

Appendix F: Flexible use of Capital Receipts Strategy

2025/26 – Use of Flexible Capital Receipts: Summary by Directorate

Directorate	25/26 Budget at Start of Year	25/26 Forecast Outturn	25/26 Forecast Outturn vs Budget
	£'000	£'000	£'000
Finance	1,000	477	(523)
Adults	630	101	(529)
Children's	6,970	701	(6,269)
Residents Services; Place	880	292	(588)
Residents Services; Homes & Communities	660	675	15
Corporate Services	3,050	2,666	(384)
Chief Executive's Office	-	203	203
Cross-Cutting	3,810	554	(3,257)
Grand Total	17,000	5,669	(11,331)

2025/26 – Use of Flexible Capital Receipts: Summary by Project

Directorate	Project	25/26 Budget at Start of Year	25/26 Forecast Outturn	25/26 Forecast Outturn vs Budget
		£'000	£'000	£'000
Finance	Enhanced Financial Capacity to Support DSG Deficit Reduction	500	192	(308)
	Finance Modernisation Plan	500	-	(500)
	Financial Assessments and ASC Debt Project	-	138	138
	Council Tax & NNDR Debt Recovery Project	-	69	69
	Revenue & Benefits - Automations & Customer Contact	-	79	79
Finance Total		1,000	477	(523)
Adults	Commissioning Support	80	-	(80)
	Immediate Response Service	250	-	(250)
	Sustained Support Service	300	-	(300)
	Increase In-House Care Home Provision	-	54	54
	In-House Catering Reduction	-	26	26
	Utilisation of AI in Social Work Teams	-	21	21
Adult's Total		630	101	(529)
Children's	Adult Education Review	70	-	(70)
	DSG/SEND Improvement Plan	2,400	353	(2,047)
	Integrated Social Care Offer	350	237	(113)
	Social Care Offer	150	111	(39)
	DSG Safety Valve	4,000	-	(4,000)
Children's Total		6,970	701	(6,269)
	Asset Strategy	320	-	(320)
	Charging for Garden Waste	490	26	(464)

Directorate	Project	25/26 Budget at Start of Year	25/26 Forecast Outturn	25/26 Forecast Outturn vs Budget
Residents Services; Place	Planning and Growth Reform	70	-	(70)
	Review of Golf Delivery Model	-	117	117
	Environmental Services Review	-	149	149
Residents Services; Place Total		880	292	(588)
Residents Services; Homes & Communities	Civil Contingencies Improvement Plan	30	30	-
	Community Services Improvement Plan	100	50	(50)
	Housing Commissioning Improvement Plan	120	270	150
	Integrated Front Line	150	-	(150)
	Private Sector Housing Improvement Plan	260	260	-
	Additional Leased Temporary Accommodation	-	65	65
Residents Services; Homes & Communities Total		660	675	15
Corporate Services	Corporate Services Transformation Budget	3,050	-	(3,050)
	Business Intelligence	-	83	83
	Digital MTFS Programmes	-	467	467
	HR Improvement	-	187	187
	Reshaping Customer Experience and Business Support	-	1,524	1,524
	Revenue Maximisation Project	-	55	55
	Magic Notes AI-enabled report tool	-	99	99
	Transformation Team	-	351	351
Corporate Services Total		3,050	2,765	(285)
Chief Executive's Office	Legal Support on LIIP	-	46	46
	Specialist Legal Support on Capital Disposals Programme	-	157	157
Chief Executive's Office Total		-	203	203
Cross-Cutting	Commissioning and Procurement Improvement Project	250	360	360
	Financial Appraisal Support	-	194	194
	Financial Systems Improvement Programme	1,500	-	(1,500)
	Integrated Front Door	300	-	(300)
	Restructuring contingency	500	-	(500)
	Service Innovation Fund	500	-	(500)
	Target Operating Model	760	-	(760)
Cross-Cutting Total		3,810	554	(3,257)
Grand Total		17,000	5,768	(11,232)

Notes:

Through the flexible use of capital receipts, the Council has been able to capitalise the cost of transformation activity where that activity is intended to deliver ongoing financial benefit, either through recurring savings or through the avoidance of future cost pressures.

Based on current forecasts, transformation activity funded in this way is expected to deliver at least £9.9m of future financial benefit, comprising both MTFS savings delivered and cost

avoidance. As with all budget figures, this is a forecast position and remains subject to change as part of the Council's final outturn process.

This level of financial benefit is being achieved from a forecast capital transformation spend of £5.7m, against an originally approved transformation plan of £17m, demonstrating a strong return on investment.

A significant proportion of this capital funding has supported cross-cutting transformation, including digital and corporate initiatives, which enable multiple savings across the council rather than being attributed to a single budget line. As these programmes continue to mature, the financial benefit may increase further.

2026/27 – Budgeted use of Flexible Capital Receipts by Directorate

Directorate	26/27 Budget at Start of Year £'000
Finance	181
Adults	-
Children's	317
Residents Services; Place	628
Corporate Services	608
Residents Services; Homes & Communities	500
Chief Executive's Office	-
Cross-Cutting	500
Grand Total	2,733

2026/27 – Budgeted use of Flexible Capital Receipts by Project

Directorate	MTFS Ref	Project	25/26 Budget at Start of Year £'000
Finance	2026/27 014	Supplier Incentive Programme - Construction	10
	n/a	Financial Assessments and ASC Debt Project	171
Finance Total			181
Children's	n/a	Adult Education Service	70
	2025/26 023	New Care Offer - Review of Operating Model	114
	n/a	DSG Safety Valve	133
Children's Total			317
Residents Services - Place	n/a	Environmental Services Review	149
	n/a	Review of Golf Delivery Model	94
	2026/27 139	Waste Collection Charges	235
	2026/27 213	Changes to parking payment options	150
Residents Services – Place Total			628
	2025/26 011	Business Intelligence Review	180

Corporate Services	2025/26 006	Reshaping Resident Hub	373
	n/a	Revenue Maximisation Project	55
Corporate Services Total			608
Residents Services; Homes & Communities	n/a	Housing Improvement Plan	500
Residents Services – Homes & Communities Total			500
Cross-Cutting	n/a	Restructuring Contingency	500
Cross-Cutting Total			500
Grand Total			2,733

Notes:

- **Financial Assessments and ASC Debt Project:** targeted project to reduce adult social care debt.
- **Adult Education Service:** to explore options to outsource the service.
- **DSG Safety Valve:** to support the Education service in lowering the DSG deficit.
- **Environmental Services Review:** to determine what further efficiencies can be achieved in environmental services delivery
- **Review of Golf Delivery Model:** to complete the work to transfer the golf courses to an external operator and eliminate the subsidy provided by the Council
- **Revenue Maximisation Project:** to identify new properties and businesses for NNDR and Council Tax, using revenues inspectors and data analysis from a contractor.
- **Housing Improvement Plan:** to tackle rising homelessness and temporary accommodation costs.
- **Restructuring Contingency:** to fund transition costs for staffing restructures that deliver long-term savings.