

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	