closely with its partners on joint training and to facilitate improved standards of care through training initiatives; therefore some joint training will have the same charges as the partners involved and will sit outside this charging policy.

		Fees and Charges 2020/21	Proposed Fees and Charges 2021/22
Adult and Children's			
Personal Assistants	Full Day	£45.00	£45.00
	Half Day	£27.00	£27.00
Private social Care and All Others	Full Day	£93.00	£94.00
	Half Day	£52.00	£52.00
Voluntary / Associated Social Care	Full Day	£52.00	£52.00
	Half Day	£27.00	£27.00
Corporate Courses			
Personal Assistants	Full Day	£45.00	£45.00
	Half Day	£27.00	£27.00
Private social Care and All Others	Full Day	£93.00	£94.00
	Half Day	£52.00	£52.00
Voluntary / Associated Social Care	Full Day	£93.00	£94.00
	Half Day	£52.00	£52.00
Foster Care Courses			
Personal Assistants	Full Day	£45.00	£45.00
	Half Day	£27.00	£27.00
Private social Care and All Others	Full Day	£93.00	£94.00
	Half Day	£52.00	£52.00
Voluntary / Associated Social Care	Full Day	£52.00	£52.00
	Half Day	£27.00	£27.00
Other Course for the Private, Voluntary and Independent Sector			
Associated Organisations	Full Day	£162.00	£163.00
Non Associated Organisations	Full Day	£419.00	£422.00

4.1 Council Tax Fees

Fees relating to recovery of unpaid Council tax are set in consultation with the Ministry of Justice. No increase in fees is proposed for 2021/22.

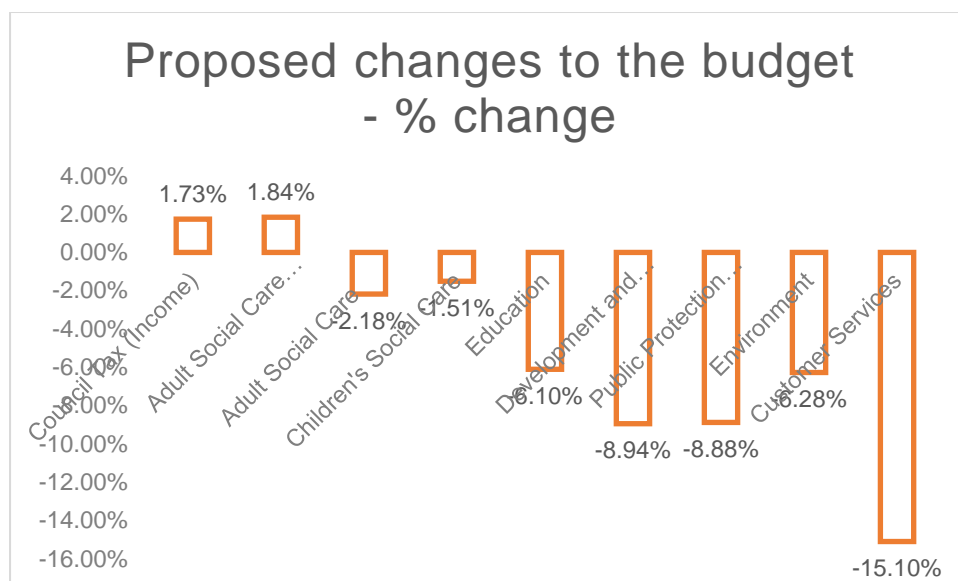
	Fees and Charges 2020/21	Proposed Fees and Charges 2021/22	
Summons cost	£57.50	£57.50	**
Liability Order cost	£50.00	£50.00	**
Penalty charge	£70.00	£70.00	*
Enforcement Agent compliance fee	£75.00	£75.00	*
Enforcement Agent visit fee	£235.00 + if debt is above £1500 then 7.5% of the amount above £1500 is added	£235.00 + if debt is above £1500 then 7.5% of the amount above £1500 is added	*
Committal fee	£330.00	£330.00	*
* level of fees / charge set by government			
** level set by Local Authority.			

Appendix L – Summary of responses to the budget challenge

To further engage with residents, the council launched a budget challenge between 14 December 2020 and the 11 January 2021. The simulator allowed residents to increase or decrease budgets for various services, to amend Council tax (up to referenda levels), the Adult Social Care Precept, and to look at specific investments.

200 people took the challenge and the summary of their choices is as follows:

Chart 1.1: Summary of responses to the budget challenge



Overall, the average Council Tax rise proposed was 3.57%, split between Council Tax income and the Adult Social Care precept. The summary of the proposals in service areas was for a higher area of budget protection for 'People' services, Adult and Children Social Care, and to a lesser extent Education, with the least amount of protection for customer services.

In more detail, the top three individual services within the above headings that were the most and least protected are highlighted below:

Chart 1.2: Specific services changes

Most protected	Least protected
Children's social care -1.5%	Customer services -15.1%
Adult's social care -2.2%	Economic Development -11.4%
Highways and Transport -5.7%	Planning and Development -10.6%

There was also a question on investment options and specifically around three areas. There were comparatively low numbers choosing to invest: 8 for weekly food waste; 12 for leisure investment, and 19 for a solar farm. The reasons why this was comparatively low could be due to the difficulty of balancing the budget, highlighted up in the comments submitted, or just that these were deemed lower priority areas when compared with core council services.

Comparison versus the proposed budget

The responses have been considered at a summary level, and broadly align with the council's proposals. Since the budget challenge was launched, there was additional funding through the draft Local Government Finance Settlement that would have made it easier to balance the budget.

Some of the key areas of alignment / difference with the proposed budget include:

- Proposed Council Tax increase in the challenge of 3.6% vs the Council's proposal of 1.99%
- Relative protection for 'people' services is in line with the council's proposals
- A higher saving in customer services in the challenge, compared to the council's proposal to invest in this area, and enhance the digital and online offering to residents

The responses will be further analysed to consider how these views could be incorporated into budget setting in future financial years, as well taking into account demographics of individuals who responded, e.g. age and gender. Some of the individual comments from those who took part highlighted a range of issues for example:

"I would actually try to increase council tax by 3-4% so as to not cut services. Also charge more for recycling garden waste and for use of recycling centres and bulk / non domestic items."

"I would like the option to take some money from the capital reserves. Also to put a pay freeze in place for all council administrative staff or an increase in the individual's personal pension contributions. Pension commitments are a huge drain on council resources funded by council tax payers."

"This was incredibly difficult, and it is very hard to make decisions about where to take budget away!"

"Really fascinating process that highlights the difficult challenges. Unpleasant reality is that we have to accept paying higher local tax for the services. Thanks"

"Exceptionally difficult to balance - I fully support the full increases in council tax and social care taxes to maximise the budget available to the council and minimise wherever possible reductions in service, though this is inevitable without extra funding. Protecting adult and child social care is of paramount importance."

Further information can be found at

<https://info.westberks.gov.uk/article/37753/Council-offers-Budget-Challenge-to-residents>

2020/21 Revenue Financial Performance Quarter Three

Committee considering report:	Executive on 11 February 2021
Portfolio Member:	Councillor Ross Mackinnon
Date Portfolio Member agreed report:	21 January 2021
Report Author:	Melanie Ellis
Forward Plan Ref:	EX3911

1 Purpose of the Report

- 1.1 To report on the in-year financial performance of the Council's revenue budgets.

2 Recommendation

- 2.1 To note the Quarter Three forecast of £3.4m under spend.

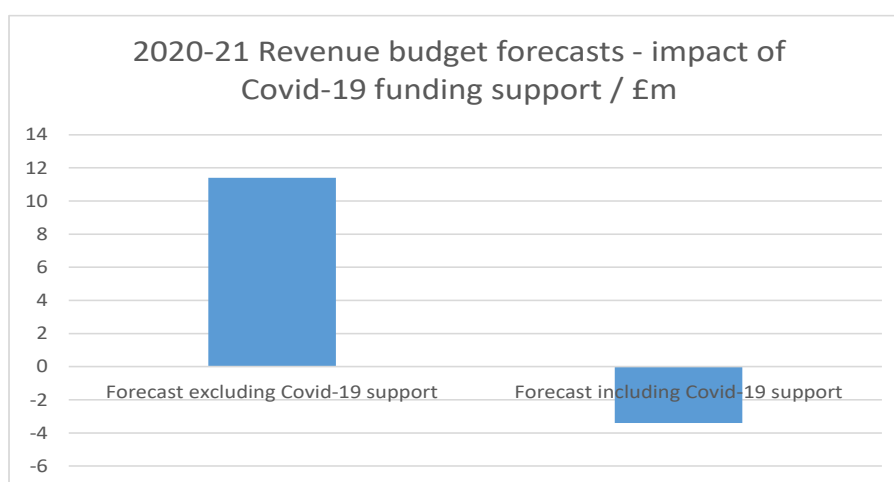
3 Implications and Impact Assessment

Implication	Commentary
Financial:	The Quarter Three forecast is an under spend of £3.4m. Any under spend at year end will be added to the Council's reserves. Any under spend arising from the Covid grant funding will be set off against the Collection Fund deficit.
Human Resource:	None
Legal:	None
Risk Management:	Risks to next years' budget are included where relevant in the report. Where identified these will form part of the budget build process for 2021/22.
Property:	Impact on income due to an unlet commercial property.
Policy:	No

	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		Y		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		Y		
Environmental Impact:		Y		
Health Impact:		Y		
ICT Impact:		y		
Digital Services Impact:		y		
Council Strategy Priorities:		y		Business as usual
Core Business:		y		
Data Impact:		y		
Consultation and Engagement:	Budget holders, Heads of Service and Directors.			

4 Executive Summary

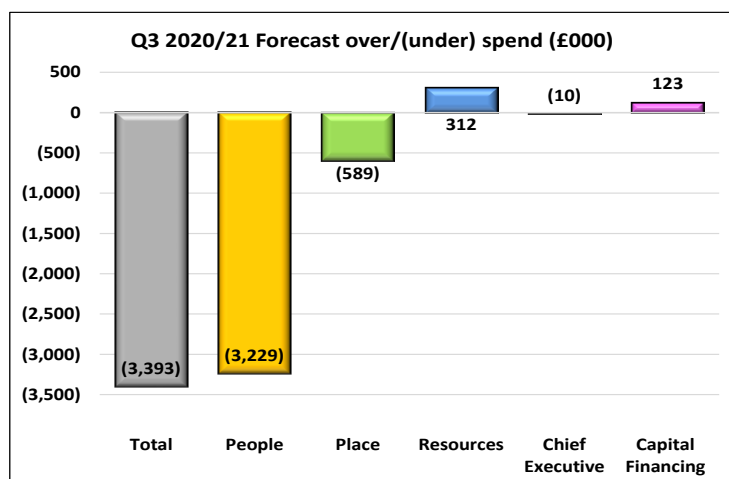
- 4.1 The current financial year continues to present a significant number of financial challenges for the Council in supporting our residents and business. The overall forecast under spend is interlinked to the use of covid resources provided by central government and allows for the protection of the Council's financial position in the midst of the current Covid-19 pandemic enabling Council services to deliver their key areas of responsibility.
- 4.2 It is important to recognise that this underlying forecast under spend is due to the large level of Government financial support. The Council is forecasting almost £6m of additional Covid-19 expenditure pressures which the Council has received funding for from Central Government, as well as income pressures of over £4m which the Government has funded over half of this loss. Adult Social Care (ASC) costs have also been supported with additional funding from the Clinical Commissioning Group (CCG) of almost £5m. Without this level of support, the Council would be facing a significant over spend of approximately £11m that would likely have put the Council far below its minimum level of reserves resulting in some immediate ceasing of service activity. As referenced further in this report, funds of £84m have been received from Government for other Covid-19 schemes and grants which are supporting a range of activities within our district.



- 4.3 There has been a significant increase in the under spend from Quarter Two to Quarter Three. This has been driven primarily from the People directorate and by two main factors. Firstly, in respect of both Adult and Children Social Care, the Quarter Two forecast was made before the second wave of the pandemic; there was an expectation that there would be an increase in demand to both service areas that had been suppressed due to the 1st wave of the pandemic. The 2nd wave has however delayed this demand and, unfortunately as in the 1st wave, there have been a number of deaths amongst the residents supported by ASC which has reduced in-year costs within adult social care. The second factor is the preventative work that has taken place within children social care to reduce demand by intervening earlier and providing support to reduce longer term costs. There has also been a decrease in demand related costs, for example in respect of Unaccompanied Asylum Seeking Children (UASC).
- 4.4 There will be further volatility in the financial position during the rest of the financial year. The pandemic will continue to place financial pressure on the Council but the funding provided by Government has supported the Council to continue delivering its services,

often in a different way, to support our residents. At year end there will be a further reconciliation between the Covid-19 non-ringfenced Government grant where the Council will apportion as much cost and income losses to the Government funding as appropriate which will then mean any under spend flows in the Council's general reserve.

- 4.5 The Quarter Three forecast is an under spend of £3.4m, which is 2.7% of the Council's 2020/21 net revenue budget of £131m.



- 4.6 The People Directorate is forecasting an under spend of £3.2m, with the main under spends arising from ASC £1.8m, CFS £1m and Education £360k.

- In ASC, long term services (LTS) are forecast to be £2.2m under spent. ASC continues to see excess deaths when compared to the same period last year. The majority have been in over 65's in care homes. The increased number of deaths will have been largely, but not solely, due to Covid-19.

Short term services (STS) are forecasting a £304k over spend at Quarter Three as a number of short term placements have been extended due to Covid-19.

Council owned care homes have been impacted by Covid-19 with occupancy falling significantly leading to income pressures of £238k. The Quarter Two forecast assumed a staggered increase in occupancy returning to budgeted levels by December. Due to Covid-19 this has not been possible. The care home pressure is offset by under spends which have arisen across staffing and other budgets.

A number of assumptions have been made regarding the impact of Covid-19 on budgets and these are detailed in the report.

- In CFS, the forecast under spend of £1m is largely in placements, where since the end of the financial year 2019/20, there has been a decrease in the number of clients. Decreases have mainly been in UASC and In-house fostering. There has been a conscious effort by the service to provide effective support and earlier help to prevent entry to care and the signs are very positive. However there is evidence among neighbouring authorities of increases in children entering care as a result of Covid-19 disruption.

- Education is forecasting an under spend of £361k, an increase of £164k from last quarter. Home to School Transport is the largest area of under spend at £206k, due to previously suspended services and routes being retendered and renegotiated.
- 4.7 The Place Directorate is forecasting an under spend of £589k. The main variances are:
- In Development & Planning, a forecast under spend of £318 arising mainly from savings in the Housing service for bed and breakfast accommodation.
 - In Transport & Countryside, a forecast under spend of £320k mainly from landfill usage and garden waste subscriptions.
- 4.8 The Resources Directorate has a £312k forecast over spend. The main areas are under achievement of income from commercial property in Finance and Property and staffing costs to complete the Statement of Accounts, and in Human Resources from staff and training savings.
- 4.9 The Capital Financing Quarter Three forecast position is a £123k over spend. £100k relates to a corporate commercialisation target and £23k to under recovery of write back targets. Neither are achievable and will be reviewed as part of the 2021/22 budget build.
- 4.10 The 2020/21 savings and income generation programme of £3.2m, is 89% Green, 4% Amber and 7% Red.

Covid-19 impact on the 2020/21 budget

- 4.11 There continues to be significant impact on the 2020/21 budget due to Covid-19. To date, the Council has been awarded four tranches of un-ringfenced emergency expenditure grant from Central Government to mitigate the impact of Covid-19 totalling £9.56m. There is also an emergency grant for lost income, with an estimated total of £2.27m. In addition, there have been a number of specific grants received.
- 4.12 The latest assessment is that the funding provided by Government and the income scheme below are sufficient for the 2020/21 Financial Year based on current estimates. Clearly, these can fluctuate, and will in light of further impacts from the Covid-19 outbreak. The Council also has general reserves to support further impacts and these are above the minimum level set by the s151 officer.
- 4.13 The COVID emergency grants will fund Covid related expenditure, lost income and unmet savings. These are being estimated, recorded and reported to GOLD. The latest forecast through to March 2021 is that these pressures amount to £10.1m which the emergency grant funding will offset. The assumption in budget monitoring is that there will be enough grant to cover all expenditure losses but that income may not be fully compensated. The longer term position will require further analysis and announcements from Central Government on the funding position for Local Government, before the impact on 2021/22 and beyond is known.
- 4.14 The Council has now submitted eight forecasts to Central Government on the Covid-19 financial impact and claimed against the income guarantee scheme for April to November.

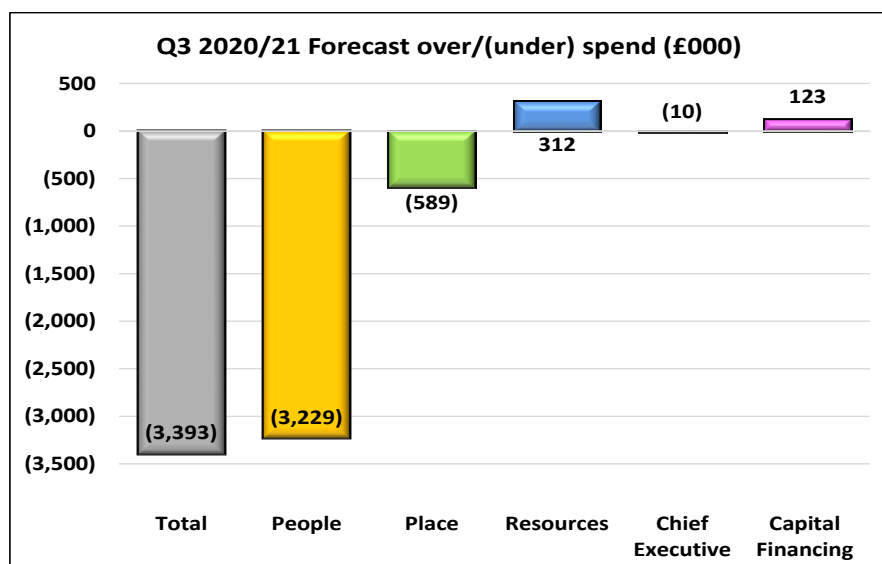
Conclusion

- 4.15 The Council is forecasting an under spend of £3.4m, which is a positive reflection on the management of adult and children social care. The £3.2m savings and income generation programme is forecasting 89% achieved at Quarter Three. The Covid-19 grant funding received from Government to date, and the Council's level of general fund reserves mean that the Council is well placed to focus its efforts on response and recovery from the Covid-19 into next financial year. Any Covid-19 grant under spend will be used to offset Collection Fund deficit.

5 Supporting Information

Introduction

- 5.1 The Quarter Three overall forecast is an under spend of £3.4m. This is 2.7% of the Council's 2020/21 net revenue budget of £131m.



- 5.2 The Directorate forecasts are shown in the chart below, showing the forecast under spend increasing by £1.9m since last quarter.

Directorate Summary	Current Net Budget	Net Forecast	Forecast (under)/over spend				Change to Service Forecast from Last Quarter	Current Quarter % over / (under) spend
			Quarter One	Quarter Two	Quarter Three	Quarter Four		
			Service Forecast	Service Forecast	Service Forecast	Service Over/ (under)		
	£000	£000	£000	£000	£000	£000	£000	%
People	76,149	72,921	(810)	(1,859)	(3,229)	0	(1,370)	(4.2)%
Place	31,053	30,464	(101)	(57)	(589)	0	(532)	(1.9)%
Resources	11,649	11,960	230	244	312	0	68	2.7%
Chief Executive	758	748	(10)	(10)	(10)	0	0	(1.3)%
Capital Financing	11,197	11,320	100	193	123	0	(70)	1.1%
Total	130,806	127,412	(590)	(1,489)	(3,393)	0	(1,904)	(2.6)%

- 5.3 The Service forecasts are shown in the following chart:

2020/21 Revenue Financial Performance Quarter Three

	Current Net Budget	Net Forecast	Forecast over/ (under) spend				Change to Service Forecast from Last Quarter
			Quarter One	Quarter Two	Quarter Three	Quarter Four	
			Service Forecast	Service Forecast	Service Forecast	Over/ (under) spend	
	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	50,355	48,549	(588)	(1,026)	(1,806)	0	(780)
Children & Family Services	17,167	16,121	(247)	(639)	(1,046)	0	(407)
Executive Director	321	306	3	4	(15)	0	(19)
Education DSG funded	(444)	(444)	0	0	0	0	0
Education	8,830	8,468	22	(197)	(361)	0	(164)
Public Health & Wellbeing	(80)	(80)	0	0	0	0	0
People	76,149	72,921	(810)	(1,859)	(3,229)	0	(1,370)
Executive Director	187	187	0	0	0	0	0
Development & Planning	3,055	2,737	(76)	(14)	(318)	0	(304)
Public Protection & Culture	3,930	3,979	75	61	49	0	(12)
Transport & Countryside	23,881	23,561	(99)	(104)	(320)	0	(216)
Place	31,053	30,464	(101)	(57)	(589)	0	(532)
Executive Director	281	301	0	20	20	0	0
Commissioning	769	708	(58)	(38)	(61)	0	(23)
Customer Services & ICT	2,983	2,982	59	60	(1)	0	(61)
Finance & Property	2,714	3,121	123	138	407	0	269
Human Resources	1,658	1,553	(10)	(23)	(105)	0	(82)
Legal and Strategic Support	3,244	3,296	115	87	52	0	(36)
Resources	11,649	11,960	230	244	312	0	68
Chief Executive	758	748	(10)	(10)	(10)	0	0
Capital Financing	11,197	11,320	100	193	123	0	(70)
Capital Financing	11,197	11,320	100	193	123	0	(70)
Total	130,806	127,412	(590)	(1,489)	(3,393)	0	(1,904)

5.4 NB: Rounding differences may apply to the nearest £k.

People Directorate

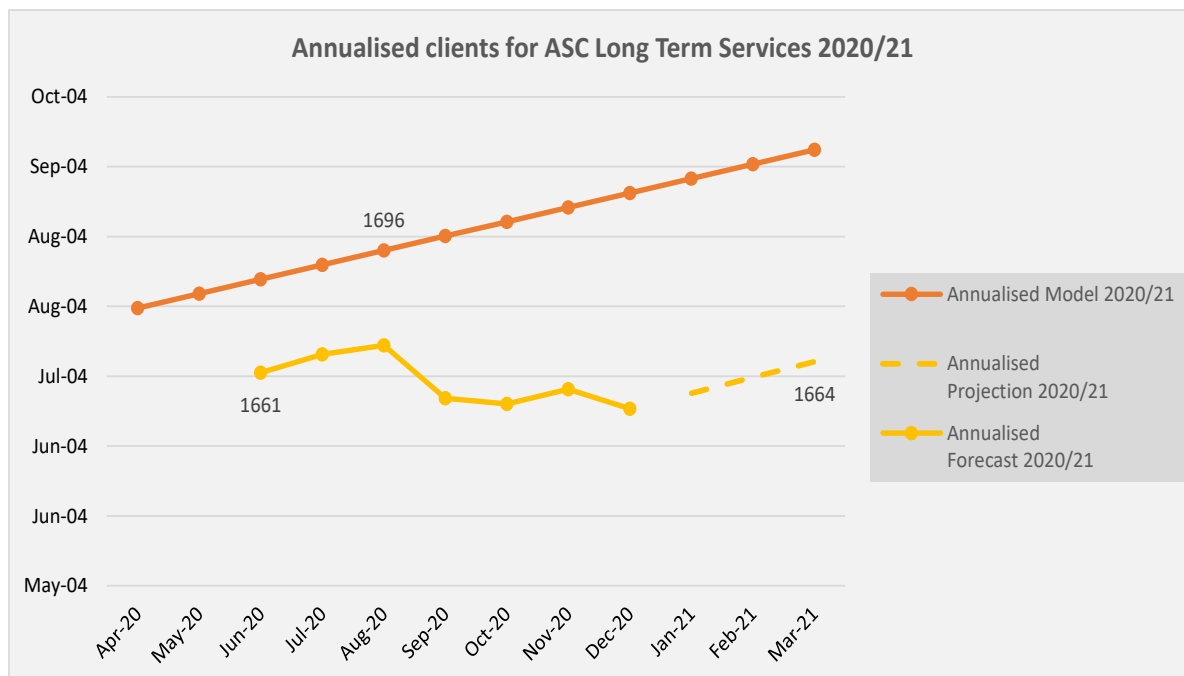
5.5 The Directorate is forecasting an under spend of £3.2m, against a budget of £76m. The under spend has increased by £1.37m from last quarter.

- In ASC, the forecast under spend of £1.8m, has increased by £1.8m since last quarter. The under spend is 3.6% of net budget.

Long term services (LTS) are forecast to be £2.2m under spent. ASC continues to see excess deaths when compared to the same period last year. There has been 57 excess deaths in Quarter Three. The majority have been in over 65's in care homes.

The increased number of deaths will have been largely driven, but not solely, due to Covid-19 and may have been a combination of both direct and indirect impacts. Covid-19 will also have had further impacts, such as on the circumstances, behaviours and choices of service users and their families.

There are 57 clients in step down placements and the forecast assumes that half of them will require a LTS. The service has taken action to suppress demand including use of technology enabled care wherever possible, reinforcing the 3 conversations model, maximising external funding streams and ensuring supply and demand are better aligned.



Assumptions have been made regarding the impact of Covid-19 on budgets. It is assumed that the second wave of Covid will not have the same impact as the first wave, as a result of the additional measures put in place such as testing, infection control and heightened awareness. It is assumed that services that are currently unavailable will not be operational for the second half of the financial year.

Short term services (STS) are forecasting a £304k over spend at Quarter Three. Within this area there is a forecast under spend in Maximising Independence budgets, due to costs being covered by Health Covid-19 funding. Other STS are over spending, after accounting for health and grant funding. A number of short term placements have been extended due to Covid-19, leading to increased short term costs.

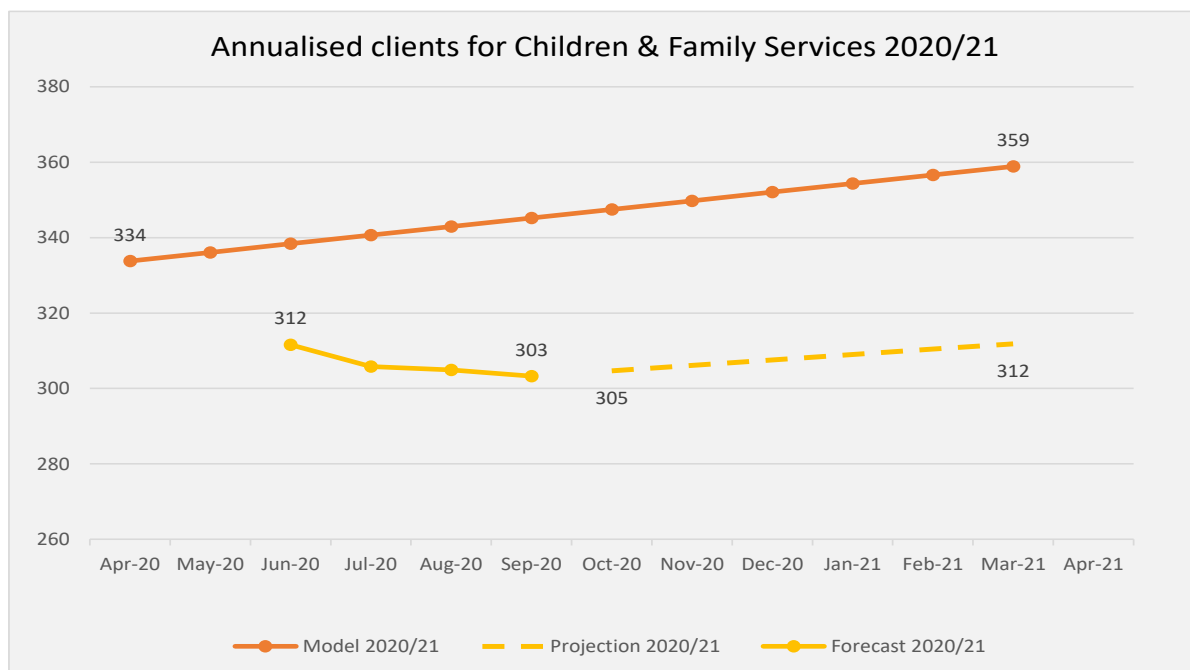
In Provider Services, Council owned care homes have been impacted by Covid-19 with occupancy falling significantly in Birchwood and Walnut Close leading to an income pressure of £238k. The Quarter Two forecast assumed a staggered increase in occupancy returning to budgeted levels by December. Due to Covid-19 cases this has not been possible. The care home pressure is offset by under spends which have arisen across staffing and other budgets.

- In CFS, the forecast under spend of £1m is largely in placements, where since the end of the financial year 2019/20, there has been a decrease in the number of clients. Decreases have mainly been in Unaccompanied Asylum Seeking Children (UASC) and In-house fostering. There has been a conscious effort by the service to provide effective support and earlier help to prevent entry to care and the signs are

very positive. However there is evidence among neighbouring authorities of increases in children entering care as a result of Covid-19 disruption.

Additional placement costs are also forecast to be under budget due to reduced demand of complex support when placements are at risk of ending. This has arisen through careful planning and matching and delivering good support leading to less need for urgent intervention and support.

The remaining under spend has arisen in adoption advisory, child care lawyers, and vacancy and mileage savings across the teams.



- Education is forecasting an under spend of £361k, an increase of £164k from last quarter. Home to School Transport has a forecast under spend of £206k, partly due to previously suspended services and partly due to routes being retendered and renegotiated. External funding has been received towards the Mental Health School team project and LAC Mental Health project resulting in a £38k under spend. Other small under spends make up the balance.
- Education DSG is reported on line for the Council as any over or under spends are ring-fenced within the grant. However, in 2020/21 funding was lower than expenditure requirements and there is a £1.3m in-year shortfall. This is in addition to the £1.7m brought forward deficit, taking the total forecast DSG deficit at year end to £3m. The pressures are mostly in High Needs but also in Early Years.

The Department for Education recognises the position that many authorities are in, and are expecting to work with authorities during 2020 to 2022 to agree a plan of action to recover the deficits.

- The Public Health grant budget is on line, however the longer term implications of Covid-19 are not yet known. Any pressures in this area are dependent on increases to the grant and what additional commitments are placed on Public Health.

Place Directorate

5.6 The Place Directorate is forecasting an under spend of £589k against a budget of £31m. The under spend has increased by £532k since last quarter.

- In Development and Planning, the forecast under spend of £318k, has increased from £14k last quarter. The forecast under spend for the Housing service has increased by £241k from last quarter to £294k. This is mainly due to the continued temporary suspension of evictions of private tenants due to Covid-19, leading to reduced need for bed and breakfast accommodation. Development Control is still forecasting an under achievement of planning income. There are under spends from vacant posts, consultancy and supplies and services.
- In Public Protection & Culture, there is a forecast over spend of £49k, a minor change from last quarter. There are income pressures in Shaw House and building control and these areas are being reviewed for 2021/22 implications.
- In Transport & Countryside, there is a forecast under spend of £320k, an increase of £216k from last quarter. Forecast savings in the waste service are now at £314k, an increase of £64k from last quarter reflecting the latest data on landfill usage and garden waste subscriptions. There is a shortfall of £100k in parking income mainly due to the closure of Market Street car park but this is expected to be offset by savings on running costs. Budget pressures have been submitted in respect of ongoing car park income losses, and the continuing work to address Ash Die Back disease. Savings planned for 2020/21 from the implementation of solar panels are now expected to be achieved in 2021/22.

Resources Directorate

5.7 The Directorate has a £312k forecast over spend against a budget of £12m. This is a similar position to last quarter. The main variances are:

- In Finance and Property, there is an overall over spend of £407k largely due to staffing costs for the preparation and audit of the Statement of Accounts and an income shortfall from a vacant commercial property.
- Human Resources are forecasting an under spend of £105k due to vacant posts and staff training savings.
- Other services are forecasting minor over and under spends.

Chief Executive

5.8 An under spend of £10k is being forecast in the contingency budget, unchanged from last quarter.

Capital Financing

5.9 The Capital Financing Quarter Three forecast position is a £123k over spend against a £11m budget. The overspend consists of

- a £100k corporate commercialisation target that is not achievable and will be removed as part of the 2021/22 budget build,

- a £23k under recovery of write back targets, partly attributable to Covid economic conditions and partly related to new payment arrangements. This target will be reviewed as part of budget build.

Covid-19 impact on the 2020/21 budget

5.9 There continues to be a significant impact on the 2020/21 budget due to Covid-19. To date, the Council has been awarded four tranches of un-ringfenced emergency expenditure grant from Central Government to mitigate the impact of Covid-19 totalling £9.56m. There is also emergency grant funding for lost income, with an estimated total of £2.28m. In addition, there have been a number of specific grants received. All grants are summarised in the table below.

Covid grant funding	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 est 2020/21	2020/21 Total
	£k	£k	£k	£k	£k
Non-ringfenced emergency expenditure grant	7.56	1.04	0.96	-	9.56
Income compensation scheme for lost sales, fees & charges	-	0.86	0.94	0.47	2.28
Business grants and discretionary grants	29.31	0.17	2.72	-	32.20
Additional restrictions grant*			3.17		3.17
Council tax support	0.55	-	0.02	0.84	1.41
Bus services support grant	0.11	-	-	-	0.11
Reopening High streets safely fund	0.14	-	-	-	0.14
Home to school transport	-	0.13	-	-	0.13
Emergency active travel fund	-	0.12	0.50	-	0.62
Infection control fund	0.70	0.70	1.41	-	2.81
Support to Clinically Extremely Vulnerable individuals fund	-	-	0.06	-	0.06
Test and trace service support grant	0.54	-	-	-	0.54
Test and trace support payment scheme	-	-	0.11	-	0.11
Contain outbreak mgt fund	-	-	1.27	0.44	1.71
Emergency assistance grant for food and essential supplies	-	0.10	-	-	0.10
Winter grant scheme	-	-	0.14	0.14	0.28
Additional support for rough sleepers	-	-	0.19	-	0.19
Wellbeing for Education return grant	-	0.03	-	-	0.03
Surge funding compliance and enforcement	-	-	0.06	-	0.06
Support funding for leisure sector	-	-	0.30	-	0.30
Business Rates relief distributed		37.80			37.80
TOTAL GRANT FUNDING	38.91	40.96	11.85	1.89	93.61

* [https://info.westberks.gov.uk/article/37669/Additional-Restrictions-Grant-ARG-scheme-launched-for-West-Berkshire-Businesses#:~:text=The%20Additional%20Restrictions%20Grant%20\(ARG,November%20until%20%20December%202020.](https://info.westberks.gov.uk/article/37669/Additional-Restrictions-Grant-ARG-scheme-launched-for-West-Berkshire-Businesses#:~:text=The%20Additional%20Restrictions%20Grant%20(ARG,November%20until%20%20December%202020.)

5.10 The COVID emergency grants will fund service Covid related expenditure, lost income and unmet savings. These are being estimated, recorded and reported to GOLD. The latest forecast through to March 2021 is that these pressures amount to £10.1m for 2020/21 which the emergency expenditure and income grant will offset.

2020/21 Revenue Financial Performance Quarter Three

Emergency grant funding		Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 est 2020/21	2020/21 Total
		£m	£m	£m	£m	£m
Covid emergency expenditure grant		7.56	1.04	0.96	-	9.56
Covid emergency income grant		-	0.86	0.94	0.47	2.28
TOTAL EMERGENCY GRANT		7.56	1.90	1.91	0.47	11.84
Expenditure		1.59	1.57	1.29	1.37	5.83
Income losses		1.62	1.28	0.87	0.55	4.31
TOTAL FUNDING REQUIRED		3.21	2.85	2.16	1.92	10.14
NET SURPLUS						1.70

5.11 Surplus funds that are non-ringfenced will be held against collection fund deficits and future covid costs in 2021/22.

5.12 Funds will be transferred to services on a quarterly basis. The assumptions in budget monitoring is that there will be enough grant to cover all expenditure losses and most income losses. The longer term position will require further analysis and announcements from Central Government on the funding position for Local Government, before the impact on 2021/22 and beyond is known.

5.13 All other grants are being spent in line with their specific conditions.

5.14 The funding received from Government to date, and the Council's level of general fund reserves mean that the Council is well placed to focus its efforts on response and recovery from the Covid-19 in the current financial year.

5.15 The table below sets out some of the key items raised during Covid-19 and the response provided through the Council.

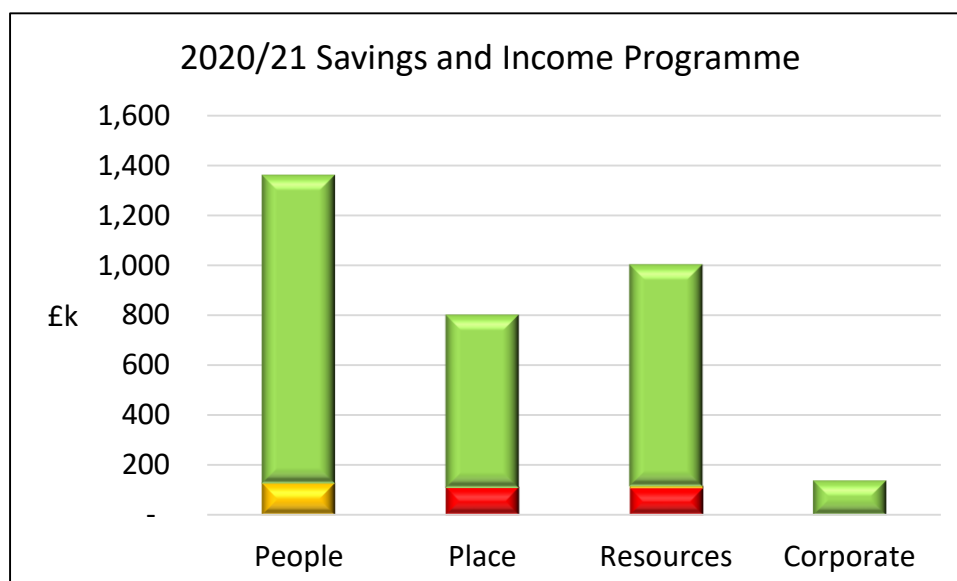
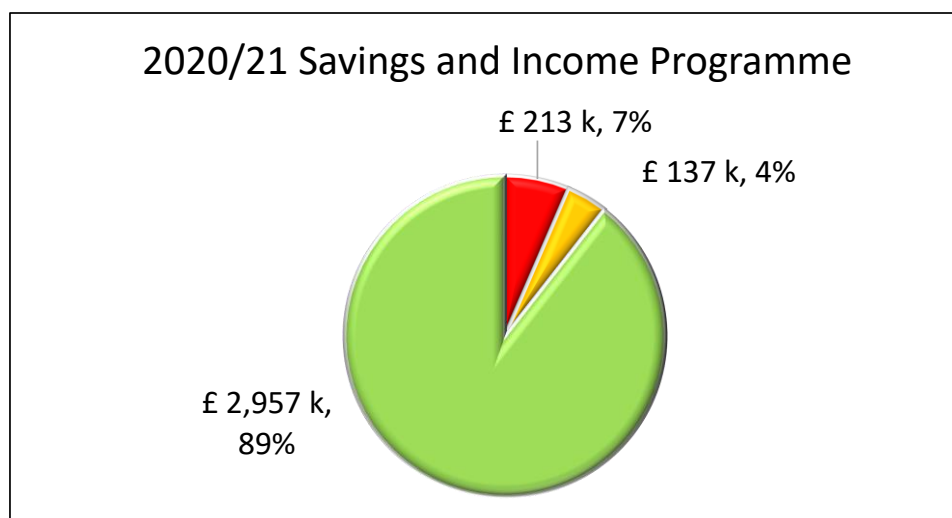
Item	Response
<p>Additional expenditure pressures – especially:</p> <ul style="list-style-type: none"> - Adult Social Care - Leisure services - Community Hub - Housing 	<p>Government have provided non ring-fenced funding of £9.6m to support the Council in its response to Covid-19. This figure has been received in four separate tranches and the Council monitors this on a weekly basis.</p> <p>The latest assessment is that the funding provided by Government and the income scheme below are sufficient for the 2020/21 Financial Year based on current estimates. Clearly, these can fluctuate, and will in light of further impacts from the Covid-19 outbreak. The Council also has general reserves to support further impacts and these are above the minimum level set by the s151 officer.</p>

Item	Response
<p>Income pressures, the most significant being:</p> <ul style="list-style-type: none"> - Car parking income - Adult Social Care - Other Sales, fees and charges 	<p>Government have provided an income share scheme.</p> <ul style="list-style-type: none"> - The Council funds the first 5% of losses - The Council shares 25% and Government 75% of all further losses.
Cashflow risks	Government provided up front funding of, for example, business grants and paused the payment required for business rates
Specific grants provided by Government for key areas of activity, as shown above	These funds are being applied to support service specific pressures and/or to provide services through the grant.
Losses on Council Tax and Business Rates	<p>The Council Tax collection rate has held up well to date; collection is marginally down, but the Council did offer the ability to amend the two months of non Council Tax payment to early in the financial year.</p> <p>The Council made a quick early decision in March to suppress business rates recovery and the initial direct debit to support businesses. The Government have also provided a significant amount of business rates reliefs.</p> <p>The Government have announced that the collection fund deficit can be spread across a three year period rather than one year. This option will be considered as part of the budget setting process for the March Council.</p>
Impact on 2021/22 budget setting	<p>The long term flow of changed costs and lost income is difficult to estimate in detail. However, the budget for the year ahead is being prepared with adjustments for Covid-19.</p> <p>The Government has also paused the roll out of the fair funding review and further retention of business rates which reduces by just over £1m the savings requirement for 2021/22 on the assumption that all changes are paused, including the rest of business rates baselines.</p>

5.16 The longer term position will require further analysis and announcements from Central Government on the funding position for Local Government, before the impact on 2021/22 and beyond is known. The Government have announced a pause to the fair funding review for 2021/22 and so the Council is planning for a similar financial settlement for 2021/22 as it received in 2020/21.

2020/21 Savings and income generation programme

5.17 In order to meet the funding available, the 2020/21 revenue budget was built with a £3.2m savings and income generation programme. The programme is monitored using the RAG traffic light system. The status of the programme is shown in the following charts:



5.18 Unachieved red savings are as follows:

- £40k in Development & Planning was planned to be capitalised but this is no longer possible. The target has been offset in year through other Housing under spends, and it is planned to fund this post from S106 in 2021/22.
- £68k in Planning & Public Protection from phase 2 solar panels on Council buildings. This work has been delayed but is expected to be achieved in 2021/22.
- A £40k VAT saving from mileage claims has not yet been put in place, but this has been offset by a general reduction in mileage claims. The VAT process will be investigated in 2021/22.
- £65k in Strategy & Governance: £45k from income generation in legal will not be achieved due to Covid-19 and £20k from training income.

5.19 Amber savings are as follows:

- £27k in ASC. This represents 3% of a range of savings that are otherwise met. Work is ongoing to achieve the remainder of the savings but has been slowed due to Covid-19.
- £100k in CFS. This saving was expected to be achieved as a result of increased income. In May 2019 the Home Office announced an increase in the daily sum that can be claimed per asylum seeker child in local authority care. We calculated that £100k could be released from the existing UASC budget because of this additional income. This has not been possible due to the decrease in UASC cases.
- £10k in HR relating to an efficiency target yet to be achieved.

Proposals

5.20 To note the Quarter Three forecast.

6 Other options considered

6.1 None.

7 Conclusion

7.1 The Council is forecasting an under spend of £3.4m, which is a positive reflection on the management of adult and children social care. The £3.2m savings and income generation programme is forecasting 89% achieved at Quarter Three. The Covid-19 grant funding received from Government to date, and the Council's level of general fund reserves mean that the Council is well placed to focus its efforts on response and recovery from the Covid-19 into next financial year. Any Covid-19 grant under spend will be used to offset Collection Fund deficit.

8 Appendices

8.1 Appendix A – Forecast position

8.2 Appendix B – Budget changes

Subject to Call-In:

Yes: ☐ No: ☒

The item is due to be referred to Council for final approval ☐

Delays in implementation could have serious financial implications for the Council ☐

Delays in implementation could compromise the Council's position ☐

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months ☐

Item is Urgent Key Decision

☐

Report is to note only

☒**Document Control**

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Version:		Date Modified:	
Author:			
Owning Service			

Change History

Version	Date	Description	Change ID
1			
2			

Appendix A – Forecast position

	Budget				Forecasted Performance						
	Original Budget 2020/21 £	Changes in year 2020/21 £	Funding Released from Reserves 2020/21 £	Revised Budget 2020/21 £	Expenditure			Income			Net
					Annual Expenditure Budget for 2020/21 £	Annual Expenditure Forecast for 2020/21 £	Expenditure Variance for 2020/21 £	Annual Income Budget for 2020/21 £	Annual Income Forecast for 2020/21 £	Income Variance for 2020/21 £	Net Variance £
Adult Social Care	50,220,510	0	134,920	50,355,430	75,846,670	73,189,560	-2,657,110	-25,491,240	-24,640,370	850,870	-1,806,240
Childrens and Family Services	17,102,250	-11,660	76,260	17,166,850	19,239,320	18,044,970	-1,194,350	-2,072,470	-1,924,470	148,000	-1,046,350
Executive Director - People	249,440	0	72,000	321,440	321,440	331,490	10,050	0	-25,000	-25,000	-14,950
Education (DSG Funded)	-444,000	0	0	-444,000	108,097,950	110,280,410	2,182,460	-108,541,950	-110,724,410	-2,182,460	0
Education	8,829,540	0	0	8,829,540	12,261,300	11,689,170	-572,130	-3,431,760	-3,220,890	210,870	-361,260
Public Health & Wellbeing	-80,000	0	0	-80,000	5,951,590	7,776,680	1,825,090	-6,031,590	-7,856,680	-1,825,090	0
People	75,877,740	-11,660	283,180	76,149,260	221,718,270	221,312,280	-405,990	-145,569,010	-148,391,820	-2,822,810	-3,228,800
Executive Director - Place	197,080	-10,000	0	187,080	187,080	187,080	0	0	0	0	0
Development and Planning	3,070,650	32,820	-48,730	3,054,740	6,467,540	6,100,440	-367,100	-3,412,800	-3,363,600	49,200	-317,900
Public Protection and Culture	3,903,550	-8,400	35,000	3,930,150	9,296,680	9,202,270	-94,410	-5,366,530	-5,222,680	143,850	49,440
Transport and Countryside	23,795,330	-41,840	127,700	23,881,190	34,815,930	30,747,390	-4,068,540	-10,934,740	-7,187,010	3,747,730	-320,810
Place	30,966,610	-27,420	113,970	31,053,160	50,767,230	46,237,180	-4,530,050	-19,714,070	-15,773,290	3,940,780	-589,270
Executive Director - Resources	120,870	159,880	0	280,750	280,750	300,750	20,000	0	0	0	20,000
Commissioning	814,420	-48,800	3,820	769,440	10,270,470	10,260,090	-10,380	-9,501,030	-9,551,850	-50,820	-61,200
Customer Services and ICT	2,970,540	0	12,380	2,982,920	3,837,330	3,782,670	-54,660	-854,410	-800,930	53,480	-1,180
Chief Executive	0	0	0	0	0	103,350	103,350	0	-103,350	-103,350	0
Finance and Property	2,823,670	-150,020	40,000	2,713,650	47,491,680	46,996,440	-495,240	-44,778,030	-43,875,570	902,460	407,220
Human Resources	1,723,870	-66,200	0	1,657,670	2,057,600	1,951,580	-106,020	-399,930	-399,330	600	-105,420
Legal and Strategic Support	3,004,900	103,040	136,460	3,244,400	3,930,040	3,897,520	-32,520	-685,640	-601,890	83,750	51,230
Resources	11,458,270	-2,100	192,660	11,648,830	67,867,870	67,292,400	-575,470	-56,219,040	-55,332,920	886,120	310,650
Chief Executive	833,510	-75,820	0	757,690	767,690	755,440	-12,250	-10,000	-7,750	2,250	-10,000
Chief Executive	833,510	-75,820	0	757,690	767,690	755,440	-12,250	-10,000	-7,750	2,250	-10,000
Capital Financing & Management	11,196,770	0	0	11,196,770	11,974,340	11,672,340	-302,000	-777,570	-352,570	425,000	123,000
Movement Through Reserves	-117,000	117,000	0	0	0	0	0	0	0	0	0
Risk Management	0	0	0	0	0	0	0	0	0	0	0
Capital Financing and Risk Management	11,079,770	117,000	0	11,196,770	11,974,340	11,672,340	-302,000	-777,570	-352,570	425,000	123,000
Total	130,215,900	0	589,810	130,805,710	353,095,400	347,269,640	-5,825,760	-222,289,690	-219,858,350	2,431,340	-3,394,420

Appendix B – Budget Changes

Service	Original Net Budget	Budget changes not requiring approval	Approved Budget B/F from 2019/20	Other budget release from reserves	Approved by S151 & Portfolio Holder	Requiring Executive Approval	Proposed Budget C/F to 2021/22	Current Net Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	50,221		288				(153)	50,355
Children and Family Services	17,102	(12)	76					17,167
Executive Director	249		87				(15)	321
Education DSG funded	(444)							(444)
Education	8,830							8,830
Public Health & Wellbeing	(80)							(80)
People	75,878	(12)	451	0	0	0	(168)	76,149
Executive Director	197	(10)						187
Development & Planning	3,071	33	76				(125)	3,055
Public Protection & Culture	3,904	26						3,930
Transport & Countryside	23,795	15	71					23,881
Place	30,967	64	147	0	0	0	(125)	31,053
Executive Director	121	160						281
Commissioning	814	(49)	4					769
Customer Services & ICT	2,971		12					2,983
Finance & Property	2,824	(89)					(21)	2,714
Human Resources	1,724	(66)						1,658
Legal and Strategic Support	3,005	95	85	131			(72)	3,244
Resources	11,459	51	101	131	0	0	(93)	11,649
Chief Executive	834	(76)						758
Capital Financing & Management	11,197							11,197
Movement through Reserves	(117)	117						0
Capital Financing	11,080	117	0	0	0	0	0	11,197
Total	130,217	144	699	131	0	0	(386)	130,806

Potential Redundancies – Strategy & Governance

Committee considering report:	Executive on 11 February 2021
Portfolio Member:	Councillor Jo Stewart
Date Portfolio Member agreed report:	2 February 2021
Report Author:	Sarah Clarke
Forward Plan Ref:	EX3976

1 Purpose of the Report

- 1.1 Following a restructure in the Strategy and Governance Department resulting in the creation of 21.5 new posts, including investment into an additional 7.5 posts, 14 posts are to be deleted. This results in the potential for some redundancies. This report seeks authority for redundancy payments to be made if necessary.
- 1.2 The overarching purpose of the new structure in Strategy and Governance is to:
- Improve the delivery of services to the Council's customers
 - Enhance and consolidate the Council's governance arrangements
 - Deliver more effective digital and transformation solutions that provide better services
 - Continue to provide effective support services to the Council

2 Recommendation

- 2.1 Executive are asked to authorise the redundancy payments more fully detailed in the Part II Report.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<p>The total cost of the potential redundancies as calculated at 12 May 2021 is set out in the Part II report, but is just below £200k.</p> <p>Employees who are members of the Local Government Pension Scheme (LGPS) will automatically be paid their pension (with no reduction and no enhancement in the amount due) if they are aged 55 or over on the date that their employment ends due to redundancy.</p>

	<p>New legislation was introduced last year to restrict exit payments made to employees working in the public sector to a maximum value of £95k. That legislation is the subject of an ongoing legal challenge, but none of the proposed redundancy payments will exceed the statutory threshold.</p> <p>This is the 'worst case' scenario and assumes that none of the employees can be redeployed into alternative employment within the Council.</p>			
Human Resource:	There are significant human resource implications associated with this report and the restructure is being implemented in accordance with the Council's Organisational Change Policy.			
Legal:	Under the Council's Constitution the power to issue notice to an employee to cease employment by reason of redundancy rests with the Service Director or Head of Service. However the power to authorise any associated redundancy payment (and early retirement costs where appropriate) rests with the Executive (with limited delegation to the Chief Executive).			
Risk Management:	None			
Property:	There are no property implications arising from this report.			
Policy:	As noted above, the restructure is being conducted in accordance with the Council's Organisational Change Policy.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		

B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:	X			As part of the overall restructure, additional investment is proposed in the Council's digital capacity to enhance the services provided to residents.
Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	<p>The proposed restructure has been subject to extensive consultation with officers impacted. This includes 43 briefings and consultation meetings with officers and teams impacted by the proposals. The consultation period was also extended by two weeks at the request of Unison.</p> <p>Corporate Board, Rebecca Bird</p>			

4 Executive Summary

4.1 Strategy and Governance is a new Department that was created on the 1st April 2020. This Department is comprised of three former Service areas, namely:

- Human Resources;
- Legal Services; and
- Strategic Support.

- 4.2 The creation of the Strategy and Governance Department by the merger of three former long standing service areas, meant that a review of structure was essential to ensure that the new Department was structured in a manner that would enable it to operate effectively, as a single unified team, and with a clear understanding of its purpose.
- 4.3 The overarching purpose of the new structure is to:
- Improve the delivery of services to the Council's customers
 - Enhance and consolidate the Council's governance arrangements
 - Deliver more effective digital and transformation solutions that provide better services
 - Continue to provide effective support services to the Council
- 4.4 In order to achieve the stated purpose of the restructure, a number of existing posts need to be deleted. New posts have however been created and with the additional investment proposed as part of the budget, there will be an increase of employment opportunities in the Strategy and Governance Department.
- 4.5 Recruitment to key roles in the new Department will begin to take place through February and into March. Depending on the results of that, a number of post holders could be made redundant. As noted above, the redundancy costs detailed in this report reflect a worst case scenario, and it is considered that this figure will be reduced as a result of officers applying for and being appointed into new job opportunities.

5 Supporting Information

Introduction

- 5.1 The purpose of this report is to set out details of potential redundancies that may occur on 12 May 2021, as a result of the restructure in the Strategy and Governance Department. This report seeks approval from Executive to make the redundancy (and if appropriate, retirement) payments associated with the required staffing changes.
- 5.2 The information contained within this report has been sourced from information held by HR, Finance and Payroll.
- 5.3 The information presented is the maximum cost to the Council, which is likely to reduce as redeployment opportunities arise in the Department and in the Council as a whole between now and 12 May 2021.

Background

- 5.4 The creation of the Strategy and Governance Department by the merger of three former long standing service areas, meant that a review of structure was essential to ensure that the new Department was structured in an appropriate manner, which would deliver improved customer services and enable the Department to continue to provide effective support services to the Council.
- 5.5 It is not sustainable to continue to operate under the structures from the former service areas, as those structures exist on the basis that each report into a separate individual, but they now report to one. There are also a number of operational risks which arise

from single points of failure in the existing structure, which the proposals seek to address. The review of the structure also highlighted clear opportunities for digital transformation within the Department, which will ensure that the Department can operate in a more effective and efficient manner

- 5.6 In view of the above, there was a clear business need to undertake a review of the structure in the Strategy and Governance Department, and to implement that without delay.
- 5.7 The Council employs a total of 131 officers in the Teams affected by the proposed restructure and it is proposed that 14 existing posts be deleted. Some of these posts are currently vacant but a number of existing post holders could be made redundant.
- 5.8 The proposals will result in the creation of 21.5 new posts, with 7.5 of those posts resulting from new investment which is proposed as part of the budget. One of the new posts is proposed for a temporary 12 month period, and is intended to support improved Digital Democracy.
- 5.9 The new posts have been proposed to deliver a structure which aligns the Council's corporate governance functions in one Department. This new structure will also support the Council to deliver improved customer services, by bringing relevant teams together and through more effective communication and digital channels.
- 5.10 Consideration was also given in creating the new structure, to feedback from staff given in the Employee Attitude Survey and during Service Away Days. The new structure therefore creates a number of new posts that deliver better career development opportunities. The new posts proposed will also assist to support the Council to work in a more effective and efficient manner, delivering improved resilience within the Department.
- 5.11 As a result of the proposals, a number of existing post holders will automatically slot into new posts, and others will be subject to a formal recruitment process. However, it should be stressed that the potential redundancies are a worst case scenario, for circumstances where employees in posts that will be deleted, do not find suitable alternative employment.
- 5.12 The revised structure has been subject to extensive consultation with officers in accordance with the Council's Organisational Change Policy. Consultation responses indicated support for the new structure, but concerns were also raised and as a result, a number of changes were made to the proposals.
- 5.13 The proposals may result in a number of post holders being made redundant, and this report seeks authority if necessary to make the associated redundancy payments. A number of posts were identified as being at risk of redundancy prior to the commencement of the consultation exercise, because there was no obvious job match between current roles and any of the new positions in the revised structure.
- 5.14 Where staff are at risk of redundancy, the Council will seek to support those officers by redeploying them to suitable alternative employment. That support has been offered where relevant as part of these proposals. The Council also supports officers who are redeployed into roles which are at a lower grade than their existing post, by offering

salary protection in accordance with the Salary Protection Scheme for 12 to 18 months, (depending on length of service). The Council cannot compel an officer to accept an alternative role which is substantially different from their existing post.

Proposals

5.15 It is proposed that the potential financial payments detailed in the Part II report are approved.

Redundancy process

5.16 It is not possible at this stage to say exactly how much the total liability for redundancy payments will be, as it is anticipated that a number of officers will be redeployed to new posts.

5.17 The highest potential redundancy costs have however been set out in the Part II report. The actual cost is likely to be reduced as there is the potential for redeployment to new posts in the Strategy and Governance Department or to other posts in the Council, which would negate the need for any redundancy payment.

5.18 As noted above, officers who are placed at risk of redundancy will be offered support to identify suitable alternative employment.

6 Other options considered

6.1 Consideration was given to not proceeding with the restructure. This option was ruled out as there was a clear business need to ensure that the new Department could function efficiently and effectively and the existing structure does not support this.

6.2 Consideration was also given to delaying the implementation of the restructure. This option was not considered viable due to the need to ensure that the new Department could function efficiently and effectively as noted above, and in order to meet current business need and even more so now in light of the impact and new learnings following Covid-19.

7 Conclusion

7.1 The structure of the Strategy and Governance Department has been reviewed to ensure that it is structured in a manner that will enable it to operate effectively, as a single unified team, and with a clear understanding of its purpose.

7.2 This has resulted in a number of potential redundancies, as detailed in the Part II Report, which may occur on or before the 12th May 2021.

Background Papers:

None

Subject to Call-In:

Yes: ☒ No: ☐

The item is due to be referred to Council for final approval ☐

Delays in implementation could have serious financial implications for the Council ☐

Delays in implementation could compromise the Council's position ☐

Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months ☐

Item is Urgent Key Decision ☐

Report is to note only ☐

Wards affected: N/A

Officer details:

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Item 12:

Member Questions to be answered at the Executive meeting on 11 February 2021.

Members of the Executive to answer questions submitted by Councillors in accordance with the Executive Procedure Rules contained in the Council's Constitution.

(a) Question submitted by Councillor Tony Vickers to the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture:

"Apart from parking restrictions on roads near the more popular country parks, what can the Council urgently do to not just attempt to control but to capitalise on the massively increased and welcome enthusiasm for much-needed healthy outdoor country exercise on foot around our major settlements?"

(b) Question submitted by Councillor Martha Vickers to the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture:

"How satisfactory as a basis for developing a Health and Wellbeing Strategy for the next decade can a response to the consultation of under 700 in West Berkshire be in a population of at least 50,000 households?"

(d) Question submitted by Councillor David Marsh to the Portfolio Holder for Leader of the Council:

"In view of the importance of the issue and the long-term implications for West Berkshire council tax payers, will you commit to a debate and vote by the full council before any final decision is taken over the proposed new sports ground at Newbury Rugby Club?"

(e) Question submitted by Councillor Erik Pattenden to the Portfolio Holder for Public Health and Community Wellbeing, Leisure and Culture:

"If the Newbury Sports Ground at the Rugby Club does not go ahead, what facilities does the council propose for the Plan B site of the Diamond Field in Greenham and what impact would these have on local residents?"

(g) Question submitted by Councillor Phil Barnett to the Portfolio Holder for Planning and Housing:

"Can the Executive Member identify how many extra housing units have been created through a change in use from office blocks to residential accommodation over the last three years?"

(c) Question submitted by Councillor Martha Vickers to the Portfolio Holder for Planning and Housing:

"What is the Council doing to tackle the problem of dog fouling in our streets and open spaces?"

(f) Question submitted by Councillor Erik Pattenden to the Portfolio Holder for Children, Young People and Education:

"With the impact of the pandemic on young people increasing, how can the Council provide more funding and resources for organisations supporting children's physical and mental health, such as the Emotional Health Academy, CAHMS and Time to Talk?"

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Agenda Item 14.

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