**READING BOROUGH COUNCIL**

**2020/21 BUDGET BOOK**



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1. **Introduction to the 2020/21 Budget Book**

The 2020/21 budget for Reading Borough Council was agreed by Council on 25th February 2020 and forms part of the Council's Medium Term Financial Strategy which currently goes up to 2022/23.

Reading is a unitary authority and accounts for its expenditure in three categories:

* **General Fund Revenue Account** – this includes day to day spending on all services. It is funded by the council tax payer, government grant and other sources of income;
* **Housing Revenue Account (HRA)** – this is a ring-fenced budget for expenditure on the Council’s Housing stock and is funded by council tenants’ rents.
* **Capital** – this is the expenditure incurred to make improvements to the Council’s assets or for the purchase or creation of new assets. The Council has two capital programmes, one for the General Fund and one for the Housing Revenue Account. Capital is funded by grants, contributions from developers, capital receipts (the sale of capital assets), revenue and prudential borrowing.

For 2020/21, the Council has a net revenue budget of £150.1m, a General Fund Capital Programme of £117.8m, Housing Revenue Account budget of £40.9m and HRA Capital Programme of £30.3m.

The General Fund Revenue budget comprises expenditure on the Council’s three directorates: Adult Care and Health Services, Economic Growth and Neighbourhood Services and Resources, children’s services which are provided by Brighter Futures for Children (BFfC), a Local Authority Company wholly owned by Reading Borough Council as well as corporate budgets.

**Medium Term Financial Strategy 2020/21 to 2022/23**

The underpinning rationale of the Council’s Medium Term Financial Strategy is to deliver a balanced and affordable budget that ensures the Council’s finances are sustainable over the medium and longer term and not reliant on the unsustainable use of one-off reserves or funding and that general and earmarked reserves are bolstered to meet future funding challenges and risk. The Strategy is informed by the Council’s Vision: “to ensure that Reading realises its potential – and that everyone who lives and works in Reading can share in the benefits of its success”, as well as its Corporate Plan priorities:

* Securing the economic success of Reading;
* Improving access to decent housing to meet local needs;
* Protecting and enhancing the life outcomes of vulnerable adults and children;
* Keeping Reading’s environment clean, green and safe (which includes addressing the declared climate emergency);
* Promoting great education, leisure and cultural opportunities for people in reading; and
* Ensuring the Council is ‘fit for the future’.

The MTFS 2020 - 2023 provides for an overall budget position across the three years which contributes to reserves and an underlying base budget for 2023/24 which is not reliant on the use of reserves.

It provides for a robust financial position going forward in order that vital and valued services can continue to be delivered. The plan relies on significant service transformation to drive increased efficiency savings and income generation in order that service reductions can be minimised. In particular it assumes:

1. Council Tax increases of 3.99% (including a one off 2.0% social care precept) in 2020/21 and 1.99% in both 2021/22 and 2022/23;
2. £32.9m of efficiencies and increased income across the period;
3. A contingency provision over the three years (£3.5m 2020/21; £4.9m 2021/22; and £5.2m 2022/23) to mitigate possible slippage or non-achievement of higher risk savings and/or income targets over the period;
4. General Fund capital investment of £365m over the period 2020/21 to 2022/23 of which £200m is for invest to save purposes;
5. £4.5m of transformation funding (over the period 2020/21 to 2021/22) to support delivery of efficiency savings assumed within the MTFS.

**General Fund Revenue Budget**

This budget includes all day to day expenditure on services except for those funded by the Housing Revenue Account. The Council has set a Medium Term Financial Plan which contributes to reserves over the period and is summarised in the table below:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Approved Budget  2020/21 £'000** | **Proposed Budget  2021/22 £'000** | **Proposed Budget  2022/23 £'000** |
| Adult Care and Health Services | 37,307 | 38,189 | 37,927 |
| Economic Growth & Neighbourhood Services | 16,422 | 12,407 | 8,354 |
| Resources | 16,226 | 16,213 | 16,561 |
| Children, Education and Early Help | 49,131 | 48,693 | 48,693 |
| Capital Financing Costs | 14,731 | 18,979 | 22,988 |
| Contingency | 3,522 | 4,903 | 5,188 |
| Other Corporate Budgets | 12,750 | 3,408 | 3,854 |
| **Net Budget Requirement** | **150,090** | **142,793** | **143,565** |
|  |  |  |  |
| Financed by: |  |  |  |
| Council Tax | (96,014) | (99,239) | (102,350) |
| Business Rates (incl s31 Grant) | (38,351) | (37,888) | (37,671) |
| Revenue Support Grant | (2,030) | (2,030) | (2,030) |
| New Homes Bonus | (3,988) | (2,815) | (1,968) |
| Collection Fund Surplus - (One-Off) | (10,537) | - | - |
| **Total Funding** | **(150,920)** | **(141,972)** | **(144,019)** |
|  |  |  |  |
| (Over)/Under Budget | (830) | 821 | (454) |

**Housing Revenue Account (HRA)**

The Housing Revenue Account (HRA) is a ring-fenced account which deals with all day to day expenditure associated with the housing stock in the ownership of the Council. The main income is housing rents, and all expenditure related to council housing (such as dealing with lettings; managing, maintaining and repairing the stock; collecting rent) is charged to this account. The HRA budget must avoid a deficit on reserves over the 30-year HRA Business Plan.

The Council retains its own Housing stock of circa 7,000 properties (1,300 managed under a PFI contract), including over 300 sheltered housing units and an Extra Care Housing Scheme.  The Service comprises housing allocations; housing management services to tenants; housing support services; and income recovery and debt advisory services working in partnership to offer personal budgeting support, assistance into employment and access to other services as required. The Service additionally provides housing management and income recovery services to the Adult Social Care residential property portfolio and to properties held by Homes for Reading, a wholly owned company of the Council.  A year round Greener, Warmer, Safer Homes scheme under the ‘Winterwatch’ brand tackling fuel poverty and home safety in vulnerable households is funded through the HRA and public health.

For 2020/21 the Housing Revenue Account budget is £40.9m.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Approved Budget  2020/21 £'000** | **Proposed Budget  2021/22 £'000** | **Proposed Budget  2022/23 £'000** |
| Expenditure | 40,919 | 42,486 | 43,606 |
| Income | (41,087) | (42,747) | (44,355) |
| **Net (Surplus) / Deficit** | **(168)** | **(261)** | **(749)** |
|  |  |  |  |
| Opening HRA Balances | (32,055) | (32,223) | (32,484) |
| Net (Surplus) / Deficit | (168) | (261) | (749) |
| **Closing HRA Balances** | **(32,223)** | **(32,484)** | **(33,233)** |

**Capital Programme**

Capital is money the Council spends on improving its assets. This can include purchasing new assets, such as land and buildings, but also refurbishing and improving existing ones. Capital expenditure is funded through capital income sources such as grants, borrowing, capital receipts and S106 or Community Infrastructure Levy money.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2020/21 £'000** | **2021/22 £'000** | **2022/23 £'000** |
| General Fund | 117,794 | 101,312 | 77,310 |
| Housing Revenue Account | 30,262 | 20,089 | 11,503 |
|  | **148,056** | **121,401** | **88,813** |
| Funded by: |  |  |  |
| Community Infrastructure Levy | (3,000) | (3,000) | (3,000) |
| Major Repairs Reserve / Revenue | (8,668) | (8,064) | (8,064) |
| Capital Receipts | (13,304) | (10,206) | (4,101) |
|  | **(24,972)** | **(21,270)** | **(15,165)** |
|  |  |  |  |
| **Prudential Borrowing** | **(123,084)** | **(100,131)** | **(73,648)** |
| of which – General Fund | (103,790) | (88,562) | (70,209) |
| Housing Revenue Account | (19,294) | (11,569) | (3,439) |

The Capital Programme is the authority's plan of capital expenditure and investment for future years, including details on the funding of the schemes. The Capital Programme 2020/21 - 2022/23 was approved as part of the Council's Medium Term Financial Strategy (MTFS) in February 2020.

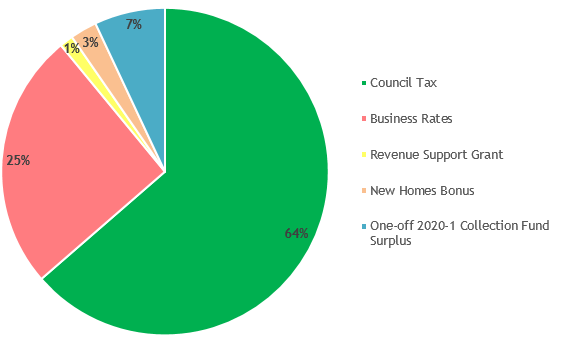
Key projects within the current Capital Programme include:

* £35.9m for investment in two new swimming pools and fit-for-purpose leisure facilities across all four of the Council’s leisure centres including the re-provisioning of the Rivermead site to BREEAM excellence
* £7.1m investment for the re-provisioning of adult care facilities to ensure provision of more user friendly, energy efficient, fit for purpose facilities
* Relocation of the Hamilton School (former Phoenix College) and extra place capacity at Katesgrove school and new education provision at Dee Park
* £9m Investment in the Council’s local highways infrastructure addressing feedback from the resident survey.
* Development of Green Park station and upgrading Reading West Station
* Re-development of the Hosier Street (ex Civic Centre) site and associated acquisitions to facilitate better overall redevelopment of the area
* Vehicle replacement totalling £5.9m over the three-year planning period to ensure the Council’s fleet assists in reducing CO2 emissions
* £3.2m of expenditure on Disabled Facilities Grants to allow adaptations to housing for adults and children enabling them to remain in their home for as long as possible
* Investment in the Council’s IT systems and software to support service efficiency and channel-shift in how customers transact with the Council
* Investment in the roll out of a new waste collection service to increase the Borough’s recycling rate
* Investment in playground equipment

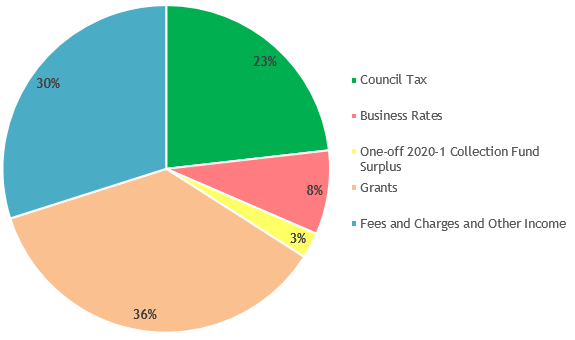
1. **General Fund Revenue Budget**
   1. **How the General Fund Budget is Funded**

The General Fund Revenue budget is funded through government grants, a proportion of the Business Rates income that is collected, charges to users of services and Council Tax.

The chart below shows the net funding for the General Fund revenue budget of £150.9m, as set out in table on page 4.



In addition to the core funding above, there are other service specific grants and fees and charges income which fund the gross budget. The chart below shows how the gross General Fund Revenue Budget for Reading Borough Council for 2020/21 is financed:



**Council Tax**

The Council approved a 3.99% increase in Council Tax for 2020/21, including a one-off 2.0% social care precept. The Council Tax base has been calculated as 56,741 Band D equivalent properties.

Reading’s share of Council Tax for a Band D property is £1,692.16 compared to the 2019/20 figure of £1,627.23; an increase of £64.93 or approximately £1.25 per week. The largest number of properties in any one band is for a Band C property which makes up 40% of the total properties in the Borough.

Reading also collects Council Tax precepts on behalf of Thames Valley Police and Berkshire Fire and Rescue Service. The total amount chargeable by band is set out in the table below:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Valuation Band** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|  | **£** | **£** | **£** | **£** | **£** | **£** | **£** | **£** |
| Reading Borough Council | 1,128.11 | 1,316.12 | 1,504.14 | 1,692.16 | 2,068.20 | 2,444.23 | 2,820.27 | 3,384.32 |
| Police | 144.19 | 168.22 | 192.25 | 216.28 | 264.34 | 312.40 | 360.47 | 432.56 |
| Fire | 45.07 | 52.58 | 60.09 | 67.60 | 82.62 | 97.64 | 112.67 | 135.20 |
| **Total** | **1,317.37** | **1,536.92** | **1,756.48** | **1,976.04** | **2,415.16** | **2,854.27** | **3,293.41** | **3,952.08** |

**Business Rates (Non-domestic rates)**

Business rates in England, or non-domestic rates, are a property tax on the occupation of non-domestic property. Business rates are charged on most non-domestic properties, such as:

* shops
* offices
* pubs
* warehouses
* factories
* holiday rental homes or guest houses

Reading was part of the Berkshire business rates pilots in 2018/19 and 2019/20 but Central Government decided to cease all pilot arrangements nationally for 2020/21. Reading therefore reverts back to the standard fifty percent localised business rates system for 2020/21.

Future year business rates retention system arrangements are dependent on the outcome of Central Government’s business rates retention reform.

**Grants**

Most grants are made to fund a specific project or are ring-fenced, where the money can only be used for the purposes specified in the grant conditions and grants usually require some level of compliance and reporting. There are corporate grants such as New Homes Bonus which is to incentivise housing growth in the local area. There are also service specific grants such as the Public Health Grant which must be spent on improving the health of individuals living or working in the Borough.

**Fees and Charges**

The Council reviewed and agreed the 2020/21 Fees and Charges schedule as part of the Budget Report in February 2020. The full list can be found on the Council’s website; appendix 7, 2020/21 Budget Report[[1]](#footnote-1). <http://www.reading.gov.uk/budget-reports>

* 1. **Adult Care and Health Services**

**Service Summary**

Adult Social Care provides information advice and support for all adults in Reading to ensure that they are able to live independent, healthy and fulfilling lives in their communities. This includes older people, people with physical disabilities or learning disabilities and those with mental health needs. We also support people caring for someone with their own care and support needs.

Currently more than 1,500 people are supported on a weekly basis. These people have been assessed and have eligible support needs and require a formal care package (residential, nursing, supported living or homecare). There are a range of other service such as equipment, adaptations and technology in the home which can help people to remain independent. Individuals that receive a service are encouraged to take up a Direct Payment which ensures that the services that they need are personalised and the person remains in control of their support.

Executive Director: Seona Douglas

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE[[2]](#footnote-2)** | **2020/21 Budget**  **£’000** |
| Commissioning and Improvement | 23.6 | 825 |
| Adult Social Care Operations | 249.1 | 34,911 |
| Public Health Service | 5.0 | (506) |
| Preventative Services | 5.4 | 722 |
| Directorate Other | 36.1 | 1,356 |
| **Total** | **319.2** | **37,307** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 12,787 |
| Premises Costs | 279 |
| Transport Related Costs | 62 |
| Supplies and Services | 7,485 |
| Contract Costs | 44,224 |
| Transfer Payments | 876 |
| **Total Expenditure** | **65,713** |
|  |  |
| Fees and Charges | (325) |
| Grants | (19,830) |
| Other Income | (8,251) |
| **Total Income** | **(28,406)** |
| **Net Budget** | **37,307** |

**Commissioning and Improvement**

The Adult Social Care Commissioning team are responsible for ensuring the Council arranges care provision that meets the needs of service users, is of a high-quality standard and ensures value for money. This involves working with providers to maintain and further develop a sustainable market place for service users to access care packages which could include care at home, care in accommodation-based services e.g. residential care and day opportunities.

The team are currently working on mobilising the new homecare and supported living framework for providers. This will ensure the Council receives value for money, the rates Providers are paid is sustainable and we work in partnership to develop innovative and creative solutions for our service users. The team undertakes robust Quality and Contract Monitoring both on a proactive and reactive basis thus ensuring Providers are provided with appropriate and proportionate support to avoid Provider failure. The team also ensure that all contracts in place across Adult Social Care or Public Health represent value for money for the Council and delivers a good service to its users.

Key contracts across Public Health include the Health Visiting and School Nursing, Drugs and Alcohol and Sexual health contracts.

Assistant Director: Melissa Wise

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Commissioning Team | 10.0 | 569 |
| Personal Budget Support Team | 13.6 | 256 |
| **Total** | **23.6** | **825** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 933 |
| Premises Costs | 1 |
| Transport Related Costs | 1 |
| Supplies and Services | 4 |
| Contract Costs | 0 |
| Transfer Payments | 0 |
| **Total Expenditure** | **939** |
|  |  |
| Fees and Charges | 0 |
| Grants | (164) |
| Other Income | (10) |
| **Total Income** | **(114)** |
|  |  |
| **Net Budget** | **825** |

**Adult Social Care Operations**

Adult Social Care operations consist of the teams and individuals who provide front line support to people who require adult care in the community. These teams support all adult care groups from older people, people with physical disabilities, people with learning disabilities and people with mental health needs. Activities range from Social Workers and Occupational Therapists assessing and providing services, monitoring and reviewing people with eligible care needs through to directly provided services such as day opportunities, shared lives, mental health supported living and extra care sheltered housing.

Deputy Director: Jon Dickinson

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Mental Health Support | 8.5 | 2,768 |
| Learning Disability Support | 35.6 | 16,444 |
| Group Homes and Properties | 0.0 | (272) |
| Adult Social Care Activities | 115.7 | 549 |
| ASC Management Codes | 11.6 | 447 |
| Memory and Cognition Support | 0.0 | 2,617 |
| Physical Support | 77.7 | 12,357 |
| **Total** | **249.1** | **34,911** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 9,516 |
| Premises Costs | 259 |
| Transport Related Costs | 58 |
| Supplies and Services | 1,253 |
| Contract Costs | 42,051 |
| Transfer Payments | (463) |
| **Total Expenditure** | **52,675** |
|  |  |
| Fees and Charges | (325) |
| Grants | (9,198) |
| Other Income | (8,241) |
| **Total Income** | **(17,764)** |
|  |  |
| **Net Budget** | **34,911** |

**Public Health**

The public health grant is a ring-fenced grant to be used to improve health and wellbeing in the borough and reduce health inequalities. It is used to fund services such as Health Visiting and the School Nursing service, Sexual Health services, Drugs and Alcohol Treatments services, and services to promote healthy lifestyles such as smoking cessation and weight management. The grant also supports public health activities undertaken across the Council where there are clear links to health- for example local Leisure services, falls prevention and the Council’s Winter Watch Scheme.

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Public Health Team Costs | 5.0 | (514) |
| Berkshire Drug and Alcohol Team | 0.0 | 8 |
| **Total** | **5.0** | **(506)** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 313 |
| Premises Costs | 10 |
| Transport Related Costs | 1 |
| Supplies and Services | 4,992 |
| Contract Costs | 1,949 |
| Transfer Payments | 1,982 |
| **Total Expenditure** | **9,248** |
|  |  |
| Fees and Charges | 0 |
| Grants | (9,754) |
| Other Income | 0 |
| **Total Income** | **(9,754)** |
|  |  |
| **Net Budget** | **(506)** |

**Preventative Services**

This budget aims to delay or prevent people from requiring a social care package by promoting independence and social inclusion within the local community. The budget supports the commissioning and payment of grants to voluntary sector organisations, the costs of the team that organises these services, and services such as Advocacy and Carers grants are also paid from here.

Executive Director: Seona Douglas

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Compass Opportunities | 2.0 | 34 |
| Neighbourhood Co-ordination | 0.0 | 10 |
| Voluntary Grants | 0.0 | 523 |
| Support to Carers | 0.0 | 68 |
| Service Development | 3.4 | 35 |
| Advocacy | 0.0 | 52 |
| **Total** | **5.4** | **722** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 278 |
| Premises Costs | 9 |
| Transport Related Costs | 0 |
| Supplies and Services | 1,228 |
| Contract Costs | 224 |
| Transfer Payments | (595) |
| **Total Expenditure** | **1,145** |
|  |  |
| Fees and Charges | 0 |
| Grants | (423) |
| Other Income | 0 |
| **Total Income** | (423) |
|  |  |
| **Net Budget** | **722** |

**Directorate Other**

The Senior Management Team’s costs as well as the Business Support function are funded from this budget. The Transformation Team is funded from within the Adult Social Care budget reflecting our ongoing commitment to continuously develop and adapt the service to ensure it is sustainable and fit for the future. This team currently support the delivery of the Directorates savings programme which exceeds £6million over the next three years. The Performance Team provide the business intelligence to support the smooth running of the Directorate. The Team complete statutory returns which in turn enables benchmarking across other authorities to provide an accurate picture of overall performance.

Executive Director: Seona Douglas

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Transformation | 5.0 | 296 |
| Better Care Fund | 2.0 | 3 |
| Performance Team | 6.1 | 208 |
| Directorate | 5.0 | 450 |
| DACHS Training | 0.0 | 25 |
| Business Support | 18.0 | 374 |
| **Total** | **36.1** | **1,356** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 1,748 |
| Premises Costs | 0 |
| Transport Related Costs | 1 |
| Supplies and Services | 8 |
| Contract Costs | 0 |
| Transfer Payments | (49) |
| **Total Expenditure** | **1,708** |
|  |  |
| Fees and Charges | 0 |
| Grants | (352) |
| Other Income | 0 |
| **Total Income** | (352) |
|  |  |
| **Net Budget** | **1,356** |

* 1. **Economic Growth and Neighbourhood Services**

The Directorate plays a fundamental role in shaping the sustainable development of Reading’s economy, neighbourhoods and environment through its place-making role. In doing so it directs the bulk of the Council’s capital investment programme and deploys the full range of the Council’s assets to meet the needs of Reading’s diverse communities, whilst working in partnership with other statutory bodies, businesses, developers and the voluntary and community sector to secure positive outcomes for the borough.

The Directorate plays a strategic role in setting Reading’s spatial planning, economic, social and environmental policy frameworks, and responding to over-arching challenges like the climate emergency, whilst also delivering high profile front-line services in key community and commercial areas. These include transport, highways and parking; waste reduction, collection and disposal; community safety, housing and homelessness; parks, greenspace and the public realm; libraries, leisure centres and the arts; planning, regulatory and corporate property services.

The services provided by the Directorate contribute directly to all six corporate priorities but with an emphasis on securing economic success for all; ensuring access to decent housing; delivering a clean, green and safe environment; promoting access to cultural opportunities; and ensuring the Council is fit for the future.

Executive Director: Frances Martin

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Transportation | 54.8 | (171) |
| Planning & Regulatory Services | 115.9 | 2,052 |
| Housing and Neighbourhood Services | 163.1 | 1,197 |
| Cultural Services | 202.1 | 3,971 |
| Environmental and Commercial Services | 212.7 | 14,275 |
| Regeneration and Assets | 119.5 | (5,544) |
| DEGNS Overhead Accounts | 9.0 | 643 |
| **Total** | **877.1** | **16,422** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 34,972 |
| Premises Costs | 12,754 |
| Transport Related Costs | 2,302 |
| Supplies and Services | 24,476 |
| Contract Costs | 8,609 |
| Transfer Payments | 596 |
| **Total Expenditure** | **83,709** |
|  |  |
| Fees and Charges | (19,170) |
| Grants | (9,171) |
| Other Income | (38,946) |
| **Total Income** | **(67,287)** |
|  |  |
| **Net Budget** | **16,422** |

**Transport**

Strategic Transport is a combination of a number of services including Transport Planning, Transport Development Control, Fleet Management, Concessionary fares and Transport and Streetcare highway procurement.

The Network & Parking service is made up of Civil Enforcement, Traffic Signals, Off-Street and On-Street car Parking, Bus Lane Enforcement income and Network Management.

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Network and Parking Services | 39.7 | (7,117) |
| Strategic Transportation | 15.1 | 6,946 |
| **Total** | **54.8** | **(171)** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 2,162 |
| Premises Costs | 1,065 |
| Transport Related Costs | 1,518 |
| Supplies and Services | 5,807 |
| Contract Costs | 2,967 |
| Transfer Payments | 500 |
| **Total Expenditure** | **14,018** |
|  |  |
| Fees and Charges | (547) |
| Grants | (193) |
| Other Income | (13,450) |
| **Total Income** | **(14,190)** |
|  |  |
| **Net Budget** | **(171)** |

**Planning and Regulatory Services & Climate Change**

The purpose of the service is to secure sustainable development by the provision of an up to date Local Plan and supporting documents which supports the positive management of development through the planning application process. The service also includes specialist areas related to heritage, landscape, trees, biodiversity and enforcement. Over 1300 major and minor planning applications received and 279 enforcement cases investigated.

The service seeks to ensure that buildings remain safe and accessible and built to suitable standards. The service processed over 500 applications and conducted over 3000 inspections in 2018/19.

The service oversees the delivery of the Council’s approach to achieving carbon neutral by 2030. The team also secure energy efficiency measures in homes and corporate property developing intelligently green initiatives to reduce emissions and reduce energy costs.

The service supports and regulates businesses in relation to licensing, food safety, fair trading, food standards, product safety and health and safety. This includes the regulation of Reading Festival which is attended by 100,000 festival goers each year. Over 90% of high-risk businesses were inspected and complaints responded to in 18/19. Regulation of private rented sector housing standards which make up 27% of the housing stock, supporting residents to allow them to live independently for longer and taking action to secure the reuse of long-term empty homes. To protect the environment against statutory nuisances, pollution, improve air quality, protect animal welfare and regulate land to prevent rats. To provide a Berkshire wide coroner’s Service, 2200 deaths were referred to the service in 18/19.

Deputy Director: Giorgio Framalicco

Email: [Giorgio.Framalicco@reading.gov.uk](mailto:Giorgio.Framalicco@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Planning | 30.3 | 203 |
| Building Control | 10.5 | (2) |
| Regulatory Services | 75.1 | 1,851 |
| **Total** | **115.9** | **2,052** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 5,366 |
| Premises Costs | 159 |
| Transport Related Costs | 14 |
| Supplies and Services | 1,327 |
| Contract Costs | 164 |
| Transfer Payments | 59 |
| **Total Expenditure** | **7,089** |
|  |  |
| Fees and Charges | (211) |
| Grants | (1,347) |
| Other Income | (3,479) |
| **Total Income** | **(5,037)** |
|  |  |
| **Net Budget** | **2,052** |

**Housing and Neighbourhood Services**

The Housing Needs Service provides housing advice and fulfils the Council’s statutory functions in relation to homelessness duties, which have been extended considerably from April 2018 with a strong emphasis on proactive homelessness prevention, including increasing the accessibility of the Private Rented Sector. The service also commissions a range of external services including floating support to help tenants sustain their accommodation, homeless accommodation for single people/childless couples and young people, and rough sleeper outreach services. A ‘Rent Guarantee Scheme’ procures a supply of vetted private rented sector housing to meet priority housing needs.

Housing Property Services provide building maintenance services to Council Housing including major and planned works and reactive (day to day) repairs. A reactive repairs service is also provided for Wokingham council and the service delivers disabled adaptations – minor works across tenure and major adaptations for Council stock. The service also maintains part of the Adult Social Care residential property portfolio and properties held by Homes for Reading.

The service supports a partnership response to neighbourhood based issues focussed on Community Safety and building additional capacity through working with communities at a local level. This small service comprises a service manager overseeing two teams – ASB and Neighbourhood Initiatives. The ASB Team deal with largely complex cases and have a key role in safeguarding and tackling exploitation of vulnerable adults – reducing risk for individuals and communities; working in partnership in respect of the street population; and providing a coordinated response across agencies to unauthorised encampments on Council land.

Assistant Director: Zelda Wolfle

Email: [Zelda.Wolfle@reading.gov.uk](mailto:Zelda.Wolfle@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Community Safety | 12.1 | 448 |
| Housing Building Maintenance | 108.3 | (89) |
| Housing General Fund | 42.7 | 839 |
| **Total** | **163.1** | **1,197** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 6,845 |
| Premises Costs | 4,577 |
| Transport Related Costs | 261 |
| Supplies and Services | 4,045 |
| Contract Costs | 2,116 |
| Transfer Payments | 2,236 |
| **Total Expenditure** | **20,078** |
|  |  |
| Fees and Charges | (11,682) |
| Grants | (2,107) |
| Other Income | (5,092) |
| **Total Income** | **(18,881)** |
|  |  |
| **Net Budget** | **1,197** |

**Cultural Services**

Cultural Services manages the Council’s play service, offering after school clubs, holiday activities, events in open space and children’s activities and provide support for children at risk of exclusion in schools and young carers. The Parks and Activity team manage sports in open space and parks buildings, provide a link to public health and oversee community events in open space.

From 2020 following a procurement exercise to appoint a strategic leisure provider the team will oversee the delivery of two new leisure centres and improvements to two others and performance manage the partners to ensure standards and public health outcomes.

Reading’s library service operates across the town from a network of 7 local libraries. In addition, a home library service operates, mainly focused on those who are unable to visit a library who are elderly and/or housebound and a self-funding toy library is also provided from the Central Library. Online learning and eBook/magazine resources are a key and growing part of the offer and every branch offers free public WI-FI and access to desk-top computers, supporting social inclusion. The service works with Health, Early Years, schools and adult education partners supporting wider corporate objectives.

Reading Arts offer a wide-ranging programme of events and performances across a range of venues, the key ones being the Hexagon Theatre and South Street Arts Centre. Reading Town Hall and Museum has undergone recent refurbishment work and includes the town’s museum, events space, registry office and a programme of activities. Reading Museum is an Arts Council National Portfolio Organisation in partnership with the Museum of English Rural Life, and also provides access to the Abbey Ruins and Abbey Gateway sites.

New Directions is the Adult and Community Learning Service for Reading, based at a centre in South Reading and Berkshire Record Office is run by Reading Borough Council on behalf of all the Berkshire unitaries and provides the County archive service as well as a Modern Records function.

Assistant Director: Donna Pentelow

Email: [Donna.Pentelow@reading.gov.uk](mailto:Donna.Pentelow@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Arts and Theatre | 26.7 | 211 |
| Leisure and Recreation | 67.5 | 1,512 |
| Town Hall and Museum | 37.5 | 983 |
| Libraries | 22.6 | 1,034 |
| New Directions/Adult Education | 27.2 | 51 |
| Archives | 20.6 | 180 |
| **Total** | **202.1** | **3,971** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 6,854 |
| Premises Costs | 1,932 |
| Transport Related Costs | 27 |
| Supplies and Services | 1,149 |
| Contract Costs | 734 |
| Transfer Payments | 0 |
| **Total Expenditure** | **10,696** |
|  |  |
| Fees and Charges | 0 |
| Grants | (2,141) |
| Other Income | (4,584) |
| **Total Income** | **(6,725)** |
|  |  |
| **Net Budget** | **3,971** |

**Environmental and Commercial Services**

Street Care Services deliver a range of statutory services on the public highway that includes Highway maintenance, potholes repairs, street furniture, drainage, road marking, street lighting, bridge maintenance and road & footway resurfacing programmes, in accordance with the Highway Infrastructure: Code of Practice, as well as a Street Cleansing Service that operates all year round. This includes Commercial Centre cleansing, road sweeping, maintaining public litter bins, fly tipping & graffiti removal. The service also carries out extensive commercial works including small highway road improvements, car parks, vehicle crossings and other schemes for a range of Council and private clients.

Neighbourhood Service covers a broad range of statutory, discretionary and commercial services including Parks & Open Spaces, Waste Operations and the Neighbourhood Support teams. The services provided include highways grass cutting and tree management, domestic and commercial waste and recycling collections, bin deliveries, bulky waste collections, environmental enforcement as well as sports field, allotments, mooring and children’s playground management. The Parks and Open Spaces team manage all parks and open spaces in the Borough including design and installation of environmental improvements and tree planting. The department also supports and helps progress the Council’s Neighbourhood agenda by promoting schemes such as RAYS (Reading Adopt Your Street) and collaborating with colleagues in the Anti-social Behaviour and Neighbourhood Initiatives team.

The Waste Disposal Service is a joint partnership Private Finance Initiative contract which commenced in 2006 with an end date of 2031. The Partnership is with Bracknell Borough Council and Wokingham Borough.

Assistant Director: Andy Edwards

Email: [Andrew.Edwards@reading.gov.uk](mailto:Andrew.Edwards@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Neighbourhood Services | 108.4 | 2,717 |
| RE3 (Waste Disposal) | 4.0 | 8,948 |
| Streetcare Services | 97.6 | 2,908 |
| Business Development | 2.7 | (299) |
| **Total** | **212.7** | **14,275** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 8,192 |
| Premises Costs | 2,075 |
| Transport Related Costs | 20 |
| Supplies and Services | 10,914 |
| Contract Costs | 1,225 |
| Transfer Payments | (37) |
| **Total Expenditure** | **22,388** |
|  |  |
| Fees and Charges | (2,330) |
| Grants | (1,096) |
| Other Income | (4,688) |
| **Total Income** | **(8,114)** |
|  |  |
| **Net Budget** | **14,275** |

**Regeneration and Assets**

The service seeks to ensure that our buildings are safe, suitable and fit for purpose. That the Council’s property holdings are appropriate, represent value for money and where disposed of generate the best value (capital receipt). The service includes Building Cleaning, Security Management, Post & Print Room Services, Lettings of community space, Planned Preventative Maintenance, Reactive Repairs, Statutory Compliance of Building as well as general day to day management of RBC operational corporate buildings. It also leads the stock condition survey works, ensuring properties are maintained to a good standard.

The Service seeks to undertake a range of corporate property management functions, commercial and residential property valuations, provide a property management service and manage a range of estate management case work. It plays a key role in delivering financial targets set in the MTFS through disposal of surplus assets. It also seeks to acquire Commercial Investments to help generate income for the council.

The service oversees the delivery of key capital projects specialising in community and housing development including new Council homes.

The service oversees the delivery of school capital and revenue projects including the delivery of new schools, extensions to existing schools and condition and compliance work. The team act in partnership with the Department for Education where direct delivery is adopted by the Department.

Assistant Director: Charan Dhillon

Email: [Charan.Dhillon@reading.gov.uk](mailto:Charan.Dhillon@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Assets Development | 7.0 | (7,017) |
| Corporate Property Services | 98.9 | 1,479 |
| Education Assets Management | 5.6 | (0) |
| Sustainability | 2.0 | (22) |
| Property Development | 6.0 | 17 |
| **Total** | **119.5** | **(5,544)** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 4,574 |
| Premises Costs | 2,946 |
| Transport Related Costs | 462 |
| Supplies and Services | 1,315 |
| Contract Costs | 1,403 |
| Transfer Payments | (2,081) |
| **Total Expenditure** | **8,620** |
|  |  |
| Fees and Charges | (4,238) |
| Grants | (2,286) |
| Other Income | (7,641) |
| **Total Income** | **(14,164)** |
|  |  |
| **Net Budget** | **(5,544)** |

**Directorate Overhead**

The Senior Management Team costs and training costs for the whole directorate are funded from this budget.

Executive Director: Frances Martin

Email: [Frances.Martin@reading.gov.uk](mailto:Frances.Martin@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| DEGNS Directorate | 9.0 | 624.2 |
| DEGNS Training | 0.0 | 18.9 |
| **Total** | **9.0** | **643.1** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 979 |
| Premises Costs | 0 |
| Transport Related Costs | 1 |
| Supplies and Services | (80) |
| Contract Costs | 0 |
| Transfer Payments | (81) |
| **Total Expenditure** | **820** |
|  |  |
| Fees and Charges | (163) |
| Grants | 0 |
| Other Income | (13) |
| **Total Income** | **(177)** |
|  |  |
| **Net Budget** | **643** |

* 1. **Resources**

The Resources Directorate is largely made up of the Council’s support services: Finance, IT and Digital, Human Resources and Organisational Development, Procurement, Communications and Legal and Democratic Services. The Directorate provides the infrastructure to facilitate both the delivery of the Council’s frontline services and the democratic mandate of the Council. Additionally, the Directorate provides the Council’s Registrars & Crematorium and Cemetry’s function, Revenues and Benefits service and Customer Contact Team and Kennet Day Nursery.

The services provided by the Directorate contribute directly to all six corporate priorities but with an emphasis on ensuring the Council is ‘fit for the future’.

Executive Director: Jackie Yates

Email: [Jackie.Yates@reading.gov.uk](mailto:Jackie.Yates@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Corporate Improvement & Customer Services | 106.6 | 2,747 |
| Human Resources & Organisational Development | 62.9 | 1,800 |
| Internal Audit | 10.6 | 1,607 |
| Procurement Services | 4.8 | 353 |
| Financial Services | 85.6 | 2,517 |
| Legal & Democratic Services | 84.1 | 2,003 |
| ICT & Digital Services | 14.7 | 4,490 |
| Communications | 13.8 | 710 |
| **Total** | **383.1** | **16,226** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 18,831 |
| Premises Costs | 305 |
| Transport Related Costs | 36 |
| Supplies and Services | 6,762 |
| Contract Costs | 5,003 |
| Transfer Payments | 1,586 |
| **Total Expenditure** | **32,523** |
|  |  |
| Fees and Charges | (1,814) |
| Grants | (9,477) |
| Other Income | (5,006) |
| **Total Income** | **(16,297)** |
|  |  |
| **Net Budget** | **16,226** |

**Corporate Improvement and Customer Services (CICS)**

The CICS service delivers customer service excellence through the front-line Customer Fulfilment Teams and the Registration and Bereavement Services. More widely it also supports the organisation through business change, focussing on digital transformation, data intelligence, business efficiency. CICS includes the: Customer Fulfilment Team, Registration and Bereavement Services, Project and Programme Management Team, Customer Digital Services Team, Data Intelligence and Policy Team, and Executive Services.

Assistant Director: Isabel Edgar-Briancon

Email: [Isabel.EdgarBriancon@reading.gov.uk](mailto:Isabel.EdgarBriancon@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Bereavement, Records and Registrar | 18.4 | (1,269) |
| Policy and Performance | 28.3 | 1,861 |
| Grants | 0.1 | 339 |
| Corporate Customer Services | 40.2 | 1,109 |
| Business Change | 24.8 | 708 |
| **Total** | **111.8** | **2,747** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 5,118 |
| Premises Costs | 277 |
| Transport Related Costs | 7 |
| Supplies and Services | 976 |
| Contract Costs | 21 |
| Transfer Payments | (350) |
| **Total Expenditure** | **6,048** |
|  |  |
| Fees and Charges | (402) |
| Grants | (398) |
| Other Income | (2,501) |
| **Total Income** | **(3,301)** |
|  |  |
| **Net Budget** | **2,747** |

**Human Resources and Organisational Development**

HR and Organisational Development provides advice and support to ensure that the Council has the right people, in the right job, with the right skills and the right support. The service includes Employment Services, Resourcing, Payroll, Workforce Development, Health and Safety, Emergency Planning and Kennet Day Nursery.

Assistant Director: Shella Smith

Email: [Shella.Smith@reading.gov.uk](mailto:Shella.Smith@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Human Resources | 54.1 | 1,140 |
| Organisational Development | 8.8 | 660 |
| **Total** | **62.9** | **1,800** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 2,904 |
| Premises Costs | 20 |
| Transport Related Costs | 2 |
| Supplies and Services | 325 |
| Contract Costs | 8 |
| Transfer Payments | 7 |
| **Total Expenditure** | **3,266** |
|  |  |
| Fees and Charges | (243) |
| Grants | (374) |
| Other Income | (849) |
| **Total Income** | **(1,466)** |
|  |  |
| **Net Budget** | **1,800** |

**Internal Audit**

The Internal audit function provides an objective assurance and consulting service designed to add value and improve the Council’s internal control and governance arrangements. It helps the Council accomplish its objectives by systematically evaluating the effectiveness of the Councils processes and procedures.

In addition, the Corporate Investigations Team enforces the council’s zero tolerance approach to fraud and corruption across the organisation.

The Insurance Service supports the Council by managing its respective insurance policies, handling claims and providing risk management advice.

Chief Auditor: Paul Harrington

Email: [Paul.Harrington@reading.gov.uk](mailto:Paul.Harrington@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Insurance | 1.6 | 1,069 |
| Internal Audit | 5.0 | 380 |
| Corporate Investigations Team | 4.0 | 158 |
| **Total** | **10.6** | **1,607** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 673 |
| Premises Costs | 0 |
| Transport Related Costs | 1 |
| Supplies and Services | 30 |
| Contract Costs | 0 |
| Transfer Payments | 1,857 |
| **Total Expenditure** | **2,560** |
|  |  |
| Fees and Charges | (689) |
| Grants | (264) |
| Other Income | 0 |
| **Total Income** | **(953)** |
|  |  |
| **Net Budget** | **1,607** |

**Procurement Services**

The Procurement Service advises and supports cross-Council on any procurement and contract management matters, ensuring compliance with relevant legislation and achievement of best overall value to the Council. Through a TEAM Reading approach, the service also supports savings delivery through a modern, best practice approach to procurement and contract lifecycle management.

Additionally, the Service manages the Council’s contract with Brighter Futures for Children (BFfC), including the oversight of the Council’s own delivery of service level agreements for support services to BFfC.

Assistant Director: Kate Graefe

Email: [Kate.Graefe@reading.gov.uk](mailto:Kate.Graefe@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Procurement Services | 4.8 | 353 |
| **Total** | **4.8** | **353** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 379 |
| Premises Costs | 0 |
| Transport Related Costs | 0 |
| Supplies and Services | 6 |
| Contract Costs | 0 |
| Transfer Payments | 0 |
| **Total Expenditure** | **385** |
|  |  |
| Fees and Charges | 0 |
| Grants | (33) |
| Other Income | 0 |
| **Total Income** | **(33)** |
|  |  |
| **Net Budget** | **353** |

**Financial Services**

The Financial Services team consists of the Accounts Receivable and Accounts Payable functions; Treasury, Capital and Technical Accounting; Financial Systems; Financial Planning and Reporting and Finance Business Partners.

The team provides the Council’s statutory accounting functions and supports service managers and budget holders in delivery of the Council’s Medium Term Financial Plan, ensuring appropriate support, oversight and reporting of all of the Council’s revenue and capital budgets.

The service also includes the Revenues and Benefits function which administers and collects Council Tax and Business Rates as well as supports members of the public who apply for Housing Benefit and other reliefs. The Service is responsible for collecting £252m in Council Tax and Business Rates as well as administering £8m of Council Tax Reduction Scheme and £67m of Housing benefit payments.

Financial Strategy and Planning Manager: Stuart Donnelly

Email: [Stuart.Donnelly@reading.gov.uk](mailto:Stuart.Donnelly@reading.gov.uk)

Chief Accountant: Mike Hirst

Email: [Mike.Hirst@reading.gov.uk](mailto:Mike.Hirst@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Business Partnering Team | 16.0 | 996 |
| Technical Team | 5.8 | 273 |
| Financial Systems Team | 6.0 | 322 |
| Strategic Planning | 8.8 | 460 |
| Accounts Payable | 4.7 | 167 |
| Accounts Receivable | 4.5 | 128 |
| Revenue and Benefits | 39.9 | (7) |
| Self-serve Payments | 0.0 | 177 |
| **Total** | **85.6** | **2,517** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 3,853 |
| Premises Costs | 0 |
| Transport Related Costs | 7 |
| Supplies and Services | 928 |
| Contract Costs | 240 |
| Transfer Payments | 13 |
| **Total Expenditure** | **5,041** |
|  |  |
| Fees and Charges | (231) |
| Grants | (1,162) |
| Other Income | (1,132) |
| **Total Income** | **(2,524)** |
|  |  |
| **Net Budget** | **2,517** |

**Legal and Democratic Services**

Legal and Democratic Services perform a key role at the heart of the Council’s constitutional and governance arrangements. The Service provides legal advice to the Council and its various bodies, ensuring integrity in the conduct of its business and providing a range of legal support services to other service areas.

It also provides essential support for the councillor decision-making process, ensuring it is streamlined and effective.

Assistant Director: Michael Graham

Email: [Michael.Graham@reading.gov.uk](mailto:Michael.Graham@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Legal Services | 19.4 | 784 |
| Child Care Solicitors | 47.1 | (135) |
| Four Berkshire Project | 1.9 | 69 |
| Borough Elections | 6.0 | 425 |
| Land Charges | 0.0 | (187) |
| Member Services | 9.6 | 1,046 |
| **Total** | **84.1** | **2,003** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 4,753 |
| Premises Costs | 8 |
| Transport Related Costs | 18 |
| Supplies and Services | 3,541 |
| Contract Costs | 0 |
| Transfer Payments | 52 |
| **Total Expenditure** | **8,373** |
|  |  |
| Fees and Charges | (150) |
| Grants | (5,731) |
| Other Income | (489) |
| **Total Income** | **(6,370)** |
|  |  |
| **Net Budget** | **2,003** |

**ICT & Digital Services**

The service provides Information and Communication Technology and Digital services to the Council and Brighter Futures for Children in support both of day-to-day operations and the digital transformation of the organisation. Alongside the delivery of a capable, secure and well-performing ICT capability, the priorities of the service this year are:

* design, procurement and implementation of a Future Operating Model to succeed the long-lived Northgate outsourcing arrangement that comes to an end in March 2021, and to provide the platform for digital transformation;
* technological support to the delivery of the Customer Experience Strategy;
* completing the rollout of Microsoft Windows 10 and Office 365 and ensuring that the organisation is making the best use of the capabilities these provide to maximise the efficiency and effectiveness of service delivery.

Chief Digital and Information Officer: Martin Chalmers

Email: [Martin.Chalmers@reading.gov.uk](mailto:Martin.Chalmers@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| MOSAIC Business Systems Team | 5.7 | 233 |
| Web Development | 3.0 | 141 |
| IT Management | 6.0 | 3,949 |
| Telephony Charges | 0.0 | 166 |
| **Total** | **14.7** | **4,490** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 700 |
| Premises Costs | 0 |
| Transport Related Costs | 1 |
| Supplies and Services | 615 |
| Contract Costs | 4,734 |
| Transfer Payments | 0 |
| **Total Expenditure** | **6,051** |
|  |  |
| Fees and Charges | (100) |
| Grants | (1,461) |
| Other Income | 0 |
| **Total Income** | **(1,561)** |
|  |  |
| **Net Budget** | **4,490** |

**Communications**

The Communications Team manages the external and internal communications campaigns for the Council, its social media strategy and runs events for the community. It is also responsible for the Lord Lieutenant function.

Strategic Communications Manager: Niki Barton

Email: [Niki.Barton@reading.gov.uk](mailto:Niki.Barton@reading.gov.uk)

|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Marketing & Public Relations | 6.9 | 660 |
| Mayoralty and Civic | 0.3 | 41 |
| Lord Lieutenant | 1.4 | 10 |
| **Total** | **8.6** | **710** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 452 |
| Premises Costs | 0 |
| Transport Related Costs | 0 |
| Supplies and Services | 341 |
| Contract Costs | 0 |
| Transfer Payments | 7 |
| **Total Expenditure** | **800** |
|  |  |
| Fees and Charges | 0 |
| Grants | (55) |
| Other Income | (35) |
| **Total Income** | **(90)** |
|  |  |
| **Net Budget** | **710** |

1. **Housing Revenue Account Revenue Budget**

The Housing Revenue Account (HRA) includes all the expenditure and income associated with the social housing stock in the ownership of the Council. The HRA is statutory “ring-fenced” account and separate from other activity. The main income is housing rents, and all expenditure related to council housing (such as dealing with lettings; managing, maintaining and repairing the stock; collecting rent) is charged to this account.

In April 2012 council housing finance moved from a National Subsidy system, where Reading contributed £6m+ a year to a ‘Self-financing’ regime where councils took on full responsibility for the long-term financial management of their own council housing. This means that the Council now keeps all its rental income and uses it to manage and maintain its housing stock. At the point of Self-financing; councils whose debt was lower than the assessed value of their stock borrowed to pay the difference to the government, Reading paid the Government £147m, which was financed by borrowing from the Public Works Loans Board (PWLB). The debt charges associated with this borrowing are paid for from the HRA.

Self-financing allows the Council to take a much longer-term planning approach – to ensure that all of its housing stock continues to meet the ‘decent homes standard’ and to ensure the continued viability of the Housing Revenue Account. The Council prepares and keeps up to date a financial plan for the Housing operation over a 30-year period. The financial model shows the estimates of rent and other income, the day to day management and repair costs as well as the long-term major investment needed to maintain the stock as well as the cost of servicing the debt over 30 years.

Local housing authorities are able to use rental income to support investment in both existing homes and building new council housing. This investment can either be financed directly from rental income or from borrowing that will be repaid from future rental streams. The Government introduced a limitation on HRA borrowing (usually referred to as a ‘debt cap’) for each local authority at the point of self-financing. However, as of 29th October 2018, this cap was removed.

The Council retains its own Housing stock of circa 7,000 properties (1,300 managed under a PFI contract), including over 300 sheltered housing units and an Extra Care Housing Scheme.  The service comprises housing allocations; housing management services to tenants; housing support services; and income recovery and debt advice service – working in partnership to offer personal budgeting support, assistance into employment and access to other services as required. The service also provides housing management and income recovery services to the Adult Social Care residential property portfolio and to properties held by Homes for Reading a wholly owned company of the Council.  The Council’s Greener, Warmer, Safer Homes scheme under the ‘Winterwatch’ brand which tackles fuel poverty and home safety in vulnerable households are also funded through the HRA and public health.

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|  |  |  |
| --- | --- | --- |
| **Service Area** | **FTE** | **2020/21 Budget**  **£’000** |
| Responsive Repairs |  | 2,366 |
| Planned Maintenance |  | 2,990 |
| Major Works |  | 8,317 |
| Managing Tenancies |  | 1,410 |
| Management, Policy & Support |  | 5,693 |
| PFI |  | 7,238 |
| Rent Collection |  | 1,363 |
| Building Cleaning, Energy and other |  | 2,953 |
| Capital Financing |  | 8,589 |
| **Total Expenditure Budget** |  | **40,919** |
| HRA Income |  | (41,087) |
| **Net Expenditure** |  | **(168)** |
| Movement to/(from) reserve |  | 168 |
| **Total** | **87.0** | **-** |

|  |  |
| --- | --- |
| **Subjective Analysis** | **2020/21 Budget**  **£’000** |
| Employee Costs | 3,745 |
| Premises Costs | 18,464 |
| Transport Related Costs | 33 |
| Supplies and Services | 909 |
| Contract Costs | 7,291 |
| Transfer Payments | 10,477 |
| **Total Expenditure** | **40,919** |
|  |  |
| Fees and Charges | (37,090) |
| Grants | (3,997) |
| Other Income | - |
| **Total Income** | **(41,087)** |
|  |  |
| **Net Budget** | **-** |

1. **Capital Programme**
   1. **Overview**

The Capital Programme is the authority's plan of its capital expenditure and investment needs over the medium term in order to ensure the efficient and effective provision of services. The Programme includes details on the funding of schemes. The Capital Programme 2020/21 - 2022/23 was approved as part of the Council's Medium Term Financial Strategy (MTFS) in February 2020.

The Council’s Capital Strategy[[3]](#footnote-3) provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services; along with an overview of how associated risk is managed and the implications for future financial sustainability.

The Strategy is informed by the Council's priorities and links to key strategy documents notably the Treasury Management Strategy, Asset Management Strategy, Property Investment Strategy, Medium Term Financial plan and Corporate Plan.

The Capital Programme enables delivery of these priorities by:

* Providing investment to improve access to decent housing to meet local needs and help combat homelessness, as well as maintaining existing council dwellings
* Supporting delivery of sustainable, local social care services through investment to enable independent and supported living in the local community for both children and adults
* Working in partnership with Reading Transport, Network Rail, the Local Enterprise Partnership (LEP) and others in seeking funding and delivering an improved transport network, whilst being mindful of environmental factors
* Building schools to meet the future needs of the population and ensuring access to education
* Providing investment to deliver low carbon living, reduce pollution and increase recycling
* Providing investment in community and leisure provision to meet Reading’s needs
* Enabling the purchase of investment properties to support the future economic success of Reading and provide an income stream to help support vital services
* Facilitating transformation schemes, ensuring that the Council is fit for the future

Due to competing demands for limited resources, the capital investment is prioritised based on its contribution to the Council’s overall objectives and several different factors including:

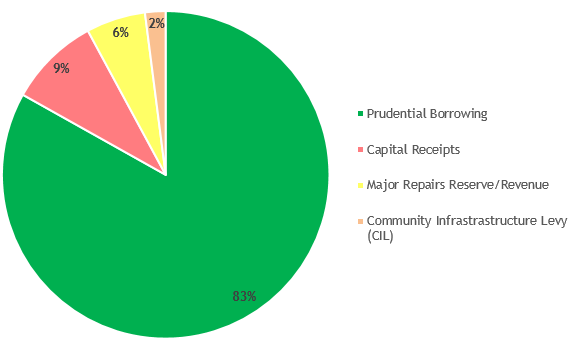
* Essential Health and Safety works
* Availability of external funding, full or match funding
* Invest to save opportunities
* Maintenance of the essential infrastructure of the organisation, such as buildings and IT
* The outcome of feasibility studies
* The ability to Generate surplus revenue to support vital service provision.

In line with Reading Borough Council's (RBC) Constitution, capital schemes require both spend and scheme approval prior to expenditure being incurred.

* 1. **How the Capital Programme is Funded**

The Capital Programme is funded through a mix of prudential borrowing, capital receipts, community infrastructure levy and the major repairs reserve.

The chart below shows the funding for the Capital Programme as set out in table on page 6.



* 1. **General Fund Capital Programme 2020/21-2022/23**

Key areas of proposed investment within the General Fund Capital Programme include:

**Corporate/Transformation -** To support the transformation of services and delivery of ongoing savings, £4.5m of transformation funding (Delivery Fund) has been made available within the Council’s Capital Programme funded from Capital Receipts.

**Adult Social Care & Health Services -** The Capital Programme provides £7m for the re-provisioning of fit for purpose accommodation following the strategic review of and consultation on options.

**Children’s Education & Early Help Services -** The Capital Programme includes £25.2m over the next 3 years for the building, enhancement and maintenance of new and existing school buildings. The majority of funding for these schemes comes from central government grants.

**Economic Growth & Neighbourhood Services -** To support the Council’s role as place maker and regeneration within the Borough, as well as the continued delivery of front line services through generation of income, the Capital Programme makes provision for investment in commercial property (up to £256m over the period of the MTFP).

The Programme also includes:

* £35.9m for investment in two new swimming pools and leisure facilities within the Borough.
* £7 million over the next 3 years for energy saving measures in buildings and renewable energy infrastructure to contributing to the Council’s net zero carbon ambitions. Of this, £1.35m is allocated for 2020/21. The Council has a long-standing programme of investment in energy efficiency, taking advantage of the SALIX Recirculation Fund, a revolving loan fund, which is available for the public sector. The Council’s capital budget for this SALIX Recirculation Fund has been around £250,000 p.a. for a number of years and this has enabled a large number of projects to be taken forward. A similar provision is included in the Capital Programme for each of the next 3 years which will enable additional projects in the pipeline to go ahead.
* two new budgets which specifically support the Council’s climate change commitment, enabling a step change in ambition. The first will take advantage of a new SALIX Decarbonisation fund, designed to support more ambitious carbon reduction projects in the public sector. In 2020/21, £0.6 million has been allocated with a further £1.2 million over the following 2 years. The second will support further investment in renewable energy. In 2020/21, £0.5m has been allocated for this purpose with a further £4 million over the following 2 years. This will enable a number of more ambitious projects to be progressed, including ground-source heat pumps, solar arrays and potentially district heating systems.
* Investments in offices, housing, transport and waste – will also contribute to the Council’s carbon reduction ambitions by improving the efficiency of our buildings and operations. Going forward, major capital projects which will contribute directly to greenhouse gas emissions reduction include:
* £12.3m for Green Park Station
* £9.5m for the South Reading MRT
* £4.5m for renewable energy
* £2.9m for energy saving measures via the Salix Decarbonisation and Recirculation funds
* £1.5m for food waste collection
* £0.4m for retro-fitting the bus fleet to lower emission standards
* £0.3m for LED streetlighting
* £0.2m for electric vehicle charging points
* £0.1m for tree planting programmes
* £9m over the next 3 years for highway and pavement maintenance
* almost £6m over the next 3 years will enable us to increase the proportion of electric vehicles within the fleet.
  1. **HRA Capital Programme**

The HRA Capital Programme is intrinsically linked to the HRA Business Plan since the resources to fund the Programme are largely generated through housing rents.

The Council’s house building programme is well underway and phases 2 and 3 are projected to complete in 2021/22. In total the Council has made provision to invest a further £34.5m in its new build and acquisitions programme over the three years 2020/21 – 2022/23 providing additional new affordable homes, subject to approvals.

The Council also plans to continue to invest in excess of £9m per annum in its existing housing stock over the next 3 years.

**GENERAL FUND CAPITAL PROGRAMME**









**HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME**



1. <http://www.reading.gov.uk/budget-reports> [↑](#footnote-ref-1)
2. FTE is the measure of Full Time Equivalent staff hours where 37 hours per week is one FTE [↑](#footnote-ref-2)
3. <https://democracy.reading.gov.uk/ieListDocuments.aspx?CId=136&MId=3102&Ver=4> , Item 9 [↑](#footnote-ref-3)