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To: Members of the Cabinet

Notice of a Meeting of the Cabinet

Tuesday, 17 January 2012 at 2.00 pm

County Hall, Oxford, OX1 1ND

Joanna Simons

Joanna Simons
Chief Executive

January 2012

Contact Officer: ***Sue Whitehead***
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Membership

Councillors

Keith R. Mitchell CBE	-	*Leader of the Council*
David Robertson	-	*Deputy Leader of the Council*
Arash Fatemian	-	*Cabinet Member for Adult Services*
Louise Chapman	-	*Cabinet Member for Children, Education & Families*
Jim Couchman	-	*Cabinet Member for Finance & Property*
Lorraine Lindsay-Gale	-	*Cabinet Member for Growth & Infrastructure*
Kieron Mallon	-	*Cabinet Member for Police & Policy Co-ordination*
Mrs J. Heathcoat	-	*Cabinet Member for Safer & Stronger Communities*
Melinda Tilley	-	*Cabinet Member for Schools Improvement*
Rodney Rose	-	*Cabinet Member for Transport*

The Agenda is attached. Decisions taken at the meeting will become effective at the end of the working day Wednesday 25 January 2012 on unless called in by that date for review by the appropriate Scrutiny Committee. Copies of this Notice, Agenda and supporting papers are circulated to all Members of the County Council.

Date of next meeting: 6 February 2012

Declarations of Interest

This note briefly summarises the position on interests which you must declare at the meeting. Please refer to the Members' Code of Conduct in Part 9.1 of the Constitution for a fuller description.

The duty to declare …
You must always declare any "personal interest" in a matter under consideration, i.e. where the matter affects (either positively or negatively):

(i) any of the financial and other interests which you are required to notify for inclusion in the statutory Register of Members' Interests; or

(ii) your own well-being or financial position or that of any member of your family or any person with whom you have a close association more than it would affect other people in the County.

Whose interests are included …
"Member of your family" in (ii) above includes spouses and partners and other relatives' spouses and partners, and extends to the employment and investment interests of relatives and friends and their involvement in other bodies of various descriptions. For a full list of what "relative" covers, please see the Code of Conduct.

When and what to declare …
The best time to make any declaration is under the agenda item "Declarations of Interest". Under the Code you must declare not later than at the start of the item concerned or (if different) as soon as the interest "becomes apparent".
In making a declaration you must state the nature of the interest.

Taking part if you have an interest …
Having made a declaration you may still take part in the debate and vote on the matter unless your personal interest is also a "prejudicial" interest.

"Prejudicial" interests …
A prejudicial interest is one which a member of the public knowing the relevant facts would think so significant as to be likely to affect your judgment of the public interest.

What to do if your interest is prejudicial …
If you have a prejudicial interest in any matter under consideration, you may remain in the room but only for the purpose of making representations, answering questions or giving evidence relating to the matter under consideration, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

Exceptions …
There are a few circumstances where you may regard yourself as not having a prejudicial interest or may participate even though you may have one. These, together with other rules about participation in the case of a prejudicial interest, are set out in paragraphs 10 – 12 of the Code.

Seeking Advice …
It is your responsibility to decide whether any of these provisions apply to you in particular circumstances, but you may wish to seek the advice of the Monitoring Officer before the meeting.

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.

AGENDA

1. Apologies for Absence

2. Declarations of Interest

- guidance note opposite

3. Minutes (Pages 1 - 8)

To approve the minutes of the meeting held on 20 December 2011 (**CA3**) and to receive information arising from them.

4. Questions from County Councillors

Any county councillor may, by giving notice to the Proper Officer by 9 am two working days before the meeting, ask a question on any matter in respect of the Cabinet's delegated powers.

The number of questions which may be asked by any councillor at any one meeting is limited to two (or one question with notice and a supplementary question at the meeting) and the time for questions will be limited to 30 minutes in total. As with questions at Council, any questions which remain unanswered at the end of this item will receive a written response.

Questions submitted prior to the agenda being despatched are shown below and will be the subject of a response from the appropriate Cabinet Member or such other councillor or officer as is determined by the Cabinet Member, and shall not be the subject of further debate at this meeting. Questions received after the despatch of the agenda, but before the deadline, will be shown on the Schedule of Addenda circulated at the meeting, together with any written response which is available at that time.

5. Petitions and Public Address

6. 2011/12 Financial Monitoring & Business Strategy Delivery Report - November 2011 (Pages 9 - 46)

Cabinet Member: Finance & Property
Forward Plan Ref: 2011/153
Contact: Kathy Wilcox, Principal Financial Manager Tel: (01865) 323981

Report by Assistant Chief Executive & Chief Finance Officer (**CA6**).

Monthly financial report on revenue and capital spending against budget allocations, including virements between budget heads.

The Cabinet is RECOMMENDED to:
(a) note the report and approve the virements as set out in Annex 2a;
(b) agree the bad debt write off as set out in paragraph 33; and
(c) agree the creation of the new reserve as set out in paragraph 39.

7. **The New Council Plan** (Pages 47 - 70)

Cabinet Member: Leader and Police & Policy Co-ordination
Forward Plan Ref: 2011/156
Contact: Maggie Scott, Senior Policy & Improvement Manager Tel: (01865) 816081

Report by Senior Policy & Improvement Manager (**CA7**).

To sign off the Council Plan 2012/13 in advance of consideration by Council.

Cabinet is RECOMMENDED to approve the Council's draft Corporate Plan going before Council on 7th February 2012.

8. **Business Strategy and Service & Resource Planning Report for 2012/13 - 2016/17 - January 2012** (Pages 71 - 276)

Cabinet Member: Finance & Property
Forward Plan Ref: 2011/154
Contact: Lorna Baxter, Assistant Head of Finance (Corporate Finance) Tel: (01865) 323971

Report of the Cabinet Member for Finance & Property (**CA8A**)

Report by Assistant Chief Executive & Chief Finance Officer (**CA8B**).

This report is the final report to Cabinet in the series on the Business Strategy and Service & Resource Planning process for 2012/13 to 2016/17, providing councillors with information on budget issues for 2012/13 and the medium term. If any information is outstanding at the time of the Cabinet meeting, it will be reported to Council when it considers the budget on 7 February 2012.

The report sets out the latest information on the Council's financial position, includes the Treasury Management Strategy for 2012/13 and considers the capital funding, including an updated Capital Programme.

The Cabinet Member for Finance & Property has prepared a separate report, circulated alongside this report, which sets out the basis for the Cabinet's proposals to Council for the 2012/13 budget and Medium Term Financial Plan (MTFP) to 2016/17. This takes into consideration comments on the draft budget proposals from the individual Scrutiny Committees in December 2010 as well as the latest information on the Council's financial position as outlined in this report. It also takes account of the public consultation on the budget, the outcomes of which are set out in an annex to that report.

The Cabinet is RECOMMENDED to:

(a) ***(in respect of revenue) RECOMMEND Council to approve:***

(1) ***a budget for 2012/13 and a medium term plan to 2016/17, based on the proposals set out by the Leader and Cabinet Member for Finance;***
(2) ***a council tax requirement (precept) for 2012/13;***
(3) ***a council tax for band D equivalent properties;***
(4) ***virement arrangements to operate within the approved budget;***

(b) ***(in respect of treasury management) RECOMMEND Council to approve:***

(1) ***the Treasury Management Strategy Statement ;***
(2) ***Prudential Indicators from April 2012;***
(3) ***that in relation to the 2012/13 strategy any further changes required be delegated to the Chief Finance Officer in consultation with the Leader and Cabinet Member for Finance.***

(c) ***RECOMMEND Council to approve the Minimum Revenue Provision Methodology Statement as set out in paragraphs 10 to 13 of Annex 7.***

(d) ***(in respect of capital) RECOMMEND Council to approve:***

(1) ***the updated Capital Strategy, Corporate Asset Management Plan and Transport Asset Management Plan;***
(2) ***a Capital Programme for 2011/12 to 2016/17;***
(3) ***Prudential Indicators from April 2012.***

(e) ***to delegate authority to the Leader of the Council, following consultation with the Chief Finance Officer, to make appropriate changes to the proposed budget.***

9. **Rail Strategy for Oxfordshire** (Pages 277 - 386)

Cabinet Member: Transport
Forward Plan Ref: 2011/206
Contact: John Disley, Strategic Manager Policy & Strategy Tel: (01865) 810460

Report by Deputy Director for Environment & Economy – Highways & Transport (**CA9**).

This report sets out the proposed Rail Strategy for Oxfordshire, to cover the period up to 2034 which includes the next four rail 'control periods' for investment. Subject to approval, stakeholder consultation on this Strategy will take place in February and March (details of which are covered in the report), with the final agreed version to be included in the Council's updated Local Transport Plan 3 in spring 2012.

The report sets out how investment in rail will play a key role in supporting

Oxfordshire's economic development and the opportunity for Rail to establish itself as part of the backbone of Oxfordshire's transport network, linking the key settlements in the Oxfordshire Growth Arc - Science Vale, Oxford and Bicester, offering a genuine alternative to the A34 and other strategic corridors for many journeys. With significant economic growth and forecast increases in demand for travel, there has never been a more important time for Oxfordshire to develop a long term rail strategy and timing is crucial: the Great Western Rail Franchise is being re-let from May 2013 for a potential 15 year period. and Decisions are also due over the coming months on rail investment priorities. Therefore, it is important that the County Council gives a clear view on its priorities for investment in infrastructure and services over this period

The Strategy is in two parts: part 1 covers policy and strategy, setting out Oxfordshire's approach to rail and its importance in meeting economic, growth and other objectives. Part 2 is a Delivery Plan which shows, by route, what Oxfordshire (working in partnership with the rail industry) wants to see happen. This report highlights the key issues for each part, identifying the strategic considerations and implications for the Council.

The Cabinet is RECOMMENDED to

(a) ***approve the draft Rail Strategy for Oxfordshire as set out in Annex 2 of this report, for stakeholder consultation; and***

(b) ***propose that a final version of this Strategy is brought back for approval by Cabinet (and incorporated into an updated LTP3 for Oxfordshire), taking into account views expressed.***

10. Joint Strategic Commissioning Arrangements with NHS Buckinghamshire and Oxfordshire Cluster PCT (Pages 387 - 392)

Cabinet Members: Adult Services and Children, Education & Families
Forward Plan Ref: 2011/167
Contact: Sara Livadeas, Deputy Director of Joint Commissioning Tel: (01865) 323968

Report by Director for Social & Community Services and Director for Children, Education & Families (**CA10**).

The s75 NHS Act Pooled Commissioning Agreement for Mental Health between Oxfordshire County Council (OCC) and Oxfordshire PCT (OPCT)expires on 31 March 2012. The current mental health commissioning strategy (Better Mental Health in Oxfordshire) expires at the same time.

This paper proposes that

•the current s75 Agreement between OCC and OPCT should be extended from April 2012 to 31 March 2013
•The scope of the current s75 agreement should be extended to include specialist and targeted mental health services for children and young people
•The s75 agreement should be reviewed again during 2012-13 as part of the wider discussions in relation to the developing Health and Wellbeing Board
•The current s75 agreement should be amended. It needs to change to reflect the

increase in scope to cover specialist and targeted services for children and young people and needs to be redrawn to deliver the outcomes defined by the HWB.

These proposals have been approved by
•Oxfordshire Clinical Commissioning Group at its meetings on 19/7/2011 and 25/10/2011
•Oxfordshire Children's Trust at its meeting on 23/9/2011
•The Mental Health Commissioning Joint Management Group at its meeting on 14/11/2011

These proposals have been subject to engagement both by NHS Oxfordshire and the Children and Young People's Sounding Board. There has been a significant degree of support as is set out in the report. As the proposals do not relate to any changes in service provision, HOSC have confirmed that the engagement undertaken was appropriate in view of the level of change proposed

The Cabinet is RECOMMENDED to

(a) ***approve the proposals:***
to widen the scope of the Mental Health strategy as set out in paragraph 12;
to extend the current s75 to April 2013
to transfer the Council's funding for specialist and targeted *Child and Adolescent Mental Health Services (***CAMHS) into the section 75 agreement; and***
(b) ***to grant delegated powers to Directors and s151 officers to develop and sign off the section 75 agreement***

11. **Ridgeway Partnership Merger/Acquisition** (Pages 393 - 398)

Cabinet Member: Adult Services
Forward Plan Ref: 2011/212
Contact: Ann Nursey, Lead Commissioner Learning Disability Services Tel: (01865) 323669

Report by Director for Social & Community Services (**CA11**).

Ridgeway Partnership (Oxfordshire Learning Disability NHS Trust) is commissioned by Oxfordshire County Council to provide both social care and specialist health services to people with learning disabilities in Oxfordshire. The total contract value is £20m per annum and they are the largest learning disability service provider in Oxfordshire.

In line with the Department of Health's policy that all NHS Trusts have to become Foundation Trusts, or become part of an existing Foundation Trust by 2014, the Strategic Health Authority is currently leading a process through which existing Foundation Trusts are bidding to acquire Ridgeway Partnership. As the main commissioner of Ridgeway's services, the Oxfordshire Lead Commissioner is a member of the project board.

On 5th July 2011 the Cabinet Member for Adult Services, through a delegated decision, agreed to include the services purchased from Ridgeway Partnership by Oxfordshire County Council in the NHS merger/acquisitions process, and requested that the recommendation to appoint a preferred provider to acquire Ridgeway Partnership NHS Trust be brought to cabinet for approval in early 2012. This report outlines the process so far and seeks approval of progress, and of the request for the final approval of the recommended preferred bidder to be delegated to the cabinet member for adult services.

The Cabinet is RECOMMENDED to

(a) confirm that, on the basis of the processes so far, the Council is willing to continue with the services it purchases from Ridgeway Partnership being included as part of the business to be acquired; and

(b) request that the final approval to proceed with the transfer of the services the Council purchases to the preferred bidder be delegated to the Cabinet Member for Adult Services.

12. **Renewal of Real Time Information (RTI) System Contract** (Pages 399 - 414)

Cabinet Member: Transport
Forward Plan Ref: 2011/145
Contact: Chris Spry, Senior Transport Planner, Tel: (01865) 815711

Report by Deputy Director, Highways & Transport (**CA12**).

This report seeks approval for continuation of the Real Time Passenger Information (RTPI) services currently provided by Oxfordshire County Council and its project partners, Oxford Bus Company, Stagecoach in Oxfordshire and Thames Travel Ltd, for bus users throughout Oxfordshire.

The provision of Real Time Passenger Information has been generally welcomed by Oxfordshire residents as is evidenced by public research, online feedback, and through the popularity of web and mobile phone services.

The report describes the development of the system since installation in 2004, and provides details of the current services provided.

The County Council's existing RTPI contract (with Vix Technology Ltd) expires on 30th March 2012. Therefore, it is now necessary to put in place formal arrangements to ensure the performance standards achieved thus far are maintained and extended in the future, in order to meet rising public expectations.

The outcome of a completed tender evaluation is summarised, demonstrating that a new supplier has submitted the most economically advantageous (and cost-effective) solution.

The Council's project partners continue to make substantial investment in Real Time Passenger Information. The report highlights the extent of this funding and consequently the forecast requirement for revenue support from within Highways & Transport budgets between 2012/13 and 2015/16.

The Cabinet is RECOMMENDED to

(a) authorise the Deputy Director (Highways & Transport), in consultation with the Cabinet Member for Transport, to award the contract for RTPI based on the recommendations contained in this report to Cloud Amber Ltd;

(b) authorise the use of Highways & Transport budgets for the continued maintenance of RTPI services as detailed in section 22 of this report until 30th March 2016; and

(c) authorise the Deputy Director, Highways & Transport in consultation with the Cabinet Member for Transport to approve up to two years contract extension with suitable budgetary provision, subject to the contractor achieving appropriate standards of service delivery.

13. **Military Champions** (Pages 415 - 418)

Cabinet Member: Leader
Forward Plan Ref: 2011/215
Contact: Sue Whitehead, Committee Services Manager, Tel: (01865) 810262

Report by County Solicitor & Monitoring Officer (**CA13**).

To agree the appointments of Military Champions.

The Cabinet is RECOMMENDED to appoint the following Councillors as Military Champions:

1. Bicester Garrison : Cllr Kieron Mallon
2. RAF Brize Norton: Cllr Donald Robert Seale
3. Abingdon Station: Cllr Sandy Lovatt
4. Vauxhall Barracks: Cllr Tony Harbour
5. RAF Benson:
6. Defence Academy Shrivenham: Cllr Keith Mitchell (as Leader of the Council)

14. **Independent Admission Appeals - Panel Member Arrangements** (Pages 419 - 424)

Cabinet Member: Deputy Leader
Forward Plan Ref: 2011/086
Contact: Sue Whitehead, Committee Services Manager Tel: (01865) 810262

Report by County Solicitor & Monitoring Officer (**CA 14**).

To review the arrangements for Panel Members including expenses.

The Cabinet is RECOMMENDED to RECOMMEND the Council:

(a) ***to approve, for school admission and exclusion appeal panel members, the same travel and subsistence allowances as are payable to members of the Council, subject to the same requirements as to the submission of claims and the supply of evidence except that the rate for the first 10,000 miles claimed for car travel be set at 40p per mile and not 35p per mile***

(b) ***to continue to pay £100 per day as the maximum amount payable to a school admission or exclusion appeal panel member for financial loss necessarily incurred as a result of attendance at an appeal panel hearing, subject to sufficient documentary evidence being produced to identify actual loss; and***

(c) ***that the revised allowances and rates be effective from 1 April 2011***

15. Forward Plan and Future Business (Pages 425 - 428)

Cabinet Member: All
Contact Officer: Sue Whitehead, Committee Services Manager (01865 810262)

The Cabinet Procedure Rules provide that the business of each meeting at the Cabinet is to include "updating of the Forward Plan and proposals for business to be conducted at the following meeting". Items from the Forward Plan for the immediately forthcoming meetings of the Cabinet appear in the Schedule at **CA15.** This includes any updated information relating to the business for those meetings that has already been identified for inclusion in the next Forward Plan update.

The Schedule is for noting, but Cabinet Members may also wish to take this opportunity to identify any further changes they would wish to be incorporated in the next Forward Plan update.

The Cabinet is RECOMMENDED to note the items currently identified for forthcoming meetings.

CABINET

MINUTES of the meeting held on Tuesday, 20 December 2011 commencing at 2.00 pm and finishing at 3.58 pm

Present:

Voting Members:	Councillor Keith R. Mitchell CBE – in the Chair Councillor David Robertson (Deputy Chairman) Councillor Arash Fatemian Councillor Louise Chapman Councillor Jim Couchman Councillor Lorraine Lindsay-Gale Councillor Mrs J. Heathcoat Councillor Melinda Tilley
Other Members in Attendance:	Councillor Zoe Patrick (Item 8) Councillor Jenny Hannaby (Item 9) Councillor Jean Fooks (Items 10 and 11)

Officers:

Whole of meeting	Joanna Simons (Chief Executive) Graham Warrington (Chief Executive's Office)

Part of meeting

Item	Name
6 & 7	Lorna Baxter (Corporate Finance)
8	Jonathan McWilliam (Director of Public Health)
9	John Jackson (Director of Social & Community Services); Simon Kearey and Laurence Dowden (Social and Community Services; Sue Scane (Assistant Chief Executive and Chief Finance Officer); Nick Graham (Deputy head of Law & Governance)
10	Paul Gerrish

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with a schedule of addenda tabled at the meeting, and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda, reports and schedule, copies of which are attached to the signed Minutes.

142/11 APOLOGIES FOR ABSENCE
(Agenda Item. 1)

Apologies were received from Councillor Rodney Rose and Councillor Kieron Mallon.

143/11 MINUTES
(Agenda Item. 3)

The minutes of the meetings held on 5 November 2011 and 12 December 2011 were approved and signed.

144/11 QUESTIONS FROM COUNTY COUNCILLORS
(Agenda Item. 4)

Councillor Zoe Patrick had given notice of the following question to the Deputy Leader:

“Why are the sandwiches sold in the Common Hall cafe being bought from a company in London rather than being purchased locally according to the County's procurement rules? According to the Source Oxfordshire website it states "We are supporting the Federation of Small Businesses' Keep Trade Local campaign - the Oxford part of which was launched in November 2008." This is certainly not consistent with that policy. It has also meant that there have been some days where there have been no sandwiches available because they have not arrived from London.”

Councillor Robertson replied

“When originally looking for suppliers of ready- made sandwiches for The Common Hall Cafe we invited several companies to produce trial samples of their products, including a local company called Brambles. Only one company, Greencore, provided us with these samples and met with us, despite the other companies stating they would deliver samples, etc.

We are aware that there have been some problems recently with delivery from Greencore which we have addressed. However, we are currently looking again at alternative suppliers and will consider local suppliers, as we did in the first instance. However, while our preference would be to use a local provider, our choice of suppliers will be governed by cost and location as well as reliability.”

Supplementary

“Has consideration been given to this service being provided in house.”

Reply

“This service has in the past been provided in house and some sandwiches are of course still produced in County Hall. Catering staff are I understand keen to resume provision of this service and I will look at all options available."

Councillor Jean Fooks had given notice of the following question to the Deputy Leader:

"The lack of an information board in the reception area of County Hall is meaning that people, whether members or visitors, have to ask the reception staff where their meetings are. This is unwelcoming to visitors and an unnecessary nuisance for members and the reception staff. I understand that in the present financial situation, it is not possible to provide a new electronic board giving the information. There is usually an A4 sheet to which the staff refer. Would it be possible to enlarge this to A3 or bigger and display it on the wall, so that it is immediately visible and would help people find where their meeting is without having to bother reception staff and often have to wait in a queue to ask ?"

Councillor Robertson replied

"The details of the meetings on the ground floor are now displayed on a notice board on the right hand side of the reception desk. This should help visitors find out where their meeting is to be held and, hopefully, reduce the need to wait in a queue. To cut down on costs we have utilised a notice board that was retrieved from Cricket Road for this purpose.

Visitors to meetings in secure areas of the Council building will still have to report to reception.

My thanks to Councillor Fooks for her suggestion."

Supplementary

"Many thanks for providing a notice board, which I'm sure will be useful. However, could something larger be provided."

Reply

"Having provided the board I will be looking at options to provide something more professional although these things must be taking in the context of the funding issues facing the County Council."

145/11 PETITIONS AND PUBLIC ADDRESS

(Agenda Item. 5)

The following requests to address the meeting had been agreed:

Item 8 - Councillor Zoe Patrick, Leader of the Opposition and Olive McIntosh-Stedman
Item 9 – Councillor Jenny Hannaby, Shadow Cabinet Member for Adult Services

Item 10 and 11– Councillor Jean Fooks, Deputy Leader of the Opposition

146/11 2011/12 FINANCIAL MONITORING & BUSINESS STRATEGY DELIVERY REPORT - OCTOBER 2011
(Agenda Item. 6)

Cabinet considered a report which focussed on the delivery of the Directorate Business Strategies agreed as part of the service and resources planning process for 2011/12-2015/16 and which formed part of the forecast position for each Directorate.

RESOLVED: to

(a) note the report and approve the virements as set out in Annex 2a to the report CA6 and agree the return to balances as set out in Annex 2e to CA6;

(b) agree the Children's Act loan write off as set out in paragraph 44 of the report CA6;

(c) agree the creation of the Children, Education and Families reserves as set out in paragraphs 50 to 52 of the report CA6;

(d) approve the change to the Capital Programme as set out in Annex 9c of the report CA6.

147/11 BUSINESS STRATEGY AND SERVICE & RESOURCE PLANNING REPORT FOR 2012/13 - 2016/17 - DECEMBER 2011
(Agenda Item. 7)

The Cabinet considered a further report (CA7) on the service and resource planning process for 2012/13 to 2016/17 which provided information on budget issues for 2012/13 and the medium term, included an update on directorate business strategies with a summary of changes to the pressures and savings therein, provided an update on government consultations and announcements, set out the review of charges and provided a draft capital strategy, corporate asset management plan and transport asset management plan. Also tabled was a supplementary report to CA7 setting out the implications of the draft local government finance settlement and associated announcements.

During discussion Cabinet members addressed specific issues within their respective portfolios.

RESOLVED:

(a) to note the report CA7 and the implications set out in the addendas when forming budget proposals in January 2012;

(b) to consider the revised Business Strategies (Annex 3 to CA7) and the changes to the pressures and savings (Annex 2 to CA7) in forming their budget proposals in January 2012;

(c) to consider, in forming their budget proposals, the implications in 2013/14 of accepting the Council Tax Freeze Grant in 2012/13;

(d) to agree that funding from the New Homes Bonus would be made available for capital as part of the Rolling Fund, noting that the allocation for 2012/13 was £1.068m;

(e) that in relation to the review of charges to:

(1) note those charges prescribed by legislation;

(2) approve those charges where there was local discretion as set out in Annex 6 to CA7 noting that some of those charges would commence before April 2012;

(f) to agree the capital prioritisation assessment set out in Annex 8b to CA7.

148/11 DIRECTOR OF PUBLIC HEALTH ANNUAL REPORT

(Agenda Item. 8)

The Cabinet considered (CA8) the fifth annual report of the Director of Public Health for Oxfordshire.

Olive McIntosh Stedman addressed the Cabinet on behalf of the Oxfordshire Mental Health Crisis Bed Project regarding funding for a crisis house providing respite support for mental health users and carers in cases not considered serious enough for hospital.

Responding to Councillor Robertson she confirmed that there were about 10 cases each requiring care 3 times per annum at a total cost of £6,300.

Councillor Zoe Patrick referred to the key reference on referrals and the need to minimise time wasted referring people unnecessarily from one part of the system to another. She welcomed the section on breaking the cycle of deprivation; the high priority to be given to addressing the high percentage of children living in poverty in many areas of Oxfordshire; the fall in the high rates of teenage pregnancy in the City although there were areas still with high rates; improvements in the mental health system particularly for carers and GP commissioning; Oxfordshire's rating as the sportiest county in England; the encouraging results in the fight against killer disease and the HPV vaccination programme against cervical cancer and stressed the need to continue to concentrate efforts on reducing alcohol addiction. She acknowledged the hard work in realising all these achievements but stressed the need for work to continue.

The Director of Public Health presented his report and the Cabinet Member for Adult Services commended it to the Cabinet.

RESOLVED: to **RECOMMEND** Council to receive the report and note its recommendations.

149/11 HAMPSHIRE AND OXFORDSHIRE COUNTY COUNCIL ICT PARTNERSHIP

(Agenda Item. 10)

The Cabinet considered (CA10) proposals for a formal partnership agreement for ICT services between Oxfordshire and Hampshire.

Councillor Fooks welcomed and commended the proposal.

Councillor Robertson commended the proposal and the opportunities which it now presented for similar arrangements in other service areas.

RESOLVED: to

(a) agree the establishment of a Joint ICT Partnership between the Oxfordshire County Council and Hampshire County Council ICT Services;

(b) agree the first area of partnership collaboration to be the provision of SAP Support to Oxfordshire;

(c) agree that the Cabinet portfolio holder for ICT had responsibility for approval of other potential areas of collaboration, that had material or significant impact;

(d) delegate responsibility for agreement to the finalised Partnership agreement to the Cabinet Portfolio Holder for ICT.

150/11 CORPORATE PLAN PERFORMANCE AND RISK MANAGEMENT REPORT FOR THE 2ND QUARTER 2011

(Agenda Item. 11)

The Cabinet considered (**CA11**) a report setting out progress made toward the Corporate Plan priorities for the period between July and September 2011.

Councillor Fooks welcomed progress on development of the Local Enterprise Board but expressed concerns regarding the need to improve performance in a number of areas such as educational attainment; area stewards fund and cycle of deprivation.

Councillor Robertson felt the County Council had achieved a number of positive outcomes and that overall progress against 2011/12 targets were on track overall. However, he acknowledged that there were some priority areas which needed to be improved and these areas would continue to be monitored closely.

RESOLVED: to note the report

151/11 FORWARD PLAN AND FUTURE BUSINESS

(Agenda Item. 12)

The Cabinet considered a list of items (CA12) for the immediately forthcoming meetings of the Cabinet together with changes and additions set out in the schedule of addenda.

RESOLVED: to note the items currently identified for forthcoming meetings

152/11 EXEMPT CLAUSE

(Agenda Item.)

RESOLVED: that the public be excluded for the duration of Item 9E since it was likely that if they were present during that item there would be disclosure of exempt information as defined in Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) in relation to that item and since it was considered that, in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information on the grounds in that the information related to the financial or business affairs of any particular person (including the authority holding that information) and that otherwise commercially sensitive information would be disclosed to the detriment of the companies involved.

153/11 DEVELOPMENT IN THE OXFORDSHIRE CARE PARTNERSHIP AGREEMENT

(Agenda Item. 9)

The Cabinet considered (CA9) a report setting out the principles for developing a partnership agreement with the Oxfordshire Care Partnership (OCP) for the provision of services for the care and support of older people in Oxfordshire whilst achieving service and financial objectives of the Council and the OCP.

Councillor Hannaby recognised the need to make savings but expressed some concern regarding the reduction in the number of residential beds and monitoring of self funding and stressed that those not eligible for self funding should be helped. She highlighted the potential to work with district councils to include extra care housing in the local plan process.

The Director of Social and Community Services presented the report.

The Cabinet Member for Adult Services commended the proposals and welcomed the comment by Councillor Hannaby regarding extra care housing. There would be further reports to the Adult Services Scrutiny Committee on these proposals and to the Cabinet in March regarding care home fees.

RESOLVED: to

(a) note the negotiations underway to achieve savings via planned development of care homes, reduction in block beds, increased rental income, replacement of residential beds with extra care housing, retention of Lake House and Glebe House within the contract, providing continuing care beds through the OCP contract and further ad hoc block bed reductions;

(b) note that there will be a special meeting of the Adult Services Scrutiny Committee in early January to enable them to consider the proposals;

(c) endorse the proposals for overall service redevelopments and the recommended changes to the OCP contract;

(d) agree to the sale of the freeholds of 5 Phase 1 new build sites proposal to OCP for a capital receipt in order to achieve flexible reduction of the block contract subject to conclusion of ongoing negotiations;

(e) delegate authority to the Director of Social and Community Services to sign off the changes to the OCP contract and the revised financial model with advice from the Chief Finance Officer and Cabinet members for Finance and Property and Adult Services following a consultation with the Adult Services Scrutiny Committee in January 2012.

.... in the Chair

Date of signing ....

Division(s):

CABINET – 17 JANUARY 2012

2011/12 FINANCIAL MONITORING & BUSINESS STRATEGY DELIVERY REPORT

Report by Assistant Chief Executive & Chief Finance Officer

Introduction

1. This report sets out the forecast position for each Directorate. This includes the delivery of the Directorate Business Strategies which were agreed as part of the Service and Resource Planning Process for 2011/12 – 2015/16. Parts 1 and 2 include projections for revenue, reserves and balances as at the end of November 2011. The Capital monitoring is included at Part 3.

Summary Position

2. The current in – year Directorate forecast including the Council elements of the Pooled Budgets is a variation of –£2.853m or -0.67% against a budget of £426.018m as shown in the table below.

3. Directorates continue to work hard to implement their Business Strategies. There is a firm focus on cost minimisation resulting in some revenue savings, particularly relating to vacant posts, being achieved early through careful service management.

Original Budget 2011/12 £m		Latest Budget 2011/12 £m	Forecast Outturn 2011/12 £m	Variance Forecast November 2011 £m	Variance Forecast November 2011 %
112.817	Children, Education & Families (CE&F)	111.733	109.045	-2.688	-2.41
219.442	Social & Community Services (S&CS)	220.953	220.612	-0.341	-0.15
75.561	Environment & Economy	84.356	83.228	-1.128	-1.34
7.751	Chief Executive's Office	8.977	9.039	+0.062	+0.69
415.571	In year Directorate total	426.018	421.923	-4.095	-0.96
	Add: Overspend on Council Elements of Pooled Budgets			+1.242	
	Total Variation including Council Elements of Pooled Budgets			**-2.853**	**-0.67**

Plus: Underspend on Dedicated Schools Grant (DSG)		-0.635	
Total Variation		-3.488	-0.82

4. The following annexes are attached:

Annex 1	Original and Latest Estimates for 2011/12
Annex 2	Virements & Supplementary Estimates
Annex 3	Redundancy Costs
Annex 4	Forecast Earmarked Reserves
Annex 5	Forecast General Balances
Annex 6	Older People & Physical Disabilities and Learning Disabilities Pooled Budgets
Annex 7	Government Grants 2011/12
Annex 8	Treasury Management Lending List
Annex 9	Capital Programme Monitoring and changes

Part 1 - Revenue Budget & Business Strategy Savings

5. The forecast revenue outturn by Directorate based on the position to the end of November 2011 is set out below.

Children, Education & Families: -£2.688m in year directorate variation

6. Children, Education & Families are forecasting an in-year variation of -£2.688m (-£3.323m total variation including a -£0.635m underspend on services funded from DSG). The position includes previously reported underspends: Home to School Transport -£0.764m, Children's Centres -£0.249m, Healthy Oxfordshire Schools -£0.175m, Asylum -£0.611m and -£0.275m relating to Youth Offending Service. These are offset by a previously reported overspend of +£0.225m in Quality and Compliance.

<u>Placements</u>

7. An underspend of -£0.775m is also forecast for Placements, a change of -£0.485m since the last report. This reflects more certainty in the forecast as the year progresses. There continues to be a general upward trend in agency residential placements and the position reported allows for £0.353m to be spent on new placements during the remainder of 2011/12 should they be absolutely necessary. The service continues to work toward minimising the use of out of area placements, although some children have significant complex needs that require specialist or secure placements.

<u>DSG Funded Services</u>

8. An underspend of -£0.635m is forecast on services funded by DSG an increase of -£0.275m. The Success Project is forecasting an underspend of -£0.100m. This will be requested to Schools Forum to be carried forward to 2012/13 to support the project as a traded service is developed in 2012/13. The Early Years underspend has increased by -£0.091m as more information becomes available about the impact of the restructure.

9. The directorate has yet to allocate £2.445m of the non-schools contingency. Schools Forum need to be consulted before the allocations can be finalised. Details on how this is planned to be spent will be included in future reports, but is committed to be used fully in 2011/12.

Social & Community Services: -£0.341m in year directorate variation

10. Social & Community Services are forecasting an underspend of -£0.341m. There is also a forecast overspend of +£1.242m on the Council elements of the Pooled Budgets (mainly on adults with physical disabilities).

Adult Social Care

11. Adult Social Care is reporting a underspend of -£0.261m which includes rent review arrears income of £1.1m. This position includes previously reported overspends of +£0.492m on Social Work, +£0.210m on Learning Disabilities, +£0.293m by the Acquired Brain Injury Service and +£0.100m on Transport Costs. There are further underspends of -£0.225m on Older People's Day Services and -£0.180m on Asylum Seekers.

12. Income relating to Older People and Physical Disabilities is forecast to be underachieved by +£0.096m, an increase of +£0.045m since the last report. Fairer Charging income is forecasting an underachievement of +£0.886m. This is due to a lower number of clients being liable for the full cost of their care. This is offset by an overachiement on residential and nursing care of -£0.790m as a result of additional clients. This is a volatile area so the position will continue to change throughout the year.

Community Safety (including Fire & Rescue)

13. Fire and Rescue continues to forecast an underspend of -£0.330m. This mainly relates to an underspend of -£0.200m on wholetime firefighters pay due to part year vacancies and changes to the number of firefighters on development and competent pay rates. There is also an underspend of -£0.100m on the retained duty system (RDS) which includes the current estimated cost of the changes to Grey Book following the implementation of the Part Time Workers (Prevention of less favourable treatment) Regulations 2000. The firefighter ill health retirement budget is also forecasting an overspend of +£0.040m. Any variance on the RDS and Firefighter ill health retirements will be returned to or drawn from balances.

14. Increased rental income and savings on pay plus repair and maintenance mean the Gypsy and Traveller Service is forecasting an underspend of -£0.100m.

Quality & Compliance (Strategy & Transformation)

15. The consultation process for the Joint Commissioning structure with Children, Education and Families ended at the end of November 2011 and the intention is to implement the new structure later in the year. Due to the delay in starting the consultation process savings of £0.350m are not expected to be achieved this year. The service is however is expected to achieve savings of £0.450m in 2012/13.

Pooled Budgets

Older People, Physical Disabilities and Equipment Pool

16. As shown in Annex 6 the Older People's and Physical Disabilities Pooled Budget is forecast to overspend by +£2.586m, +£1.242m on the Council's element and +£1.344m on the Primary Care Trust's (PCT) element.

17. The forecast includes use of the additional 2011/12 funding of £6.196m for Adult Social Care being provided via the NHS of which the majority has been allocated to the Older People's Pooled Budget.

Older People

18. The County Council's element of the pool is forecast to be underspent by -£0.763m a decrease of +£0.483m since the last report. The change reflects lower than forecast attrition rates in the spot residential and nursing placements together with an increase in the number of clients in bed based and home support services.

Physical Disabilities

19. The County Council's element is projected to be overspent by +£1.733m. This reflects an increase in the number of people needing care over the last two years. Work is underway to understand the causes of this increased demand and the options for reducing the level of spending. This is being considered further as part of the Service and Resource Planning process.

Equipment

20. Additional resources amounting to £0.342m have been contributed to this budget from the extra £6.196m for adult social care from the NHS. This reflects the fact that the provision of equipment can often be a very effective way of helping ensure that the individual does not require more intensive (and expensive) methods of care (whether health or social care). Despite this there is still a pressure of +£0.272m on the budget. Work is underway to understand why these pressures are arising and what should be done in response.

Learning Disabilities Pool

21. As set out in Annex 6 the Learning Disabilities Pooled Budget is forecasting a breakeven position. The change of -£0.142m since the last report reflects an underspend on placement costs.

Environment & Economy: -£1.128m in year directorate variation

22. Environment & Economy are forecasting an underspend of -£1.128m. The directorate's Business Strategy includes savings of -£13.2m in 2011/12. Proposals included in the Service and Resource Planning process for 2012/13 will require the Directorate to carry forward £0.425m of the underspend to 2012/13.

Highways & Transport

23. The service is continuing to forecast an underspend of -£0.574m This comprises underspends of -£0.200m on Concessionary Fares and -£0.223m relating to slippage in use of Community Transport Grant along with previously reported underspends on Public Transport and the Integrated Transport Unit.

Growth & Infrastructure

24. The service is forecasting an underspend of -£0.709m, a decrease of -£0.107m since the last report. This change relates to the underspend on carbon tax liability for street lighting of -£0.170m being transferred to Street Lighting to support SALIX investment costs. Waste Management continue to forecast an underspend of -£0.500m. Current activity levels for

recycling/composting are showing over 60% recycling/composting. This is better position that budgeted with less landfill tonnage being the main contributing factor to the increased performance. Work is continuing on the financial position based on the tonnage data and will be included in the next report.

Property and Facilities

25. The service is forecasting a variation of +£0.254m an increase of +£0.040m since the last report. This relates to an increase in the forecast spend on repairs and maintenance and the additional costs of the Property and Facilities contract procurement.

26. Food with Thought are continuing to forecast a trading surplus of £0.400m. The intention is that this surplus, plus any remaining School Lunch Grant will be reinvested in the service in agreement with Schools. QCS Cleaning is forecasting a break-even position.

Oxfordshire Customer Services

27. Oxfordshire Customer Services (OCS) is forecasting an underspend of -£0.188m a change of +£0.086m since the last report. As previously reported Adult Learning had received written confirmation from the Skills Funding Agency (SFA) that some targets were not achieved during the academic year 2010/11. An estimated claw-back of £0.160m is included in the forecast.

Chief Executive's Office: +£0.062m in year directorate variation

28. The Chief Executive's Office (CEO) is forecasting a variation of +£0.062m. This includes an overspend of +£0.500m on Legal Services a change of +£0.230m since the last report. The legal overspend is offset by a number of underspends that have been previously reported within the Chief Executive's Office.

Redundancy Costs

29. As noted in the Annex 3, £6.705m estimated redundancy costs expected in 2011/12 or later years were accounted for in 2010/11. Actual 2011/12 payments made to the end of November 2011 are £3.786m and will continue to be monitored and reported throughout the year, as costs are still being incurred.

Virements and Supplementary Estimates

30. The virements requested this month are set out in Annex 2a and temporary virements to note in Annex 2d. Previously approved virements in Annex 2b and 2c are available on the Council's website and in the Member's Resource Centre. Virements requested this month include restructures within Children's Social Care and the Administration functions in CE&F.

Grants Monitoring

31. Annex 7 sets out government grants that are being received in 2011/12. Ringfenced grants totalling £423.081m (including £382.507m of Dedicated Schools Grant) are included in Directorate budgets. Changes this month include an increase of £0.086m in DSG.

Bad Debt Write Offs

32. There were 56 general write offs to the end of November 2011 totalling £21,788. In addition Client Finance has written off 76 debts totalling £78,824.

33. It is recommended that Cabinet agree to write off the remaining debt of £16,315 from a £42,953 balance owed by the estate of a client who died in 2009. Court proceedings were issued, but a pre-trial settlement agreement was reached between the Council and the family.

Treasury Management

34. On 16 December the decision was taken by the Treasury Management Strategy Team (TMST) to reduce the limit of Barclays Bank Plc. after Fitch downgraded the short term, long term and viability ratings of the bank overnight on 15 to 16 December 2011. The deposit total limit has been reduced to £5m and the deposit length to 1 month.

35. The Prime Rate Money Market Fund (MMF) was also temporarily removed from the lending list on 8 December 2011. This decision was taken by TMST after the fund was placed on negative watch by Fitch. Redemption of all funds placed with Prime Rate was made as part of the dealing process on 8 December. The fund has subsequently been reinstated to the lending list as of 22 December following the affirmation of the fund’s AAA rating by Fitch. A temporary limit of £5m has been imposed.

36. The revised lending limits for both Barclays Bank Plc. and Prime Rate MMF are in line with the current advice provided by our advisors, Arlingclose. The lending list and credit worthiness of all institutions on the lending list will continue to be closely monitored by TMST. The current lending list is included in Annex 8.

37. The average cash balance during November was £ 273.996m and the average rate of return was 1.134%. The budgeted return for interest receivable on balances invested internally is £2.234m for 2011/12. It is expected that this will be achieved.

Part 2 – Balance Sheet

Reserves

38. Annex 4 sets out earmarked reserves brought forward from 2010/11 and the forecast position as at 31 March 2012. Forecast reserves are £81.219m an increase of +£2.923m since the last report. The change reflects contributions to the Registration Service reserve for the refurbishment of buildings, an increase in the On Street Car Parking reserve, a change in timing of the use of the Customer Services Centre reserve which will now be used in future years and the new CEF reserves agreed by Cabinet on 20 December 2011.

New Reserve

39. As part of the 2011/12 Service and Resource Planning process £0.300m was included for training and staff development towards new ways of working. Due to delays in the restructure this budget will not be spent in full this year. An underspend of -£0.220m is currently forecasted and will be required in 2012/13 as the new structure is implemented. It is therefore recommended that a reserve is created for use in 2012/13.

<u>Balances</u>

40. Annex 5 sets out the general balances taking into account known changes. Balances are currently £15.734m.

Part 3 – Capital Monitoring and Programme Update

Capital Monitoring

41. The capital monitoring position set out in Annex 9a, shows the forecast expenditure for 2011/12 is £67.9m (excluding schools local capital). This is £1.1m lower than the latest capital programme agreed by Cabinet on 18 October 2011. The table below summarises the variations by directorate.

Directorate	Last Approved Programme * £m	Latest Forecast Expenditure £m	Variation £m
Children, Education & Families	30.7	30.4	-0.3
Social & Community Services	9.9	8.9	-1.0
Environment & Economy - Transport	23.6	25.2	+1.6
Environment & Economy - Other	4.7	3.2	-1.5
Chief Executive's Office	0.1	0.2	+0.1
Total Directorate Programmes	**69.0**	**67.9**	**-1.1**
Schools Local Capital	7.8	8.1	+0.3
Total Capital Programme	**76.8**	**76.0**	**-0.8**

* Approved by Cabinet 18 October 2011

42. The major in-year spend forecast variations to note for each directorate programme are explained in the following paragraphs and other significant variations are listed in Annex 9b.

43. In the Social & Community Services programme, the Extra Care Housing project at Greater Leys is expected to commence in March 2012, therefore £0.419m has been re-profiled to future years. In addition, £0.275m has also been re-profiled on the Extra Care Housing New Schemes project.

44. In the Transport programme, £2.628m of work has been brought forward from future years and delivered in 2011/12.

45. A legal difficulty around the adoption of a road has led to a delay in the construction start date on the Higham Way access road in Banbury. This has resulted in £0.173m being re-profiled to future years.

46. In the Environment & Economy programme, a budget provision of £0.470m for Solar Panels on non-school buildings has been removed following the reduction in the Feed-In-Tariffs announced by Government in November 2011.

47. The other significant variations were reported to Cabinet in November and December 2011.

Actual & Committed Expenditure

48. As at the end of November actual capital expenditure for the year to date (excluding schools local spend) was £31.0m. This is 46% of the total forecast expenditure of £67.9m, which is around 4% below the expected position compared to the profile of expenditure in previous years. Actual and committed spend is 73% of the forecast.

Five Year Capital Programme Update

49. An updated capital programme is included as an annex to the Service & Resource Planning Report (Item CA8 on the agenda). This updated programme includes all of the changes made following the capital budget setting process and will be approved by Council in February 2012.

RECOMMENDATIONS

50. **The Cabinet is RECOMMENDED to:**
 (a) note the report and approve the virements as set out in Annex 2a;
 (b) agree the bad debt write off as set out in paragraph 33; and
 (c) agree the creation of the new reserve as set out in paragraph 39.

SUE SCANE
Assistant Chief Executive & Chief Finance Officer

Background papers: Directorate Financial Monitoring Reports 30 November 2011

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Tel: (01865) 323971

January 2012

November Financial Monitoring and Business Strategy Delivery Report CA6 Annex 1

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Budget Monitoring

Ref	Directorate	BUDGET 2011/12 Original Budget £000	Brought Forward from 2010/11 Surplus + Deficit - £000	Virements to Date £000	Supplementary Estimates to Date £000	Latest Estimate £000	Outturn Forecast Year end Spend/Income £000	Projected Year end Variation underspend - overspend + £000	Profiled Budget (Net) *November* 2011 £000	Actual Expenditure (Net) *November* 2011 £000	Variation to Budget *November* 2011 underspend - overspend + £000	Projected Year end Variance Traffic Light
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
CEF	**Children, Education & Families**											
	Gross Expenditure	540,447	2,705	79,516	351	623,019	624,823	1,804	429,661	377,039	-52,623	G
	Gross Income	-427,630	0	-83,656	0	-511,286	-516,414	-5,127	-345,907	-319,519	26,388	G
		112,817	**2,705**	**-4,140**	**351**	**111,733**	**108,410**	**-3,323**	**83,754**	**57,520**	**-26,235**	A
SCS	**Social & Community Services**											
	Gross Expenditure	260,177	418	-2,314	0	258,281	261,565	3,283	179,444	177,601	-1,843	G
	Gross Income	-40,735	0	3,407	0	-37,328	-40,952	-3,624	-32,136	-32,809	-673	R
		219,442	**418**	**1,093**	**0**	**220,953**	**220,612**	**-341**	**147,308**	**144,793**	**-2,516**	G
EE	**Environment & Economy**											
	Gross Expenditure	149,136	5,586	3,657	116	158,495	166,659	8,163	111,154	99,445	-11,709	R
	Gross Income	-73,575	0	-565	0	-74,140	-83,431	-9,291	-54,899	-64,423	-9,524	R
		75,561	**5,586**	**3,093**	**116**	**84,356**	**83,228**	**-1,128**	**56,255**	**35,022**	**-21,233**	G
CEO	**Chief Executive's Office**											
	Gross Expenditure	16,341	912	-188	223	17,288	17,893	605	13,609	14,365	756	A
	Gross Income	-8,590	0	279	0	-8,311	-8,854	-543	-7,586	-8,478	-892	R
		7,751	**912**	**91**	**223**	**8,977**	**9,039**	**62**	**6,023**	**5,887**	**-137**	G
	Less recharges within directorate	-27,270				-27,270	-10,310	0			0	G
		27,270				27,270	10,310	0			0	G
	Directorate Expenditure Total	**938,831**	**9,621**	**80,672**	**690**	**1,029,814**	**1,060,630**	**13,856**	**733,869**	**668,450**	**-65,418**	G
	Directorate Income Total	**-523,260**	**0**	**-80,535**	**0**	**-603,795**	**-639,341**	**-18,585**	**-440,528**	**-425,229**	**15,299**	A
	Directorate Total Net	**415,571**	**9,621**	**137**	**690**	**426,019**	**421,289**	**-4,730**	**293,341**	**243,221**	**-50,120**	G

Less: DSG funded services underspend (included above)	**635**
Add: Pooled Budget Overspend	**1,242**
In-Year Directorate Variation (excluding DSG)	**-2,853**

November Financial Monitoring and Business Strategy Delivery Report CA6 Annex 1
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Budget Monitoring

		BUDGET 2011/12										
Ref	Directorate	Original Budget	Brought Forward from 2010/11 Surplus + Deficit -	Virements to Date	Supplementary Estimates to Date	Latest Estimate	Outturn Forecast Year end Spend/Income	Projected Year end Variation underspend - overspend +	Profiled Budget (Net) *November* 2011	Actual Expenditure (Net) *November* 2011	Variation to Budget *November* 2011 underspend - overspend +	Projected Year end Variance Traffic Light
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Contributions to (+)/from (-)reserves	1,872	-9,621	382		-7,367	-1,387	5,980				
	Contribution to (+)/from(-) balances	1,619			-690	929	929	0				
	Pensions - Past Service Deficit Funding	1,500				1,500	1,500	0				
	Capital Financing	38,400		-1,831		36,569	35,319	-1,250				
	Interest on Balances	-1,826				-1,826	-1,826	0				
	Additional funding to be allocated			2,535		2,535	2,535	0				
	Strategic Measures Budget	41,565	-9,621	1,086	-690	32,340	37,070	4,730				
	Government Grants	-48,520		-1,223		-49,743	-49,743	0				
	Budget Requirement	408,616	0	0	0	408,616	408,616	0				

Total External Financing to meet Budget Requirement

Revenue Support Grant	28,844				28,844	28,844	0
Business rates	93,316				93,316	93,316	0
Council Tax	286,456				286,456	286,456	0
Other grant income					0	0	0
External Financing	408,616	0	0	0	408,616	408,616	0

Consolidated revenue balances position	
Forecast County Fund Balance (Annex 5)	15,734
Variation of OCC elements of the OP&PD and LD Pooled Budgets	-1,242
In-year directorate variation to be met from (-) or transferred to (+) Carry Forward Reserve	4,730
	19,222

KEY TO TRAFFIC LIGHTS
Balanced Scorecard Type of Indicator

Budget	On track to be within +/- 2% of year end budget	G
	On track to be within +/- 5% of year end budget	A
	Estimated outturn showing variance in excess of +/- 5% of year end budget	R

November Financial Monitoring and Business Strategy Delivery Report: Children, Education & Families
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Budget Monitoring

		BUDGET 2011/12					Outturn Forecast Year end Spend/Income	Projected Year	Profiled Budget (Net) *November* 2011	Actual Expenditure (Net) *November* 2011	Variation to Budget *November* 2011	Projected
Ref	Directorate	Original	Brought Forward from 2010/11 Surplus + Deficit -	Virements to Date	Supplementary Estimates to Date	Latest		underspend - overspend +			underspend - overspend +	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
CEF1	**Education & Early Intervention**											
	Gross Expenditure	93,630	699	-8,189	339	86,479	84,564	-1,915	64,815	53,349	-11,466	A
	Gross Income	-40,488	0	7,553		-32,935	-32,935	0	-24,689	-24,519	170	G
		53,142	**699**	**-637**	**339**	**53,543**	**51,628**	**-1,915**	**40,126**	**28,830**	**-11,296**	A
CEF2	**Children's Social Care**											
	Gross Expenditure	46,510	111	-814	12	45,819	43,974	-1,845	34,287	27,569	-6,717	A
	Gross Income	-4,563	0	-1,307		-5,870	-5,870	0	-4,401	-3,519	883	G
		41,947	**111**	**-2,121**	**12**	**39,949**	**38,104**	**-1,845**	**29,885**	**24,051**	**-5,835**	A
CEF3	**Quality & Compliance**											
	Gross Expenditure	24,342	934	-377	0	24,899	25,336	437	16,595	16,504	-91	G
	Gross Income	-6,593	0	-45		-6,638	-6,638	0	-4,425	-4,548	-122	G
		17,749	**934**	**-422**	**0**	**18,261**	**18,698**	**437**	**12,170**	**11,956**	**-213**	A
CEF4	**Schools**											
	Gross Expenditure	381,092	961	88,896	0.00	470,949	470,949	0	313,965	279,616	-34,349	G
	Gross Income	-381,113	0	-89,857		-470,970	-470,970	0	-312,391	-286,934	25,458	G
		-21	**961**	**-961**	**0**	**-21**	**-22**	**0**	**1,574**	**-7,318**	**-8,891**	G
	Less recharges within directorate	-5,127				-5,127	0	0			0	G
		5,127				5,127	0	0			0	G
	Directorate Expenditure Total	**540,447**	**2,705**	**79,516**	**351**	**623,019**	**624,823**	**-3,323**	**429,661**	**377,039**	**-52,623**	G
	Directorate Income Total	**-427,630**	**0**	**-83,656**	**0**	**-511,286**	**-516,414**	**0**	**-345,907**	**-319,519**	**26,388**	G
	Directorate Total Net	**112,817**	**2,705**	**-4,140**	**351**	**111,733**	**108,410**	**-3,323**	**83,754**	**57,520**	**-26,235**	A

Less: DSG funded services underspend (included above)	**635**
In-Year Directorate Variation (excluding DSG)	**-2,688**

November Financial Monitoring and Business Strategy Delivery Report: Children, Education & Families
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Budget Monitoring

DEDICATED SCHOOLS GRANT - DSG Funded Expenditure (Gross)

		BUDGET 2011/12						
Ref	Directorate	Original £000	Brought Forward from 2010/11 Surplus + Deficit - £000	Virements to Date £000	Supplementary Estimates to Date £000	Latest £000	Outturn Forecast Year end Spend/Income £000	Projected Year underspend - overspend + £000
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
CEF1	Education & Early Intervention	30,442		-7,850		22,592	21,957	-635
CEF2	Children's Social Care	1,771		64		1,835	1,835	0
CEF3	Quality & Compliance	6,500		-153		6,347	6,347	0
CEF4	Schools	348,090		3,557		351,647	351,647	0
	Total Gross	**386,803**	**0**	**-4,382**	**0**	**382,421**	**381,786**	**-635**

KEY TO TRAFFIC LIGHTS
Balanced Scorecard Type of Indicator

Budget	On track to be within +/- 2% of year end budget	G
	On track to be within +/- 5% of year end budget	A
	Estimated outturn showing variance in excess of +/- 5% of year end budget	R

November Financial Monitoring and Business Strategy Delivery Report: Social & Community Services
CABINET - 17 January 2012
Budget Monitoring

Ref	Directorate	BUDGET 2011/12 Original	Brought Forward from 2010/11 Surplus + Deficit -	Virements to Date	Supplementary Estimates to Date	Latest	Outturn Forecast Year end Spend/Income	Projected Year	Profiled Budget (Net) *November* 2011	Actual Expenditure (Net) *November* 2011	Variation to Budget *November* 2011	Projected
								underspend - overspend +			underspend - overspend +	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
SCS1	**Adult Social Care**											
	Gross Expenditure	195,429	-1,156	968	0	195,241	194,980	-261	130,187	130,002	-185	G
	Gross Income	-45,284	0	12		-45,272	-45,272	0	-30,183	-30,390	-207	G
		150,145	**-1,156**	**979**	**0**	**149,968**	**149,707**	**-261**	**100,004**	**99,611**	**-393**	G
SCS2	**Community Safety**											
	Gross Expenditure	29,313	364	260	0	29,937	29,507	-430	19,940	18,301	-1,639	G
	Gross Income	-1,477	0	1		-1,476	-1,476	0	-985	-1,016	-31	G
		27,836	**364**	**261**	**0**	**28,461**	**28,031**	**-430**	**18,956**	**17,285**	**-1,670**	G
SCS3	**Quality & Compliance**											
	Gross Expenditure	34,511	1,029	-3,139	0	32,401	32,791	390	21,601	21,661	60	G
	Gross Income	-3,754	0	3,434		-320	-320	0	-214	-451	-237	G
		30,757	**1,029**	**295**	**0**	**32,081**	**32,471**	**390**	**21,387**	**21,210**	**-177**	G
SCS4	**Community Services**											
	Gross Expenditure	11,797	181	-402	0	11,576	11,536	-40	7,716	7,638	-79	G
	Gross Income	-1,093	0	-40		-1,133	-1,133	0	-755	-952	-197	G
		10,704	**181**	**-442**	**0**	**10,443**	**10,403**	**-40**	**6,962**	**6,686**	**-276**	G
	Less recharges within directorate	-10,873	0			-10,873	-7,249	0			0	G
		10,873	0			10,873	7,249	0			0	G
	Directorate Expenditure Total	**260,177**	**418**	**-2,314**	**0**	**258,281**	**261,565**	**-341**	**179,444**	**177,601**	**-1,843**	G
	Directorate Income Total	**-40,735**	**0**	**3,407**	**0**	**-37,328**	**-40,952**	**0**	**-32,136**	**-32,809**	**-673**	G
	Directorate Total Net	**219,442**	**418**	**1,093**	**0**	**220,953**	**220,612**	**-341**	**147,308**	**144,793**	**-2,516**	G

KEY TO TRAFFIC LIGHTS
Balanced Scorecard Type of Indicator

Budget	On track to be within +/- 2% of year end budget	G
	On track to be within +/- 5% of year end budget	A
	Estimated outturn showing variance in excess of +/- 5% of year end budget	R

November Financial Monitoring and Business Strategy Delivery Report: Environment & Economy
CABINET - 17 January 2012
Budget Monitoring

Ref	Directorate	BUDGET 2011/12 Original £000	Brought Forward from 2010/11 Surplus + Deficit - £000	Virements to Date £000	Supplementary Estimates to Date £000	Latest £000	Outturn Forecast Year end Spend/Income £000	Projected Year underspend - overspend + £000	Profiled Budget (Net) *November* 2011 £000	Actual Expenditure (Net) *November* 2011 £000	Variation to Budget *November* 2011 underspend - overspend + £000	Projected
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
EE1	**Highways & Transport**											
	Gross Expenditure	54,889	3,832	76	0	58,797	58,224	-574	39,198	32,629	-6,569	G
	Gross Income	-11,521	0	-27		-11,548	-11,548	0	-7,699	-6,589	1,110	G
		43,368	**3,832**	**49**	**0**	**47,249**	**46,675**	**-574**	**31,500**	**26,040**	**-5,459**	G
EE2	**Sustainable Development**											
	Gross Expenditure	28,330	477	1,491	116	30,414	29,705	-709	20,293	17,202	-3,091	A
	Gross Income	-1,518	0	-250		-1,768	-1,768	0	-1,179	-1,760	-581	G
		26,812	**477**	**1,241**	**116**	**28,646**	**27,937**	**-709**	**19,114**	**15,442**	**-3,672**	A
EE3	**Property Asset Management**											
	Gross Expenditure	18,651	55	10,002	0	28,708	28,962	254	19,139	18,936	-203	G
	Gross Income	-19,953	0	-7,978		-27,931	-27,931	0	-18,621	-15,983	2,638	G
		-1,302	**55**	**2,024**	**0**	**777**	**1,031**	**254**	**518**	**2,954**	**2,435**	R
EE4	**Director's Office**											
	Gross Expenditure	6,292	10	-155	0	6,147	6,236	89	4,098	4,053	-45	G
	Gross Income	0	0	0		0	0	0	0	-27	-27	
		6,292	**10**	**-155**	**0**	**6,147**	**6,236**	**89**	**4,098**	**4,026**	**-72**	G
EE5	**Oxfordshire Customer Services**											
	Gross Expenditure	49,183	1,212	-7,757	0	42,638	43,532	894	28,425	26,624	-1,802	A
	Gross Income	-48,792	0	7,691		-41,101	-42,183	-1,082	-27,401	-40,064	-12,663	A
		391	**1,212**	**-66**	**0**	**1,537**	**1,349**	**-188**	**1,025**	**-13,440**	**-14,465**	R
	Less recharges within directorate	-8,209				-8,209	0	0			0	G
		8,209				8,209	0	0			0	G
	Directorate Expenditure Total	**149,136**	**5,586**	**3,657**	**116**	**158,495**	**166,659**	**-46**	**111,154**	**99,445**	**-11,709**	G
	Directorate Income Total	**-73,575**	**0**	**-565**	**0**	**-74,140**	**-83,431**	**-1,082**	**-54,899**	**-64,423**	**-9,524**	G
	Directorate Total Net	**75,561**	**5,586**	**3,093**	**116**	**84,356**	**83,228**	**-1,128**	**56,255**	**35,022**	**-21,233**	G

KEY TO TRAFFIC LIGHTS
Balanced Scorecard Type of Indicator

Budget	On track to be within +/- 2% of year end budget	G
	On track to be within +/- 5% of year end budget	A
	Estimated outturn showing variance in excess of +/- 5% of year end budget	R

November Financial Monitoring and Business Strategy Delivery Report: Chief Executive's Office
CABINET - 17 January 2012
Budget Monitoring

Ref	Directorate	BUDGET 2011/12 Original £000	Brought Forward from 2010/11 Surplus + Deficit - £000	Virements to Date £000	Supplementary Estimates to Date £000	Latest £000	Outturn Forecast Year end Spend/Income £000	Projected Year underspend - overspend + £000	Profiled Budget (Net) *November* 2011 £000	Actual Expenditure (Net) *November* 2011 £000	Variation to Budget *November* 2011 underspend - overspend + £000	Projected
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
CEO1	**Chief Executive & Business Support**											
	Gross Expenditure	1,837	130	-316	0	1,651.00	1,576.00	-75	1,101	1,085	-16	A
	Gross Income	-813	0	17		-795.00	-795.00	0	-531	-539	-8	G
		1,024	**130**	**-298**	**0**	**856.00**	**781.00**	**-75**	**571**	**546**	**-25**	R
CEO2	**Human Resources**											
	Gross Expenditure	1,661	303	187	0	2,151.02	2,340.00	189	1,434	1,177	-256	R
	Gross Income	-1,711	0	-10		-1,721.00	-1,920.00	-199	-1,147	-1,321	-174	R
		-50	**303**	**177**	**0**	**430.02**	**420.00**	**-10**	**287**	**-143**	**-430**	A
CEO3	**Corporate Finance & Internal Audit**											
	Gross Expenditure	2,359	40	244	0	2,642.73	2,947.00	304	1,762	1,765	3	R
	Gross Income	-2,308	0	16		-2,291.73	-2,635.00	-343	-1,528	-1,488	41	R
		51	**40**	**260**	**0**	**351.00**	**312.00**	**-39**	**234**	**277**	**43**	R
CEO4	**Law & Governance Services**											
	Gross Expenditure	6,735	307	-43	0	6,999.43	7,323.00	324	4,709	5,689	980	A
	Gross Income	-4,103	0	27		-4,075.52	-4,078.00	-2	-2,721	-3,463	-742	G
		2,632	**307**	**-15**	**0**	**2,923.91**	**3,244.00**	**321**	**1,988**	**2,226**	**239**	R
CEO5	**Strategy & Communications**											
	Gross Expenditure	2,996	132	-28	223	3,323.12	3,187.00	-136	2,215	2,304	90	A
	Gross Income	-2,488	0	0		-2,488.00	-2,487.00	1	-1,658	-1,668	-10	G
		508	**132**	**-28**	**223**	**835.12**	**700.00**	**-135**	**556**	**636**	**80**	R
CEO6	**Corporate & Democratic Core**											
	Gross Expenditure	3,814	0	-233	0	3,581.44	3,581.00	0	2,388	2,344	-44	G
	Gross Income	-228	**0**	228		0.05	0.05	0	0		0	G
		3,586	**0**	**-5**	**0**	**3,581.48**	**3,581.05**	**0**	**2,388**	**2,344**	**-44**	G
	Less recharges within directorate	-3,061				-3,061.00	-3,061.00	0			0	G
		3,061				3,061.00	3,061.00	0			0	G
	Directorate Expenditure Total	**16,341**	**912**	**-188**	**223**	**17,288.13**	**17,893.00**	**605**	**13,609**	**14,365**	**756**	A
	Directorate Income Total	**-8,590**	**0**	**279**	**0**	**-8,310.72**	**-8,853.95**	**-544**	**-7,586**	**-8,478**	**-892**	R
	Directorate Total Net	**7,751**	**912**	**91**	**223**	**8,977.41**	**9,039.05**	**62**	**6,023**	**5,887**	**-137**	G

KEY TO TRAFFIC LIGHTS
Balanced Scorecard Type of Indicator

Budget	On track to be within +/- 2% of year end budget	G
	On track to be within +/- 5% of year end budget	A
	Estimated outturn showing variance in excess of +/- 5% of year end budget	R

November Financial Monitoring and Business Strategy Delivery Report
CABINET - 17 January 2012

CABINET IS RECOMMENDED TO APPROVE THE VIREMENTS AS DETAILED BELOW:

Directorate	Month of Cabinet meeting	Narration	Budget book line	Service Area	Permanent / Temporary	Expenditure From / Decrease (-) £000	Expenditure To / Increase (+) £000	Income From / Decrease (+) £000	Income To / Increase (-) £000
CEF	Jan	Recode budget to cover staff reallocation	CEF1-31	Early Intervention Hubs	P	0.0	60.0	0.0	0.0
			CEF2-4	Safeguarding & Quality Assurance	P	-60.0	0.0	0.0	0.0
		Allocate Budget for staffing recharges	CEF2-22	Family Placement	P	0.0	0.0	0.0	-60.0
			CEF2-23	Children Looked After (Including Asylum)	P	0.0	482.1	0.0	-324.9
			CEF2-33	Assessment	P	0.0	0.0	0.0	-44.0
			CEF2-4	Safeguarding & Quality Assurance	P	0.0	0.0	0.0	-53.2
		Children's Social care service restructure 11/12	CEF2-23	Children Looked After (Including Asylum)	P	-2,905.4	394.0	339.9	-90.0
			CEF2-32	Family Support	P	-394.0	5,080.2	90.0	-624.5
			CEF2-33	Assessment	P	-2,174.8	0.0	284.6	0.0
		Administration Budget Realignment	CEF1-21	Special Educational Needs (SEN)	P	-402.4	0.0	102.7	0.0
			CEF1-24	Early Years SEN Inclusion Teachers (EY SENITS)	P	-61.6	0.0	61.6	0.0
			CEF1-31	Early Intervention Hubs	P	-60.3	1,523.5	0.0	-321.1
			CEF1-32	Children's Centres and Childcare	P	-139.4	0.0	0.0	0.0
			CEF1-41	Educational Transformation & Effectiveness	P	-717.4	0.0	156.8	0.0
			CEF1-51	Early Years Sufficiency & Access	P	-48.4	0.0	0.0	0.0
			CEF1-52	School Organisation & Planning	P	-42.0	0.0	0.0	0.0
			CEF2-1	Management & Central Costs	P	-60.3	44.2	0.0	0.0
			CEF2-5	Services for Disabled Children	P	-36.1	0.0	0.0	0.0
		Administration Budget Realignment months 1-5	CEF1-31	Early Intervention Hubs	T	-58.1	0.0	0.0	0.0
			CEF1-32	Children's Centres and Childcare	T	0.0	58.1	0.0	0.0
		Create Budget recharge for Business Support Officer	CEF2-1	Management & Central Costs	P	0.0	0.0	0.0	-38.0
			CEF2-23	Children Looked After (Including Asylum)	P	0.0	38.0	0.0	0.0

November Financial Monitoring and Business Strategy Delivery Report
CABINET - 17 January 2012

CABINET IS RECOMMENDED TO APPROVE THE VIREMENTS AS DETAILED BELOW:

Directorate	Month of Cabinet meeting	Narration	Budget book line	Service Area	Permanent / Temporary	Expenditure From / Decrease (-) £000	Expenditure To / Increase (+) £000	Income From / Decrease (+) £000	Income To / Increase (-) £000
CEF	Jan	Vire salary budget for Business support office as part of Administration review 11/12	CEF2-1	Management & Central Costs	P	0.0	42.5	0.0	0.0
			CEF2-21	Placement & Care Costs	P	-42.5	0.0	0.0	0.0
		Administration Budget Realignment Correction	CEF1-21	Special Educational Needs (SEN)	P	0.0	102.7	0.0	-102.7
			CEF1-31	Early Intervention Hubs	P	-53.5	0.0	102.7	0.0
			CEF2-1	Management & Central Costs	P	-53.5	4.3	0.0	0.0
		Budget for salary from 0.5 social worker up to 0.6 Senior Practitioner post	CEF2-33	Assessment	P	-7.5	0.0	0.0	0.0
			CEF2-5	Services for Disabled Children	P	0.0	7.5	0.0	0.0
EE	Jan	G21067 from Learning and Development to Adult Learning	EE5-4	Human Resources	P	-611.2	0.0	481.0	0.0
			EE5-9	Adult Learning	P	0.0	611.2	0.0	-481.0
Grand Total						-7,928.3	8,448.4	1,619.3	-2,139.4

November Financial Monitoring and Business Strategy Delivery Report
CABINET - 17 January 2012

NEW VIREMENTS FOR CABINET TO NOTE

Directorate	Month of Cabinet meeting	Narration	Budget book line	Service Area	Permanent / Temporary	Expenditure From / Decrease (-) £000	Expenditure To / Increase (+) £000	Income From / Decrease (+) £000	Income To / Increase (-) £000
EE	Jan	Growth & Infrastructure Restructure - Realignment of Budgets	EE2-1	Sustainable Development Management	T	0.0	217.0	0.0	0.0
			EE2-4	Waste Management	T	-217.0	0.0	0.0	0.0
		Temporary In Year Budget Transfer from Carbon Management to Street Lighting for SALIX	EE1-31	Infrastructure & Design	T	0.0	150.0	0.0	0.0
			EE2-3	Economy, Spatial Planning & Climate Change	T	-150.0	0.0	0.0	0.0
CEF	Jan	Tidy of Education budgets following restructure	CEF1-41	Educational Transformation & Effectiveness	T	-3.9	28.3	3.9	-28.3
		Contribution towards Website costs	CEF1-34	Behaviour & Attendance	T	-2.5	0.0	0.0	0.0
			CEF3-6	Commissioning & Performance	T	0.0	2.5	0.0	0.0
		AMEND ICT staff from 1-9-11	CEF1-41	Educational Transformation & Effectiveness	T	-112.8	83.4	29.4	0.0
		Vire Budget for Internal Reviewing Officers	CEF2-21	Placement & Care Costs	T	-15.0	0.0	0.0	0.0
			CEF2-22	Family Placement	T	-15.0	0.0	0.0	0.0
			CEF2-4	Safeguarding & Quality Assurance	T	0.0	30.0	0.0	0.0
SCS	Jan	Correction to reflect the total funds received by Oxfordshire County Council from Department of Health for Adult Social Care	SCS1-1E	Pooled Budget Contributions	T	0.0	0.4	0.0	0.0
			SCS1-1F	Income	T	0.0	0.0	0.0	-0.4
		Transfer of Carers funding for Brokerage	SCS1-1A	Prevention & Early Support	T	-50.0	0.0	0.0	0.0
			SCS1-1C	Social Work & Commissioning	T	0.0	50.0	0.0	0.0
		Transitional Funding for Locality Teams from Transforming Adult Social Care	SCS1-1C	Social Work & Commissioning	T	0.0	33.0	0.0	0.0
			SCS3-6	Transforming Adult Social Care	T	-33.0	0.0	0.0	0.0
		Transfer of Dementia funding for Museum Service Dementia Project	SCS1-1A	Prevention & Early Support	T	-5.0	0.0	0.0	0.0
			SCS4-2	Heritage & Arts Services	T	0.0	5.0	0.0	0.0
		Transfer of Dementia funding for Library Service Pictures to Share collection	SCS1-1A	Prevention & Early Support	T	-2.0	0.0	0.0	0.0
			SCS4-1	Library Service	T	0.0	2.0	0.0	0.0
Interdirectorate	Jan	CFB063 Disaster Recovery additional resource from Change Fund	CEO1-2	Change Fund	T	-34.0	0.0	0.0	0.0
			EE3-1	Corporate Property	T	0.0	34.0	0.0	0.0

November Financial Monitoring and Business Strategy Delivery Report
CABINET - 17 January 2012

NEW VIREMENTS FOR CABINET TO NOTE

Directorate	Month of Cabinet meeting	Narration	Budget book line	Service Area	Permanent / Temporary	Expenditure From / Decrease (-) £000	Expenditure To / Increase (+) £000	Income From / Decrease (+) £000	Income To / Increase (-) £000
Interdirectorate	Jan	CFB068 Councillors upgrade to Windows 7 & Microsoft 2010	CEO1-2	Change Fund	T	-25.0	0.0	0.0	0.0
			CEO4-5	Members' Services	T	0.0	25.0	0.0	0.0
		Grant Reallocation	CEF2-21	Placement & Care Costs	T	0.0	4.0	0.0	-4.0
			CEF2-22	Family Placement	T	0.0	3.0	0.0	-3.0
			CEF2-23	Children Looked After (Including Asylum)	T	0.0	4.0	0.0	-4.0
			CEF2-32	Family Support	T	0.0	7.0	0.0	-7.0
			CEF2-33	Assessment	T	0.0	4.3	0.0	-4.3
			CEF2-4	Safeguarding & Quality Assurance	T	0.0	1.0	0.0	-1.0
			CEF2-5	Services for Disabled Children	T	0.0	3.0	0.0	-3.0
			EE5-4	Human Resources	T	-26.3	0.0	26.3	0.0
CEO	Jan	Creation of matching income and expenditure budgets to reflect additional income to fund salary costs	CEO2-3	Organisational Development	T	0.0	10.0	0.0	-10.0
		Tidy Up Budgets to match new Strategy & Communications Structure	CEO5-1	Partnership Working	T	-136.9	0.0	0.0	0.0
			CEO5-4	Policy & Performance	T	-36.3	356.9	0.0	0.0
			CEO5-6	Consultation and Involvement	T	-93.3	0.0	0.0	0.0
			CEO5-7	Research and Intelligence	T	-90.4	0.0	0.0	0.0
Grand Total						-1,518.2	1,523.9	59.6	-65.3

November Financial Monitoring and Business Strategy Delivery Report
CABINET - 17 January 2012

VIREMENTS NOTED IN PREVIOUS REPORTS

Directorate	Month of Cabinet meeting	Narration	Budget book line	Service Area	Permanent / Temporary	Expenditure From / Decrease (-) £000	Expenditure To / Increase (+) £000	Income From / Decrease (+) £000	Income To / Increase (-) £000
EE	Sep	Allocation of budget to match planned costs & income	EE5-4	Human Resources	T	-108.3	32.9	98.2	-22.8
		Customers Services estimated staff costs re Concessionary Fares call handling 11/12	EE1-41	Customer & Business	T	-67.0	0.0	0.0	0.0
			EE5-8	Customer Services	T	0.0	67.0	0.0	0.0
		One-Off staff costs 11/12	EE1-1	Highways & Transport Management	T	-99.7	0.0	0.0	0.0
			EE1-31	Infrastructure & Design	T	0.0	99.7	0.0	0.0
	Oct	Set budgets for Customer Service Centre - Carers Funding set-up costs	EE5-8	Customer Services	T	0.0	15.1	0.0	-15.1
	Nov	Set budgets for Customer Service Centre - Carers Funding recharge 2011/12	EE5-8	Customer Services	T	0.0	111.3	0.0	-111.3
		Highways Depot Clearance works funded from in-year PT Rev Support Underspend	EE1-32	Operations	T	0.0	140.0	0.0	0.0
			EE1-44	Public Transport	T	-140.0	0.0	0.0	0.0
	Dec	Restructure Interim Management Arrangements	EE2-1	Sustainable Development Management	T	-45.0	0.0	0.0	0.0
			EE2-2	Planning Implementation	T	0.0	45.0	0.0	0.0
CEF	Jun	Increase salary budget for Independent Chair in North area	CEF2-1	Management & Central Costs	T	-17.5	0.0	0.0	0.0
			CEF2-4	Safeguarding & Quality Assurance	T	0.0	17.5	0.0	0.0
	Jul	5/12 budget for the 0.5fte Drugs posts (from the Substance misuse budget which was allocated to the hubs)	CEF1-31	Early Intervention Hubs	T	-15.0	15.0	0.0	0.0
		Marston/Northway Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-170.2	177.7	0.0	-7.5
		North Oxford Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-188.3	191.6	0.0	-3.3
		Nursery Education Fund Budget for Summer 2011	CEF1-32	Children's Centres and Childcare	T	0.0	45.4	0.0	-45.4
			CEF4-2	Early Years Single Funding Formula (Nursery Education Funding)	T	-45.4	0.0	45.4	0.0
		The Roundabout Centre Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-352.0	359.7	0.0	-7.7

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CEF	Sep	Bicester Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-403.4	404.4	0.0	-1.0
		Budget for Integrated Youth Support Service Strategic Lead for April to May 2011	CEF1-1	Management & Central Costs	T	-16.1	0.0	0.0	0.0
			CEF2-6	Youth Offending Service	T	0.0	16.1	0.0	0.0
		Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-162.1	187.0	0.0	-24.9
		Early Intervention Service funded posts are not due until September (1)	CEF1-31	Early Intervention Hubs	T	0.0	29.5	0.0	0.0
			CEF2-6	Youth Offending Service	T	-29.5	0.0	0.0	0.0
		Early Intervention Service funded posts are not due until September (2)	CEF1-31	Early Intervention Hubs	T	-21.6	29.5	0.0	0.0
			CEF2-6	Youth Offending Service	T	-7.9	0.0	0.0	0.0
		Florence Park Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-365.4	372.1	0.0	-6.7
		Reversal of Early Intervention Service funded posts not due until September (1)	CEF1-31	Early Intervention Hubs	T	-29.5	0.0	0.0	0.0
			CEF2-6	Youth Offending Service	T	0.0	29.5	0.0	0.0
		Safeguarding Admin post April to August 2011	CEF1-31	Early Intervention Hubs	T	-8.5	0.0	0.0	0.0
			CEF1-34	Engagement in Education, Employment & Training (EEET)	T	0.0	8.5	0.0	0.0
		The Orchard Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-197.0	206.0	0.0	-9.1
		Willow Tree Children's Centre Budget Approval	CEF1-32	Children's Centres and Childcare	T	-144.3	146.5	0.0	-2.2
		SENSS equipment budget	CEF1-22	SEN Support Services (SENSS)	T	0.0	9.7	0.0	0.0
			CEF3-1	Children, Education & Families Management & Central Costs	T	-9.7	0.0	0.0	0.0
		Early Intervention Management - temp budget changes	CEF1-1	Management & Central Costs	T	-82.2	0.0	0.0	0.0
			CEF1-31	Early Intervention Hubs	T	0.0	11.8	0.0	0.0
			CEF1-41	Educational Transformation & Effectiveness	T	0.0	56.3	0.0	0.0
			CEF1-52	School Organisation & Planning	T	0.0	14.0	0.0	0.0
		Adjustment for Education Psychology budget - restructure from September	CEF1-23	Identification & Assessment	T	-248.1	0.0	0.0	0.0
			CEF1-31	Early Intervention Hubs	T	0.0	248.1	0.0	0.0

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CEF	Sep	Parenting budget for April to August - from Early Intervention funding.	CEF1-31	Early Intervention Hubs	T	-30.0	0.0	0.0	0.0
			CEF3-6	Commissioning & Performance	T	0.0	30.0	0.0	0.0
	Oct	Vire budget to Head of Service to support staffing costs	CEF2-1	Management & Central Costs	T	0.0	100.0	0.0	0.0
			CEF2-22	Family Placement	T	-100.0	0.0	0.0	0.0
		Staff movement from SCT101 to Family Placement Team area budget	CEF2-22	Family Placement	T	0.0	78.4	0.0	0.0
			CEF2-5	Services for Disabled Children	T	-78.4	0.0	0.0	0.0
		Butterfly Meadows Children's Centre budget approval	CEF1-32	Children's Centres and Childcare	T	-163.2	163.9	0.0	-0.7
		Contribution towards post with pay protection for Advocacy Co-ordinator	CEF1-31	Early Intervention Hubs	T	-4.7	0.0	0.0	0.0
			CEF2-4	Safeguarding & Quality Assurance	T	0.0	4.7	0.0	0.0
	Nov	Transfer Continuing Professional Development budget to the Music Service	CEF1-41	Educational Transformation & Effectiveness	T	0.0	9.3	0.0	0.0
			CEF3-6	Commissioning & Performance	T	-9.3	0.0	0.0	0.0
		Positive Activities budget September to March	CEF1-31	Early Intervention Hubs	T	0.0	109.6	0.0	0.0
			CEF1-33	Youth & Inclusion Services	T	-155.6	46.0	0.0	0.0
		EDAS 11-12 BUDGET TIDY	CEF1-41	Educational Transformation & Effectiveness	T	-986.0	1,031.5	0.0	-45.5
		ICT STAFFING BUDGET	CEF1-41	Educational Transformation & Effectiveness	T	-85.0	114.4	0.0	-29.4
		Transformation Staffing budgets	CEF1-41	Educational Transformation & Effectiveness	T	-90.1	97.4	0.0	-7.3
		Restructure of Children's Social Care disabilities service	CEF2-1	Management & Central Costs	T	-129.2	0.0	0.0	0.0
			CEF2-5	Services for Disabled Children	T	-31.4	160.5	0.0	0.0
		Business and skills budget tidy	CEF1-6	Business & Skills (Previously 14-19 Team (Young People's Learning Agency Transfer))	T	-36.0	30.0	6.0	0.0
	Dec	Virement of budget to more appropriate cost centre	CEF2-21	Placement & Care Costs	T	-15.0	0.0	0.0	0.0
			CEF2-22	Family Placement	T	0.0	15.0	0.0	0.0
		Adjust Salary budget in line with activity	CEF2-1	Management & Central Costs	T	0.0	16.6	0.0	0.0
			CEF2-22	Family Placement	T	-16.6	0.0	0.0	0.0
		Pilot Project Budget	CEF3-6	Commissioning & Performance	T	0.0	75.0	0.0	-75.0

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CEF	Dec	Create income & expenditure budget for increased contributions towards Young Carers	CEF2-32	Family Support	T	0.0	90.0	0.0	-90.0
		Create Income & Expenditure budget in line with activity of Cross regional project	CEF2-21	Placement & Care Costs	T	-11.5	39.3	0.0	-27.9
		Correcting virement in relation to vacant post for first half of year 2011-12.	CEF2-1	Management & Central Costs	T	0.0	89.0	0.0	0.0
			CEF2-5	Services for Disabled Children	T	-89.0	0.0	0.0	0.0
		Reconciliation of old youth budgets	CEF1-31	Early Intervention Hubs	T	-119.1	131.8	0.0	0.0
			CEF1-34	Early Intervention Hubs	T	-12.7	0.0	0.0	0.0
		Not in Employment, Education or Training Budget 2011/12	CEF1-33	Youth, Engagement & Opps	T	0.0	60.0	0.0	0.0
			CEF1-34	Behaviour & Attendance	T	-60.0	0.0	0.0	0.0
SCS	Jun	Expenditure and income budgets for Bucks Fire & Rescue contribution to salary	SCS2-1	Fire & Rescue Service	T	0.0	8.0	0.0	-8.0
		Set up an income and expenditure budget for income received from the PCT for Carers Breaks	SCS1-3B	Pooled Budget Contributions	T	0.0	39.9	0.0	-39.9
	Oct	Assisted Technology Carers Bid	SCS1-1A	Prevention & Early Support	T	-6.0	0.0	0.0	0.0
			SCS1-1C	Social Work & Commissioning	T	0.0	6.0	0.0	0.0
		Assisted Technology Carers Bid - move from SKT321 to SPT562	SCS1-1A	Prevention & Early Support	T	0.0	6.0	0.0	0.0
			SCS1-1C	Social Work & Commissioning	T	-6.0	0.0	0.0	0.0
		Budget tidy up following JMG agreement on the use of additional funds from NHS	SCS1-1A	Prevention & Early Support	T	0.0	54.0	0.0	0.0
			SCS1-1E	Pooled Budget Contributions	T	-54.0	0.0	0.0	0.0
		Transfer of Carers funding to Mental Health Pool	SCS1-1A	Prevention & Early Support	T	-30.0	0.0	0.0	0.0
			SCS1-3B	Pooled Budget Contributions	T	0.0	30.0	0.0	0.0
	Dec	Part Year Costs of Home Support Transition	SCS1-1E	Pooled Budget Contributions	T	-35.2	13.2	0.0	0.0
			SCS1-2C	Pooled Budget Contribution	T	0.0	22.0	0.0	0.0
		Transfer of funds to the Pooled Equipment budget	SCS1-1A	Prevention & Early Support	T	0.0	446.0	0.0	0.0
			SCS1-1E	Pooled Budget Contributions	T	-446.0	0.0	0.0	0.0

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SCS	Dec	Creation of an income budget for the additional funding from Patient Care Trust	SCS1-3B	Pooled Budget Contributions	T	0.0	15.0	0.0	-15.0
		Additional Management Capacity in Locality Teams fromTransforming Adult Social Care Funding	SCS1-1C	Social Work & Commissioning	T	0.0	175.0	0.0	0.0
			SCS3-6	Transforming Adult Social Care	T	-175.0	0.0	0.0	0.0
		Contribution to Oxfordshire Studies relocation costs to enable Central Library to open up 2nd floor for Public access	SCS4-1	Library Service	T	-41.0	0.0	0.0	0.0
			SCS4-2	Heritage & Arts Services	T	0.0	41.0	0.0	0.0
		Funds for Memory Services from Department of Health	SCS1-1E	Pooled Budget Contributions	T	0.0	101.8	0.0	0.0
			SCS1-1F	Income	T	0.0	0.0	0.0	-101.8
Interdirectorate	Jun	Change Fund funding for the Capital Resources part 2 project CFB053	CEO1-2	Change Fund	T	-18.7	0.0	0.0	0.0
			EE4-1	Business Improvement	T	0.0	18.7	0.0	0.0
	Jul	Change Fund CFB062: E&E Oxfordshire Broadband	CEO1-2	Change Fund	T	-20.0	0.0	0.0	0.0
			EE2-3	Economy, Spatial Planning & Climate Change	T	0.0	20.0	0.0	0.0
		Change Fund CFB063: ICT - Business Continuity and Disaster Recovery	CEO1-2	Change Fund	T	-150.0	0.0	0.0	0.0
			EE3-1	Corporate Property	T	0.0	150.0	0.0	0.0
		Change Fund CFB064: Trading Standards Oxon Bucks Partnership	CEO1-2	Change Fund	T	-25.0	0.0	0.0	0.0
			SCS2-5	Trading Standards	T	0.0	25.0	0.0	0.0
	Sep	SCS transfer to CEF Continued Professional Development Budget	CEF3-6	Commissioning & Performance	T	0.0	9.3	0.0	0.0
			SCS3-1	Resource Management	T	-9.3	0.0	0.0	0.0
		Temporary funding for Direct Payment monitoring post in Payments Team	EE5-3	Financial and Management Accounting	T	0.0	27.3	0.0	0.0
			SCS1-1C	Social Work & Commissioning	T	-27.3	0.0	0.0	0.0
		Contribution to Corporate Finance training budget	CEO1-1	Chief Executive's Personal Office	T	0.0	7.0	0.0	0.0
			EE5-3	Financial and Management Accounting	T	-7.0	0.0	0.0	0.0

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Interdirectorate	Sep	Virement of salary budget from Organisation Development	CEO2-3	Organisational Development	T	-22.2	0.0	0.0	0.0
			EE5-4	Human Resources	T	0.0	22.2	0.0	0.0
		Workforce initiatives funding 2 apprentices	CEO2-3	Organisational Development	T	-10.0	0.0	0.0	0.0
			EE5-4	Human Resources	T	0.0	10.0	0.0	0.0
	Oct	CFB065 HRMAT (HR Management Advice Team) increased workload	CEO1-2	Change Fund	T	-22.0	0.0	0.0	0.0
			EE5-4	Human Resources	T	0.0	22.0	0.0	0.0
		Virement of budget to fund Oxfordshire Employment Service post to assist in creating jobs for people with disabilities	CEO2-3	Organisational Development	T	-4.6	0.0	0.0	0.0
			SCS1-4E	Employment Services	T	0.0	4.6	0.0	0.0
	Nov	Virement of budget to fund salary subsidy for vulnerable Social Care apprentices	CEO2-3	Organisational Development	T	-4.5	0.0	0.0	0.0
			EE5-4	Human Resources	T	0.0	4.5	0.0	0.0
	Dec	Part funding for hate crime/minorities post	CEO5-2	Grants	T	-22.0	0.0	0.0	0.0
			SCS2-3	Safer Communities	T	0.0	22.0	0.0	0.0
		Reallocations following Quarter 2 review of Learning and Development budgets	CEO1-1	Chief Executive's Personal Office	T	0.0	20.0	0.0	0.0
			EE5-4	Human Resources	T	-132.1	112.1	0.0	0.0
CEO	Jul	Change Fund CFB032: Lead Oxfordshire part 3	CEO1-2	Change Fund	T	-213.3	0.0	0.0	0.0
			CEO2-3	Organisational Development	T	0.0	213.3	0.0	0.0
	Oct	CFB061 Starters, Leavers, Movers form	CEO1-2	Change Fund	T	-10.0	0.0	0.0	0.0
			CEO2-1	Strategic Human Resources	T	0.0	10.0	0.0	0.0
		CFB066 joint initiative between Legal Services and Trading Standards	CEO1-2	Change Fund	T	-7.0	0.0	0.0	0.0
			CEO4-1	Legal Services	T	0.0	7.0	0.0	0.0
Grand Total						-6,694.6	7,242.3	149.6	-697.4

Redundancy Costs 2010/11 & 2011/12 as at 30 November 2011

Directorate	Redundancy Costs 2010/11								
	Funded by Directorate				Funded by Efficiency Reserve				Total
	Actual Payments made to individuals in year	Known payments accrued for in year	Estimated Provision	Total	Actual Payments made to individuals in year	Known payments accrued for in year	Estimated Provision	Total	
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Children, Education & Families									
- National Strategies & EDAS		1.255		**1.255**				**0.000**	
- Business Strategy			1.958	**1.958**				**0.000**	
- Student Support	0.030			**0.030**				**0.000**	
- Other		0.093		**0.093**				**0.000**	**3.336**
Social & Community Services									
- Restructure of Adult Social Care				**0.000**	0.468	0.129	2.917	**3.514**	
- Cultural & Community Development		0.015		**0.015**	0.049			**0.049**	
- Community Safety				**0.000**	0.067			**0.067**	**3.645**
Oxfordshire Customer Services	0.282			**0.282**	0.287			**0.287**	**0.569**
Chief Executive's Office	0.564			**0.564**				**0.000**	**0.564**
Environment & Economy	0.170	0.338		**0.508**	0.182			**0.182**	**0.690**
Total	**1.046**	**1.701**	**1.958**	**4.705**	**1.053**	**0.129**	**2.917**	**4.099**	**8.804**

Directorate	Redundancy Costs 2011/12								
	Funded by Directorate				Funded by Efficiency Reserve				Total
	Actual Funded by Directorate	Actual costs relating to 2010/11 accrual	Actual costs charged against 2010/11 Provision	Total	Actual Payments made to individuals in year	Actual costs relating to 2010/11 accrual	Actual costs charged against 2010/11 Provision	Total Funded	
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Children, Education & Families									
- National Strategies & EDAS		1.089		**1.089**				**0.000**	
- Business Strategy				**0.000**				**0.000**	
- Student Support				**0.000**				**0.000**	
-Other			0.849	**0.849**				**0.000**	**1.938**
Social & Community Services									
- Restructure of Adult Social Care	0.103			**0.103**	0.110	0.049	1.053	**1.211**	
- Cultural & Community Development	0.066	0.015		**0.081**				**0.000**	
- Community Safety	0.003			**0.003**				**0.000**	**1.398**
Oxfordshire Customer Services	0.035			**0.035**				**0.000**	**0.035**
Chief Executive's Office				**0.000**				**0.000**	**0.000**
Environment & Economy	0.077	0.338		**0.415**				**0.000**	**0.415**
Total	**0.283**	**1.442**	**0.849**	**2.575**	**0.110**	**0.049**	**1.053**	**1.211**	**3.786**

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EARMARKED RESERVES

Earmarked Reserves	2011/12 Balance at 1 April 2011 £000	Movement: Contributions from Reserve £000	Movement: Contributions to Reserve £000	Balance at 31 March 2012 £000	*October 2011* Balance at 31 March 2012 £000	Change in Closing Balance Forecast £000	Commentary
Children, Education & Families							
Primary	12,583			12,583	12,583	0	
Secondary	7,698			7,698	7,698	0	
Special	1,288			1,288	1,288	0	
Sub-total schools' revenue reserves	**21,569**	**0**	**0**	**21,569**	**21,569**	**0**	
School Loans	-1,187	-449	311	-1,325	-1,187	-138	
Total schools' reserves	**20,382**	**-449**	**311**	**20,244**	**20,382**	**-138**	
Schools' Contingency	-14			-14	-14	0	
Schools' Partnerships	290			290	290	0	
Schools' Insurance	265			265	265	0	
Youth Management Committee	308	-188		120	120	0	To be used in 2012/13
Supply Cover	260			260	260	0	
Oxfordshire Rural Children's Centres	18			18	18	0	
Safeguarding Board	122			122	122	0	
Early Intervention Service Equipment Reserve (previously called Youth Support Service - computer system)	139	-49	154	244	90	154	Contribution from hubs and Riverside satellite
Residential Centres	95	-65		30	11	19	
Youth Offending Service	147	-147		0	0	0	To fund 4.5 FTE members of staff for the year
Joint Use Reserve	171			171	171	0	
ICT Service			66	66		66	New reserves agreed at Cabinet on 20 December 2011
Governor Services			25	25		25	New reserves agreed at Cabinet on 20 December 2011
Foster Carer Loans			34	34		34	New reserves agreed at Cabinet on 20 December 2011
ICT Projects			519	519		519	New reserves agreed at Cabinet on 20 December 2011
Staff Training & Development			220	220			Request for new reserve
CEF Directorate Total	**22,183**	**-898**	**1,329**	**22,614**	**21,715**	**899**	
Social & Community Services							
Cultural Services General	69		59	128	128	0	
ICT/Digitisation projects	851		132	983	983	0	Provision for updating of software/hardware to maintain an effective library management system.
Vehicle Renewals	107		52	159	159	0	
Donations	25	-1		24	24	0	
Older People Pooled Budget and Learning Disabilities Pooled Budget Reserve	1,424	-1,424		0	0	0	Utilisation of Winter Pressures funding.
OSJ Client Income Reserve	64			64	64	0	
Personal Budgets	188			188	188	0	
S117 Reserve	23			23	23	0	
<u>Fire & Rescue</u>							
Securing Water Supplies	27			27	37	-10	
Protective Clothing	39		51	90	90	0	
Breathing Apparatus Equipment	217		10	227	227	0	
Communications Fund	84		20	104	104	0	
Vehicles	457	-1,120	870	207	205	2	
IT	160	-130		30	29	1	

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EARMARKED RESERVES

Earmarked Reserves	2011/12 Balance at 1 April 2011 £000	Movement: Contributions from Reserve £000	Movement: Contributions to Reserve £000	Balance at 31 March 2012 £000	*October 2011* Balance at 31 March 2012 £000	Change in Closing Balance Forecast £000	Commentary
Rescue Equipment	26			26	26	0	
Fire Control	377		201	578	578	0	Funding expected to be used by March 2014
Fire Link	139			139	139	0	
New Dimensions	25		25	50	50	0	
Emergency Planning							
Vehicle Renewals	42			42	42	0	
Trading Standards							
Vehicles Replacement Reserve	7			7	7	0	
Trading Standards Reserve	12			12	12	0	
Gypsy & Traveller Services - Site Refurbishment	198	-136		62	198	-136	Works should be completed in 2011/12.
SCS Directorate Total	**4,561**	**-2,811**	**1,420**	**3,170**	**3,313**	**-143**	
Environment & Economy							
Countryside Ascot Park	18			18	18	0	
Carbon Reduction	60			60	60	0	
SALIX Repayments	129			129	129	0	
Highways Winter Maintenance	18			18	18	0	
Dix Pit WRC Development	13			13	13	0	
Oxfordshire Waste Partnership Joint Reserve	121			121	121	0	
Transport	250			250	250	0	
Tourism Signs	102			102	102	0	
On Street Car Parking	1,093		926	2,019	1,093	926	Anticipated contribution to reserve by the end of the year.
Dix Pit Engineering Works	866	-322	167	711	711	0	Used to fund construction of cell 3K, Dix Pit
Waste Management	1,913	-2,070	1,937	1,780	1,780	0	Used to support the bid & planning costs of the Waste Treatment Project
Landfill Allowance Trading Scheme	327			327	327	0	
Vehicle Renewals	61			61	61	0	
Capital Salaries transfer	53			53	53	0	
Property Disposal Costs	115			115	115	0	
Developer Funding (Revenue)	191			191	191	0	
West End Partnership	218	-75		143	143	0	
Oxfordshire Customer Services							
Development Reserve	472	-472		0	0	0	Used to fund projects which will contribute to the business strategy
Money Management Reserve	40			40	40	0	Contingency in case of an overspend if income received is less than budget
Oxfordshire - Buckinghamshire partnership	332	-332		0	0	0	To be spent by the partnership
Food with Thought / QCS Cleaning	1,409			1,409	1,183	226	To be used to invest in the business plus a contingency for unforseen costs
Customer Service Centre Reserve	1,883	-50		1,833	866	967	Project funding
Schools ICT	10	-10		0	0	0	
EE Directorate Total	**9,694**	**-3,331**	**3,030**	**9,393**	**7,274**	**2,119**	
Chief Executive's Office							
Change Fund	869	-686	308	491	655	-164	See paragraph 10 of the CEO report
CIPFA Trainees	36			36	36	0	This provides cover for any unbudgeted CIPFA trainee costs - pay costs fluctuate according to the qualification level that the current trainees have reached.

November Financial Monitoring and Business Strategy Delivery Report CA6 Annex 4
CABINET - 17 January 2012
EARMARKED RESERVES

Earmarked Reserves	2011/12 Balance at 1 April 2011 £000	Movement: Contributions from Reserve £000	Movement: Contributions to Reserve £000	Balance at 31 March 2012 £000	*October 2011* Balance at 31 March 2012 £000	Change in Closing Balance Forecast £000	Commentary
Council Elections	207		126	333	207	126	This will be used for the 2013 election
FMSIS Audit	27	-27		0	0	0	To be used for school audits
Registration Service	180		220	400	180	220	To be used for refurbishing the Registration buildings and facilities
CEO Directorate Total	**1,319**	**-713**	**654**	**1,260**	**1,078**	**182**	
Corporate							
Insurance Reserve	6,249	-2,400		3,849	3,849	0	
Carry Forward Reserve	9,891	-9,891	4,730	4,730	4,640	90	
Capital Reserve	16,579			16,579	16,579	0	
Other Reserves	-1			-1	-1	0	
LABGI Reserve	496	-224		272	496	-224	
Budget Reserve - Agreed 2009	6,107	-6,107	4,361	4,361	4,361	0	
Efficiency Reserve	3,776	-589	6,670	9,857	9,857	0	
Prudential Borrowing Reserve	3,885		1,250	5,135	5,135	0	
Corporate Total	**46,982**	**-19,211**	**17,011**	**44,782**	**44,916**	**-134**	
Total	**84,739**	**-26,964**	**23,444**	**81,219**	**78,296**	**2,923**	

November Financial Monitoring and Business Strategy Delivery Report
CABINET - 17 January 2012
Forecast Revenue Balances

Date		Forecast 2011/12 £m	Forecast 2011/12 £m	Budget 2011/12 £m
	Provisional outturn 2010/11	14.059		13.056
	Local Area Agreement (LAA) Performance Reward Grant	0.678		
	County Fund Balance		**14.737**	**13.056**
	Planned Contribution to Balances		1.619	1.619
	Original forecast outturn position 2010/11		**16.356**	**14.675**
	Additions			
			0.000	0.000
	Calls on balances deducted			
Jul-11	Foster Care Loan	-0.012		
Aug-11	Skills LAA Reward Grant	-0.339		
Aug-11	PRG for Broadband project	-0.116		
Aug-11	PRG for OCVA (Oxfordshire Community Voluntary Association) & ORCC (Oxfordshire Rural Community Council)	-0.107		
Aug-11	PRG for District Council Partnerships	-0.116		
	Total calls on balances		-0.690	-2.000
	:			
	Net Forecast Balances		**15.666**	**12.675**
	Total budget requirement		**408.616**	**408.616**
	Provisional balances as a % of budget requirement		**3.83%**	**3.10%**
	Net ForecastBalances		**15.666**	
	Calls on balances agreed but not actioned			
	Asylum fortuitous 2010/11 grant income returned to balances		0.068	
			0.000	
	Calls on balances requested in this report			
			0.000	
	Revised Forecast Outturn position		**15.734**	

Pooled Budgets

Older People, Physical Disabilities and Equipment Pool

Original Budget £m	Latest Budget £m		Forecast Variance November 2011 £m	Forecast Variance October 2011 £m	Change in Variance £m
		Council Elements			
		Older People			
48.717	50.376	Care Homes	+0.639	+0.270	-0.369
31.571	27.736	Community Support Purchasing Budget	-1.402	-1.516	+0.114
80.288	**78.112**	**Total Older People**	**-0.763**	**-1.246**	**+0.483**
		Physical Disabilities			
2.546	2.546	Care Homes	+0.524	+0.534	-0.010
4.334	4.203	Community Support Purchasing Budget	+1.209	+1.267	-0.058
6.880	**6.749**	**Total Physical Disabilities**	**+1.733**	**+1.801**	**-0.068**
0.910	1.085	**Equipment**	+0.272	+0.272	+0.000
88.078	**85.946**	**Total Council Elements**	**+1.242**	**+0.827**	**+0.415**
		PCT Elements			
26.809	24.843	Older People	+1.067	+1.143	-0.076
4.047	6.274	Physical Disabilities	+0.117	-0.048	+0.165
0.312	0.550	Equipment	+0.160	+0.160	+0.000
31.168	**31.667**	**Total PCT Elements**	**+1.344**	**+1.255**	**+0.089**
119.246	**117.613**	**Total Older People, Physical Disabilities and Equipment Pool**	**+2.586**	**+2.082**	**+0.504**

Learning Disabilities Pool

Original Budget £m	Latest Budget £m		Forecast Variance November 2011 £m	Forecast Variance October 2011 £m	Change in Variance £m
		Council Elements			
52.423	45.532	Personal Budgets	+0.082	+0.606	-0.524
12.190	17.229	Other Services	-0.082	0	+0.382
64.613	**62.761**	**Total Council Elements**	**+0.000**	**+0.142**	**-0.142**
11.866	**+11.962**	**PCT Elements**	**+0.000**	**+0.000**	**+0.000**
76.479	**74.723**	**Total Learning Disabilities Pool**	**+0.000**	**+0.142**	**-0.142**

Government Grant Details - 2011/12

Directorate	Budget Book	In year Adjustments/ New Allocations previously reported	In year Adjustments/ New Allocations reported this month	Latest Allocation
	£m	£m		£m
Children, Education & Families				
Dedicated Schools Grant				
2011/12 Allocation	386.803	-7.074	0.086	379.815
2010/11 Allocation		2.692		2.692
Pupil Premium	3.400	1.217		4.617
Young People Learning Agency – Sixth Form Funding	27.608			27.608
Young People Learning Agency – SEN	0.491			0.491
Additional Grant - Phonics, Physical Education, Maths & Science Teachers (MAST) and New Opportunties		0.340		0.340
Music	0.640	0.064		0.704
Youth Justice Board		0.924		0.924
Young People's Learning Agency - Young Apprentice		0.033		0.033
Intensive Interventions Programme (DfE)		0.140		0.140
Intensive Interventions Programme (DfE) Sector Advisors		0.015		0.015
Children's Centres Payment by Results Pilot		0.075		0.075
Asylum (UASC & Post 18)		1.328		1.328
Total Children, Education & Families	**418.942**	**-0.246**	**0.086**	**418.782**
Social & Community Services				
Workstep Grant		0.275		0.275
Total Social & Community Services	**0**	**0.275**		**0.275**
Environment & Economy				
Skills Funding Agency - Adult Education	3.803			3.803
Natural England	0	0.221		0.221
Total Environment & Economy	**3.803**	**0.221**	**0**	**4.024**
Strategic Measures				
Early Intervention Grant	21.329	0.094		21.423
Learning Disabilities & Health Reform Grant	19.224			19.224
Fire Revenue Grant	0.183			0.183
Community Safety Fund	0.563	0.004		0.567
Lead Local Flood Authority	0.158			0.158
Extended Rights to Free Travel		0.630		0.630
New Homes Bonus	0	0.491		0.491
Council Tax Freeze Grant	7.063	0.004		7.067
Total Strategic Measures	**48.520**	**1.223**	**0**	**49.743**
Total Grants	**471.265**	**1.252**	**0.086**	**472.824**

Oxfordshire County Council's Treasury Management Lending List
as at 23 December 2011

Counterparty Name	Lending Limits			
	Standard Limit £	Group Limit £	Group	Period Limit
PENSION FUND Call Accounts / Money Market Funds				
Santander UK plc - PF A/c	50% Pension Fund Portfolio			1 mth
Lloyds TSB Bank plc - Callable Deposit A/c (OXFORDCCPEN)	50% Pension Fund Portfolio			1 mth
Royal Bank of Scotland Liquidity Select A/c	50% Pension Fund Portfolio			O/N
Ignis Sterling Liquidity Fund - (Pension Fund)	50% Pension Fund Portfolio			6 mths
Call Accounts / Money Market Funds				
Santander UK plc - Main A/c	5,000,000	5,000,000	a	1 mth
Lloyds TSB Bank plc - Callable Deposit A/c	5,000,000	5,000,000	b	1 mth
Royal Bank of Scotland - Call A/c	5,000,000			O/N
Goldman Sachs Sterling Liquid Reserves Fund	25,000,000			6 mths
Deutsche Managed Sterling Fund	25,000,000			6 mths
Prime Rate	5,000,000			6 mths
Ignis Sterling Liquidity Fund - (County Council)	25,000,000			6 mths
Money Market Deposits				
Santander UK plc Time Deposit Facility	5,000,000	5,000,000	a	1 mth
Bank of Montreal	20,000,000			3 mths
Bank of Nova Scotia	20,000,000			3 mths
Bank of Scotland Plc	5,000,000			1 mth
Barclays Bank Plc	5,000,000			1 mth
Canadian Imperial Bank of Commerce	20,000,000			3 mths
Commonwealth Bank of Australia	25,000,000			3 mths
Debt Management Account Deposit Facility	100% Portfolio			6 mths
English, Welsh and Scottish Local Authorities	25,000,000			3 years
HSBC Bank plc	20,000,000			3 mths
JP Morgan Chase Bank	20,000,000			3 mths
Lloyds TSB Bank plc	5,000,000	5,000,000	b	1 mth
National Australia Bank	20,000,000			3 mths
National Bank of Canada	10,000,000			3 mths
Royal Bank of Canada	25,000,000			3 mths
Royal Bank of Scotland	5,000,000			O/N
Standard Chartered Bank	20,000,000			3 mths
Toronto-Dominion Bank	20,000,000			3 mths

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Financial Monitoring & Business Strategy Delivery Report November 2011 (Cabinet January 2011)
Capital Programme 2011/12 to 2015/16

Directorate	Latest Approved Capital Programme (Cabinet October 2011)			Latest Forecast			Variation			Current Year Expenditure Monitoring				Performance Compared to Original Programme (Council February 2011)		
	Current Year	Future Years	Total	Current Year	Future Years	Total	Current Year	Future Years	Total	Actual expenditure to date	Commitments	Expenditure Realisation Rate	Actuals & Commitments	Current Year	Variation	Use of Resources Variation
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	%	%	£'000s	£'000s	%
Children, Education & Families 1 - OCC	30,689	145,071	175,760	30,428	138,506	168,934	-261	-6,565	-6,826	17,260	8,562	57%	85%	34,643	-4,215	-12%
Social & Community Services	9,927	13,787	23,714	8,907	20,624	29,531	-1,020	6,837	5,817	994	2,130	11%	35%	10,521	-1,614	-15%
Environment & Economy 1 - Transport	23,648	80,746	104,394	25,227	103,799	129,026	1,579	23,053	24,632	11,765	7,468	47%	76%	19,261	5,966	31%
Environment & Economy 2 - Other Property Development Programmes	4,670	11,642	16,312	3,201	30,631	33,832	-1,469	18,989	17,520	957	415	30%	43%	6,522	-3,321	-51%
Chief Executive's Office	105	20	125	195	155	350	90	135	225	0	0	0%	0%	90	105	117%
Total Directorate Programmes	**69,039**	**251,266**	**320,305**	**67,958**	**293,715**	**361,673**	**-1,081**	**42,449**	**41,368**	**30,976**	**18,575**	**46%**	**73%**	**71,037**	**-3,079**	**-4%**
Schools Local Capital	7,787	11,308	19,095	8,087	12,303	20,390	300	995	1,295	5,854	0	72%	72%	6,930	1,157	17%
Earmarked Reserves	0	57,645	57,645	0	52,733	52,733	0	-4,912	-4,912					63	-63	-100%
OVERALL TOTAL	**76,826**	**320,219**	**397,045**	**76,045**	**358,751**	**434,796**	**-781**	**38,532**	**37,751**	**36,830**	**18,575**	**48%**	**73%**	**78,030**	**-1,985**	**-3%**

Financial Monitoring & Business Strategy Delivery Report November 2011 (Cabinet January 2011)
Capital Programme 2011/12 to 2015/16

In-year Expenditure Forecast Variations

Project/ Programme Name	Previous 2011/12 Forecast * £'000s	Revised 2011/12 Forecast £'000s	Variation £'000s	Comments
Children, Education & Families				
Wantage, Fitzwaryn - Phase 2 (Modernisation & new Post 16 accommodation) (ED715)	1,450	1,650	200	On-site for modernisation phase (3 class ext and internal remodel) complete, except for internals (Dec 11). Post 16 on-site Nov 11. £40k contingency returned back to capital programme.
Bayards (New Scheme) - replacement of existing buildings and additonal space to meet basic need	150	50	-100	Future years phasing updated.
Existing Demographic Pupil Provision (Basic Needs Programme)	770	470	-300	Projects being developed. Draw down of budget provision for the project below.
Wantage, Charlton - Phase 2 Foundation & Studio (ED787)	0	300	300	Stage 2 Approval, forecast start Jan 2012.
Other Small Changes			-361	
CE&F TOTAL IN-YEAR VARIATION			**-261**	
Schools Local Capital				
Devolved Formula Capital	6,400	6,700	300	Analysis at year end to determine programme spend (Additional school funding used in 10/11 from revenue and external sources). DFC allocation of £1.787m included for 2016/17. Allocation from 12/13 reduced from 1.910m due to schools converting to Acad
SCHOOLS LOCAL CAPITAL TOTAL IN-YEAR VARIATION			**300**	
Social & Community Services				
ECH - New Schemes & Adaptations to Existing Properties	375	100	-275	Re-profiled.
ECH - Greater Leys (SS105)	828	409	-419	Forecast start Mar 2012.
Adult Social Care IT Infrastructure	134	0	-134	Corporate funding of £130k towards Adult Social Care Management System Upgrade.
Other Small Changes			-192	
S&CS TOTAL IN-YEAR VARIATION			**-1,020**	
Environment & Economy (excluding Transport)				
Asset Strategy Implementation Programme	179	75	-104	Re-profiles
Energy Conservation (Prudentially funded)	310	60	-250	Updated project appraisal approved. Spend profile may increase further as additional projects are confirmed through the year.
Installation of Solar Panels on Non-School Buildings	500	30	-470	Programme removed following reduction in Feed-in-Tariffs. Funding re-allocated in Capital Budget setting process to another Energy reduction scheme.
Kidlington WRC	750	150	-600	A number of potential implications that could cause delay or cost increase are currently being investigated, the outcomes of which will be reported accordingly
Other Small Changes			-45	
E&E (EXCLUDING TRANSPORT) TOTAL IN-YEAR VARIATION			**-1,469**	

Financial Monitoring & Business Strategy Delivery Report November 2011 (Cabinet January 2011)
Capital Programme 2011/12 to 2015/16

In-year Expenditure Forecast Variations

Project/ Programme Name	Previous 2011/12 Forecast * £'000s	Revised 2011/12 Forecast £'000s	Variation £'000s	Comments
Highways & Transport				
Banbury: Higham Way Access Road	197	24	-173	Alternative design being developed and consulted on in order to deliver scheme within budget. Cost increase to £0.200m. Shortfall met via LTP match funding. **Adoption of road holding up construction start date.**
A44 Crossing, Yarnton	345	32	-313	Delay in start date due to conflict with other works in the area
Didcot Station Forecourt	1,037	593	-444	Further slippage of £0.129m this month
Carriageway Schemes (non-principal roads)	6,963	8,464	1,501	Schemes brought forward from future years and delivered in 2011/12
Surface Treatments	3,783	4,910	1,127	Schemes brought forward from future years and delivered in 2011/12
Other Small Changes			-119	
HIGHWAYS & TRANSPORT TOTAL IN-YEAR VARIATION			**1,579**	
Chief Executive's Office				
Big Society Fund	0	90	90	Projects funded from the Big Society Fund that are of a capital nature, therefore need to be included in the capital programme. Funded as a revenue contribution to capital.
CHIEF EXECUTIVE'S OFFICE TOTAL IN-YEAR VARIATION			**90**	
CAPITAL PROGRAMME TOTAL IN-YEAR VARIATION			**-781**	

* As approved by Cabinet 18 October 2011

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Division(s): NA

CABINET – 17 JANUARY 2012

THE COUNCIL PLAN 2012/13 – 2016/17

Report

Background

1. The Corporate Plan produced last year built on the Council's new business strategy and outlined how we would respond to the significant reduction in budget and the new policy direction of the coalition government.

Key Issues

2. The 2012/13-2016/17 plan is a fairly light touch refresh of last year's plan, though it also seeks to reflect the significant changes that have been implemented over the past 12 months.

3. Cabinet members are asked to comment on the attached draft and give approval to the Plan going before Council on 7th February 2012.

4. The Strategy and Partnerships Scrutiny Committee discussed the Plan on 12th January - comments from the Committee will be provided to Cabinet in a verbal update.

5. We are currently working on identifying appropriate performance metrics for the plan, to drive the Council's performance framework for next year. This information will be included with the Plan when it is considered by Council in early February.

RECOMMENDATION

6. **Cabinet is RECOMMENDED to approve the draft Council Plan going before Council on 7th February 2012.**

SUE SCANE
Report by Assistant Chief Executive & Chief Finance Officer

Contact: Maggie Scott Senior Policy Manager tel 01865 816081

December 2011

DRAFT

The Council Plan 2012/13 – 2016/17

Foreword from the Council Leader

TO FOLLOW

About Oxfordshire

Oxfordshire is home to around 650,000 people. The population is increasing but it remains a predominantly rural area and is the least densely populated county in the South East of England.

Oxfordshire is a place that people like to live and work in, with a high quality built and natural environment and thriving economy:

- 87% of residents regard the county as a good place to live (Place Survey 2008/09)
- The population is healthier and more prosperous than most other areas
- Our economy contributes £15.4 billion to the national economy and has considerable scope for further growth, boosted by the recent announcement of a 92 hectare enterprise zone in the Science Vale area in the south of the county.
- Unemployment is amongst the lowest in the country, with less than 2% of residents claiming job seekers allowance (December 2011).
- Residents and businesses benefit from the county's position at the heart of the UK rail and road transport network

As well as these positives Oxfordshire faces a number of significant challenges:

- More than 30% of the county's workforce is currently employed in the public sector, making us particularly vulnerable to the impact of budget cuts;
- Housing availability and affordability remains a problem
- There are pockets of significant deprivation, with 18 local areas in the county within the 20% most deprived in England.
- Educational attainment at GCSE level is below the regional and national averages and 6% of 16-18 year olds are not in employment, education or training. These factors contribute to the skills gap experienced by around one in five employers in Oxfordshire.
- Positive improvements in life expectancy mean the County has a growing older population; the number of residents aged over 85 is predicted to more than double by 2033, presenting challenges to service delivery

More key facts about Oxfordshire available on the Oxfordshire Data Observatory website: www.oxfordshireobservatory.info/aboutoxfordshiredata

[MAP TO BE ADDED]

Context

In last year's budget the Council identified the need to make savings of £119 million between 2011/12 and 2015/16. In addition the coalition government set out a new policy direction with profound implications for the council and other public sector organisations. Last year's Corporate Plan explained how we would respond to these changes.

The past twelve months have been challenging. We have focused on protecting front line services and ongoing delivery of the Council's core business whilst at the same time becoming significantly slimmer and more efficient, through radical transformation of all service areas.

Notable changes in the past year include:

- Savings worth £55m on course to be delivered
- The Council is now very much leaner. The restructuring that we started in 2010/11 has continued in 2011/12. All services have now been, or are currently being, restructured. There has also been a reduction in the number of council Directorates from five to three (Economy and Environment; Children, Education and Families; Social and Community Services, supported by a significantly smaller Chief Executive's Office),
- The number of senior managers employed has reduced by over 40% in the period 1 April 2010 to 30 September 2011. In the same period overall staffing numbers (excluding schools) have reduced by 12.9%.
- A stronger focus on achieving and supporting economic growth, with the establishment of the business-led Oxfordshire Local Enterprise Partnership and announcement of a Local Enterprise Zone in the south of the county, sitting alongside a refocused Oxfordshire Skills Board.
- We have established a new Early Intervention and Prevention Service to work with troubled families to help identify solutions before they escalate
- We have been part of the Department of Health early implementers programme and worked closely with health colleagues to establish a shadow Health and Wellbeing Board.
- We have established an Infrastructure Fund to enable forward funding of projects, unlocking further opportunities for investment in local infrastructure.
- We have focused on supporting the development of Oxfordshire's Big Society and increasing levels of community engagement, including establishing a Big Society fund to enable local communities to do more to help themselves.

The approach set out in last year's directorate business strategies and the overarching Corporate Plan will continue to provide the foundations for our strategy. The next twelve months will therefore be the second year of delivering the four year plan we set out last year.

Key issues to address in the next twelve months:

- We will continue to protect front line staff, in particular in those core services that support and protect the most vulnerable residents in Oxfordshire
- We will achieve further savings of £37m in 2012/13
- We will implement national policy changes that affect the Council and our key partners. This includes:

- Localism Act 2011 – a range of measures to support decentralisation including new community rights, reforms to planning processes and empowerment of local government and local communities
- Open Public Services – sets out the government's intention to increase choice, decentralise power, diversify public service provision and increase accountability and transparency
- Local Government Resource Review – proposals for major changes to the way in which local authorities are funded, including some element of local retention of business rates (rather than the current system of formula grants based on population and need). This puts economic growth at the heart of securing quality public services in future
- Schools- current government policy places increasing emphasis upon school autonomy, through Free Schools and Academies, and a more specific role for local authorities in supporting those most in need, thereby changing the relationship between the Council and local schools.
- Strategic National Planning framework - we will take a local leadership role to align funding streams and deliver priority outcomes for Oxfordshire.
- Health and Social Care Bill - from April 2012 all upper tier authorities will be required to lead a new statutory Health and Wellbeing Board to develop a local Health and Wellbeing Strategy and co-ordinate the commissioning of public health, clinical and social care. In addition public health functions will transfer to local authorities in 2013, with shadow funding allocations to be made in 2012. A Social Care Reform White Paper is expected in Spring 2012. This is likely to have significant implications for the way in which social care services are funded in future and respond to the recommendations of the Dilnot Review.
- Police and Social Responsibility Act 2011 - establishes the role of a Police and Crime Commissioner for each Police Authority area and the subsequent abolition of Police Authorities. Police and Crime Commissioners will allocate local community safety funding which had previously been provided direct to the Council.

The remainder of this plan summarises our broad strategic direction within the context of the challenges set out above.

Our Goal: A Thriving Oxfordshire

We will continue to work towards the same strategic objectives as last year but are now setting these within the context of delivering an overall goal of a Thriving Oxfordshire. This means having fulfilled people, vibrant and active communities, and a great place; maximising economic growth whilst ensuring that the fruits of growth are enjoyed by all parts of our community and minimising any negative impact on our environment.

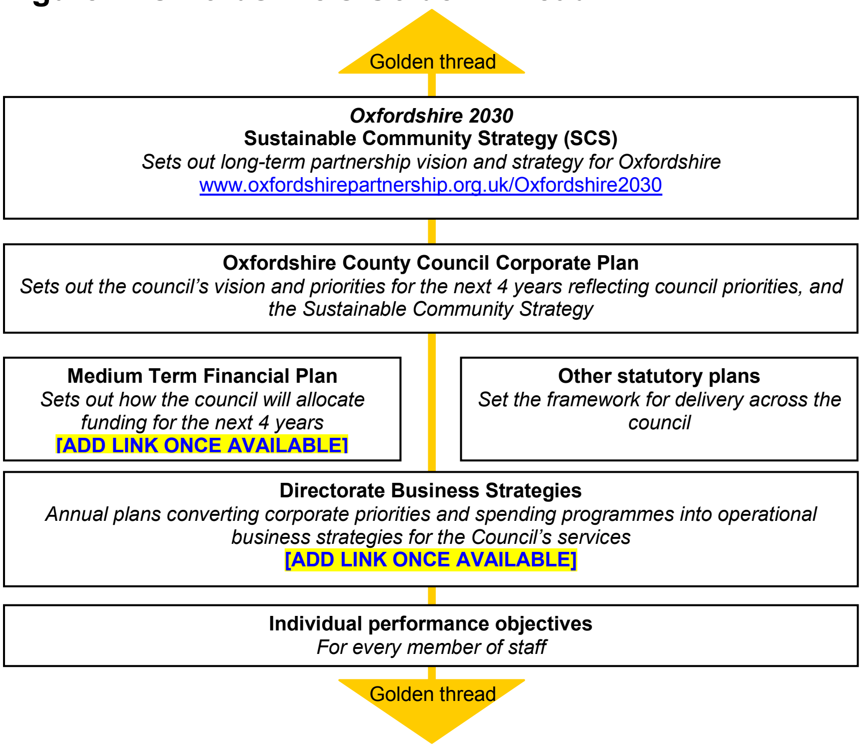
To deliver a Thriving Oxfordshire the Council will work towards the following strategic objectives:

Thriving Oxfordshire		
World Class Economy	**Healthy and Thriving Communities**	**Enhancing the Environment**
Efficient Public Services		

These objectives fit into the 'golden thread' shown in Figure 1. This links all of our work from top level objectives through to service delivery and ensures that as a Council we take a coordinated approach to the challenges we face.

Our strategic objectives continue to be consistent with Oxfordshire 2030, the county's long term plan which was developed with partners in 2008. Despite very significant changes to the financial and policy environment that the Council and our local partners face, we remain committed to working together to deliver the longer term ambitions for Oxfordshire.

Figure 1: Oxfordshire's Golden Thread

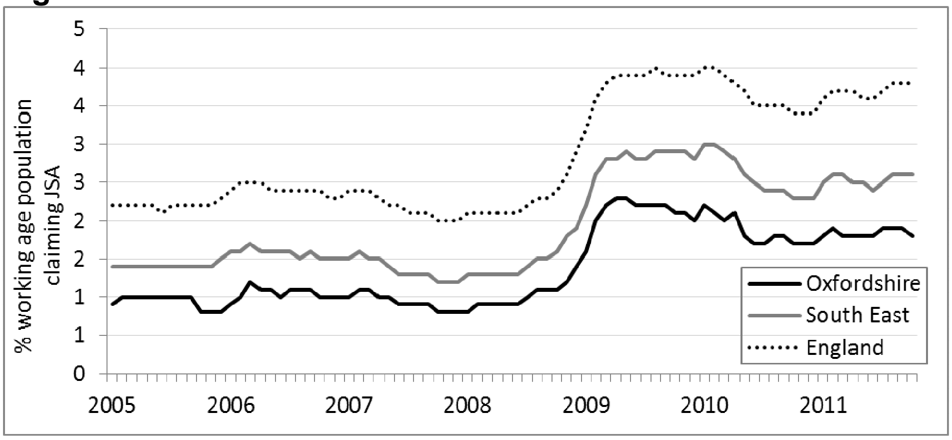


World Class Economy

Oxfordshire forms the hub of Britain's knowledge economy with the largest concentration of research and development activity in Western Europe, driven by Science Vale UK, two universities and their many spin-off research centres and start-up businesses.

We have one of the strongest economies in the South East and despite the national and global economic difficulties, continue to have one of the lowest rates of unemployment in the country. In order to maintain and build on this strong position we must nurture and invest in the local economy.

Figure 2: Job Seeker Allowance Claimants



Source: Department for Work and Pensions, December 2011 (from Nomis)

The ongoing success of our economy is fundamental to achieving broader ambitions for Oxfordshire. Without economic success we will lack the ability to compete in a global market and generate the wealth that will in turn enable investment to be made more widely in society.

Economic growth has to be delivered by business, but the County Council has a vital role to play in providing strategic leadership and facilitating the creation of an environment that enables business to flourish. We are key partners on the Oxfordshire Local Enterprise Partnership and are supporting the establishment of an Enterprise Zone at Science Vale UK. We also have a key role to play in our leadership of strategic planning and infrastructure provision across Oxfordshire.

Infrastructure
We want to ensure that infrastructure enables rather than limits our economic growth. To achieve this we are working with our district council colleagues to develop a strategic infrastructure framework for the county. This seeks to maximise and align national and local funding to a common agenda of what needs to be built and where.

The county's population is expected to continue to grow rapidly, and although the gap between earnings and house prices has fallen slightly since the start of the recession housing affordability remains a problem in Oxfordshire. Ensuring an adequate supply of affordable housing remains a key factor in encouraging economic growth, so although housing development has slowed in the short term our ambition remains to see planned major developments around Banbury, Bicester, Didcot, Oxford and Wantage realised.

Transport
Enabling movement by car, lorry and public transport remains a key objective. We are fortunate to be strategically well located, just over an hour away from London and Birmingham, with good transport links via the motorway and road and rail networks.

Oxford city already has some of the highest use of public transport in the country and we will continue to work closely with local bus companies to build upon this. Significant improvements are planned for the local rail network, including the opening of a second mainline route between Oxford and London via Bicester by 2013 and the electrification of the existing route by 2017. The government have also recently given provisional approval for a new East-West rail line that will link Reading, Oxford and Aylesbury with Milton Keynes and Bedford. Government has also agreed that a new rail route between Oxford and London Marylebone will be built – Evergreen 3 – including a new station at Water Eaton.

Further work is also underway with Government Agencies to deliver improved road links at pinch points across the county, to support growth. This includes Junction 9 of the M40 at Bicester, Cogges Link Road in Witney and improvements to the network around the Science Vale area.

We have moved responsibility for road safety education into our Fire & Rescue Service, who are well placed to deliver targeted prevention activities to those people most at risk in our local communities and help keep the county on the move.

Broadband
Although some areas in Oxfordshire are already benefiting from next-generation, superfast broadband, other parts of the county, particularly in rural areas, still do not have an acceptable level of standard broadband service. We want to support economic growth and ensure that business and others who need it have access to excellent broadband services, and are working closely with public and private sector organisations and with individual communities to develop the right solutions for Oxfordshire.

Skills
Despite the many positives outlined above the county does face a number of challenges, in particular the need to address the skills gap experienced by one in five employers in Oxfordshire and the numbers of young people who are not in education, employment or training. A significant factor in both issues is Oxfordshire's relatively poor GCSE results. Our performance is more often in line with national averages rather than being well above as should be expected, given the overall affluence of the county. Disappointingly, our GCSE results fell below national averages in 2011. The Council's Strategic Plan for Education sets out how OCC will support improvements in attainment and support schools to ensure that every school is judged to be at least good by Ofsted, and aspires to become outstanding. In 2012 there will be a targeted campaign to improve reading standards across the pupil population.

Our Priorities for Action

- **Oxfordshire Local Enterprise Partnership (LEP) –** we will continue to support the partnership and through it work with the private and academic sectors to create the conditions to realise Oxfordshire's economic potential. In particular we will work with others to ensure delivery of the Local Enterprise Zone in the south of the county, and encourage growth in the other priority locations of Oxford city and Bicester.
- **Infrastructure –** we will work across the public sector locally and with central government agencies to prepare an infrastructure plan. Through this we will align investment priorities and decisions to achieve our shared ambitions for Oxfordshire and meet local needs. We will adopt a new approach to securing contributions to infrastructure from developers, and develop proposals that encourage innovative ways of using funds available to deliver necessary infrastructure in a timely way.
- **Tackling transport priorities –** we will work closely with our partners to ensure that our transport strategy supports the needs of the local economy and realises the opportunity to develop alternatives to car use where appropriate and suitable. We are supporting communities through the Area Stewardship Maintenance Fund to enable them to help us address local priorities (such as replacement of non-priority road signs or grass verge cutting). We will seek to secure funding and final commitment to East West Rail, as well as the addressing pinch points in the road network.
- **Broadband –** we are working with business network providers to develop and implement a strategy for the roll out of Super Fast Broadband across the county, to improve access and support business growth.
- **Skill levels –** we are working with others to link adult skills provision to the needs of the local economy and reduce the number of young people not in education, employment or training (NEET). We have also expanded apprenticeship provision, and aim to continue this important entry into the job market, particularly among public sector organisations and local businesses.
- **Educational Attainment –**National policy and funding structures are shifting and we will ensure that the council can respond effectively so that the needs of all pupils are met. We have worked with key partners across the county to agree a new Strategic Plan for Education and we will focus on delivery of six strands:
    - Aspiration networks – funding allocated to clusters of schools to support each other to bring about whole system improvement.
    - A concentrated approach to securing strong and dynamic leadership and governance.
    - Promotion of Inspirational and Excellent Teaching in all subjects and across all phases.
    - Early Intervention and a Good Start in Life – helping families to make sure children get a good start in life and are in school and ready to learn throughout their education.
    - Targeted and Intensive Support for schools below the Floor Standard, those at risk of becoming so and those struggling to improve.
    - A campaign that everyone can help with – Every Oxfordshire Child a Good Reader

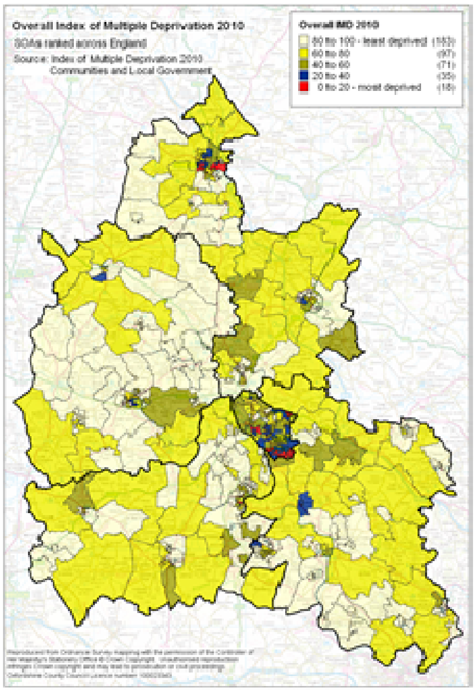
Healthy and Thriving Communities

Most local residents think Oxfordshire is a good place to live. People are generally affluent and healthy, the sense of community is strong and they feel safe in their local areas.

Health
Oxfordshire residents enjoy above average life expectancy, although there are variations across the county. The council works closely with key partners to help deliver the Director of Public Health's priorities: address the demographic challenge, break the cycle of deprivation, improve mental health services, tackle obesity and alcohol related harm, and fight killer diseases.

Breaking the cycle of deprivation
Overall Oxfordshire is an affluent county and levels of deprivation are low, but some small areas in Oxford City and Banbury fall within the 20% most deprived areas in the country. We will continue to work closely with our partners in these communities to address social failure and break the cycle of deprivation that can involve generation after generation of families with low skills and high unemployment, often associated with poor health, crime and anti-social behaviour.

Figure 3: Deprivation in Oxfordshire

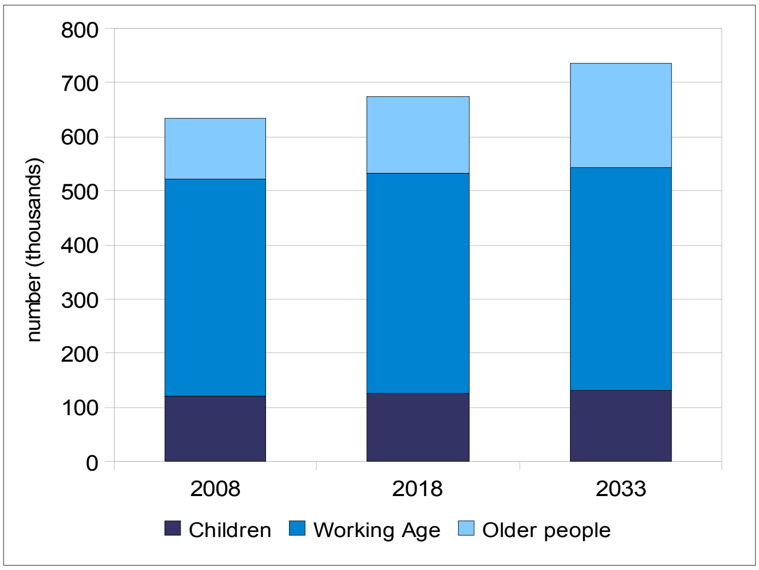


Source: Communities and Local Government, March 2011

Demographic change
The proportion of older people in the population, and younger adults with disabilities, is increasing rapidly, particularly in rural areas. This presents opportunities, as older people are more likely to be actively involved in their communities, carrying with them a wealth of knowledge and experience. However it also increases demand for social and health care services. We will

continue to work closely across the public sector and in our commissioning practices to meet this need effectively.

Figure 4: Oxfordshire population by age group, 2008 to 2033



Source: Office for National Statistics, 2008-based sub-national population projections

Support for the vulnerable - prevention and personalisation
The council will continue to support and protect our most vulnerable residents by effectively targeting resources to those most in need, including young people, older people and those with disabilities.

We will, as far as possible, continue to invest in prevention as a cost effective approach leading to better outcomes for people of all ages, by preventing their needs escalating to the point that they require more expensive and specialist service delivery.

In the past year we have created a new integrated early intervention and prevention service, to work troubled families that are facing exceptional social difficulties. This is an innovative approach that maintains high levels of universal support, whilst increasing the effectiveness of the way we work with those children, young people and families in greatest need by helping them to take greater ownership of their lives and identifying solutions before problems escalate. We have transformed separate services and staff focused on their own professional specialisms, into cross-trained and locality-focused teams. This means a single point of contact for children and family referrals, with one professional taking responsibility for an individual or family.

We are strongly committed to Early Years' provision and want to ensure that all children are given a good start in life. We know that long term outcomes in terms of health and emotional resilience rely particularly on the period between birth and three years of age. Research shows that if children start school being disadvantaged, that gap widens as they go through school.

In addition, our Fire and Rescue Service continues to be on target - at the half-way stage of its 10-year ‘365Alive’ campaign - to save lives, protect property and support the local economy. Our approach towards creating a safer Oxfordshire will be to continue working with vulnerable people especially around crime and helping them to live independently at home and feel safe.

Prevention is also key to our approach in adult services. We want to keep people well, helping people to live at home and avoid, reduce and delay costly admissions to care homes. We are working with our District Council colleagues, through our Spatial Planning and Infrastructure Partnership, to increase Extra Care Housing, which enables people to live independently with varying levels of care and support on site. This approach is enhanced further by the Fire and Rescue Service being an integrated service within the council and working with adult services, so that key professionals can highlight the safety needs of vulnerable people to each other in a timely and effective manner.

We also want to enable the people whom we support to have more choice and control over the way they live their lives. A crucial way of delivering this is through ‘self-directed support’ which enables those who are eligible for social care support from the council to decide how they want to be supported through their own personal budget.

Localism and Big Society
The localism agenda aligns well with the importance that the County Council places on encouraging volunteering and enabling communities to address for themselves the issues that matter locally. The county has a strong voluntary sector with over 4,500 community and voluntary groups, an above average number of regular volunteers and an increasing number of communities preparing community-led plans.

The Council's Big Society Fund, launched in 2011, has enabled communities to bid for start-up funding for community projects that would benefit their areas. In 2011/12 this pump-priming enabled all youth centres that were due to close to remain open, either under the control of the County Council or through transfer to a school or community body. The Council is now keen to build on this approach and will use the opportunities presented by the Localism Act to further strengthen community ownership of issues that matter to them.

We will continue to work with county councillors as community leaders and social entrepreneurs. We are keen to promote community-led models of service delivery and alternative provision of services where viable. We will work with local members, support organisations and community groups to develop options and the Big Society Fund will help to provide start-up funding for new initiatives.

Military community
There is a significant military presence in Oxfordshire with over 11,000 personnel based at six locations across the county including RAF Brize Norton the UK’s repatriation centre. In 2011 Oxfordshire County Council was the first council in the country to pledge support to the Armed Forces Community Covenant and we are fully committed to supporting local military residents and their families. We are currently working with the Ministry of Defence to support the transfer of personnel to RAF Brize Norton when RAF

Lyneham closes in 2012, this includes significant capital investment into the area involving at least 1,000 new homes

Our Priorities for Action

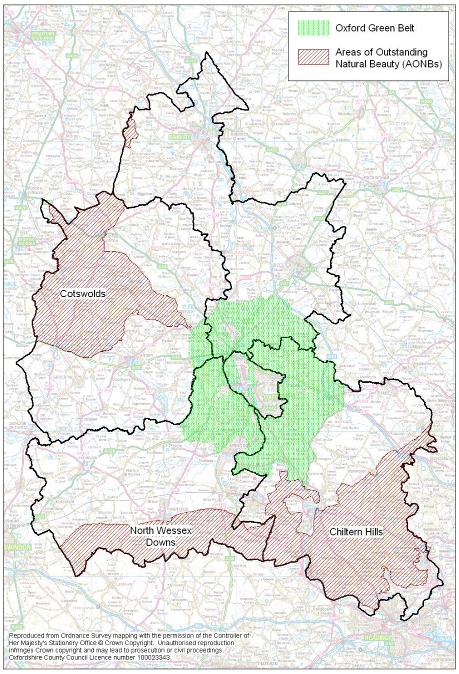
- **Implications of changes to the health service -** We have already established a Health and Wellbeing Board for Oxfordshire, and will ensure that new commissioning arrangements are effective in meeting local need. We will also bring the public health service into the County Council.
- **Improve health outcomes** - we will support delivery of the Director of Public Health's priorities: address the demographic challenge, break the cycle of deprivation, improve mental health services, tackle obesity and alcohol related harm, and fight killer diseases.
- **Demographic change –** we will continue to support the increasing number of older people and people with disabilities, to live in their own home rather than a care home. We will increase the availability of extra care housing and assistive technology to reduce the need for support staff, and continue to provide information and support to carers. We are changing the way day services for older people are provided, maintaining services in major towns, but focusing on community initiatives and local decision-making about how best to support older people in their community.
- **Breaking the Cycle of Deprivation –** we will continue to work in partnership to improve the quality of life in the most deprived areas of the county by promoting better engagement in education, employment and training; supporting the vulnerable and those with multiple and enduring problems; promoting healthy lifestyles and reducing health inequalities; reducing and mitigating the effects of child poverty.
- **Protection and safeguarding –** we will continue to reduce the number of children, young people and adults that need to be taken into care or are in need of protection. We will ensure the multiagency approach to protecting and safeguarding our most vulnerable children and young people is maintained to its current high standard, and will work with our partners to raise public and professional awareness of the needs of vulnerable adults.
- **Prevention –** we will maintain our focus on preventing the need for more specialist services through early identification of problems and early intervention in adult and children's services. We will also help reduce the numbers of fires, those killed and seriously injured on our roads and help prevent crime.
- **Personalisation** - We will focus on giving people choice in the way they lead their lives and how they secure the services they need to support them. From April 2012 we anticipate that 100% of adult social care service users will be using personal budgets.
- **Localism Act** - As further details emerge we will respond to the implications of the Act, which is intended to support decentralisation of power to the lowest level, including establishing new community rights, reforms to planning processes and empowerment of local government and local communities
- **Big Society –** we will work with elected members, partners and voluntary organisations to encourage individuals and communities to take more responsibility. We will continue to provide a Big Society Fund that will support local communities and organisations who wish to identify local priorities and do things for themselves about issues that matter to them.

Enhancing the Environment

Oxfordshire is the most rural county in the South East, with a fabulous natural environment. This is an important factor in most residents' quality of life and often a key reason for people to visit as tourists or relocate here, having a very beneficial effect on our local economy. We need to manage the tension between our desire and need for economic growth and the need to enhance and protect our environment.

We have beautiful and accessible countryside, including four areas of outstanding natural beauty and many places which are nationally or internationally important for biodiversity. The county also has outstanding architecture, including the Blenheim Palace world heritage site near Woodstock and over 1,000 listed buildings.

Figure 5: Areas of Outstanding Natural Beauty



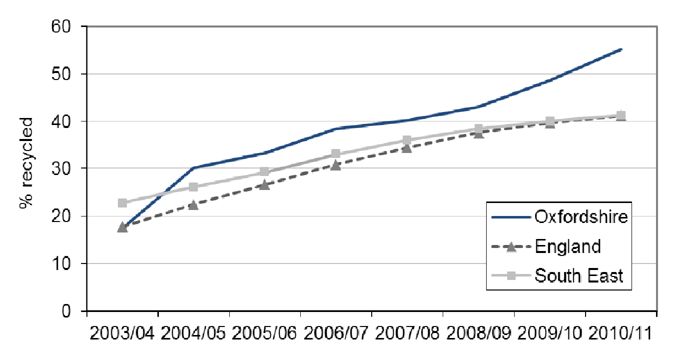
Flooding
Since the flooding across the county in July 2007 a range of mitigation measures have been put in place, but with around 12% of the county lying within the floodplain there will always be a significant number of properties at risk of flooding in Oxfordshire.

Energy
Energy costs are high and forecast to continue to rise rapidly. We are embedding energy saving and carbon dioxide reduction into our business processes across the council, as reducing our energy consumption will also result in financial savings. We will continue to invest in energy efficiency measures in our buildings, including schools, and introduce measures to reduce our demand for energy.

Waste Management
Ongoing investment in our services has resulted in very high levels of waste recycling, with over 60% of household waste now recycled or composted. We

will continue working with partners to build on the behavioural change achieved so far, thus further reducing the amount sent to landfill and minimising our financial liabilities.

Figure 6: Recycling rates, 2003/04 to 2010/11



Source: Oxfordshire County Council Waste Management team; DEFRA

Our Priorities for Action

- **Protecting the environment –** we will make sure Oxfordshire's natural resources are used as effectively as possible and minimise the impact of economic growth on the environment. We will ensure planning applications for mineral extraction reflect the needs of the local economy. We will work with partner organisations, volunteers, community groups and local communities to protect and enhance the natural environment, and maintain the rights of way network as an important part of the rural economy.
- **Increase energy efficiency and reduce emissions –** we will realise the financial benefits of reducing the council's emissions, in the process reducing the impact of energy tax.
- **Waste management –** we will continue to work across the public sector to further increase rates of recycling and reduce the amount of household waste sent to landfill. We are investing in new household waste recycling centres near to the major urban areas, and are closing those that have reached the end of their permissions. We are investing in new disposal facilities to convert waste to energy, and will deliver on our plans for new / refurbished Household Waste Recycling Centres. We will also work with our partners to ensure our investment is complemented by other councils investing in improved kerbside collection schemes.

Efficient Public Services

The Council has an excellent track record of delivering value for money and we were 'ahead of the game' in preparing for the difficult times we now find ourselves in. We delivered almost £100 million in year-on-year savings between 2007 and 2011, and have achieved an additional £55m in the past year.

The approach set out in last year's Directorate business strategies and Corporate Plan will continue to provide the foundations for our strategy. The next twelve months, and focus of this year's plan, will therefore be the second year of delivering the four year plan we set out last year.

This plan covers the period form 2012/13 to 2016/17. However local government faces a very significant change in how funding is allocated from 2013/14, when it is likely to be much more driven by local economic growth and some retention of business rates locally. There is also likely to be reductions in national government budgets in the next Spending Review period, as indicated in the November 2011 Autumn Budget Statement, which will inevitably have a knock on effect locally. This means that our financial plans beyond 2012/13 are indicative only and will need further refinement once there is greater clarity from government about the new arrangements.

Delivering our Business Strategy
Although the recent financial situation has presented many challenges and the need for some very tough decisions, it has also provided an opportunity to radically rethink the way we do business and to look again at how we provide value for money for local people.

Aligned to last year's Corporate Plan we developed a Business Strategy to articulate the changes that were required to achieve our savings. One year on we find ourselves in a significantly different place; we are a much leaner and more efficient organisation, focused on delivering core services to support the public, particularly those vulnerable residents with the greatest need. We have undergone significant restructuring, reduced the number of senior managers and stripped out management layers throughout the organisation.

We now have very strong foundations to build upon. Our focus for the coming period will be to achieve a new way of working that will:

Maximise the benefits of new technology
We are already using new technology to help us to work more efficiently and improve the way we provide information, support and access to services. In the past year we have completely refreshed our website so that residents can find the information that they most want and access services online.

We think there is scope to go considerably further, in particular using new technology to stream line the way we work, so that our staff will be able to spend more time with customers, clients, providers and partners. As this progresses we will be able to free up office space – helping us to save money.

Rationalise our assets
The Council owns over 800 buildings, including nearly 300 schools. We know that there is scope to significantly reduce the number of non-school buildings. We will focus particularly on working closely with other public sector organisations to jointly consider our presence in key locations throughout the county. This should improve joined up service delivery across organisations and improve access for customers.. In response to the Localism Act, the Council will also, where appropriate, be exploring opportunities to transfer assets to the community, or manage them differently with greater community involvement.

Extend the scope of Oxfordshire Customer Services
We will continue to redesign our model for support services, building on the establishment of Oxfordshire Customer Services and a new customer contact centre last year.

Leadership and partnership working
Increasingly the job of councils is not to do everything themselves but to enable the right things to happen – through influence, through contracts, through policy and through leadership. The County Council acts as the strategic leader for Oxfordshire and has an important agenda setting role, building on the priorities expressed in Oxfordshire 2030, our local Community Strategy, and in this plan.

Local service delivery is now provided by a wide range of statutory, independent, private and voluntary sector organisations. We work closely with our partners in order to commission and oversee delivery of better outcomes and value for money for local people. This means working effectively with the police, health and other public agencies and at the local level with district, town and parish councils.

In the past year we have reviewed our existing formal partnership arrangements to maximise the benefit we receive for the investment we make. We have retained those that are critical to addressing priorities that we all recognise can only be tackled through joint working. These include the Oxfordshire Local Enterprise Partnership, Oxfordshire Skills Board, Oxfordshire Strategic Planning and Infrastructure Partnership, Oxfordshire Environment and Waste Partnership, Oxfordshire Health and Wellbeing Board (including sub groups on Health Improvement, Adult Social Care, Children and Young People, and Public Involvement), Oxfordshire Stronger Communities Alliance (voluntary and community sector) and the Oxfordshire Safer Communities Partnership. All partnerships are driven by the priorities set by the Oxfordshire Partnership, which continues to meet to provide a light-touch overarching sense of direction and ensure delivery of the priorities in Oxfordshire 2030, our community strategy.

Equalities
We are committed to making Oxfordshire a fair and equal place in which to live, work and visit. We will meet the requirements of the Equality Act 2010, and are publishing a new equalities policy and related performance information. We have identified four key issues that will guide our approach:

- Understanding the needs of our customers
- Providing accessible, local and personalised services

- Supporting thriving and cohesive communities
- Promoting a culture of fairness

We will continue to consult relevant people (residents, service users, providers, partners) if we plan to make changes to a service, and will undertake service and community impact assessments to ensure that vulnerable and other sections of our communities are not unfairly disadvantaged by any changes.

Our Priorities for Action

- **Delivering our savings target -** delivering our challenging but achievable programme to meet our savings target of £119m million by 2014/15 (this includes £55m on target to be delivered in 2011/12)
- **Business Strategy – we will continue to deliver our directorate and cross cutting business strategies.** In particular we will
    - Improve our **use of technology** to support new ways of working and customer interactions;
    - **Rationalise our property** and encourage the **co-location of public sector services**, and define our policies for disposing of assets to assist community groups in developing proposals for delivering local services themselves;
    - Exploit internal and external opportunities to find savings by moving more functions into **Oxfordshire Customer Services**
- **Collaborative Working –** identifying opportunities to work with others to deliver services more effectively and develop innovative approaches to common issues, whether through formal partnership arrangements or more informal collaborative arrangements.
- **Equalities -** We will meet the requirements of the Equality Act 2010, including publishing a new equalities policy and related performance information.

Delivery of this plan

Principles
In delivering the priorities set out in this plan the Council is committed to the following principles:

- **Low taxes** – reducing year-on-year the annual increase in council tax to ease the burden on local people, including a freeze in 2011/12 and 2012/13
- **Real choice** – ensuring residents receive the services they need, in ways that best suit the varying needs of different people and communities. This means more and more services will be delivered by providers other than Oxfordshire County Council and we will increasingly put power in the hands of individuals and communities to purchase the services they need or to run services themselves.
- **Value for money** – we will have an absolute focus on ensuring services are efficient and delivering value for money for local people.

Values

The way that our staff behave is guided by six underpinning values:

- **Customer focus** – putting the needs of our customers at the heart of everything we do and improving opportunities for local people to have their say and get involved with council decision-making.
- **Honesty** – being open and transparent about how we operate, prepared to admit where we need to do better and communicating the reasons if we are not able to meet the needs of local communities.
- **One team** – working collectively as a council and valuing and developing our staff to perform to the best of their abilities.
- **Innovation** – challenging the way that things have always been done, encouraging and embracing new approaches to meeting the needs of customers, making the delivery of services more efficient and effective.
- **Can-do** – seeing problems and issues as opportunities and looking for solutions, rather than viewing difficulties as obstacles to what we want to achieve.
- **Efficient and effective** – making the best use of our reduced financial resources by harnessing the skills and experience of our staff to help individuals and communities access or arrange the services they need, learning from our successes and constantly challenging ourselves to do better.

This year we have amended ‘Involvement’ to become ‘Innovation’ to reflect the need for staff to develop innovative solutions to service delivery and new ways of working in the tighter financial circumstances.

We continue to use intelligence so that where possible we reflect people’s needs and preferences in the way they are able to access services and where appropriate, to identify where communities might be able to do things for themselves about issues that matter to them. Within the wider context of finding more efficient ways to deliver services, mapping patterns of usage has been critical over the past year, and has helped inform significant changes to our services for young people and our library services to focus on hubs in key areas of population in the county.

Measuring progress

Many of the priorities for action identified in this plan are about achieving a tangible improvement in outcomes. These are listed in Annex A along with details of measurement. Progress on these issues will form the basis of the regular quarterly performance reports that are provided to the Council's Cabinet.

Other priorities for action are harder to measure; they seek behavioural / cultural change within the council or identify a need to respond to shifts in national policy. A qualitative assessment of progress against these issues will be provided at the end of 2012/13.

Finance

To be added following budget sign-off in February – to include detail of:

- Spending plans
- Where money comes from
- Link to Medium Term Financial Plan

Capital

The Council's Capital Strategy sets out the County Council's capital investment plans and explains how the Council intends to maximise the value of its limited capital resources to support the achievement of a Thriving Oxfordshire and the priorities set out in this plan.

This Capital Strategy, despite the challenging economic and financial environment, emphasises the significant contribution that the capital programme can make in delivering corporate priorities and in bringing benefits for wider communities. It seeks to ensure that resources are used in the most efficient way and they support the Council's objectives most effectively. It sets out a robust, relevant and sustainable financial policy and strategy that aim to get most out of the scarce capital resources over the next five to ten years.

Link to strategy

Annex A: Measuring progress

Progress against the indicators supporting our priorities for action set out below will be measured and reported in public to the Council's Cabinet.

Other priorities for action included in the plan are about achieving less tangible change in behaviour, including cultural change within the council and responding to shifts in national policy. A qualitative progress report on these issues will be reported to Cabinet as part of the 4th quarter reporting at the end of 2012/13.

We are currently working on identifying appropriate performance metrics for the plan, to drive the Council's performance framework for next year. This information will be included with the Plan when it is considered by Council in early February.

Further information

This Corporate Plan provides a high level summary of the strategic issues facing the council and the organisational responses planned for the medium term. It does not provide details of the ongoing service commitment across more than 100 activities for which the county council is responsible. For more information see the following documents and links that complement this Corporate Plan:

1. Information about Oxfordshire County Council

   www.oxfordshire.gov.uk/aboutyourcouncil

2. Summary of Supporting Strategies, including Directorate Business Strategies

   www.oxfordshire.gov.uk/improvingourperformance

3. Medium Term Financial Plan

   www.oxfordshire.gov.uk/links/public/financialplans

4. 'This is Oxfordshire', key facts about Oxfordshire

   www.oxfordshireobservatory.info/aboutoxfordshiredata

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CABINET - 17 JANUARY 2012

SERVICE & RESOURCE PLANNING - 2012/13 to 2016/17

Report by Cabinet Member for Finance and Property

Introduction

1 This report should be read in conjunction with the report from the Assistant Chief Executive & Chief Finance Officer and takes account of the latest financial information. Together, the two reports set out the details of the Cabinet's proposals for the 2012/13 budget and the Medium Term Financial Plan (MTFP) for 2012/13 to 2016/17. The Business Strategies will continue to deliver the changes planned taking on board the medium term objectives of the Council, details of which can be found in the Council Plan which is also on the agenda for this Cabinet Meeting for recommendation to the February 2012 County Council.

2 Our prudent financial planning to respond to the government's economic rescue mission has placed us in a very strong position to manage the known reduction in local government funding in the shorter term. In February 2011, the Council agreed savings of £119m in the MTFP set out in the 2011/12 to 2014/15 Business Strategies and we are on course to achieve £54m of savings in the current financial year.

3 Through the Service & Resource Planning process some changes to the planned savings in the Business Strategies for 2012/13 to 2014/15 have been identified. These changes relate to the timing or phasing of existing savings, some newly identified pressures and proposed corresponding savings. In the main, the Strategies are being delivered as planned with the majority of savings for 2012/13 to 2014/15 expected to be achieved. We now set out how we will be able to achieve the changes to the business strategies whilst still ensuring that essential services are protected. Our focus remains on how we can deliver essential services to the public in a different way which will reduce our costs.

4 With George Osborne's Autumn Statement revising downwards the forecasts for growth, borrowing set to be higher than forecast and spending cuts to carry on to 2017, the age of austerity looks set to last longer than previously thought. From the statement it appears that the four years from 2011/12 to 2014/15 will not be the worst of the funding reductions to the public sector, but that reductions in 2015/16 and 2016/17 will be as much as in the previous four years. When added to the unknown impact of the introduction of the new localized business rates scheme, the future beyond 2012/13 is uncertain.

5 The Business Strategies will need to be revisited in autumn 2012 when the implications of the localized business rates scheme start to become clearer and plans will need to be amended for 2013/14 and later years in the MTFP with consideration of further budget reductions and how those will be achieved at that point.

6 This Cabinet has considered the comments on the draft budget proposals from individual Scrutiny Committees held on 15 December 2011 as well as feedback from the public consultation through Oxfordshire Voice Panel in September 2011. The Council has also

invited comments on its overall proposed budget, this consultation closed on 10th January 2012. A summary of the comments received is attached at Annex 1.

7 Below I set out the main areas where we are proposing changes to the existing Business Strategies to 2014/15.

Budget Proposals and Changes arising from Scrutiny

8 The Cabinet continues to protect front line children's safeguarding services along with the Fire & Rescue Service with savings in those areas to be achieved only through genuine efficiency of working. We have been also been able to provide some additional funding for key priorities.

Children, Education & Families

9 The new Early Intervention Service which became operational in September 2011 provides a single integrated service to families through seven hubs. This new innovative service seeks to work with families where problems have been identified; to intervene early to resolve problems and help families to develop skills to address any future issues for themselves. The service was due to make further savings in 2012/13. However it is not considered appropriate to make further savings with the service only just operating in a stable situation.

10 Savings are planned from Connexions through reduction in central support as the responsibility for all age careers moves to schools. Modest savings are also planned for Children's Centres. The aim is to protect services and the reach to families provided by all 44 of our centres whilst making savings from eradicating duplication, sharing best practice and exploring innovative management and administrative solutions. Restructuring the Youth Offending Service in line with principles of the restructure which took place during the year across the rest of the directorate will also provide some savings.

11 Our expenditure on Schools is mainly determined by the Government, through ring-fencing of grants, and these are being protected at the same level as the current year. We are still awaiting the final figures for next year's school funding, which will follow the January pupil count. However, the increase in Pupil Premium will provide additional support to those schools with the most deprivation and will also support those with Military populations.

Social & Community Services

12 We recognise that the ageing population will continue to grow and we plan to continue to provide for demographic growth. Given the pressures that have demonstrated this year, we are also proposing to provide additional investment in adults with physical disabilities, adults with autism and adults with acquired brain injuries. This will provide some measure of financial safety net for these vulnerable groups.

13 Proposals for changes to our libraries network went out to consultation in May this year. The proposal, to keep all libraries open with some support from volunteers was a significant change from the original proposal to withdraw funding from twenty libraries and a response to the public concern. The council proactively listened and engaged with communities who were worried about the impact of losing funding for their library. Following the extensive consultation, a revised proposal was formed, and agreed by Cabinet in December, that will ensure that the council provides an efficient and comprehensive library service that meets the needs of Oxfordshire residents.

Environment & Economy (including Oxfordshire Customer Services)

14 The greatest saving in this area is in waste management. This has been achieved through reduced costs from the reduction in the overall tonnage disposed of and increased recycling/composting performance.

15 There are some new pressures arising from increased energy costs and some new funding to provide support to the Local Economic Partnership in helping address on-going economic challenges. No new reductions in Highways Maintenance are proposed.

16 The Council took over the running of Concessionary Fares from the Districts Councils in April 2011. We had built in additional funding to the MTFP from 2012/13 but were being cautious about the extent of savings we could achieve by bringing the administration together. In practise we have achieved greater efficiency, and in addition some savings are expected through changes to bus company reimbursements. This means that we can reduce the budget next year with no impact on the services to be delivered.

17 New savings are planned in Oxfordshire Customer Services from a new Telephony Strategy which will reduce reliance on fixed line desk based telephony, and from extending the new operating model to Human Resources and Finance.

Chief Executive's Office

18 Funding to provide on-going support for the military is proposed. In previous years, funding has been available from LABGI and other grants which have now ceased. This cabinet strongly supports the military personnel and their dependents in Oxfordshire. We were the first council in the country to sign the Community Covenant and in June 2011 the Leader of the Council took on the role of Military Champion for the County which recognises the significant involvement of the county council in supporting the military community. Additional savings are proposed to meet this cost through further structural changes across the CEO office.

19 Given the success of the Big Society Fund we propose to continue to provide funding in 2012/13. The fund was created last year for communities to bid for start-up funding for sustainable community projects that would benefit their areas. Dependent on the final funding available we hope to provide at least £400,000 for the coming year.

20 Additional funding was agreed as part of the MTFP last year to enable the council to respond financially to the outcome of consultations. This funding will contribute towards

the shortfall in savings being made by the library service following the consultation set out above.

Collection Fund

21 Any collection fund surplus is treated as a one-off investment. Provisional figures from the District Councils are currently estimated at £2.0m more than budgeted for. Once we have a final figure for the surplus the Leader of the Council and I will set out proposals for its use to Council.

Council Tax

22 Last year, the Government provided the funding to achieve their pledge of freezing council tax if authorities held their levels of increase at 2.5%. Consequently we froze council tax in 2011/12 and also built in a proposed 2.5% increase for 2012/13. Since then, the Government has been able to provide funding to freeze council tax increases for a further year where authorities limit their levels of increase to 2.5%. As we had limited our proposed increase to 2.5% we are in a position to take this grant, however, as the grant for 2012/13 is only a one-off grant, to ensure that essential services are maintained in future this funding needs to be replaced in 2013/14.

23 For future years we have maintained our previous proposed levels of increase at 3.75%, as there are high levels of uncertainty about future funding, although these rates will be reviewed each year as part of the budget setting process.

Capital Programme

24 We did a lot of work last year on bringing our capital programmes into a single pot and being clearer about the areas for prioritisation. We have used this methodology again this year to prioritise areas of investment and are able to present a balanced programme with additional £45m of investment over the medium term to 2016/17.

25 The recent announcement from the DfE of capital funding allocations for 2012/13, confirmed a £3.513m reduction from the allocation received in 2011/12. This reduction is mainly due to a change in the methodology for allocating funding for pupil places, also the structural maintenance allocation has been reduced to reflect schools that have converted, or are about to convert, to academy status. It is proposed that allocations for schools structural maintenance and schools access initiative are reduced in line with the reduced grant.

26 I am pleased to say that we are able to include in the programme all capital investment needs related to statutory requirements and maintenance of essential infrastructure and capital investment proposals supporting the delivery of updated business strategies. This includes £23m for large highways structural maintenance schemes.

27 Broadband infrastructure investment is vital in supporting the growth agenda. The benefits of superfast broadband will have a positive impact across the whole economy. The lack of broadband and mobile phone coverage in rural areas has been identified as a

significant barrier to future development and growth by government who have made funding available through Broadband Delivery UK (BDUK). Oxfordshire has been allocated Oxfordshire £3.86m towards the infrastructure costs and I am proposing £10m capital investment to support this.

28 There are still a number of schemes which remain on hold pending options appraisals which will be carried out to inform decision making ahead of next year's capital budget setting process.

Conclusion

29 The direction of travel of the Business Strategies for 2011/12 to 2014/15 remains unchanged. We are on track to deliver the full £119m savings required by 2014/15. The limited number of changes to the strategies reflects the thorough planning undertaken last year and the council's commitment to look for different ways of working, reducing our costs and accepting that some services will need to change. We are again able to put forward a set of proposals which will continue to ensure that our critical services are maintained and we continue to provide a level of service we can afford.

Cllr Jim Couchman
Cabinet Member for Finance and Property

Attachment: Annex 1 - Consultation Summary

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Consultation Summary

1. This Annex sets out the key messages from Oxfordshire County Council's public consultation exercises carried out to support the Council's Service and Resource Planning.

Oxfordshire Voice Budget Consultation

2. Between 5 August and 12 September 2011 members of Oxfordshire Voice, the Council's residents' panel took part in a survey looking at priorities for local public services. In total, 1,085 panel members completed this survey and the data was weighted according to Oxfordshire's demographic profile based upon age, gender, district and work status. Due to the differences between the panel and the population profile the weights are capped in order not to reduce the effective sample size too significantly.

<u>Priorities for the local area</u>

3. From the list provided, Health services and public transport remained the top two most important aspects in making somewhere a good place to live. (mentioned by 53% and 49% respectively in this survey). About two in five panellists also considered shopping facilities, education and good, affordable housing to be the most important aspects in making somewhere a good place to live.

4. The top priorities for improvement were road and pavement repairs (59%) and activities for teenagers (47%). These are also the two issues people would most likely consider a council tax rise for (24% and 21% respectively). Affordable housing remained an area of high priority in Oxfordshire, i.e. an area that is considered important to quality of life (38%) *and* in need of improvement (33%). Road and pavement repairs were also a priority.

5. Highways maintenance and Oxfordshire Fire and Rescue Service were considered to be the two most important services provided by the county council (both at 47%), followed by waste disposal (43%) and older people services (41%).

<u>Financial Management</u>

6. As regards financial management, half of the panellists responding (49%) believed that the council manages its finances well whilst a quarter (23%) had a negative opinion on the issue.

7. When panel members were asked for their opinion on possible future changes to the way the council manages and delivers local public services. The results show that prioritising the groups most in need of support is the measure which received most endorsement from panel members (75%). Most panel members also favoured allowing voluntary organisations and community groups to manage services (46% and 45%). On the contrary, increasing council tax, making cuts to existing services or allowing private companies to manage services all generated high levels of opposition (54%, 49% and 42%).

8. Over half (54%) of panel members thought that the Big Society Fund is a valuable resource for the public to have access to whilst one in five (21%) did not think so.

9. Finally, over half (56%) of panel members supported the idea of having a council tax referendum and over eight in ten (84%) said they would vote if there was a council tax referendum in Oxfordshire.

10. A full copy of this report is published on Council's consultation calendar available at www.oxfordshire.gov.uk/consultation.

Comments on Overall Budget Proposals

11. Between 6 December 2011 and 2 January 2012, Oxfordshire County Council invited comments on its 2012-13 budget proposals. A web page was created with a link from the 'Have your Say' item on the homepage of the County Council's website. A feedback form, Freepost Service and document upload service were put in place to receive comments.

12. Three residents took up this opportunity to have their say. Comments are summarised below:
    - Gave an overall positive comment (representative of a group or organisation)
    - Expressed concern that the proposals for the future of the library service agreed by Cabinet on 12 December did not include costs and also about the counting of ' money put aside for consultation' and it being accounted for as a 'saving' for the library service (resident)
    - Submitting comments on Annex 7b Capital Investment Planning – 2012/13 Capital Programme Allocations (Street Lighting – Part Lighting). Urged the council to review energy supplier and the perceived financial and environmental implications of dropping the part-night lighting scheme and pursuing a trial of LED lighting. Also asked if the energy requirements and related carbon emissions of greater use of mobile & soft phones has been considered (resident)
    - Submitting comments on Annex 7b Capital Investment Planning – 2012/13 New Pressures and Proposals (11 RFID-Phase 2). Expressed support for lower prioritisation on priority order list. Seeking reassurance that the council's appointed contractors will provide the best value for section 106 money (resident)

Consultation on Individual Proposals

13. Where appropriate and as we are legally required to do, plans are now being developed for formal consultations with service users and/or stakeholders where significant changes to services are proposed as part of the Directorate Business Strategies. The outcomes of these consultations will be used alongside other evidence such as the Equality Impact Assessment to inform formal decision-making about how service level proposals will be implemented. The timing of these consultations will vary and will be published on the Council's online consultation calendar, www.oxfordshire.gov.uk/consultation.

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Division(s): N/A

CABINET – 17 JANUARY 2012

BUSINESS STRATEGY AND SERVICE & RESOURCE PLANNING 2012/13 – 2016/17

Report by Assistant Chief Executive & Chief Finance Officer

Introduction

1. This report is the final report to Cabinet in the series on the Business Strategy and Service & Resource Planning process for 2012/13 to 2016/17, providing councillors with information on budget issues for 2012/13 and the medium term. If any information is outstanding at the time of the Cabinet meeting, it will be reported to Council when it considers the budget on 7 February 2012.

2. The report sets out the latest information on the Council's financial position, includes the Treasury Management Strategy for 2012/13 and considers the capital funding, including an updated Capital Programme.

3. The Cabinet Member for Finance has prepared a separate report, circulated alongside this report, which sets out the basis for the Cabinet's proposals to Council for the 2012/13 budget and Medium Term Financial Plan (MTFP) to 2016/17. This takes into consideration comments on the draft budget proposals from the individual Scrutiny Committees in December 2011, comments from the public consultation on the budget as well as the latest information on the Council's financial position outlined in this report.

4. The following annexes are attached:

Annex 1:	Draft Medium Term Financial Plan (MTFP) 2012/13 – 2016/17
Annex 2:	Council Tax (draft)
Annex 3:	Changes to Business Strategy & Variations to MTFP 2012/13 – 2014/15
Annex 4	Local Government Resource Review
Annex 5:	Reserves and Balances
Annex 6:	Treasury Management Strategy Statement and Annual Investment Strategy for 2012/13
Annex 7:	Minimum Revenue Provision Policy Statement for 2012/13
Annex 8:	Prudential Code for Capital Guidelines
Annex 9:	Draft Revenue Budget Booklet 2012/13
Annex 10:	Virement Rules for 2012/13
Annex 11a:	Corporate Asset Management Plan
Annex 11b:	Transport Asset Management Plan
Annex 12:	Capital Strategy
Annex 13:	Updated Capital Programme 2011/12 – 2016/17
Annex 14:	Cross Cutting Community Impact Assessment

Draft Budget and Medium Term Financial Plan 2012/13 to 2016/17

5. The MTFP covers a five-year period. The plan is rolled forward one year each year. This year, there is an additional year added to include 2016/17. Given the changes that are expected in 2013/14 due to the Local Government Resource Review it is proposed that an indicative MTFP is proposed and agreed for the years after 2012/13. A draft MTFP for 2012/13 to 2016/17 is set out in Annex 1. This is based on the latest information on financing available to the Council plus the proposed changes to the savings contained in the Directorate Business Strategies (and set out in Annex 3) and as reflected in the report.

Draft Budget 2012/13

6. The table below sets out the draft Council Tax requirement for 2012/13 as per the Service & Resource Planning report presented to Cabinet in December 2011 and shows the latest position for both financing and expenditure. Changes from the previous report for both 2012/13 and over the medium term are explained in the ensuing paragraphs.

Draft Budget 2012/13	**December Report £m**	**Latest £m**	**Change £m**
Council Tax Precept	284.3	284.3	0
Council Tax Requirement	**284.3**	**284.3**	**0**
Base (2011/12 budget)	408.6	408.6	0
Inflation	6.2	6.2	0
Function & Funding Changes	0.3	7.3	7.0
Previously Agreed Budget Changes and Allowed Variations	-13.2	-13.2	0
Variations to the Existing MTFP	-2.2	0.1	2.3
Contribution from Efficiency Reserve	-1.0	-0.7	0.3
Council Tax Freeze grant	-7.1	-7.1	0
Formula Grant	-105.7	-115.3	-9.6
Council Tax surpluses/deficits	-1.6	-1.6	0
Net Expenditure – Council Tax Requirement	**284.3**	**284.3**	**0.0**

Council Tax Precept

7. The report to Cabinet in December set out the provisional Taxbase[1] figures from the five District Councils, with final figures to be confirmed once their Councils have agreed them. Although final figures are still not confirmed from all districts, several have been. Based on the latest information, Oxfordshire's Taxbase for 2012/13 is now expected to be 244,724, an increase of 0.57% from 2011/12. Compared with the December report, the effect of the Taxbase increase is to increase the amount of funding available by a further £0.04m. Final figures will be reported to members as soon as they are available, and will be updated at the meeting if possible.

8. The MTFP includes growth in the Taxbase beyond 2011/12 of 0.75% per year. These increases are still considered reasonable on the basis that house building is beginning to recover but there is a risk that this may cause a pressure, particularly in 2013/14.

9. Annex 2 provides a draft of the council tax and precept calculations on the basis of the current MTFP proposed 0% increase in council tax for 2012/13.

Council Tax surpluses/deficits

10. Latest information from several of the District Councils indicates that the County Council's share of income from collection fund surpluses and shortfalls could be around £3.7m. The MTFP included an assumption of a £1.6m surplus. On the basis that the District Councils who did not provide indicative information may have deficits on their fund, this report reflects the budgeted position. The amount of surplus or deficit can vary considerably and is affected by assumptions on the percentage of Council Tax which will be collected and also by assumptions on the Taxbase (such as the number of exemptions). Each District Council must formally notify the County Council of its share of any surpluses or shortfalls on the council tax collection funds within seven days of 15 January 2012. An update on the latest position will be provided at the meeting.

11. The current MTFP includes surpluses of £0.8m for each year beyond 2012/13. The future surpluses were revised down in previous MTFP's to reflect an expected increase in the amount of bad debts. Given the current uncertainty in the economy this is still a valid assumption, therefore it is prudent to leave the sum of £0.8m as it stands.

Function and Funding Changes

12. As set out in the addenda to the Cabinet report in December 2011, the second instalment of the 2011/12 Council Tax Freeze Grant has been transferred into Formula Grant. The table above reflects this movement from specific grant to formula grant.

[1] The taxbase is the number of banded properties that the council uses to set the council tax. It is the total number of properties in the county weighted by reference to the council tax bands, which range from A to H.

Variations to the existing MTFP for 2012/13 – 2014/15

Strategic Measures

13. Following the review of the Treasury Management Strategy (detailed in paragraphs 37-39), changes are proposed to the Strategic Measures budget. Areas of the Strategy which impact on the Strategic Measures budget include revised forecasts on the Bank Rate and expected returns from deposits, updated cash flow forecasts and long term borrowing requirements. Following recent projections from Arlingclose, the Council's Treasury advisors, the Bank Rate forecast for the medium term has been revised downwards. This reflects the considerable uncertainty and expansion of risks presented by the crisis in the Eurozone and the knock on impact of those risks along with faltering UK and global growth.

14. The current MTFP assumed a Bank Rate of 0.75% for 2011/12 rising to 1.75% for 2012/13. The market view in December 2010 was that the Bank Rate would remain at 0.50% until August 2011 and gradually increase from September 2011 to June 2013 to 2.75%. The latest forecast from Arlingclose is that Bank Rate will remain at 0.50% until 2016.

15. During 2011/12, the budgeted return for interest receivable on deposits is expected to be achieved. This is due to a higher average cash balances than anticipated which offsets the average Bank Rate and rate of return being lower than forecast. The impact of the revised strategy is a pressure on the Strategic Measures budget of £2.173m in 2012/13, a further £1.092m in 2013/14 and £1.280m in 2014/15.

Changes to Business Strategies

16. The changes to the Business Strategies 2011/12 – 2014/15 approved by Council in February 2011 are set out in Annex 3. There are no changes to the strategies from the position set out in the December 2011 report to Cabinet.

Formula Grant

17. Draft formula grant figures for 2012/13 were set out in the addenda to the Cabinet report in December 2011. The final Local Government Finance Settlement will be announced after the consultation closes on 16 January 2012. The assumed claw back of £2.5m for funding academies from local authority LACSEG funding did not take place and this movement is reflected in the table at paragraph 6 along with the transfer of the Council Tax Freeze grant into formula grant.

18. The final settlement is unlikely to be confirmed before the Cabinet meeting, and the 2012/13 budget cannot be finalised until this is received. It is proposed that authority is delegated to the Leader of the Council, following consultation with the Chief Finance Officer, to make appropriate changes to the proposed budget. All Councillors will be notified of the final settlement once it is received.

Council Tax Requirement

19. The Council is required, under the Local Government Finance Act 1992 as amended by the Localism Act 2011, to set a council tax requirement rather than a budget requirement. The Localism Act 2011 received Royal Assent on 15 November 2011.

20. The council tax requirement represents the amount of expenditure the Council needs to finance through council tax precept having taken into account any funding from Formula Grant, Specific Grants, other income from fees and charges and collection fund surpluses/deficits. The increased precept from 2011/12 reflects an increase in the taxbase.

21. The table below shows the draft gross expenditure and funding to give the resulting council tax requirement. The council tax requirement cannot be finalised until the taxbase, collection fund position and formula grant figures are confirmed.

	2011/12 Budget £m	**2012/13 Draft Budget £m**
Gross Expenditure	939.2	1,027.7
Specific Grants	-471.3	-475.5
Other Income	-59.3	-151.0
Formula Grant	-122.1	-115.3
Council Tax Surplus	-3.8	-1.6
Council Tax Requirement	**282.7**	**284.3**
Council Tax Precept	-282.7	-284.3
Balanced Budget	**0.0**	**0.0**

22. The large increase in the gross expenditure and other income budgets from 2011/12 to 2012/13 is due to a correction of the school's expenditure and income budgets to bring them in line with the actuals for 2010/11 as reported to Cabinet in the Financial Monitoring and Business Strategy Delivery report in June 2011.

Dedicated Schools Grant

23. For 2012/13 Dedicated Schools Grant (DSG) will be allocated using the same pupil number methodology as in 2011/12. This means that allocations for each authority will be at a flat cash per pupil level. Local authorities with falling rolls will not lose more than 2% of their budget compared with 2011/12. The minimum funding guarantee for schools will continue whereby no school will see a reduction of more than 1.5% per pupil compared with 2011/12.

24. Funding for the pupil premium will double in 2012/13 to £1.25bn from £625m in 2011/12 and will rise to £2.5bn by 2014/15. The Government has extended the eligibility for the pupil premium in 2012/13 to include pupils that have been eligible for Free School Meals at any point in the last 6 years. The level of the premium has increased from £488 to £600 per pupil. Children in care who have been looked after for more than six months will continue to be eligible for the pupil premium. Children with parents in the armed services will continue to be eligible for the service child premium. This will increase from £200 per pupil in 2011/12 to £250 per pupil in 2012/13. Up to £50m of the £1.25bn will be used to support a summer school programme to help the most disadvantaged pupils make the transition from Primary to Secondary school.

25. The Schools Forum will meet on 1 February 2012 to propose the use of the DSG allocation for 2012/13. This will form part of the Cabinet's proposed budget to Council on 7 February 2012.

NHS Operating Framework

26. The NHS Operating Framework, published on 24 November 2011, includes £622m in 2012/13 for transfers of funding between PCTs and local authorities for social care services to benefit health. The framework also states that financial support from the health system for social care will continue in 2013/14 and 2014/15. The existing MTFP includes a pressure of £1.5m in 2013/14 on the assumption that this funding would cease after two years and that some ongoing expenditure associated with the funding would remain. As this funding has now been confirmed for the remainder of the Spending Review period, this pressure will be removed.

27. Nationally, funding for re-ablement will double in 2012/13 to £300m from £150m in 2011/12. PCT clusters are expected to work with local authorities to agree jointly on priorities, plans and outcomes for investment of the monies allocated for re-ablement in 2012/13. This could include current services such as tele-care, community directed prevention, community equipment and adaptations, and crisis response services; and new services such as funding the social care aspects of the National Dementia Strategy and actively impacting on Delayed Transfers of Care, using local opportunities to develop the provision of post-discharge care and support services which are the responsibility of social services.

28. The 2012/13 shadow allocations for local authorities' new public health responsibilities are expected in January 2012. Actual allocations for 2013/14 will be made in late 2012.

Local Government Resource Review

29. During the summer, the government consulted on a new local government finance system to replace the existing Formula Grant system. The government considers that local government needs closer connections to local business ratepayers and an incentive to encourage business

development. Thus the new system will 'relocalise' business rates from April 2013.

30. On 19 December 2011, the government responded to the summer consultation, announced some decisions about the new system and introduced a Local Government Finance Bill to implement changes to Parliament. Whilst the exact design of the new system will continue to be developed, Annex 4 sets out a summary of the government's response to the consultation details of the new system confirmed so far.

Balances and Reserves

Balances

31. The Financial Monitoring report (CA6 on the agenda), shows the position on balances at the end of November as £15.7m. The forecast for year-end balance is £13.7m based on the assumption that calls on balances will be £2.0m by the end of the financial year. Although calls on balances to date in 2011/12 have been minimal, further calls are possible if there are inclement weather conditions in the next few months and if the overspend on the council elements of the physical disabilities pooled budget is not able to be addressed in the current year. With a forecast of £13.7m at the end of 2011/12, balances will be £1.0m higher than anticipated.

32. The financial strategy states that balances should be maintained at a level commensurate with risk. An updated risk assessment has been completed which takes into account 2011/12 financial projections and the risks in the 2012/13 budget and the economy generally. The risk assessment confirms that the level of planned balances in the existing MTFP remains commensurate with risk. The projected level of balances over the medium term is set out in Annex 5.

33. Given the uncertainty over the changes arising from the implementation of the Local Government Resource Review in April 2013, it is considered prudent to hold the additional £1.0m in balances until the Service & Resource Planning process next year when the implications of the new system will be known.

Reserves

34. All the Council's reserves which are maintained for specific purposes have been reviewed as part of the Service and Resource planning process. The planned use of the reserves over the medium term is set out in Annex 5.

Efficiency Reserve

35. The Efficiency Reserve was created in 2009/10 to allow for investment to deliver efficiencies, service redesign and to ensure that sufficient resources were available for redundancy costs.

36. The current MTFP includes contributions to the reserve in 2012/13 and 2013/14 totalling £14.478m. The reserve will be used to manage the cash flow

implications of the changes to the MTFP as set out in the Business Strategies and reflected in Annex 3. Use of one-off funding over the period to 2014/15 will utilise £12.277m of the reserve and give rise to a need to replace £5.784m with on-going funding from 2015/16.

Treasury Management Strategy

37. The Treasury Management Strategy Statement and the Annual Investment Strategy for 2012/13 are set out in Annex 6.

38. This document complies with the technical requirement of the CIPFA Treasury Management Code of Practice. It sets out, amongst other things the investment strategy for the Council's temporary cashflow surpluses. The strategy continues the previous policy of maintaining security of capital, along with the liquidity of its investments, whilst achieving the optimum return on its investments commensurate with risk. Potential maximum exposure to credit risk is reflected in the Statement of Accounts and is taken into account in the assessment of the level of balances required.

39. The Strategy for 2012/13 continues with the principle of prioritising security and liquidity of principal over investment return. As government funding for capital is now by grant rather than approval to borrow, new borrowing for capital only applies to prudential schemes. Where it is in the Council's interest to do so, the use of internal funds instead of external borrowing for these schemes will apply. In addition, it is again proposed that any changes applied to the 2012/13 Treasury Management Strategy can be delegated to the Chief Finance Officer in consultation with the Leader and Cabinet Member for Finance. This is included in the recommendations below.

Minimum Revenue Provision

40. The Minimum Revenue Provision policy statement for 2012/13 is included at Annex 7. Legislation requires Council to approve a statement of their policy annually before the commencement of the financial year.

Prudential Indicators

41. As part of the Service & Resource Planning process for 2012/13 Council will have to approve a set of Prudential Indicators which show that the Council's prudential borrowing is prudent, affordable and in line with the Council's Treasury Management Strategy. These indicators will be taken to Council for approval in February 2012. Some of these indicators are about the Treasury Management Strategy itself. The remaining indicators are dependant upon the final agreed budget position and cannot be calculated at this time. Annex 8 shows an overview of the Prudential Code and an explanation of the Prudential Indicators.

Draft Budget 2012/13

42. Annex 9 sets out the draft detailed revenue budget for 2012/13 for directorates. The annex shows the movement in gross expenditure and

income from 2011/12, showing inflation, function and funding changes, previously agreed funding and proposed virements. For illustrative purposes, the annex also includes the effects of the identified pressures and proposed savings as set out in Annex 3. This is not an agreed plan but shows the impact on services if all the proposals are agreed. This will be updated for the Council meeting in February to reflect each proposal made.

Virement Scheme

43. When approving the budget each year the Council is required to agree the virement rules. The existing arrangements have been reviewed and amended. The revised virement rules are set out for approval at Annex 10.

Capital Programme and Asset Management Plans

Asset Management Plans and the Capital Strategy: 2012/13 to 2016/17

44. The Corporate Asset Management Plan (AMP) has been updated and revised and is attached at Annex 11a. The purpose of the AMP is to:

- Give an overview of the Council's strategic direction and objectives and the implications this has for its property and how property needs to change and can be used to help achieve those objectives
- Describe the objectives for property that arise from this and the strategy for each category of its assets (the asset strategy)
- Set out the action to be taken, at a high level
- Provide a clear statement of the Council's approach to its property

45. The Council's property is changing significantly in terms of its size, composition, use and cost so as to contribute positively to meeting the Business Strategy objectives. The AMP provides the strategic context in which to deliver a structured and programmed approach to change in assets.

46. Although this year's review of the plan proposes that the priorities remain largely the same, it also recommends that there should be a shift and clarification in policy, from reducing the size of the non-school estate by 25% to reducing costs by this amount. This also reflects a proposed shift from a priority of holding property to deliver services, to using our property to help deliver broader objectives of the Council. The proposed change would also better reflect the likely provisions of the Localism Bill.

47. The Transport Asset Management Plan (TAMP) has been revised, and is attached at Annex 11b. It is central to the identification of highway maintenance strategies and the development of the new Transport Services contract. The TAMP contains both asset and financial data that enables more advanced forward planning, improved budget management and improved working practices. The plan recommends additional investment in the highways maintenance, with particular emphasis on major projects.

48. The Capital Strategy attached at Annex 12, sets out the Council's capital investment plans and explains how capital investment contributes to the Council's Vision and Priorities. It shows how the Council prioritises, targets and measures the performance of its capital programme. It also provides the framework for determining capital spending plans and the effective use of the Council's limited capital resources. This Strategy has been reviewed and updated in light of the changing financial and business strategy environments. Although the main policy framework currently remains unchanged, the updated strategy has a stronger emphasis on achieving economic development and business growth. It announces the establishment of the Rolling Fund as a flexible forward funding mechanism in order to unlock future growth by delivering critical infrastructure that support planned developments.

The Capital Programme: 2011/12 to 2016/17

Changes to the Capital Programme & Resource Profile since December 2011

49. The table below shows the movement in the capital programme funding and expenditure from December 2011 to January 2012. The main changes are explained in the ensuing paragraphs.

Changes to Resources and Programme/Project Allocations	**Savings & Additional Resources (+) / Pressures (-)**
	£m
Estimated Capital Programme Surplus December 2011	**0.265**
Changes to Expenditure	
Review of the Fire Equipment Budget	0.600
Savings made in the Heyford Hill Roundabout Project	0.470
Increase in the Basic Need pressure	-0.530
Final Account Pressures	-0.797
Reduction in the Schools Access & Structural Maintenance Programmes (2012/13 – 2016/17)	18.175
Changes to Resources	
Reduction and further Risk Adjustment to the Education grant allocations (2012/13 – 2016/17)	-21.415
Increase in the Transport grant allocation (2011/12)	0.696
Other small funding adjustments	0.286
Change in the Resources Earmarked for Schemes that remain on Hold & Business Cases under development	2.509
Estimated Capital Programme Surplus January 2012	**0.259**

50. As set out in the second addenda to the Service & Resource Planning Report to Cabinet in December 2011, the Department for Education announced the

2012/13 capital grant allocations on 14 December 2011. Both the capital maintenance and basic need allocations were reduced by £1.735m and £1.778m respectively.

51. The reduction in the capital maintenance allocation was due to the schools that have converted to academy status or are about to do so. The scale of this reduction and the likely scale of future reductions mean that the assumptions for future years funding in the current capital programme are no longer valid. Therefore, the proposed capital programme (Annex 13), assumes a reduction in the maintenance allocation of 50% over the medium term.

52. This means that the Council will change the level of investment in the Schools Structural Maintenance programme from £7.654m each year. The programme will be reduced in size on an annual basis, with the cumulative impact being £14.270m over the five financial years to 2016/17. This figure is dependent on the number of schools that convert to academy status over the course of the five year period and the level of basic needs pressure in the future.

53. The reduction in the basic need allocation is mainly due to a change in the methodology for allocating the funding. The methodology now includes both numbers on roll and capacity data. In order to reduce the impact of this reduction on the programme, a review of the annual programme allocations in the Children, Education & Families programme has been undertaken. As a result, the Schools Access Initiative programme has been reduced by £3.510m over the medium term.

54. Based on the adjustments set out above, the Council is able to fund all capital investment needs related to statutory requirements and maintenance of essential infrastructure and capital investment proposals supporting the delivery of updated business strategies. Both the size of the programme and the resources estimates are subject to future year's settlements from central government, the realisation of the estimated level of contributions from external parties and the delivery of the disposal programme. Any changes in these parameters will be considered as part of the annual budget setting process and the capital programme will be reviewed accordingly.

Information Outstanding

55. There are several areas where information is still provisional and on which assumptions are included in the budget for 2012/13. Once this information is finalised, any changes could have an impact on the budget. Any changes to the provisional assumptions will be reported to Council in February 2012 by the Chief Finance Officer.

Overview and advice from the Chief Finance Officer

56. Under Section 25 of the Local Government Act 2003, the Chief Finance Officer is required to report on the robustness of the estimates made in determining the budget requirement and on the adequacy of the proposed

financial reserves. This assessment will be included in the report to Council for the Cabinet and the Opposition and other groups' budget proposals in February 2012.

Financial and Legal Implications

57. This report is mostly concerned with finance and the implications are set out in the main body of the report. In previous years the Council was required under the Local Government Finance Act 1992 to set a budget requirement for the authority and an amount of Council Tax. However, the Localism Act 2011 has now passed into law and amended the Local Government Finance Act 1992. As a result, Councils will have to set a 'Council tax requirement' instead of a budget requirement.

Equality and Inclusion Implications

58. The Equality Act 2010 imposes a duty on local authorities that when making decisions of a strategic nature decision makers must exercise 'due regard to the need to eliminate unlawful discrimination… advance equality of opportunity… and foster good relations.'

59. As part of the Service & Resource Planning process for 2012/13, the Council has produced a general assessment of the impact of the budget on customers ahead of the budget being set in February 2012. This document set out the principles that are being followed, identifies the main risks to vulnerable groups and establishes what actions will be taken to prevent these risks. The general assessment of the impact of the budget on customers is attached as Annex 14.

60. All significant saving proposals have undergone at least an initial assessment to identify potential risk in advance of the budget being set, and previously completed assessments have been updated where appropriate to reflect changes in proposals. Further work will then be undertaken on a number of these assessments as the details of how proposals will be implemented becomes clearer and as feedback is received from consultations. These assessments have been renamed Service & Community Impact Assessments to reflect the view that the Council should be aware of all possible risks and not just those that impact on statutory equality groups. The Service and Community Impact Assessments are available on the Council's website: http://www.oxfordshire.gov.uk/cms/content/council-budget-proposals-service-and-community-impact-assessments.

RECOMMENDATION

61. **The Cabinet is RECOMMENDED to:**

(a) (in respect of revenue) RECOMMEND Council to approve:

(1) a budget for 2012/13 and a medium term plan to 2016/17, based on the proposals set out by the Leader and Cabinet Member for Finance;

(2) a council tax requirement (precept) for 2012/13;
(3) a council tax for band D equivalent properties;
(4) virement arrangements to operate within the approved budget;

(b) (in respect of treasury management) RECOMMEND Council to approve:

(1) the Treasury Management Strategy Statement ;
(2) Prudential Indicators from April 2012;
(3) that in relation to the 2012/13 strategy any further changes required be delegated to the Chief Finance Officer in consultation with the Leader and Cabinet Member for Finance.

(c) RECOMMEND Council to approve the Minimum Revenue Provision Methodology Statement as set out in paragraphs 10 to 13 of Annex 7.

(d) (in respect of capital) RECOMMEND Council to approve:

(1) the updated Capital Strategy, Corporate Asset Management Plan and Transport Asset Management Plan;
(2) a Capital Programme for 2011/12 to 2016/17;
(3) Prudential Indicators from April 2012.

(e) to delegate authority to the Leader of the Council, following consultation with the Chief Finance Officer, to make appropriate changes to the proposed budget.

SUE SCANE
Assistant Chief Executive & Chief Finance Officer

Background papers:	Nil
Contact Officers:	Lorna Baxter – Acting Head of Corporate Finance Tel. 01865 323971
Annex 1, 2, 7 & 8:	Katy Jurczyszyn – Principal Financial Manager Tel: 01865 323975
Annex 3, 5, 9 & 10:	Kathy Wilcox – Principal Financial Manager Tel: 01865 323981
Annex 4:	David Illingworth – Principal Financial Manager Tel: 01865 323972
Annex 6:	Donna Ross – Principal Financial Manager Tel. 01865 323976
Annex 11a:	Mark Tailby – Assistant Head of Property Strategy Tel. 01865 816012
Annex 11b:	David Husband – Strategic Programme Manager Tel: 01865 815743
Annex 12 & 13:	Arzu Ulusoy-Shipstone – Capital, Strategy and Transformation Manager Tel: 01865 323108

Annex 14 & 15: Ben Threadgold – Senior Policy & Performance Officer
Tel: 01865 328219 4 January 2011

Medium Term Financial Plan 2012/13 - 2016/17
Summary

	2012/13			INDICATIVE POSITION 2013/14			2014/15			2015/16			2016/17		
	Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Directorate Budgets															
Children, Education & Families	112,817	-8,050	104,767	104,767	-1,287	103,480	103,480	-742	102,738	102,738		102,738	102,738		102,738
Social & Community Services	219,442	1,931	221,373	221,373	-2,345	219,028	219,028	-1,550	217,478	217,478	5,000	222,478	222,478		222,478
Environment & Economy	75,561	-384	75,177	75,177	-1,592	73,585	73,585	-2,575	71,010	71,010		71,010	71,010		71,010
Chief Executive's Office	7,751	-196	7,554	7,554	-169	7,385	7,385	10	7,395	7,395		7,395	7,395		7,395
Inflation and Other Adjustments (1)					10,901	10,901	10,901	10,934	21,835	21,835	10,250	32,085	32,085	10,600	42,685
Directorate Budgets	415,571	-6,699	408,871	408,871	5,508	414,379	414,379	6,077	420,456	420,456	15,250	435,706	435,706	10,600	446,306
Strategic Measures															
Capital Financing															
Principal	18,292	-98	18,194	18,194	-871	17,323	17,323	315	17,638	17,638	-482	17,156	17,156	-555	16,601
Interest	18,858	-52	18,806	18,806	-439	18,368	18,368	-225	18,143	18,143	-405	17,738	17,738	-250	17,488
Interest on Balances	-1,826	-2,522	-4,348	-4,348	3,752	-596	-596	645	48	48	82	130	130	59	189
Pensions - Past Service Deficit Funding	1,500		1,500	1,500		1,500	1,500		1,500	1,500		1,500	1,500		1,500
Total Strategic Measures	36,824	-2,671	34,152	34,152	2,442	36,595	36,595	735	37,329	37,329	-805	36,524	36,524	-746	35,778
Contributions to/from reserves															
General Balances	1,619	1,181	2,800	2,800	200	3,000	3,000		3,000	3,000	-1,000	2,000	2,000		2,000
Prudential Borrowing Costs	1,250		1,250	1,250		1,250	1,250		1,250	1,250		1,250	1,250		1,250
Capital Rolling Fund Reserve		1,068	1,068	1,068		1,068	1,068		1,068	1,068		1,068	1,068		1,068
Efficiency Reserve	6,018	1,027	7,044	7,044	-6,105	939	939	-6,724	-5,785	-5,785	5,785				
Budget Reserve - 2009/10 Budget	-1,746	726	-1,020	-1,020	-2,321	-3,341	-3,341	3,341							
Capital Reserve															
Insurance Reserve	-2,400	2,400													
Total Contributions to/from reserves	4,741	6,402	11,143	11,143	-8,226	2,917	2,917	-3,383	-466	-466	4,785	4,319	4,319		4,319
Indicative Balance											-15,367	-15,367	-15,367	-2,247	-17,614
Total Carried Forward	**457,135**	**-2,968**	**454,167**	**454,167**	**-276**	**453,891**	**453,891**	**3,429**	**457,320**	**457,320**	**3,863**	**461,182**	**461,182**	**7,607**	**468,789**

(1) Adjustment for inflation and other items that have not yet been allocated by Directorate.

Medium Term Financial Plan 2012/13 - 2016/17
Summary

				INDICATIVE POSITION											
	2012/13			2013/14			2014/15			2015/16			2016/17		
	Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Total Brought Forward	457,135	-2,968	454,167	454,167	-276	453,891	453,891	3,429	457,320	457,320	3,863	461,182	461,182	7,607	468,789
Funding															
Un-Ringfenced Specific Grants	-48,519	-4,438	-52,957	-52,957	7,106	-45,851	-45,851		-45,851	-45,851		-45,851	-45,851		-45,851
Formula Grant															
Revenue Support Grant	-28,844	26,651	-2,193												
Business Rates	-93,316	-19,803	-113,119												
Total Formula Grant	-122,160	6,848	-115,312	-115,312	5,245	-110,067	-110,067	10,028	-100,039	-100,039	10,204	-89,835	-89,835	7,096	-82,739
Collection Fund Surpluses(-)/Deficits(+)	-3,782	2,182	-1,600	-1,600	800	-800	-800		-800	-800		-800	-800		-800
COUNCIL TAX REQUIREMENT	**282,674**	**1,624**	**284,298**	**284,298**	**12,875**	**297,173**	**297,173**	**13,456**	**310,629**	**310,629**	**14,067**	**324,696**	**324,696**	**14,703**	**339,399**
Council Tax Calculation															
Council Tax Base			244,724			246,559			248,408			250,271			252,148
Council Tax (Band D equivalent)			£1,161.71			£1,205.28			£1,250.48			£1,297.38			£1,346.03
Increase in Council Tax (precept)			0.6%			4.5%			4.5%			4.5%			4.5%
Increase in Band D Council Tax			0.00%			3.75%			3.75%			3.75%			3.75%

ANNEX 2

Council Tax and Precepts 2012/13

Council Tax Data

1. In order to set its budget for the forthcoming year, the County Council needs to calculate its council tax requirement. This is the amount that the council needs to raise from council tax to meet its expenditure after taking account of the income it will accrue from the following

   (a) **the amount to be received from specific grants.** Government departments notify the County Council of any specific grants that it will receive prior to the start of the new financial year;

   (b) **the amount to be received from National Non-Domestic Rates and Revenue Support Grant.** This is determined by Government within the Local Government Finance Settlement. We received our provisional 2012/13 figure on 8 December 2011 in the consultation on the Local Government settlement;

   (c) **any surpluses/shortfalls on the council tax collection funds for earlier years and the estimated position for the current year**. Each district council must make this calculation and notify the County Council of its share before 22 January 2012;

   (d) **the amount expected to be received from fees, charges and contributions**.

2. In order to set its council tax for the forthcoming year, the County Council needs to calculate its council tax requirement and have available the following information:

   (a) **the council tax base, expressed in terms of Band D equivalent properties.** Each district council must formally notify the County Council of the tax base for its area before 31 January 2012. For 2012/13 the tax base is determined by adjusting the tax base for RSG purposes for any increase arising from reductions in the discounts for second homes and then applying a factor for estimated losses on collection.

3. Based on the final information on funding and assuming a council tax requirement of **£284.298m** as shown in the proposed Medium Term Financial Plan (Annex 1) the calculation of the Band D Council Tax for 2012/13 is as follows:

Council Tax Calculation 2012/13

	£m
County Council net expenditure after specific grants	401.210
Less: Revenue Support Grant	-2.193
National Non-Domestic Rates	-113.119
Collection Fund Adjustments	-1.600
Council Tax Requirement (R)	**284.298**

RSG Tax Base (Band D Equivalent Properties)	248,979
Council Tax Base (Assuming losses on collection) (T)	244,724
Band D Council Tax (R/T)	**£1,161.71**

Each £1 million variation in budget will change the Band D council tax by about £4.09 or 0.35%.

The calculation of the council tax for the other bands is shown below in Table 1. Table 2 analyses the tax base over each district council area and allocates the estimated County Council precept to each area relative to their tax base.

Table 1

Council Tax by Property Band for Oxfordshire County Council

Assuming a Band D council tax of £1,161.71, the council tax for other bands is as follows:

Property Band	**Property Values**	**Band D Proportion**	**2011/12 £ p**
A	Up to £40,000	6/9	774.47
B	Over £40,000 and up to £52,000	7/9	903.55
C	Over £52,000 and up to £68,000	8/9	1,032.63
D	Over £68,000 and up to £88,000	9/9	1,161.71
E	Over £88,000 and up to £120,000	11/9	1,419.87
F	Over £120,000 and up to £160,000	13/9	1,678.03
G	Over £160,000 and up to £320,000	15/9	1,936.18
H	Over £320,000	18/9	2,323.42

N.B. The appropriate district/parish and police council tax and the effect of agreed expenditure proposals will need to be added to give the total council tax charge.

Table 2

Allocation of Precept to Districts

The County Council precept (£284.298m) is the sum of the council tax income required to fund the Council's budget.

District Council	RSG Tax Base	Council Tax Base		Assumed Precept Due
		Collection Rate Adjusted for Losses on Collection/ Discount Reductions %	Number	£000
Cherwell	51,580.0	97.77	50,429.0	58,584
Oxford City	48,271.0	97.64	47,133.9	54,756
South Oxfordshire	56,605.0	98.32	55,652.2	64,652
Vale of White Horse	49,805.0	98.54	49,075.5	57,011
West Oxfordshire	42,718.0	99.33	42,433.0	49,295
TOTAL	**248,979.0**	**98.29**	**244,723.6**	**284,298**

Formal approval is required under the council tax legislation for:

- The County Council's precept, allocated to district councils pro rata to their share of the council tax base for the County Council;
- The council tax figures for the County Council for a Band D equivalent property and a calculation of the equivalent council tax figure for all other bands.

The information must be given to district councils by 1 March 2012.

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Summary of Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP

Directorate	Variation to MTFP - Change Year on Year 2012/13 £m	2013/14 £m	2014/15 £m	Total £m
Children, Education & Families	-0.725	0.125	0.245	-0.355
Social & Community Services	4.094	-0.279	-0.254	3.561
Environment & Economy	-2.600	-0.254	-0.967	-3.821
Chief Executive's Office	-0.400			-0.400
Subtotal (a)	**0.369**	**-0.408**	**-0.976**	**-1.015**
Funding Changes and Allowed Variations (b)	0.375	5.413	1.011	6.799
Total Year on year variation (a+b)	**0.744**	**5.005**	**0.035**	**5.784**
Cumulative Shortfall	**0.744**	**5.749**	**5.784**	

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Children, Education & Families

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
CEF21 (P1.12)	Bring Forward Home to School Transport saving	-0.500	0.300	0.200	0.000	Saving being achieved earlier than planned - underspend reported in Financial Monitoring Report throughout 2011/12.
CEF9 (P1.12)	Remove further saving for Early Intervention Service	0.500			0.500	Operation of the new Early Intervention Service commenced 5-6 months later than originally planned and has only just commenced operation in a stable situation. There may also be a need to transfer some resources between hubs.
CEF8 (P1.12)	Remove unachievable Special Educational Needs (SEN) saving	1.000			1.000	Residential ASD provision was planned to provide savings of £1m per annum from 2012/13 but the building originally envisaged as appropriate did not become available. The original savings target is now unachievable but the capital programme now includes basic needs funding for alternative accommodation.
CEF26 (P 1.12)	Remove unachievable Schools Budget saving		0.500	0.195	0.695	Overhead costs of Local Authority run Children's Centres could not be eliminated however no longer appear in the Schools Budget.
CEF2 (P1.12)	Remove provision for potential double counting of savings	-0.500	-0.100	-0.150	-0.750	The impact of double counting across multiple savings has been eliminated so provision can be removed.
13CEF1	New duty to support Young People on Remand	0.150			0.150	From April 2012 Local Authorities will be responsible for the costs of young people remanded in custody as a consequence of a court appearance.
13CEF2	New duty to provide 25 hours education to unwell children	1.000			1.000	From September 2011 the authority has a duty to ensure that all young people of statutory school age receive 25 hours of education per week. This will be managed through the Hospital School.
13CEF3	25 Hrs Education Pressure - to be met from Dedicated Schools Grant (DSG)	-1.000			-1.000	Cost of 25 Hour provision should be met from Dedicated Schools Grant
13CEF4	Use of Centrally Retained DSG	-0.300			-0.300	Identify budgets which should be funded from Dedicated Schools Grant
13CEF5	Asylum Budget	-0.300			-0.300	Reduced budget required due to reducing client numbers
13CEF6	Corporate Parenting Restructure	-0.050			-0.050	Restructure corporate parenting on same principles as remainder of CEF
13CEF7	Connexions	-0.250	-0.250		-0.500	Reduce central support as responsibility for all age careers service moves to schools

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Children, Education & Families

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
13CEF8	Youth Offending Service	-0.300			-0.300	Restructure youth offending service on same principles as remainder of CEF
13CEF9	Children's Centres	-0.175	-0.325		-0.500	Protect services and reach to families provided by the county's 44 children's centres whilst making modest savings from eradicating duplication, sharing best practice and exploring innovative management and administrative solutions.
	Total Variations to Existing MTFP Savings	**-0.725**	**0.125**	**0.245**	**-0.355**	

(#) Where these are changes to the existing MTFP the reference provides the relevant page(s) of the "Service and Resource Planning: Service Analysis 2011/12" publication available on the Council's website.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Adult Social Care

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
	Older People					
S5 (p2.25)	Rephasing of Community Transport Saving	1.100	-0.300	-0.100	0.700	The revised proposal is to provide transport for people who meet the eligibility criteria and require transport to access services. For those who are not eligible they will need to access services either through their own means or pay for transport provided by the council or other organisations.
S31 (p2.27)	Locality teams recalculated savings estimate	0.648			0.648	Savings from the reorganisation of the adult social care locality teams and the introduction of the brokerage service have not realised all of the planned savings within the anticipated time.
	Learning Disabilities					
SC71 (p2.25)	Review of Internal Learning Disability Service	0.500	-0.250	-0.250	0.000	The plan to reduce funding to the internal supported living and day services by £1m over 2 years has partly been achieved through a management restructure. The remaining savings will now be achieved over 3 years through purchasing the service from external providers to enable the service to be provided more efficiently.
13SCS1	Autism	0.050	0.100		0.150	The Autism Act 2009 and the subsequent statutory guidance requires local authorities and the NHS to seek to improve services for adults with autism, their families and carers. It is envisaged that further investment will be needed to meet the potential demands particularly of the needs of people at the higher end of the autistic spectrum and ensure a robust pathway exists, Work is underway to predict costs, which will include identifying areas where savings can be made through improving this pathway.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Adult Social Care

MTFP Line Ref & page (#)	**Variations to Existing MTFP Savings**	**2012/13 £m**	**2013/14 £m**	**2014/15 £m**	**Total £m**	
	Physical Disabilities					
13SCS2	Additional demography	0.800	0.206	0.206	1.212	The calculation for demographic pressures for adults with a physical disability and or brain injury is below those forecast elsewhere and needs to be brought in line with the national average. In addition, it looks likely that the budget has become unrealistic due to the lack of demographic funding in the past.
13SCS3	Acquired Brain Injury	0.254			0.254	
	Total Variations to Existing MTFP Savings	**3.352**	**-0.244**	**-0.144**	**2.964**	

(#) Where these are changes to the existing MTFP the reference provides the relevant page(s) of the "Service and Resource Planning: Service Analysis 2011/12" publication available on the Council's website.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Community Safety

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
	Fire & Rescue					
13SCS6	Personal Protective Clothing	0.051			0.051	After extending its current PPE contract which commenced in 2001 for an additional two years, and deciding to step back from a South East contract that would have increased costs of OFRS in the region of £90k per annum on its current PPE budget, OFRS, via OCC procurement has successfully undertaken its own tender exercise and has awarded a new 8-year contract to Lion Apparel Systems. The resulting 'total care' contract will guarantee high-quality, comparable fire kit for OFRS firefighters, at a cost of £0.047m per annum less than the South East contract and avoiding some of the potential cost escalation contract clauses in that contract. Nevertheless, despite the clear value for money the OFRS contract offers, it is still £0.051m per annum more expensive than the current budget. The Fire & Rescue Service will manage this pressure from within its total budget.
13SCS7	Implementation of the Part Time Workers (Prevention of less favourable treatment) Regulations 2000	0.100			0.100	Retained fire fighters are classed as part time workers under these regulations. Claims are in the process of being settled and a one-off cost figure of £0.190m has been established, followed by an estimated annual revenue cost of £0.100m over the next few years, which may change depending on operational workloads and future settlements in terms of pensions, linked to equal pay.
13SCS8	Fire Control - remove double funding	-0.117			-0.117	Notification of Fire Grant was received after Council agreed the 2011/12 budget. The additional budget was retained in Fire & Rescue, subject to a decision on Fire Control. This double funding can now be removed.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Community Safety

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
13SCS9	Fire & Rescue - retained & wholetime pay budgets	-0.151			-0.151	See above re part time workers regulations and Personal Protective equipment - see above - this will offset pressures on the budget for retained firefighters who are classed as part time workers and the pressure on the costs of the new personal protective equipment budget.
	Community Safety					
12CS19 (page 2.29)	Savings to be identified from an alternative model for the provision of a trading standards service		0.100	0.100	0.200	An options appraisal for shared Trading Standards services between Oxfordshire and Buckinghamshire has been developed. This assessment seeks to exploit economies of scale and further reduce staffing costs. A joint service delivery approach could deliver more effective and resilient services at a lower cost and ensure that the service is able to capitalise on opportunities arising from the Government's consumer protection landscape review. However, the options appraisal did not identify significant savings that could result from shared services.
13SCS4	Trading Standards - Service Restructuring		-0.100	-0.100	-0.200	See above re alternative delivery model 12CS19 - there will need to be some re-structuring to deliver the planned savings as they cannot all be achieved through sharing services
CS26 & CS27	Trading Standards - grant funding	0.050			0.050	The MTFP includes an assumed £0.090m increase in grant income from 2012/13. Whilst some of this is achievable it is not expected to be possible to fully deliver this proposal.
13SCS5	Gypsy & Traveller Service - income generation	-0.050			-0.050	See above re grant income CS26 and CS27 - additional income will be used to offset grant income savings in Trading Standards that are not deliverable
	Total Variations to Existing MTFP Savings	**-0.117**			**-0.117**	

(#) Where these are changes to the existing MTFP the reference provides the relevant page(s) of the "Service and Resource Planning: Service Analysis 2011/12" publication available on the Council's website.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Community Services

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
	Community Services					
13SCS10	Restructure libraries network	0.859	-0.035	-0.110	0.714	Change to planned saving reflecting public consultation as agreed by Cabinet on 12 December 2011
	Total Variations to Existing MTFP Savings	**0.859**	**-0.035**	**-0.110**	**0.714**	

(#) Where these are changes to the existing MTFP the reference provides the relevant page(s) of the "Service and Resource Planning: Service Analysis 2011/12" publication available on the Council's website.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Environment & Economy

MTFP Line Ref & page (#)	Variations to existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
	Highways & Transport					
EE1/EE2 (p3.15)	Organisational restructure refinement	0.246	0.188	0.127	0.561	Refinement of management structure
09EE1/EE5 (p3.15)	Early realisation of Public Transport Contract savings			-0.176	-0.176	Increased level of contract savings
NP-A1	Pressures associated with the Atkins Contract (including capitalisation)	0.200	0.300		0.500	Refinement of partnership arrangement and impact of changing capital programme
CF	Use of the directorate's carryforward underspend from 2011/12	-0.425	0.425		0.000	One off use of forecast underspend to support Business Strategy.
NS1 &2	Ongoing impact of changes in park and ride parking charging policies		-0.650	-0.100	-0.750	Long stay charging, facility income and on street parking charges
NS-A1	Concessionary Fares - payments to bus companies	-0.200	-0.100		-0.300	Saving on bus company re-imbursements
AS1	Concessionary Fares second phase funding now not required	-1.200			-1.200	Second phase funding assumed in MTFP now not required
NP1	Energy cost pressures - Street Lighting (inflationary pressure 15% 2012/13 10% thereafter)	0.312	0.203	0.217	0.732	impact of energy cost inflationary pressures estimated at 50% over 5 years
	Growth & Infrastructure					
EE49/EE34 (p3.17 & 3.14)	Revised Waste Recycling Centre Strategy - as agreed and publicised earlier in 2011	-0.015	-0.064	0.298	0.219	Impact of retaining Redbridge at weekends and on bank holidays
EE35 (p3.14)	Delay in Waste Treatment saving - planning		0.244	-0.244	0.000	Delay in operational implementation of Energy from Waste Facility
EE46 (p3.16)	Partially met Directorate Integration saving - due to change in operating model	0.242			0.242	Impact of changed directorate operating model
NR3	Economic Growth	0.200			0.200	Increased support in the Local Economic Partnership (LEP) in helping to address ongoing economic challenges
NR5	Transition to Community Infrastructure Levy (CIL)	0.100		-0.100	0.000	Transition from the current developer contribution regime
NS4	Waste Management cost saving due to increased recycling/composting performance (also see AS2).	-0.500			-0.500	increased recycling and composting performance
AS2	Waste Management cost saving (reduced tonnage and better performance) from 2010/11 previously used to fund one-off treatment bid and planning costs.	-1.000			-1.000	Combined reduction in the overall tonnage disposed of resulting from the impact of the economic climate and increased performance
NS5	Landfill Allowance Trading Scheme (LATS) budget - reduce by 50% the budget available for LATS due to better waste performance - substantial element is temporary for 2-years as it forms part of the VfM valuation for the Waste Treatment contract.	-0.500		0.325	-0.175	Better recycling/composting performance and reduced levels of tonnage disposed has reduced the pressure associated with LATS fines/ trading

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Environment & Economy

MTFP Line Ref & page (#)	Variations to existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
NS-C1	Oxfordshire Waste Partnership Financial Arrangements - rebasing the target		-0.600		-0.600	Rebasing of the recycling targets based on better actual performance
NR4	Property Asset led reviews and Big Society	0.150			0.150	Pilot programme locality reviews
NR6	Conditions Surveys	0.050			0.050	
NS-D1	Increased realisation of Portfolio Reduction savings (net of dilapidation costs & requires business case approval in 2012/13)		-0.100	-0.450	-0.550	Realisation of additional savings relating to the asset rationalisation programme
NP2	Energy Reduction - Revenue investment	0.250		-0.250	0.000	Further contribution to invest to reduce our energy consumption
	Oxfordshire Customer Services					
CC12 (p3.20)	Revision of existing Oxfordshire Customer Services savings	-0.210	0.078	0.087	-0.045	Revision of existing Oxfordshire Customer Services savings
NP7	Pressure on existing OCN services - loss of schools income		0.172	0.213	0.385	Cost of schools pursuing other solutions to the Councils Oxfordshire Community Network (OCN)
NS7	OxOnline Project (replacement of OCN infrastructure)			-0.564	-0.564	Reduced revenue costs of operating the OxOnline project
NS-E1	Telephony Strategy (assumes all budgets transfer to ICT)	-0.200	-0.200	-0.200	-0.600	Reduced reliance of fixed line desk based telephony
NS-F1	The New OCS Operating Model	-0.100	-0.150	-0.150	-0.400	Extending the model for Human Resources and Finance
	Total Variations to Existing MTFP Savings	**-2.600**	**-0.254**	**-0.967**	**-3.821**	

(#) Where these are changes to the existing MTFP the reference provides the relevant page(s) of the "Service and Resource Planning: Service Analysis 2011/12" publication available on the Council's website.

Changes to Business Strategies and Variations to 2011/12 to 2015/16 MTFP
Chief Executive's Office

MTFP Line Ref & page (#)	Variations to Existing MTFP Savings	2012/13 £m	2013/14 £m	2014/15 £m	Total £m	
	Chief Executive's Office					
13CEO1	Support for the military in Oxfordshire	0.100			0.100	Replace Local Authority Business Growth Incentive (LABGI) grant and other one off funding.
13CEO2	External Audit Fee (10% reduction)	-0.027			-0.027	Reduction in 2012/13 fee payable to the Council's external auditors as notified.
13CEO3	Structural Changes	-0.173			-0.173	Changes across the CEO Personal Office and Strategy & Communications
13CEO4	Funding for consultations including libraries	-0.300			-0.300	Being utilitised to reduce the shortfall in savings on libraries
	Total Variations to Existing MTFP Savings	**-0.400**	**0.000**	**0.000**	**-0.400**	

(#) Where these are changes to the existing MTFP the reference provides the relevant page(s) of the "Service and Resource Planning: Service Analysis 2011/12" publication available on the Council's website.

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ANNEX 4

Local Government Resource Review

Local Government Resource Review

During the summer, the government consulted on a new local government finance system which will replace the existing Formula Grant system. The government considers that local government needs closer connections to local business ratepayers and an incentive to encourage business development. Thus the new system will 'relocalise' business rates from April 2013.

On 19 December, the government responded to consultation, announced some decisions about the new system and introduced a Bill to implement changes to Parliament. The new system is described in the following paragraphs. However, many details remain to be decided. There are still no figures to illustrate the likely results, even approximate national totals.

A local percentage share of business rates

Not all of the business rates collected will be retained by local authorities. Business rates are calculated by multiplying the rateable value of any property by a multiplier. The provisional multiplier for 2012/13 is 45.8p. The multipliers are reviewed each year by the government and they generally increase in line with the Retail Prices Index (RPI). Thus at the national level, the amount of business rates collected tends to increase in line with the RPI.

However, as part of the government's deficit reduction strategy, the 2010 Spending Review set out reductions in Formula grant funding over the four years ending in 2014/15. Thus the growth in business rates collected will exceed the Spending Review limits for Formula grant so not all business rates collected will be retained by local authorities in the new scheme.

The government has now announced that a percentage share of the business rates will be retained by them in future. The amounts retained by the government will be used to fund other specific grants. The government will announce the percentage of business rates that will be localised, together with the mix of functions and services that will be funded through business rates in Spring 2012.[1]

This 'percentage share' approach is a new proposal. In the summer consultation, the government was proposing to deduct cash amounts of business rates. This was known as 'set aside'. The new percentage share approach means that the government will share the risk that business rates may grow below forecast levels. But the government will also share the benefits of above forecast growth.

[1] See paragraph 2.10 of the Response to Consultation

Tariffs and Top ups

The government recognises that the distribution of business rates collected is very different from the distribution of Formula grant. Thus to ensure that there is a stable starting point, with no council being worse off, a system of Tariffs and Top ups will be introduced. Where an authority collects more business rates than its baseline (or Formula grant) funding, it will pay a Tariff. Where an authority collects less business rates than its baseline funding, it will get a Top up. At the national level, the contributions from Tariffs will pay for the Top ups.

To calculate the Tariffs and Top ups, a business rate figure is needed. This will be based on an average of the amounts collected over a number of years. These figures will be reduced by a percentage to reduce funding to the 2010 Spending Review limits.

Although the Four block model which is used to calculate Formula grant is to be abandoned, it will still play a role in setting the Tariffs and Top ups for the new system. Formula grant will be rolled forward for two years (to 2014/15) to give a Baseline funding level for each authority. Factors that are likely to be built into these rolled forward figures are:

- The 2010 Spending Review totals, less savings from the pay freeze (announced in the Autumn Statement)
- Population data from the 2011 Census if it is available
- Updated data sets (for example, road lengths)
- Limited technical adjustments to rural services costs and Concessionary fares
- Resource equalisation. This is the balance between funding for the minimum level of need that is the same in all areas and needs above that level. At the moment, needs above the minimum level are better funded, to our cost.
- Council tax freeze grant for 2011/12 but not 2012/13
- Any amendments to correct funding for Academies
- Damping arrangements, to limit changes in grant

There will be no changes to the tailored grant distributions which are included in Formula grant.

Oxfordshire as a whole will almost certainly pay a Tariff as we collect much more business rates than we get back in Formula grant. However business rate income in Oxfordshire will be divided between the districts and the county. According to the recent announcement, the county will receive a 20% share of the business rates and the districts 80%. This will mean that the county will receive a Top up. The districts will have Tariffs.

As Tariffs and Top ups will increase in line with RPI inflation, this means that a substantial part of the County Council's funding will increase in line with inflation and will not be subject to fluctuations in the amount of business rate collected. This is intended to:

- Protect the provision of adult and childrens social care and transport
- Focus the incentive to increase business rates on district councils who are considered to hold most of the levers to promote growth and
- Reflect the existing 80:20 split of New Homes Bonus

The Incentive

As mentioned earlier, Business rates tend to increase in line with RPI inflation. Other increases are due to growth in the local taxbase, or due to more efficient collection of business rates. Authorities will keep the ‘other’ or locally generated growth in business rates from their area. This will give them an incentive to support business development and to collect business rates more efficiently.

The County will only take a 20% share of any locally generated growth in the local business rate taxbase, so it will have a limited incentive to support development.

Levy and Safety net

There will be a ‘levy’ to remove some of the benefits of locally generated growth in the business rates collected. The levy will limit increases in spending power. As an example, where the business rates collected are twice as much as the spending power figure half of the increase would be removed by the levy.

Authorities that collect a lot of business rates compared to their spending power figures will be more likely to have to pay a proportionate levy of this kind. Conversely, areas that receive little business rate income – Top up authorities – such as most county councils - are not likely to have to pay a levy. The 80:20 split may mean that the levy becomes a serious issue for district councils.

Funding from the levy will pay for a safety net. The primary aim of the safety net will be to ensure that no authority sees their income fall more than a set percentage below their baseline funding (which will be uprated in line with RPI).

Pooling, Revaluation, Rate relief, Tax Increment Financing, Police, Fire and Resets

Authorities will be allowed – subject to government approval - to pool business rates, tariffs, top ups, levies and safety net payments with other authorities. Districts who wish to will be allowed to pool with other authorities outside the county boundaries, for example if this links up with LEP boundaries. The government will invite applications to pool next year.

Revaluations of the rateable value taxbase, which take place every five years, will have varying effects on the rate income of different local authorities. To remove this effect, the government will review Tariffs and Top ups after each revaluation. However the effects of appeals after the revaluations will have to be absorbed by the local authorities affected.

Allowances will be made for the effect of rate reliefs on the amount of business rate collected locally.

The locally generated business rates could fund new development schemes. Some schemes are known as 'Tax increment financing' – where for example building a road or infrastructure stimulates new business development and the new development pays business rates that funds the infrastructure costs. The government will allow a limited number of Tax Increment Financing schemes to be exempt from the levy and reset procedures for 25 years. This will provide a more certain business rate income stream and make it easier to find the funding for these projects from commercial sources.

Police funding will be separate from this scheme.

Funding for the Fire and Rescue service will treat Single purpose fire authorities and county councils with fire responsibility in the same way. A percentage of business rates will be allocated to fund Fire and Rescue services. Tariffs and Top ups will then be used to bring funding in line with an appropriate baseline linked to Formula grant.

The whole system of Tariffs and Top ups will be reset at some stage. A reset might be needed to respond to large changes in local needs or tax resources. The government's suggests that no reset will be needed for ten years.

Future developments

The following developments are expected:

- Spring 2012 – The percentage of business rates localised will be announced and the mix of functions and services to be funded through business rates

- Spring 2012 – Options for the new system will be considered by Settlement Working Group

- Summer 2012 – Local Government Finance Bill receives Royal Assent

- Summer 2012 – Detailed consultation, with figures, about the new system

- April 2013 – New system starts

- 2015 – Next revaluation introduced

- 2023 – Possible reset of the whole system

David Illingworth
21 December 2011

Estimated Reserves and Balances 2012/13 to 2015/16

The table below provides an analysis of estimated earmarked reserves and general balances for 2012/13 to 2015/16

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000
Earmarked Reserves				
Estimated School Reserves at start of year	20,244	18,643	17,042	15,321
Estimated Reserves at start of year	60,975	52,354	49,341	35,731
Estimated Total Reserves at start of year	**81,219**	**70,997**	**66,383**	**51,052**
Estimated Use of (-) / Additions to (+) School Reserves in Year	-1,601	-1,601	-1,721	-1,842
Estimated Use of (-) / Additions to (+) Reserves in Year	-8,621	-3,013	-13,610	-17,265
Estimated School Reserves at end of year	18,643	17,042	15,321	13,479
Estimated Reserves at end of year	52,354	49,341	35,731	18,466
Estimated Total Reserves at end of year	**70,997**	**66,383**	**51,052**	**31,945**

General Balances				
Estimated Balances at start of year	**13,734**	**14,534**	**15,534**	**16,534**
Planned Contributions to Balances to meet required level of balances in MTFP	2,800	3,000	3,000	2,000
Planned Contributions from Balances to meet required level of balances in MTFP				
Budgeted Change in Balances	**2,800**	**3,000**	**3,000**	**2,000**
Total Balances at Start of Year	**16,534**	**17,534**	**18,534**	**18,534**
Estimated Use of Balances in Year	-2,000	-2,000	-2,000	-2,000
Estimated Repayment of Previous Use of Balances	0	0	0	0
Net Use of Balances	**-2,000**	**-2,000**	**-2,000**	**-2,000**
Estimated Balances at end of year	**14,534**	**15,534**	**16,534**	**16,534**

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ANNEX 6

Service & Resource Planning 2012/13 – 2016/17
Treasury Management Strategy Statement and Annual Investment Strategy for 2012/2013

Introduction

1. The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

2. The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance issued subsequent to the Act). The Annual Investment Strategy sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

3. The proposed strategy for 2012/13 in respect of the following aspects of the treasury management function is based upon the views of the Council's Treasury Management Strategy Team (TMST)[1], informed by market forecasts provided by the Council's treasury advisor, Arlingclose Limited. The strategy covers:

    - Treasury limits in force which limit the treasury risk and activities of the Council;
    - Prudential Indicators;
    - the current treasury position;
    - prospects for interest rates;
    - the borrowing strategy;
    - the borrowing requirement and
    - the investment strategy;

4. The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. The code was adopted by Council on 1 April 2003. All treasury activity will comply with relevant statute, guidance and accounting standards.

Treasury Limits for 2012/13 to 2014/15

5. It is a statutory duty for the Council to determine and keep under review the amount it can afford to borrow. This amount is termed the 'Affordable Borrowing Limit'. The Authorised Limit represents the legislative limit specified in section 3 of the Local Government Act 2003.

[1]Comprising the Assistant Chief Executive & Chief Finance Officer, Head of Corporate Finance, Principal Financial Manager – Treasury & Pension Fund Investments, and Financial Manager – Treasury Management.

6. The Council must have regard to the Prudential Code when setting the ‘Authorised Borrowing Limit’. The Authorised Limit essentially requires the Council to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon future council tax levels is ‘acceptable’.

7. Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

Prudential Indicators for 2012/13 to 2014/15

8. The Prudential Indicators set out below are part of the integrated treasury management strategy.

9. The local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.

10. The authority had no difficulty meeting this requirement in 2011/12, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

11. It is recommended that Cabinet recommends Council to approve the prudential indicators for the next three financial years.

PRUDENTIAL INDICATOR	2011/12	2012/13	2013/14	2014/15
(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS	**£'000**	**£'000**	**£'000**	**£'000**
	probable outturn	**estimate**	**estimate**	**estimate**
Operational Boundary for external debt -				
Borrowing	468,000	466,000	458,000	446,000
other long term liabilities	40,000	40,000	40,000	40,000
TOTAL	508,000	506,000	498,000	486,000
Authorised Limit for external debt -				
Borrowing	478,000	476,000	468,000	456,000
other long term liabilities	40,000	40,000	40,000	40,000
TOTAL	518,000	516,000	508,000	496,000
Gross and Net debt Upper Limit of net debt expressed as:				
Net Debt / Gross Debt	70%	70%	70%	70%
Upper limit for fixed interest rate exposure expressed as: Net principal re fixed rate borrowing / investments	150%	150%	150%	150%
Upper limit for variable rate exposure expressed as: Net principal re variable rate borrowing / investments	25%	25%	25%	25%
Upper limit for total principal sums invested for over 364 days	£100m	£100m	£100m	£100m

Maturity structure of fixed rate borrowing during 2011/12	Lower Limit %	Upper Limit %
Under 12 months	0	20
12 months and within 24 months	0	25
24 months and within 5 years	0	35
5 years and within 10 years	5	40
10 years and above	50	95

Total External Debt as at 31.03.11	£’000
External Borrowing	434,414
Financing Liability	29,929
Total	**464,339**

Forecast Treasury Portfolio Position

12. The Council's treasury forecast portfolio position for the 2012/13 financial year comprises:

	Principal £m	Average Rate %
Opening External Debt Balance		
PWLB	370.728	4.62%
Money Market Loans	50.000	3.94%
TOTAL EXTERNAL DEBT	420.728	
2012/13 Average Cash Balance		
Average Monthly Cash Balance	224.37	
Average Monthly Externally Managed	24.70	
TOTAL INVESTMENTS	249.07	

Prospects for Interest Rates

Current Medium Term Financial Plan

13. The strategy for 2011/12 approved by Council in February 2011 set out forecast interest rates over the medium term. The forecast was for an average base rate of

0.75% in 2011/12
1.75% in 2012/13,
2.50% in 2013/14,
2.75% in 2014/15,
2.75% in 2015/16.

These interest rates were used as a basis for constructing the strategic measures budget for 2011/12 to 2015/16.

Arlingclose's View

14. The Council uses the services of Arlingclose Limited to provide investment advice to the Council, as part of this service they help the Council to formulate a view on interest rates.

15. Arlingclose's current view on interest rates is that the Bank Rate will remain at 0.5% for the duration of their medium term forecast to December 2014 with the possibility that the official bank of England base rate may not rise until 2016.

16. The forecast variation to this view has been estimated at 0.75% in March 2013 rising to 1.0% in June 2013 and remaining at that rate for the remainder of the

forecast to December 2014. This is the forecast that is expected to apply if the Bank of England's Monetary Policy Committee begin to raise the base rate before December 2014.

17. Arlingclose expect the 1 year LIBID rate to rise from 1.75% to 2.40% over the same period, indicating that short-term borrowing will become more expensive.

Treasury Management Strategy Team's View

18. The Council's TMST, taking into account the advice from Arlingclose, and the current economic outlook, have determined the rates to be included in the Strategic Measures budget for 2012/13 and over the medium term. The Bank Rate forecasts set out below represent the average rate for the financial year:

- 2012/13 0.50%
- 2013/14 0.50%
- 2014/15 0.50%
- 2015/16 0.50%
- 2016/17 1.00%

19. It is the view of the team that as rates achieved on deposits in the past have been over and above that of the Bank Rate that a return rate should also be budgeted for. The team has agreed that the target return rate should be 0.50% higher than the average Bank Rate for each year over the medium term. The rate this gives is set out below. These rates have been incorporated into the strategic measures budget estimates:

- 2012/13 1.00%
- 2013/14 1.00%
- 2014/15 1.00%
- 2015/16 1.00%
- 2016/17 1.50%

Borrowing Strategy

Arlingclose's View

20. For the Public Works Loan Board (PWLB) new borrowing rates, Arlingclose have forecast as follows:

- The 50 year gilt yield is expected to start the financial year at 3.40%, increasing gradually to 4.25% by December 2014.
- The 20 year gilt yield is expected to start the financial year at 3.05% rising steadily to 3.75% by the end of the forecast in December 2014.
- The 10 year gilt yield is expected to start the financial year at 2.30%, gradually rising to 3.00% by December 2014.
- The 5 year gilt yield is expected to start the financial year at 1.30% with gradual quarterly increases forecast to reach 2.50% in December 2014.

21. Arlingclose's forecasts have an upside variation range of between 25 and 50 basis points, and a downside variation range of between 25 and 50 basis points depending on the economic and political climate.

22. This forecast indicates, therefore, that there is a range of options available when setting a borrowing strategy for 2012/13. Short dated gilt yields are forecast to be lower than medium and long dated gilt yields during the 2012/13 financial year with medium term gilt rates slightly lower than longer term gilt rates.

23. Arlingclose's view is that momentum in economic growth is scarce. Conventional monetary policy has become largely redundant; the Bank of England and the US Federal Reserve have signaled their respective official interest rates will be on hold through to the end of 2012. Arlingclose believe that it could be 2016 before official interest rates rise.

24. The Bank of England's Monetary Policy Committee has returned to unconventional monetary policy and embarked on a further round of Quantitative Easing. Arlingclose expect that there will be more to come.

Treasury Management Strategy Team's View

25. 2012/13 is expected to be a time of continued low Bank Rate. Therefore the "cost of carry" associated with the long term borrowing compared to temporary investment returns means that the appetite for new long term borrowing brings with it additional short term costs. Financing the Council's borrowing requirement internally would reduce the "cost of carry" in the short term, however this must be weighed against the possibility of refinancing any short term internal borrowing at a time when PWLB rates exceed those currently available.

26. The Council's TMST therefore have agreed that they should continue to have the option to fund new or replacement borrowing up to the value of 25% of the portfolio (currently approximately £50m) through internal borrowing. This will have the effect of reducing some of the "cost of carry" of funding.

27. If market conditions change during the 2012/13 financial year such that the policy to borrow internally is no longer in the interests of the council, the TMST will review the borrowing strategy and report any changes to Cabinet.

28. The team's forecast for PWLB rates over the medium term are 4.5% p.a. for 2012/13 – 2016/17. These rates do not impact on the strategic measures budget because it is anticipated that no additional external borrowing will be arranged in 2012/13.

29. From 1 April 2011, the Government have replaced the 'credit approval' system and provided capital resources as grant rather than borrowing consent. As a result of this change there are no plans to borrow externally. Internal borrowing will be used to finance prudential schemes.

LOBOs (Lender's option/Borrower's option)

30. The Council has set a maximum limit of 20% of the debt portfolio to be borrowed in the form of LOBOs. It is recommended that this remain as the limit for 2012/13. As at 30 November 2011, LOBOs represent 13.44% of the total external debt.

31. The Council has four £5m LOBO's with call options in 2012/13. The first has call options in April 2012 and October 2012, the second has call options in July 2012 and January 2013 and the remaining two have call options in October 2012 only. If the lender chooses to increase the current rate of interest payable, the Council will evaluate alternative financing options before deciding whether or not to accept the new rate offered. It is likely that the debt will be repaid.

32. Henley College is designated a sixth form college. The Council will have regard to, and where appropriate give consent to the College to arrange borrowing for its own purposes.

Annual Investment Strategy

33. The Council has regard to the Office of the Deputy Prime Minister's Guidance on Local Government Investments ("the Guidance") issued in March 2004 and CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). It also has regard to the subsequent Communities and Local Government update to the Investment Guidance, Capital Finance Regulations and Minimum Revenue Provision Guidance issued in April 2010. The Council's investment priorities are:-

    (a) The security of capital and
    (b) The liquidity of its investments

34. The Council also aims to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The borrowing of monies purely to invest or on-lend and make a return is unlawful and the Council will not engage in such activity.

35. Investment instruments identified for use in the 2012/13 financial year are listed below under the 'Specified' and 'Non-Specified' Investment categories. Guidance states that specified investments are those requiring "minimal procedural formalities". The placing of cash on deposit with banks and building societies 'awarded high credit ratings by a credit rating agency', the use of AAA rated Money Market Funds (MMFs) and investments with the UK Government and local authorities qualify as falling under this phrase as they form a normal part of day to day treasury management.

36. Money market funds (MMFs) will be utilised, but good treasury management practice prevails and whilst MMFs provide good diversification the council will also seek to diversify any exposure by using more than one MMF where practical. It should be noted that while exposure will be limited, the use of

MMFs does give the council exposure to institutions that may not be included on the approved lending list for direct deposits. This is deemed to be an acceptable risk due to the benefits of diversification.

37. Non specified investment products are those which take on greater risk. They are subject to greater scrutiny and should therefore be subject to more rigorous justification and agreement of their use in the Annual Investment Strategy; this applies regardless of whether they are under one year investments and have high credit ratings.

38. The updated CIPFA Code of Practice on Treasury Management (2009) recommends that Council's have regard to the ratings issued by the three major credit rating agencies (Fitch, Moodys and Standard & Poors) and to use the lowest common denominator approach when determining which credit ratings to apply.

39. Whilst the Council will have regard to the ratings provided by these three ratings agencies, it is the opinion of the TMST that using the lowest common denominator approach is too prescriptive and overly mechanical and may engender an over reliance on credit ratings alone.

40. The Council uses Fitch ratings as the basis by which to set its minimum credit criteria for deposits and derive its counterparty limits. The TMST may further limit these by using other available information such as Credit Default Swap Rates, Share prices, Ratings Watch & Outlook notices and other quality Financial Media sources. Counterparty limits and maturity limits are derived from the credit rating matrix as set out in the tables at paragraphs 51 and 52 respectively.

41. Notification of any rating changes (or ratings watch and outlook notifications) by Fitch are monitored daily by a member of the Treasury Management Team. Rating changes by other credit rating agencies are reported to the TMST by Arlingclose.

42. Where a change in credit rating places a counterparty on the approved lending list outside the credit matrix (as set out in tables at paragraphs 51 and 52, that counterparty will be immediately removed from the lending list.

43. Where a counterparty has been placed on Negative Watch or Outlook by a credit rating agency, the counterparty's status on the approved lending list will be reviewed by the TMST and appropriate action taken.

44. In addition, the TMST apply further limits, to mitigate risk by diversification. These include:

- Limiting the amount lent to banks in any one country (excluding the UK) to a maximum of 20% of the investment portfolio.
- Limiting the amount lent to any bank, or banks within the same group structure to 15% of the investment portfolio.

45. Where the Council has deposits on instant access, this balance will not be considered when limiting the amount lent to any bank or group of banks to 15%, however the limits as set out in paragraphs 51 and 52 will still apply.

46. Counterparty limits as set out in paragraphs 51 and 52, may be temporarily exceeded by the accrual and application of interest amounts onto accounts such as call accounts and money market funds. Where the application of interest causes the balance with a counterparty to exceed the agreed limits, the balance will be reduced when appropriate, dependent upon the terms and conditions of the account and cashflow forecast.

47. Any changes to the approved lending list will continue to be reported to Cabinet as part of the monthly Financial Monitoring Report

Specified Investments

48. All such investments will be sterling denominated, with maturities up to a maximum of 1 year, meeting the ‘high’ credit rating criteria where applicable.

Investment Instrument	Minimum Credit Criteria	Use
Debt Management Agency Deposit Facility	N/A	In-house and Fund Managers
Term Deposits – UK Government	N/A	In-house
Term Deposits – Banks and Building Societies	Fitch short-term F1, Long-term A, Individual rating C with support rating 2 or individual rating B with support rating 3, Minimum Sovereign Rating AA	In-house and Fund Managers
Term Deposits with Nationalised Banks with Government Guarantee for wholesale deposits	N/A	In-house
Term Deposits with Part Nationalised banks by the UK Government	N/A	In-house
Certificates of Deposit issued by Banks and Building Societies	A1 or P1	In-house on a buy and hold basis and Fund Managers
Money Market Funds with a Constant Net Asset Value	AAA	In-house and Fund Managers

Investment Instrument	Minimum Credit Criteria	Use
Other Money Market Funds and Collective Investment Schemes[2]	Minimum equivalent credit rating of A+. These funds do not have short-term or support ratings.	In-house and Fund Managers
UK Government Gilts	AAA	In-house on a buy and hold basis and Fund Managers
Treasury Bills	N/A	In-house and Fund Managers

Non-Specified Investments

49. A maximum of 50% of the portfolio will be held in non-specified investments.

Investment Instrument	Minimum Credit Criteria	Use	Max % of total Investments	Max Maturity Period
Debt Management Agency Deposit Facility (maturities in excess of 1 year)[3]	N/A	In-house and Fund Managers	50%	3 years
Term Deposits – UK Government (maturities in excess of 1 year)	N/A	In-house	50%	3 years
Term Deposits – other Local Authorities (maturities in excess of 1 year)	N/A	In-house	50%	3 years
Term Deposits – Banks and Building Societies (maturities in excess of 1 year)	Fitch short-term F1+, Long-term AA-, Individual rating B, with support rating 2	In-house and Fund Managers	50% in-house; 100% External Funds	3 years

[2] I.e., credit rated funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.
[3] Debt Management Agency Deposit Facility currently limit deposits to 6 months. The ability to deposit in excess of 1 year is retained if such deposits become available.

Investment Instrument	Minimum Credit Criteria	Use	Max % of total Investments	Max Maturity Period
Structured Products (eg. Callable deposits, range accruals, snowballs, escalators etc)	Fitch short-term F1+, Long-term AA-, Individual rating B, with support rating 2 or Individual rating B/C with support rating 1	In-house and Fund Managers	50% in-house; 100% External Funds	3 years
UK Government Gilts with maturities in excess of 1 year	AAA	In-house on a buy and hold basis. Fund Managers	50% in-house; 100% External Funds	5 years in-house, 10 years fund managers
Bonds issued by Multilateral development banks	AAA	In-house on a buy and hold basis and Fund Managers	50% in-house; 100% External Fund	5 years in-house, 10 years fund managers
Bonds issued by a financial institution which is guaranteed by the UK Government	AAA	In-house on a buy and hold basis. Fund Managers	50% in-house; 100% External Fund	5 years in-house, 10 years fund managers
Supranationals	N/A	In-house. Fund Managers	50% in-house; 100% of External Fund	5 years in-house, 30 years fund managers
Money Market Funds and Collective Investment Schemes[4] but which are not credit rated	N/A	In-house and Fund Managers	50% In-house; 100% External Funds	Pooled Funds do not have a defined maturity date

[4] Pooled funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.

Investment Instrument	Minimum Credit Criteria	Use	Max % of total Investments	Max Maturity Period
Sovereign Bond Issues	AAA	In-house on a buy and hold basis. Fund Managers	50% in-house; 100% External Funds	5 year in-house, 30 years fund managers

The maximum limits for in-house investments apply at the time of arrangement.

Counterparty Limits

50. The Council also manages its credit risk by setting counterparty limits. The forecast average cash balance is predicted to *increase* in 2012/13 and reduce again in 2013/14 due to capital finance cashflow. It is proposed that there should be no change to counterparty limits. The matrix below sets out the proposed limits for 2012/13. The TMST may further restrict lending limits dependent upon prevailing market conditions.

Short Term Rating F1+, Long Term Rating AAA, AA+, AA, AA-				
	Support			
Individual	**1**	**2**	**3**	**4**
A	£25m	£25m	£20m	
A/B	£25m	£20m	£10m	
B	£20m	£20m	£10m	
B/C	£15m	£15m		
C	£10m	£10m		

Minimum Short Term Rating F1, Long Term Rating A+, A				
	Support			
Individual	**1**	**2**	**3**	**4**
A	£15m	£15m	£10m	
A/B	£15m	£15m	£5m	
B	£15m	£15m	£5m	
B/C	£10m	£10m		
C	£5m	£5m		

Maturity Limits

51. The Council also manages its counterparty risk by setting maturity limits on deposits, restricting longer term lending to the very highest rated counterparties. The table below sets out the maximum approved limits. The TMST may further restrict lending criteria in response to changing market conditions.

Short Term Rating F1+, Long Term Rating AAA, AA+, AA, AA-				
	Support			
Individual	1	2	3	4
A	3 years	3 years	6 mths	
A/B	3 years	3 years	3 mths	
B	3 years	3 years	3 mths	
B/C	364 days	6 mths		
C	6 mths	3 mths		

Minimum Short Term Rating F1, Long Term Rating A+, A				
	Support			
Individual	1	2	3	4
A	6 mths	6 mths	3 mths	
A/B	6 mths	6 mths	3 mths	
B	6 mths	6 mths	3 mths	
B/C	3 mths	3 mths		
C	3 mths	3 mths		

Other institutions included on the councils lending list

52. In addition to highly credit rated banks and building societies the authority may also place deposits with:-
    - AAA rated Money Market funds,
    - Collective Investment Schemes
    - Local authorities.

53. Given the ongoing turmoil in the banking sector it is proposed that any further changes required to the Annual Treasury Management Strategy & Annual Investment Strategy continues to be delegated to the Chief Finance Officer in consultation with the Leader of the Council and Cabinet Member for Finance.

Structured Products

54. As at 30 November 2011, the Council had £20m of structured products within its investment portfolio. Structured products involve varying degrees of additional risk over fixed rate deposits, with the potential for higher returns. It is recommended that the authority continue to use structured products up to a maximum of 10% of the investment portfolio. The Council will continue to monitor structured products and consider restructuring opportunities as appropriate.

External Fund Managers

55. The Council currently has £24.4m invested with external fund managers (as at 30 November 2011). £12.2m with Scottish Widows Investment Partnership (SWIP) and £12.2m with Investec. The aim of the funds is to diversify the investment portfolio and outperform the Council's in-house investment performance over a rolling three year period.

56. The performance of the external funds is monitored by the TMST throughout the year. The benchmark for SWIP and Investec is the 7 day LIBID (London Interbank BID rate) compounded weekly. SWIPs target return is 128% of the benchmark over a 3 year rolling period. Investec are targeted to return 7 day LIBID + 1.02% net of fees over a 3 year rolling period. The Council will continue to monitor the performance of the externally managed funds against both their benchmarks and the in-house investment returns.

57. On December 1 2010 the mandate with Investec was switched to one where predefined proportions are invested in 3 different types of investment fund, known as the Dynamic approach. The weighting in each fund is as follows:

Fund Name	Weighting
Liquidity Fund	5%
Short Dated Bond Fund	65%
Target Return Fund	30%

58. The investment objectives of each fund are as follows:

- Liquidity Fund – to achieve a superior return to that of cash deposits while maintaining capital and preserving liquidity

- Short Dated Bond Fund – to provide capital stability and income through investment in short term fixed income and variable rate securities listed or traded on one or more Recognised Exchanges

- Target Return Fund – to produce a positive return over the longer term regardless of market conditions by investing primarily in interest bearing assets and related derivatives

59. The Liquidity and Short Dated Bond Funds are AAA rated funds with varying degrees of liquidity. The target return fund is an unrated fund and is deemed to be of higher risk. The weighting of the funds under the Dynamic approach is designed to benefit from the upside risk of the Target Return fund whilst dampening volatile returns with the more stable Liquidity and Short Dated Funds.

60. The performance of the Investec fund has been undermined by its exposure to more volatile elements of the investment market. However, it is expected that in the long run the structure of the fund will produce improved returns.

61. The SWIP mandate includes an allocation to gilts, which was intended to diversify the council’s investment portfolio. However, due to the low returns available from short dated gilts over recent years, the fund has been invested in Money Market Funds rather than a segregated portfolio. Whilst the returns achieved in the last 12 months have been above benchmark, they have been achieved through investments in instruments which are not comparable with

the benchmark and do not offer diversification above that which could be achieved through direct in-house investment in the Money Market funds.

62. The TMST will keep external fund investments under review and consider alternative instruments and fund structures, to manage overall portfolio risk. It is recommended that authority to withdraw or advance additional funds to/from external fund managers continue to be delegated to the TMST.

Investment Strategy

63. The weighted average maturity (WAM) of in-house deposits as at 30 November 2011 was 202.7 days. This is made up of £43.3m of instant access balances with a maturity of 1 day, and £219.9m of deposits with a WAM of 242.3 days.

64. With the prospect of interest rates remaining lower for longer, and to protect against the downside risk of the timing of base rate changes, the TMST will aim to maintain the WAM of deposits by lending longer term to local authorities and maintaining a relatively high instant access balance, diversified using MMFs. The benefit of maintaining a longer WAM is that it will give a greater degree of certainty, and dampen the volatility, of investment returns.

65. During 2011/12 the Treasury Management team continued a rolling programme of 6 month deposits with a selection of counterparties deemed to be of higher credit quality in order to pick up in yield for 6 months deposits whilst maintaining a relatively low WAM. However, the ability to continue this strategy has been limited by a reduction in the number of counterparties deemed to be of sufficiently high quality for longer-term deposits.

66. The Council has had the facility to invest directly in UK Government Gilts, T-bills, Certificates of Deposits and other Sovereign Bonds since early 2010. The Council will continue to keep this facility in place and may invest in such products if market conditions are favourable, or if alternative options are limited. If availability of acceptable credit worthy institutions is reduced, the council may use the Debt Management Office Deposit Facility and will continue to prioritise security and liquidity of assets over investment returns.

Performance Monitoring

67. The Council will monitor its Treasury Management performance against other authorities, through its membership of the CIPFA Treasury Management benchmarking club. Latest performance figures will be reported in the Annual Review Report which will be considered by Cabinet in June 2012.

68. The Council will benchmark its internal return against 3 month LIBID.

Investment Training

69. All members of the Treasury Management Strategy team are members of a professional accounting body. In addition, key Treasury Management officers receive in-house and externally provided training as deemed appropriate. Key Treasury Management officers will be encouraged to study towards the replacement course for the discontinued CIPFA and ACT[5] joint Certificate on International Treasury Management – Public Finance when it becomes available.

Recommendations

70. The recommendations arising from the updated strategy are set out in the main body of the report.

[5] Association of Corporate Treasurers

ANNEX 7

Service & Resource Planning 2012/13 - 2016/17
Minimum Revenue Provision Policy Statement for 2012/13

Introduction

1. The Council is required by statute to charge a Minimum Revenue Provision (MRP) to the General Fund Revenue account each year for the repayment of debt. The MRP charge is the means by which capital expenditure which has been funded by borrowing is paid for by council tax payers.

2. Until 2007/08, the basis of the calculation for the MRP was specified in legislation. New legislation (Statutory Instrument 2008 no. 414 s4) which came into force on 31 March 2008, gives local authorities more freedom to determine what a prudent level of MRP is.

3. The new legislation requires local authorities to draw up a statement of their policy on the annual MRP, for full approval by Council before the start of the financial year to which the provision will relate.

4. The implementation of the IFRS requirements brought some service concession arrangements on balance sheet and resulted in some leases being reclassified as finance leases instead of operating leases. Part of the service charge or rent payable is taken to reduce the balance sheet liability rather than being charged to revenue accounts. To ensure that this does not result in a one-off increase in the capital financing requirement and in revenue account balances, an amount equal to the amount that has been taken to the balance sheet is included in the annual MRP charge.

Options for Prudent Provision

5. Guidance on the legislation sets out a number of options for making 'prudent provision'. Options 1 and 2 relate to Government supported borrowing. Options 3 and 4 relate to new borrowing under the Prudential system for which no Government support is being given and is therefore self-financed. Authorities are able to use any of the four options for MRP. The options are explained below.

Option 1 - Regulatory Method

6. This is the current method, and for debt supported by Revenue Support Grant (RSG), authorities can choose to continue to use the formula. This is calculated as 4% of the council's general fund capital financing requirement, adjusted for smoothing factors from the transition to the prudential capital financing regime in 2003.

Option 2 – Capital Financing Requirement (CFR) Method

7. Option 2 differs from Option 1 only in that the smoothing factors are removed. This is a simpler calculation; however for most authorities including Oxfordshire, it would result in a higher level of provision than Option 1.

Option 3 – Asset Life Method

8. For new borrowing under the Prudential system, Option 3 is to make provision in equal instalments over the estimated life of the asset for which the borrowing is undertaken or the alternative is the annuity method which has the advantage of linking MRP the flow of benefits from an asset where the benefits are expected to increase in later years. As with the existing scheme of MRP, provision for the debt will normally commence in the financial year following the one in which the expenditure is incurred. There is however one exception to this rule under Option 3. In the case of the construction of a new building or infrastructure, MRP would not have to be charged until the new asset came into service. The MRP 'holiday' would perhaps be two or three years in the case of major projects and could make them more affordable.

Option 4 – Depreciation Method

9. For new borrowing under the Prudential system, Option 4 is to make MRP in accordance with the standard rules for depreciation accounting.

MRP Methodology Statement

10. The policy already in place in the Council is reflected in Options 1 and 3; consequently the statement requiring approval by Council is a confirmation of existing practice and continuation of the policy approved by Council in June 2008. The Council is recommended therefore to approve the following statement:

11. For capital expenditure incurred before 1 April 2008 or which in the future will relate to Supported Capital Expenditure, the MRP policy will be based on existing regulations (Option 1 – Regulatory Method).

12. From 1 April 2008, for all unsupported borrowing, the MRP policy will be based on the estimated life of the assets for which the borrowing is undertaken (Option 3 – Asset Life Method or Annuity Method).

13. In the case of finance leases and on-balance sheet Private Finance Initiative (PFI) type contracts, the MRP requirement will be regarded as being met by a charge equal to the element of the rent/charge that goes to write-down the balance sheet liability, including the retrospective element in the first year (Option 3 in modified form).

14. The major proportion of the MRP for 2012/13 will relate to the more historic debt liability that will continue to be charged at the rate of 4%, in accordance with Option 1 of the guidance. Certain expenditure reflected within the debt liability at 31 March 2013 will be subject to MRP under Option 3, which will be charged over a period which is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method. For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.

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ANNEX 8

Prudential Code for Capital Guidelines

Introduction

1. A major change in the system of capital financing in local government was introduced from 1 April 2004. Previously the government controlled how much new borrowing each local authority could take out each year. Now local authorities are able to determine their own programmes for capital investments and funding of the spending. The CIPFA[1] Prudential Code for Capital Finance in Local Authorities establishes the framework for local authority capital spending and funding to ensure that plans are affordable, prudent and sustainable. The purpose of this annex is to give a brief overview of the Code and its requirements and to advise members of the process that we will need to follow during the 2012/13 budget planning process.

An Overview of the Prudential Code

2. The Prudential Code sets out indicators that authorities must approve each year. The indicators must be approved by Council before 1 April each year, but can be revised during the year if required. For practical reasons, the indicators are considered and set each year at the same time as the Council sets the budget and council tax including those indicators that refer to Treasury Management which will be dealt with through the annual Treasury Management Strategy Report (Annex 6 of this report). A full set of all indicators required to be approved is set out at the end of this annex.

3. In setting or revising the prudential indicators, the Code requires local authorities to have regard to the following:

   - Affordability e.g. implications for council tax
   - Prudence and sustainability e.g. implications for external borrowing
   - Value for money e.g. option appraisal
   - Stewardship of assets e.g. asset management planning
   - Service objectives e.g. strategic planning for the authority
   - Practicality e.g. achievability of the forward plan.

4. It should be noted that the code does not include indicative limits or ratios for the indicators, rather it is for each authority to decide whether, taking all things into account, plans for capital investment are affordable, prudent and sustainable. Also, the prudential indicators are not designed to provide comparisons between authorities. Indicators reflect local circumstances and decisions and therefore comparisons could be misleading and counterproductive.

[1] The Chartered Institute of Public Finance and Accountancy, the leading accountancy body for public services

5. Some of the indicators relating to external debt and treasury management replace existing limits the Council already approves annually. The Prudential Code is designed to sit alongside the authority's Treasury Management Strategy. The delegated responsibility for day-to-day management and decision making on treasury issues remains with the Chief Finance Officer, operating within the framework approved in the prudential indicators and the Treasury Management Strategy.

Monitoring of the Prudential Indicators

6. The Code requires the Chief Finance Officer to establish procedures to monitor performance against all forward looking indictors, in particular capital spending forecasts and to ensure that the net external borrowing does not exceed the total capital financing requirement (i.e. to ensure that borrowing is being used to finance capital expenditure and not revenue). Any significant deviations from the forward forecasts will need to be reported and acted upon.

Prudential Indicators

The prudential indicators below are those identified in the Prudential Guidelines relevant to Oxfordshire County Council:

Prudential Indicators for Affordability

1. Estimates of ratio of financing costs to net revenue stream
This compares the total principal and interest payments on external debt to the net revenue spending of the authority (i.e. that to be met from government grants and local taxpayers. This indicator needs to be calculated for the next three years.

2. Actual ratio of financing costs to net revenue stream
Similar to the first indicator but calculated directly from the consolidated revenue account.

3. Estimates of the incremental impact of capital investment decision on the council tax
The local authority will
(i) forecast the total budgetary requirements for the authority based on no changes to the existing capital programme
(ii) forecast the total budgetary requirements for the authority with the changes proposed to the capital programme included in the calculation
(iii) take the difference between (i) and (ii) and calculate the addition or reduction to council tax that would result.
This calculation shall be undertaken for the forthcoming year and the following two financial years or longer timeframe if required to capture the full year effect of capital investment decisions.

Prudential Indicators for Prudence

4. Net Borrowing and the Capital Financing Requirement
This indicator should show that the net external borrowing does not exceed except in the short term, the capital financing requirement for the last year plus the estimates of any additions to the capital financing requirement for the current and two following years. Net external borrowing is the total of all borrowing, whether long or short term.

Capital Expenditure

5. Estimates of Capital Expenditure
The local authority will make reasonable estimates of the total of capital expenditure that it plans to incur during the forthcoming financial year and at least the following two financial years.

6. Actual Capital Expenditure
After the year-end, the actual capital expenditure incurred during the financial year will be recorded.

7. Estimates of the Capital Financing Requirement
The local authority will make reasonable estimates of the total capital financing requirement at the end of the forthcoming financial year and the two following years. The capital finance requirement is designed to measure the council's underlying need to borrow, or finance by other long-term liabilities, for capital expenditure.

8. Actual capital financing requirement
After the year-end the actual capital financing requirement will be calculated directly from the local authority's balance sheet.

Treasury Management

The following indicators will be set as part of the annual Treasury Management Strategy Report that has to be approved by Council before the start of the financial year.

9. Code of Practice
The Local Authority is required to adopt the CIPFA Code of Practice for Treasury Management in the Public Services.

10. Interest Rate Exposure
This sets the authority's upper limits on the amount of net borrowing and relates to both fixed and variable interest rates. The indicator needs to be calculated for the following and next two financial years. The calculations are as follows:

Upper limit on fixed interest rates
Estimated interest payable on borrowing at fixed rates less investment interest receivable at fixed rates (as £ or %)
OR
Principal sums outstanding borrowed at fixed interest rates less principal sums invested at fixed interest rates (as £ or %)

Upper limit on variable interest rates
Estimated interest payable on borrowing at variable rates less investment interest receivable at variable rates (as £ or %)
OR
Principal sums outstanding borrowed at variable interest rates less principal sums invested at variable interest rates (as £ or %)

11. Maturity Structure of Borrowing

This sets upper and lower limits on the amount of fixed rate borrowing due to be repaid during the following periods:

Under 12 months
12 months and within 24 months
24 months and within 5 years
5 years and within 10 years
10 years and above

This indicator is designed to be a control over an authority having large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

12. Total Principal Sums Invested for more than 364 days

This sets a maximum limit on the amount of money that can be invested for more than one year and needs to be calculated for each forward financial year period for the maturing of such investments.

External Debt

These indicators effectively replace the existing borrowing limits the council has to approve each year.

13. Authorised Limit

This is the maximum amount that the authority allows itself to borrow in each year and needs to be calculated for the forthcoming financial year and following two financial years. It needs to separately identify the limit for borrowing and any other long-term liabilities and covers both temporary and long-term borrowing. Any breach in the authorised limit needs to be reported to Council.

14. Operational Boundary

The local authority must set an operational boundary for its total external debt, gross of investments separately identifying borrowing from other long-term liabilities. This is also an external debt limit, but is set to reflect the most likely, prudent but not worst case scenario of the authority’s debt position, without the additional headroom included within the authorised limit to allow for unusual cash movements. It needs to be calculated for the next and following two financial years. Both the operational boundary and the authorised limit should link directly to the capital spending plans, capital financing requirement and cash flows of the authority. Any breaches in the operational boundary do not necessarily need to be reported, unless they are frequent or part of a trend.

15. Actual External Debt

After the year-end the closing balance for actual gross borrowing plus (separately) other long term liabilities will be obtained directly from the Council's balance sheet.

16. Gross and Net Debt

The local authority must set upper limits on its proportion of net debt compared to gross debt.

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Annex 9

Detailed Revenue Budget 2012/13

January 2012

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NOTE:

References to the "Service and Resource Planning: Service Analysis 2011/12" booklet and notes have been added to explain the movement from 2011/12 to 2012/13.

There are some movements between budget book lines which are known but have not been finalised in time for producing this booklet. The outstanding adjustments will affect the gross expenditure and income of some services but they will not change the total net expenditure/budget requirement.

The outstanding changes will be included in the Detailed Revenue Budget that will be taken to Council on 7 February 2012. These are:

- **adjustments to support service recharges;**
- **adjustments relating to the implementation of Corporate Landlord;**
- **adjustments relating to any grant notifications received during January 2012;**
- **changes to reflect the proposed use of Dedicated Schools Grant as agreed by the Schools Forum on 1 February 2012; and**
- **further changes to the Children, Education & Families, Social & Community Services, Environment & Economy structures and services reflecting the Council's Business Strategy. If necessary, and particularly where consultation is still ongoing, further changes will be requested as virements through the Financial Monitoring Report to Cabinet in 2012/13.**

Draft Revenue Budget 2012/13
Summary

Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000	Change from Previous Year %
Children, Education & Families	Expenditure	545,574	78,389	1,438	799	-5,685	275	-5,911	614,879	12.7%
	DSG income	-386,803	-1,307	0	0	0	-1,000	9,295	-379,815	-1.8%
	Grant income	-32,139	-2,607	0	0	0	0	-3,691	-38,437	19.6%
	Income	-13,815	-78,137	-70	0	-90	0	252	-91,860	564.9%
		112,817	**-3,662**	**1,368**	**799**	**-5,775**	**-725**	**-55**	**104,767**	-7.1%
Social & Community Services	Expenditure	271,050	-2,438	3,670	-159	-6,266	4,612	1,477	271,946	0.3%
	Grant income	0	-275	0	0	0	0	0	-275	0.0%
	Income	-51,608	3,689	-460	239	699	-518	-2,339	-50,298	-2.5%
		219,442	**976**	**3,210**	**80**	**-5,567**	**4,094**	**-862**	**221,373**	0.9%
Environment & Economy	Expenditure	157,345	3,025	2,014	167	-3,097	-2,600	416	157,270	0.0%
	Grant income	-3,803	3,803	0	0	0	0	-4,049	-4,049	6.5%
	Income	-77,981	-4,315	-182	0	-39	0	4,473	-78,044	0.1%
		75,561	**2,513**	**1,832**	**167**	**-3,136**	**-2,600**	**840**	**75,177**	-0.5%
Chief Executive's Office	Expenditure	19,402	23	67	0	-326	-400	97	18,863	-2.8%
	Grant income	0	0	0	0	0	0	0	0	0.0%
	Income	-11,651	288	-21	0	39	0	36	-11,309	-2.9%
		7,751	**311**	**46**	**0**	**-287**	**-400**	**133**	**7,554**	-2.5%
Strategic Measures	Expenditure	45,534	873	-240	577	5,738	-360	0	52,122	14.5%
	Income	-3,970	-1,830	0	0	-2,434	1,408	0	-6,826	71.9%
		41,564	**-957**	**-240**	**577**	**3,304**	**1,048**	**0**	**45,296**	9.0%
	Expenditure	0	2,043	0	152	0	-2,195	0	0	0.0%
Un-Ringfenced Specific Grant	Grant income	-48,519	-1,224	0	-1,534	-1,773	93	0	-52,957	9.1%
	Income	0	0	0	0	0	0	0	0	0.0%
		-48,519	**819**	**0**	**-1,382**	**-1,773**	**-2,102**	**0**	**-52,957**	0.0%
Formula Grant	Expenditure	0	0	0	0	0	0	0	0	0.0%
	Grant income	-122,160	0	0	0	0	0	6,848	-115,312	-5.6%
		-122,160	**0**	**0**	**0**	**0**	**0**	**6,848**	**-115,312**	0.0%

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Draft Revenue Budget 2012/13
Summary

Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000	Change from Previous Year %
Collection Fund Surpluses/Deficits	Expenditure	0	0	0	0	0	0	0	0	0.0%
	Income	-3,782	0	0	0	0	0	2,182	-1,600	0.0%
		-3,782	**0**	**0**	**0**	**0**	**0**	**2,182**	**-1,600**	0.0%
TOTAL	**Expenditure**	**1,038,905**	**81,915**	**6,949**	**1,536**	**-9,636**	**-668**	**-3,921**	**1,115,080**	7.3%
	DSG income	**-386,803**	**-1,307**	**0**	**0**	**0**	**-1,000**	**9,295**	**-379,815**	-1.8%
	Grant income	**-206,621**	**-303**	**0**	**-1,534**	**-1,773**	**93**	**-892**	**-211,030**	2.1%
	Income	**-162,807**	**-80,305**	**-733**	**239**	**-1,825**	**890**	**4,604**	**-239,937**	47.4%
		282,674	**0**	**6,216**	**241**	**-13,234**	**-685**	**9,086**	**284,298**	0.6%
See Notes Below		(1)		(2)	(3)	(4)	(5)	(6)		(3)

Notes

1. The £408.6m Base (2011/12) budget figure in the table in paragraph 6 of the main report relates to the Budget 2011/12 column plus Formula Grant for 2011/12 of £122.160m
2. The Inflation Figure in the table in paragraph 6 of the main report relates to the Inflation Column
3. The figures for Function and Grant Changes and the Council Tax Freeze grant in the table in paragraph 6 of the main report is the total of the Function and Funding Changes column.
4. The Previously Agreed Budget Changes in the table in paragraph 6 of the main report relates to the Previously Agreed Budget Changes column
5. The figures for Variations to the Existing MTFP and Contribution from Efficiency Reserve in the table in paragraph 6 of the main report is the total of the Variations to Existing MTFP column
6. The total of Proposed Virement column relates to the change to Formula Grant for 2012/13 and the Council Tax Surpluses. The total Formula Grant for 2012/13 is £115.3m which is included in the table in paragraph 6 of the main report. Formula Grant has been included in the Net Budget Calculation for the first time in 2012/13 . The Council are now required to set a Council Tax Requirement rather than a Budget Requirement that was stated in previous years which included Formula Grant and Council Tax Surpluses.
7. DSG - Dedicated Schools Grant
8. MTFP - Medium Term Financial Plan. The existing MTFP relates to the Medium Term Financial Plan 2011/12-2015/16 agreed by Council on 15 February 2011
9. The 564.9% increase in income in CEF relates to a virement reported in the Financial Monitoring Report to Cabinet on 21 June 2011 relating to the amendment of the Schools budgets to match actual income and expenditure

Draft Revenue Budget 2012/13
Children, Education & Families

Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEF1	**CEF1**	**EDUCATION & EARLY INTERVENTION**									
CEF1-1	**CEF1-1**	**Management & Central Costs**	expenditure	568	184	0	0	0	0	0	752
		(including admin and negotiable	DSG income	0	-95	0	0	0	0	0	-95
		recharges)	grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				568	89	0	0	0	0	0	657
CEF1-2	**CEF1-2**	**Additional & Special Educational Needs**									
CEF1-21	CEF1-21	Special Educational Needs (SEN)	expenditure	9,851	-436	62	0	-1,070	1,000	0	9,407
			DSG income	-5,311	353	0	0	0	0	0	-4,958
			grant income	-491	0	0	0	0	0	0	-491
			income	-883	102	0	0	0	0	0	-781
				3,166	19	62	0	-1,070	1,000	0	3,177
CEF1-22	CEF1-22	SEN Support Services (SENSS)	expenditure	6,167	-93	0	0	0	0	1	6,075
			DSG income	-5,262	-253	0	0	0	0	38	-5,477
			grant income	0	0	0	0	0	0	0	0
			income	-607	-1	0	0	10	0	0	-598
				298	-347	0	0	10	0	39	0
CEF1-23	CEF1-23	Identification & Assessment	expenditure	1,455	-154	9	0	0	0	0	1,310
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-90	0	0	0	0	0	0	-90
				1,365	-154	9	0	0	0	0	1,220
CEF1-24	CEF1-24	Early Years SEN Inclusion Teachers	expenditure	867	97	0	0	-99	0	0	865
		(EY SENITS)	DSG income	-867	-97	0	0	0	0	99	-865
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	-99	0	99	0
CEF1-2		**Subtotal Additional & Special Educational Needs**		4,829	-482	71	0	-1,159	1,000	138	4,397

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEF1-3	**CEF1-3**	**Early Intervention**									
CEF1-31	CEF1-31	Early Intervention Hubs	expenditure	8,930	-232	8	0	-1,792	500	98	7,512
			DSG income	-1,153	95	0	0	0	0	0	-1,058
			grant income	0	0	0	0	0	0	0	0
			income	-414	383	0	0	0	0	-15	-46
				7,363	246	8	0	-1,792	500	83	6,408
CEF1-32	CEF1-32	Children's Centres and Childcare	expenditure	14,059	233	138	0	-724	-175	41	13,572
			DSG income	0	-1,339	0	0	0	0	0	-1,339
			grant income	0	0	0	0	0	0	0	0
			income	-380	218	0	0	0	0	0	-162
				13,679	-888	138	0	-724	-175	41	12,071
CEF1-33	CEF1-33	Youth, Engagement & Opportunities	expenditure	759	1,860	38	0	0	-250	-144	2,263
		(previously called Youth & Inclusion	DSG income	0	0	0	0	0	0	0	0
		Services)	grant income	0	0	0	0	0	0	0	0
			income	-37	-1	0	0	0	0	0	-38
				722	1,859	38	0	0	-250	-144	2,225
CEF1-34	CEF1-34	Behaviour, Inclusion & Attendance	expenditure	3,024	-1,824	0	0	0	0	0	1,200
		(previously called Engagement in	DSG income	-260	-178	0	0	0	0	0	-438
		Education, Employment & Training (EEET)	grant income	0	0	0	0	0	0	0	0
			income	0	-204	0	0	0	0	0	-204
				2,764	-2,206	0	0	0	0	0	558
CEF1-3		**Subtotal Early Intervention**		24,528	-989	184	0	-2,516	75	-20	21,262
CEF1-4	**CEF1-4**	**Education**									
CEF1-41	CEF1-41	Educational Transformation	expenditure	28,523	-8,860	47	0	-1,192	0	-9,555	8,963
		(previously called Educational	DSG income	-16,784	9,777	0	0	0	0	4,456	-2,551
		Transformation & Effectiveness)	grant income	-640	-64	0	0	0	0	0	-704
			income	-4,034	-38	-62	0	-100	0	373	-3,861
				7,065	815	-15	0	-1,292	0	-4,726	1,847

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEF1-42		Educational Effectiveness	expenditure		0	0	0	0	0	7,907	7,907
			DSG income		0	0	0	0	0	-2,982	-2,982
			grant income		0	0	0	0	0	0	0
			income		0	0	0	0	0	-187	-187
				0	0	0	0	0	0	4,738	4,738
CEF1-4		**Subtotal Education**		7,065	815	-15	0	-1,292	0	12	6,585
CEF1-5	**CEF1-5**	**Organisation & Planning**									
CEF1-51	CEF1-51	Early Years Sufficiency & Access	expenditure	645	25	10	799	0	0	1	1,480
			DSG income	-241	216	0	0	0	0	0	-25
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				404	241	10	799	0	0	1	1,455
CEF1-52	CEF1-52	School Organisation & Planning	expenditure	2,324	0	36	0	0	0	-1	2,359
			DSG income	-144	0	0	0	0	0	0	-144
			grant income	0	0	0	0	0	0	0	0
			income	-1,893	1	0	0	0	0	0	-1,892
				287	1	36	0	0	0	-1	323
CEF1-53	CEF1-53	Admissions & Transport	expenditure	15,626	-62	469	0	0	-500	-2	15,531
			DSG income	-420	0	0	0	0	0	0	-420
			grant income	0	0	0	0	0	0	0	0
			income	-383	61	-6	0	0	0	1	-327
				14,823	-1	463	0	0	-500	-1	14,784
CEF1-5		**Subtotal Organisation & Planning**		15,514	241	509	799	0	-500	-1	16,562
	CEF1-6	**Business & Skills (Previously 14-19 Team (Young People's Learning Agency Transfer))** (service moved to E&E in 2011/12)	expenditure	832	-546	0	0	0	0	-286	0
			DSG income	0	-286	0	0	0	0	286	0
			grant income	0	0	0	0	0	0	0	0
			income	-194	194	0	0	0	0	0	0
				638	-638	0	0	0	0	0	0
		SUBTOTAL EDUCATION & EARLY INTERVENTION		**53,142**	**-964**	**749**	**799**	**-4,967**	**575**	**129**	**49,463**

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEF2	**CEF2**	**CHILDREN'S SOCIAL CARE**									
CEF2-1	**CEF2-1**	**Management & Central Costs**	expenditure	2,293	307	-2	0	0	0	55	2,653
		(including admin and negotiable	DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-7	-136	0	0	0	0	0	-143
				2,286	171	-2	0	0	0	55	2,510
CEF2-2	**CEF2-2**	**Corporate Parenting**	expenditure		0	0	0	0	0	2,446	2,446
		(previously called Social Care)	DSG income		0	0	0	0	0	0	0
			grant income		0	0	0	0	0	0	0
			income		0	0	0	0	0	-60	-60
				0	0	0	0	0	0	2,386	2,386
	CEF2-21	Placement & Care Costs	expenditure	19,721	-1,716	272	0	100	100	-18,477	0
		(budgets shown in other parts of Children's Social Care)	DSG income	-1,352	0	0	0	0	0	1,352	0
			grant income	0	0	0	0	0	0	0	0
			income	-1,838	1,348	0	0	0	0	490	0
				16,531	-368	272	0	100	100	-16,635	0
	CEF2-22	Family Placement	expenditure	1,738	699	9	0	0	0	-2,446	0
		(budgets shown in other parts of Children's Social Care)	DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	-60	0	0	0	0	60	0
				1,738	639	9	0	0	0	-2,386	0
CEF2-3	**CEF2-3**	**Social Care** (previously called Family Support & Assessment)									
CEF2-31	CEF2-33	Referral & Assessment	expenditure	2,813	30	10	0	0	0	0	2,853
		(previously called Assessment)	DSG income	-316	0	0	0	0	0	0	-316
			grant income	0	0	0	0	0	0	0	0
			income	-52	-22	-1	0	0	0	0	-75
				2,445	8	9	0	0	0	0	2,462

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Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
	CEF2-31	Central Support & Child & Adolescent Mental Health (transferred to S&CS)	expenditure	355	306	0	0	0	0	-661	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-122	0	0	0	0	0	122	0
				233	306	0	0	0	0	-539	0
CEF2-32	CEF2-32	Family Support	expenditure	2,797	941	8	0	0	0	645	4,391
			DSG income	-103	0	0	0	0	0	0	-103
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	-122	-122
				2,694	941	8	0	0	0	523	4,166
CEF2-33	CEF2-23	Looked After Children & Leaving Care (previously called Children Looked After (Including Asylum))	expenditure	5,969	-893	46	0	0	-300	-2,663	2,159
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	-1,328	0	0	0	0	1,328	0
			income	-350	-288	-1	0	0	0	250	-389
				5,619	-2,509	45	0	0	-300	-1,085	1,770
CEF2-34		Placements (previously shown in CEF2-21)	expenditure		0	0	0	0	0	18,447	18,447
			DSG income		0	0	0	0	0	-1,352	-1,352
			grant income		0	0	0	0	0	0	0
			income		0	0	0	0	0	-488	-488
				0	0	0	0	0	0	16,607	16,607
CEF2-35		Asylum (previously shown in CEF2-23)	expenditure		0	0	0	0	0	2,662	2,662
			DSG income		0	0	0	0	0	0	0
			grant income		0	0	0	0	0	-1,328	-1,328
			income		0	0	0	0	0	-250	-250
				0	0	0	0	0	0	1,084	1,084
CEF2-3		**Subtotal Social Care**		**10,991**	**-1,254**	**62**	**0**	**0**	**-300**	**16,590**	**26,089**
CEF2-4	**CEF2-4**	**Safeguarding** (previously called Safeguarding & Quality Assurance)	expenditure	1,457	-321	4	0	0	0	-129	1,011
			DSG income	0	-64	0	0	0	0	0	-64
			grant income	0	0	0	0	0	0	0	0
			income	-89	-54	0	0	0	0	0	-143
				1,368	-439	4	0	0	0	-129	804

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEF2-5	**CEF2-5**	**Services for Disabled Children**	expenditure	6,806	115	99	0	0	0	-4	7,016
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-100	0	0	0	0	0	0	-100
				6,706	115	99	0	0	0	-4	6,916
CEF2-6	**CEF2-6**	**Youth Offending Service**	expenditure	2,561	-125	3	0	0	-300	-8	2,131
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	-924	0	0	0	0	0	-924
			income	-234	0	0	0	0	0	0	-234
				2,327	-1,049	3	0	0	-300	-8	973
		SUBTOTAL CHILDREN'S SOCIAL CARE		**41,947**	**-2,185**	**447**	**0**	**100**	**-500**	**-131**	**39,678**
CEF3	**CEF3**	**CHILDREN, EDUCATION & FAMILIES (CEF) CENTRAL COSTS** (previously called Quality & Compliance)									
CEF3-1	**CEF3-1**	**Management & Admin** (previously called Children, Education & Families Management & Central Costs)	expenditure	873	131	3	0	-408	-500	259	358
			DSG income	-81	0	0	0	0	0	0	-81
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				792	131	3	0	-408	-500	259	277
CEF3-2	**CEF3-2**	**Children, Education & Families Support Service Non-Negotiable Recharges**	expenditure	16,597	0	4	0	0	0	-9	16,592
			DSG income	-178	-66	0	0	0	0	0	-244
			grant income	0	0	0	0	0	0	0	0
			income	-91	0	0	0	0	0	-11	-102
				16,328	-66	4	0	0	0	-20	16,246
CEF3-3	**CEF3-3**	**Premature Retirement Compensation (PRC)**	expenditure	3,809	-1	160	0	0	0	1	3,969
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-2	0	0	0	0	0	0	-2
				3,807	-1	160	0	0	0	1	3,967

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEF3-4	**CEF3-5**	**Joint Commissioning Recharge** (previously called Service Level Agreement with Social & Community Services)	expenditure	3,005	-3,005	0	0	0	0	2,216	2,216
			DSG income	-94	94	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				2,911	-2,911	0	0	0	0	2,216	2,216
	CEF3-6	**Commissioning & Performance** (budgets transferred to S&CS)	expenditure	0	2,298	5	0	0	0	-2,303	0
			DSG income	0	-44	0	0	0	0	44	0
			grant income	0	0	0	0	0	0	0	0
			income	0	-89	0	0	0	0	89	0
				0	2,165	5	0	0	0	-2,170	0
		SUBTOTAL CEF CENTRAL COSTS		**23,838**	**-682**	**172**	**0**	**-408**	**-500**	**286**	**22,706**
CEF4	**CEF4**	**SCHOOLS**									
CEF4-1	**CEF4-1**	**Delegated Budgets**	expenditure	359,066	79,751	0	0	0	1,000	-244	439,573
			DSG income	-326,126	91	0	0	0	-1,000	3,935	-323,100
			grant income	-31,008	-291	0	0	0	0	-3,691	-34,990
			income	-1,932	-79,551	0	0	0	0	0	-81,483
				0	0	0	0	0	0	0	0
CEF4-2	**CEF4-2**	**Early Years Single Funding Formula (Nursery Education Funding)**	expenditure	15,170	5,859	0	0	0	0	0	21,029
			DSG income	-15,170	-5,859	0	0	0	0	0	-21,029
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
CEF4-3	**CEF4-3**	**Devolved Schools Costs** (including licenses, insurances and redundancy budgets)	expenditure	2,901	3,811	0	0	-500	-300	-3,851	2,061
			DSG income	-2,901	-3,811	0	0	0	0	3,712	-3,000
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	-83	-83
				0	0	0	0	-500	-300	-222	-1,022

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
	CEF4-4	**Licenses and Insurances**	expenditure	237	0	0	0	0	0	-237	0
		(budgets now shown in CEF4-3)	DSG income	-175	0	0	0	0	0	175	0
			grant income	0	0	0	0	0	0	0	0
			income	-83	0	0	0	0	0	83	0
				-21	0	0	0	0	0	21	0
CEF4-4	CEF3-4	**DSG Income**	expenditure	58	0	0	0	0	0	330	388
			DSG income	-6,147	169	0	0	0	0	-468	-6,446
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				-6,089	169	0	0	0	0	-138	-6,058
CEF4-5	CEF4-5	**Capitalised Repairs & Maintenance**	expenditure	3,718	10	0	0	0	0	0	3,728
			DSG income	-3,718	-10	0	0	0	0	0	-3,728
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
		SUBTOTAL SCHOOLS		**-6,110**	**169**	**0**	**0**	**-500**	**-300**	**-339**	**-7,080**

			expenditure	**545,574**	**78,389**	**1,438**	**799**	**-5,685**	**275**	**-5,911**	**614,879**
			DSG income	**-386,803**	**-1,307**	**0**	**0**	**0**	**-1,000**	**9,295**	**-379,815**
			grant income	**-32,139**	**-2,607**	**0**	**0**	**0**	**0**	**-3,691**	**-38,437**
			income	**-13,815**	**-78,137**	**-70**	**0**	**-90**	**0**	**252**	**-91,860**
		DIRECTORATE TOTAL		**112,817**	**-3,662**	**1,368**	**799**	**-5,775**	**-725**	**-55**	**104,767**

Draft Revenue Budget 2012/13
Social & Community Services

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
SCS1		**ADULT SOCIAL CARE**									
SCS1-1		**Older People**									
		Older People Non Pool Services									
SCS1-1A	SCS1-1A	Prevention & Early Support	expenditure	8,811	3,377	164	0	-1,363	1,100	-442	11,647
			income	-241	-206	-2	0	0	0	0	-449
				8,570	3,171	162	0	-1,363	1,100	-442	11,198
SCS1-1B	SCS1-1C	Social Work & Commissioning	expenditure	11,480	509	43	13	202	648	0	12,895
			income	-789	11	-1	0	-18	0	0	-797
				10,691	520	42	13	184	648	0	12,098
SCS1-1C	SCS1-1F	Income	expenditure	103	0	0	0	0	0	0	103
			income	-25,746	0	-376	239	178	0	0	-25,705
				-25,643	0	-376	239	178	0	0	-25,602
		Subtotal Older People Non Pool Services		-6,317	3,626	-172	252	-1,001	1,748	-442	-2,306
SCS1-1D	SCS1-1E	Older People and Equipment Pooled Budget Contributions	expenditure	87,169	-1,850	2,010	-239	-2,669	800	-8,609	76,612
			income	0	0	0	0	0	0	0	0
		(Pooled Budget Contributions)		87,169	-1,850	2,010	-239	-2,669	800	-8,609	76,612
	SCS1-1B	Information Advice & Community Building	expenditure	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
	SCS1-1D	Other Services	expenditure	65	-65	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				65	-65	0	0	0	0	0	0
		Subtotal Older People		**80,852**	**1,776**	**1,838**	**13**	**-3,670**	**2,548**	**-9,051**	**74,306**

Draft Revenue Budget 2012/13
Social & Community Services

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
SCS1-2		**Learning Disabilities**									
		Learning Disabilities Non Pool Services									
SCS1-2A	SCS1-2A	Personalisation/Ongoing Support	expenditure	8,165	-52	3	0	-550	500	2	8,068
			income	-8,165	52	-3	0	550	-500	-2	-8,068
				0	0	0	0	0	0	0	0
SCS1-2B	SCS1-2B	Social Work & Commissioning	expenditure	2,590	-117	4	0	0	18	0	2,495
			income	-2,590	117	-4	0	0	-18	0	-2,495
				0	0	0	0	0	0	0	0
SCS1-2D	SCS1-2D	Income	expenditure	0	0	0	0	0	0	0	0
			income	-5,336	313	-49	0	0	0	0	-5,072
				-5,336	313	-49	0	0	0	0	-5,072
		Sub Total Learning Disabilities Non Pool Services		-5,336	313	-49	0	0	0	0	-5,072
SCS1-2C	SCS1-2C	Pooled Budget Contribution	expenditure	64,613	-792	930	0	1,369	550	160	66,830
			income	0	0	0	0	0	0	0	0
				64,613	-792	930	0	1,369	550	160	66,830
		Subtotal Learning Disabilities		**59,277**	**-479**	**881**	**0**	**1,369**	**550**	**160**	**61,758**
SCS1-3		**Mental Health**									
SCS1-3A	SCS1-3A	Non-Pool Services	expenditure	779	168	30	0	0	0	8	985
			income	0	0	0	0	0	0	0	0
				779	168	30	0	0	0	8	985
SCS1-3B	SCS1-3B	Pooled Budget Contributions	expenditure	6,903	-300	241	0	-254	0	0	6,590
			income	-258	0	-2	0	0	0	0	-260
				6,645	-300	239	0	-254	0	0	6,330
		Subtotal Mental Health		**7,424**	**-132**	**269**	**0**	**-254**	**0**	**8**	**7,315**

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
SCS1-4		**Services For All Client Groups**									
SCS1-4A	SCS1-4A	Asylum Seekers	expenditure	221	0	5	0	0	0	0	226
			income	0	0	0	0	0	0	0	0
				221	0	5	0	0	0	0	226
SCS1-4B	SCS1-4B	HIV/AIDS	expenditure	185	-80	2	0	0	0	0	107
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				185	-80	2	0	0	0	0	107
SCS1-4C	SCS1-4C	Drugs and Alcohol	expenditure	825	0	21	0	0	0	0	846
			income	-439	0	-1	0	0	0	0	-440
				386	0	20	0	0	0	0	406
SCS1-4D	SCS1-4D	Adults At Risk	expenditure	9	0	0	0	0	0	0	9
			income	0	0	0	0	0	0	0	0
				9	0	0	0	0	0	0	9
SCS1-4E	SCS1-4E	Employment Services	expenditure	1,683	-8	12	0	0	0	-11	1,676
			grant income	0	-275	0	0	0	0	0	-275
			income	-892	0	0	0	0	0	0	-892
				791	-283	12	0	0	0	-11	509
SCS1-4F	SCS1-4F	Shared Lives	expenditure	1,523	0	24	0	-15	0	0	1,532
			income	-828	0	-4	0	0	0	0	-832
				695	0	20	0	-15	0	0	700
SCS1-4G	SCS1-4G	Acquired Brain Injury	expenditure	305	0	9	0	0	254	0	568
			income	0	0	0	0	0	0	0	0
				305	0	9	0	0	254	0	568
		Subtotal Services for All Client Groups		**2,592**	**-363**	**68**	**0**	**-15**	**254**	**-11**	**2,525**

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Social & Community Services

Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
SCS1-5		**Physical Disabilities**									
SCS1-5A	SCS1-1E	Pooled Budget Contributions	expenditure	0	0	0	0	0	0	8,780	8,780
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	8,780	8,780
		Subtotal Physical Disabilities		**0**	**0**	**0**	**0**	**0**	**0**	**8,780**	**8,780**
		SUBTOTAL ADULT SOCIAL CARE		**150,145**	**802**	**3,056**	**13**	**-2,570**	**3,352**	**-114**	**154,684**
SCS2		**COMMUNITY SAFETY**									
SCS2-1	SCS2-3	Safer Communities	expenditure	770	0	11	0	0	0	0	781
			income	0	0	0	0	0	0	0	0
				770	0	11	0	0	0	0	781
SCS2-2	SCS2-4	Gypsy & Traveller Services	expenditure	1,095	12	11	0	0	-50	0	1,068
			income	-980	-19	-1	0	0	0	0	-1,000
				115	-7	10	0	0	-50	0	68
SCS2-3	SCS2-5	Trading Standards	expenditure	2,623	-25	6	0	-267	50	0	2,387
			income	-216	23	-3	0	0	0	0	-196
				2,407	-2	3	0	-267	50	0	2,191
		SUBTOTAL COMMUNITY SAFETY		**3,292**	**-9**	**24**	**0**	**-267**	**0**	**0**	**3,040**
SCS3		**JOINT COMMISSIONING** (Previously Quality and Compliance)									
SCS3-1		Joint Commissioning	expenditure	0	0	0	0	0	0	32,901	32,901
			income	0	0	0	0	0	0	-2,623	-2,623
				0	0	0	0	0	0	30,278	30,278
	SCS3-1	Resource Management	expenditure	19,702	-14	5	0	-60	0	-19,633	0
			income	-308	-1	-1	0	0	0	310	0
				19,394	-15	4	0	-60	0	-19,323	0

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Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
	SCS3-2	Strategy & Contracts	expenditure	1,592	39	9	0	-50	0	-1,590	0
			income	-12	0	0	0	0	0	12	0
				1,580	39	9	0	-50	0	-1,578	0
	SCS3-3	Leadership Team & Contingency	expenditure	861	-351	8	0	-120	0	-398	0
			income	0	0	0	0	0	0	0	0
				861	-351	8	0	-120	0	-398	0
	SCS3-4	Commissioning & Performance	expenditure	3,434	-3,434	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-3,434	3,434	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
	SCS3-5	Supporting People	expenditure	8,922	670	0	0	-552	0	-9,040	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				8,922	670	0	0	-552	0	-9,040	0
	SCS3-7	Closed Homes	expenditure	0	66	3	0	0	0	-69	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	66	3	0	0	0	-69	0
		TOTAL JOINT COMMISSIONING		**30,757**	**409**	**24**	**0**	**-782**	**0**	**-130**	**30,278**
SCS4		**COMMUNITY SERVICES**									
SCS4-1	SCS4-1	Library Service	expenditure	8,720	-61	45	0	-1,339	859	-144	8,080
			income	-790	-20	-12	0	0	0	-50	-872
				7,930	-81	33	0	-1,339	859	-194	7,208
SCS4-2	SCS4-2	Heritage & Arts Services	expenditure	2,460	36	6	0	-640	0	-106	1,756
			income	-303	-19	0	0	0	0	10	-312
				2,157	17	6	0	-640	0	-96	1,444
SCS4-3	SCS4-3	Cultural & Community Development	expenditure	617	-385	4	0	0	0	-87	149
			income	0	0	0	0	0	0	0	0
				617	-385	4	0	0	0	-87	149
		SUBTOTAL COMMUNITY SERVICES		**10,704**	**-449**	**43**	**0**	**-1,979**	**859**	**-377**	**8,801**

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Social & Community Services

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
SCS5		**FIRE AND RESCUE & EMERGENCY PLANNING**									
SCS5-1	SCS2-1	Fire & Rescue Service	expenditure	24,460	218	63	67	46	-117	-238	24,499
			income	-280	6	-1	0	-10	0	0	-285
				24,180	224	62	67	36	-117	-238	24,214
SCS5-2	SCS2-2	Emergency Planning	expenditure	365	1	1	0	-4	0	-7	356
			income	-1	-2	0	0	-1	0	4	0
				364	-1	1	0	-5	0	-3	356
		SUBTOTAL FIRE AND RESCUE & EMERGENCY PLANNING		**24,544**	**223**	**63**	**67**	**31**	**-117**	**-241**	**24,570**
			expenditure	**271,050**	**-2,438**	**3,670**	**-159**	**-6,266**	**4,612**	**1,477**	**271,946**
			grant income	**0**	**-275**	**0**	**0**	**0**	**0**	**0**	**-275**
			income	**-51,608**	**3,689**	**-460**	**239**	**699**	**-518**	**-2,339**	**-50,298**
		DIRECTORATE TOTAL		**219,442**	**976**	**3,210**	**80**	**-5,567**	**4,094**	**-862**	**221,373**

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Environment & Economy

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
EE1	**EE1**	**HIGHWAYS & TRANSPORT**									
EE1-1	EE1-1	Highways & Transport Management	expenditure	1,754	728	27	0	-2,367	246	-1,209	-821
			income	-1,320	879	-3	0	-54	0	0	-498
				434	1,607	24	0	-2,421	246	-1,209	-1,319
EE1-2	EE1-2	Policy & Strategy	expenditure	12,178	-8,178	23	0	50	0	60	4,133
			income	-332	-27	0	0	0	0	0	-359
				11,846	-8,205	23	0	50	0	60	3,774
EE1-3		Highway Network & Asset Management	expenditure	0	0	0	0	0	0	17,252	17,252
			income	0	0	0	0	0	0	-815	-815
				0	0	0	0	0	0	16,437	16,437
EE1-4	EE1-3	Delivery									
EE1-41		Design & Traffic Management	expenditure	0	0	0	0	0	0	1,405	1,405
			income	0	0	0	0	0	0	-771	-771
				0	0	0	0	0	0	634	634
EE1-42	EE1-32	Operations	expenditure	9,923	-1,718	137	0	0	0	-107	8,235
			income	-176	0	0	0	0	0	0	-176
				9,747	-1,718	137	0	0	0	-107	8,059
	EE1-31	Infrastructure & Design	expenditure	8,867	-1,203	152	167	210	312	-8,505	0
			income	-656	-133	-3	0	0	0	792	0
				8,211	-1,336	149	167	210	312	-7,713	0
	EE1-41	Customer & Business	expenditure	7,246	2,074	237	0	-793	200	-8,964	0
			income	-54	-746	-16	0	0	0	816	0
				7,192	1,328	221	0	-793	200	-8,148	0
EE1-1 TO EE1-42		Subtotal Highways & Transport (excluding EE1-43 TO EE1-46)		37,430	-8,324	554	167	-2,954	758	-46	27,585

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Environment & Economy

Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
EE1-43	EE1-43	Integrated Transport Unit	expenditure	3,126	-16	16	0	0	0	0	3,126
			income	-2,315	0	0	0	0	0	0	-2,315
				811	-16	16	0	0	0	0	811
EE1-44	EE1-44	Public Transport	expenditure	5,500	-2	153	0	0	0	120	5,771
			income	-539	0	0	0	0	0	-21	-560
				4,961	-2	153	0	0	0	99	5,211
EE1-45	EE1-45	Concessionary Fares	expenditure	0	8,261	164	0	1,200	-1,400	-422	7,803
			income	0	0	0	0	0	0	0	0
				0	8,261	164	0	1,200	-1,400	-422	7,803
EE1-46	EE1-42	On/Off Street Parking and Park & Rides	expenditure	6,295	-4	79	0	0	0	-350	6,020
			income	-6,129	0	-123	0	0	0	350	-5,902
				166	-4	-44	0	0	0	0	118
		SUBTOTAL HIGHWAYS & TRANSPORT		**43,368**	**-85**	**843**	**167**	**-1,754**	**-642**	**-369**	**41,528**
EE2	**EE2**	**GROWTH & INFRASTRUCTURE**									
EE2-1		**Deputy Director**									
EE2-11		Deputy Director	expenditure	0	0	0	0	0	0	377	377
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	377	377
EE2-12	EE2-11	Flood Defence Levy	expenditure	484	0	10	0	0	0	-16	478
			income	0	0	0	0	0	0	0	0
				484	0	10	0	0	0	-16	478
EE2-1		Subtotal Deputy Director		484	0	10	0	0	0	361	855

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Environment & Economy

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
EE2-2		Planning & Regulation	expenditure	0	0	0	0	0	0	1,161	1,161
			grant income	0	0	0	0	0	0	-229	-229
			income	0	0	0	0	0	0	-228	-228
				0	0	0	0	0	0	704	704
EE2-3		Infrastructure Planning	expenditure	0	0	0	0	0	0	2,600	2,600
			income	0	0	0	0	0	0	-493	-493
				0	0	0	0	0	0	2,107	2,107
EE2-2 to EE2-3		Subtotal Planning & Regulation and Infrastructure Planning		0	0	0	0	0	0	2,811	2,811
EE2-4	EE2-4	Waste Management	expenditure	22,674	-195	319	0	2,138	-2,440	-183	22,313
			income	-547	188	-7	0	0	0	-34	-400
				22,127	-7	312	0	2,138	-2,440	-217	21,913
	EE2-1	Sustainable Development Management	expenditure	97	60	0	0	0	0	-157	0
			income	0	0	0	0	0	0	0	0
				97	60	0	0	0	0	-157	0
	EE2-2	Planning Implementation	expenditure	1,421	-169	5	0	-38	100	-1,319	0
			income	-412	201	-4	0	-7	0	222	0
				1,009	32	1	0	-45	100	-1,097	0
	EE2-3	Economy, Spatial Planning & Climate Change	expenditure	1,755	1,226	16	0	-487	200	-2,710	0
			income	-66	-390	-1	0	-20	0	477	0
				1,689	836	15	0	-507	200	-2,233	0
	EE2-51	Countryside	expenditure	1,227	-9	6	0	-74	0	-1,150	0
			income	-42	0	0	0	-5	0	47	0
				1,185	-9	6	0	-79	0	-1,103	0
	EE2-52	Funded Projects	expenditure	672	2	3	0	0	0	-677	0
			grant income	0	0	0	0	0	0	0	0
			income	-451	-223	-2	0	0	0	676	0
				221	-221	1	0	0	0	-1	0

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Environment & Economy

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
EE2-5	CEF1-6	Business & Skills	expenditure	0	0	0	0	0	0	795	795
			income	0	0	0	0	0	0	-159	-159
				0	0	0	0	0	0	636	636
EE2-6		**Property & Facilities**									
EE2-61	EE3-1	Corporate Property	expenditure	10,767	302	294	0	-396	150	3,199	14,316
			income	-14,914	1,401	0	0	0	0	-892	-14,405
				-4,147	1,703	294	0	-396	150	2,307	-89
EE2-62	EE3-2	Facilities Management	expenditure	3,203	43	22	0	-394	0	-290	2,584
			income	-3,203	-65	-1	0	47	0	0	-3,222
				0	-22	21	0	-347	0	-290	-638
EE2-63	EE3-3	Operational Asset Management	expenditure	2,073	606	41	0	-240	50	-791	1,739
			income	-1,173	-120	0	0	0	0	821	-472
				900	486	41	0	-240	50	30	1,267
EE2-64	EE3-4	Strategic Asset Management	expenditure	1,229	-187	12	0	-91	0	0	963
			income	-333	62	-1	0	0	0	0	-272
				896	-125	11	0	-91	0	0	691
EE2-65	EE3-5	Project Delivery	expenditure	549	-320	0	0	0	0	0	229
			income	-258	107	0	0	0	0	0	-151
				291	-213	0	0	0	0	0	78
EE2-66	EE3-6	Sustainability & Procurement	expenditure	532	8	8	0	-47	250	0	751
			income	-72	1	-1	0	0	0	0	-72
				460	9	7	0	-47	250	0	679
EE2-67	EE3-7	Information & Support	expenditure	298	4	4	0	-18	0	0	288
			income	0	0	0	0	0	0	0	0
				298	4	4	0	-18	0	0	288
EE2-61 to EE2-67		Subtotal Property and Facilities (excluding. EE2-68)		-1,302	1,842	378	0	-1,139	450	2,047	2,276

Draft Revenue Budget 2012/13
Environment & Economy

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
EE2-68	EE5-5	Food with Thought/QCS Cleaning	expenditure	8,298	1,092	0	0	0	0	0	9,390
			income	-8,271	-1,092	0	0	0	0	0	-9,363
				27	0	0	0	0	0	0	27
		SUBTOTAL GROWTH & INFRASTRUCTURE		**25,537**	**2,533**	**723**	**0**	**368**	**-1,690**	**1,047**	**28,518**
EE3	**EE5**	**OXFORDSHIRE CUSTOMER SERVICES**									
EE3-1	EE5-1	Management Team	expenditure	2,231	5	6	0	-31	-310	-236	1,665
			income	-2,231	-42	0	0	0	0	0	-2,273
				0	-37	6	0	-31	-310	-236	-608
EE3-2		**OCS Finance**									
EE3-21		Pensions, Insurance & Money Management	expenditure	0	0	0	0	0	0	1,740	1,740
			income	0	0	0	0	0	0	-2,735	-2,735
				0	0	0	0	0	0	-995	-995
EE3-22		Operational Finance	expenditure	0	0	0	0	0	0	3,008	3,008
			income	0	0	0	0	0	0	-3,552	-3,552
				0	0	0	0	0	0	-544	-544
EE3-23		Management Accounting	expenditure	0	0	0	0	0	0	1,915	1,915
			income	0	0	0	0	0	0	-531	-531
				0	0	0	0	0	0	1,384	1,384
	EE5-2	Financial Services	expenditure	2,797	8	2	0	0	0	-2,807	0
			income	-2,797	0	-3	0	0	0	2,800	0
				0	8	-1	0	0	0	-7	0
	EE5-3	Financial and Management Accounting	expenditure	4,039	-190	2	0	-25	0	-3,826	0
			income	-4,039	52	0	0	0	0	3,987	0
				0	-138	2	0	-25	0	161	0
EE3-2		Subtotal OCS Finance		0	-130	1	0	-25	0	-1	-155

Draft Revenue Budget 2012/13
Environment & Economy

Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
EE3-3	EE5-6	ICT	expenditure	17,986	7	238	0	-873	-200	-157	17,001
			income	-17,986	5	-10	0	0	0	0	-17,991
				0	12	228	0	-873	-200	-157	-990
EE3-4	EE5-7	County Procurement	expenditure	634	78	0	0	0	0	0	712
			income	-634	-9	0	0	0	0	0	-643
				0	69	0	0	0	0	0	69
EE3-5	EE5-8	Customer Services	expenditure	1,444	426	2	0	-321	0	487	2,038
			income	-1,374	-326	0	0	0	0	0	-1,700
				70	100	2	0	-321	0	487	338
EE3-6 TO EE3-7		**Human Resources and Adult Learning**									
EE3-6	EE5-4	Human Resources	expenditure	6,970	349	22	0	-188	0	50	7,203
			grant income		0	0	0	0	0	0	0
			income	-6,814	-112	-7	0	0	0	-104	-7,037
				156	237	15	0	-188	0	-54	166
EE3-7	EE5-9	Adult Learning	expenditure	4,784	113	0	0	0	0	0	4,897
			grant income	-3,803	3,803	0	0	0	0	-3,820	-3,820
			income	-843	-3,926	0	0	0	0	3,820	-949
				138	-10	0	0	0	0	0	128
EE3-6 TO EE3-7		Subtotal Human Resources and Adult Learning		294	227	15	0	-188	0	-54	294
		SUBTOTAL OXFORDSHIRE CUSTOMER SERVICES		**364**	**241**	**252**	**0**	**-1,438**	**-510**	**39**	**-1,052**

Draft Revenue Budget 2012/13
Environment & Economy

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
EE4	**EE4**	**DIRECTOR'S OFFICE**									
EE4-1	EE4-1	Director's Office	expenditure	6,292	-176	14	0	-312	242	123	6,183
			income	0	0	0	0	0	0	0	0
				6,292	-176	14	0	-312	242	123	6,183
		SUBTOTAL DIRECTORS OFFICE		**6,292**	**-176**	**14**	**0**	**-312**	**242**	**123**	**6,183**
			expenditure	**157,345**	**3,025**	**2,014**	**167**	**-3,097**	**-2,600**	**416**	**157,270**
			grant income	**-3,803**	**3,803**	**0**	**0**	**0**	**0**	**-4,049**	**-4,049**
			income	**-77,981**	**-4,315**	**-182**	**0**	**-39**	**0**	**4,473**	**-78,044**
		DIRECTORATE TOTAL		**75,561**	**2,513**	**1,832**	**167**	**-3,136**	**-2,600**	**840**	**75,177**

Draft Revenue Budget 2012/13
Chief Executive's Office

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
CEO1	**CEO1**	**CHIEF EXECUTIVE & BUSINESS SUPPORT**									
CEO1-1	CEO1-1	Chief Executive's Personal Office	expenditure	813	-4	1	0	0	-24	-4	782
			income	-813	17	0	0	0	0	0	-796
				0	13	1	0	0	-24	-4	-14
CEO1-2	CEO1-2	Change Fund	expenditure	308	0	6	0	0	0	0	314
			income	0	0	0	0	0	0	0	0
				308	0	6	0	0	0	0	314
CEO1-3	CEO1-3	Subscriptions & External Funding	expenditure	116	100	4	0	0	0	0	220
			income	0	0	0	0	0	0	0	0
				116	100	4	0	0	0	0	220
CEO1-4	CEO1-4	Big Society Fund	expenditure	600	0	0	0	-236	0	50	414
			income	0	0	0	0	0	0	0	0
				600	0	0	0	-236	0	50	414
		SUBTOTAL CHIEF EXECUTIVE & BUSINESS SUPPORT		**1,024**	**113**	**11**	**0**	**-236**	**-24**	**46**	**934**
CEO2	**CEO2**	**HUMAN RESOURCES**									
CEO2-1	CEO2-1	Strategic Human Resources	expenditure	969	-54	3	0	-81	0	0	837
			income	-1,708	0	0	0	0	0	0	-1,708
				-739	-54	3	0	-81	0	0	-871
CEO2-2	CEO2-2	Unison	expenditure	143	0	0	0	0	0	0	143
			income	-3	0	0	0	0	0	0	-3
				140	0	0	0	0	0	0	140
CEO2-3	CEO2-3	Organisational Development	expenditure	549	49	4	0	-80	0	0	522
			income	0	0	0	0	0	0	0	0
				549	49	4	0	-80	0	0	522
		SUBTOTAL HUMAN RESOURCES		**-50**	**-5**	**7**	**0**	**-161**	**0**	**0**	**-209**

Draft Revenue Budget 2012/13
Chief Executive's Office

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
CEO3	**CEO3**	**CORPORATE FINANCE & INTERNAL AUDIT**									
CEO3-1	CEO3-2	Corporate Finance	expenditure	938	684	3	0	-39	0	0	1,586
			income	-914	-434	0	0	0	0	0	-1,348
				24	250	3	0	-39	0	0	238
CEO3-2	CEO3-3	Internal Audit Service	expenditure	576	31	0	0	-36	0	0	571
			income	-594	-30	-1	0	0	0	0	-625
				-18	1	-1	0	-36	0	0	-54
CEO3-3	CEO3-4	Audit Fee	expenditure	320	0	6	0	0	-27	0	299
			income	-320	0	0	0	0	0	0	-320
				0	0	6	0	0	-27	0	-21
CEO3-4	CEO3-5	Berkshire Pensions	expenditure	51	3	0	0	-42	0	0	12
			income	0	0	0	0	0	0	0	0
				51	3	0	0	-42	0	0	12
	CEO3-1	Service Management	expenditure	474	-474	0	0	0	0	0	0
			income	-480	480	0	0	0	0	0	0
				-6	6	0	0	0	0	0	0
		SUBTOTAL CORPORATE FINANCE & INTERNAL AUDIT		**51**	**260**	**8**	**0**	**-117**	**-27**	**0**	**175**
CEO4	**CEO4**	**LAW & GOVERNANCE SERVICES**									
CEO4-1	CEO4-1	Legal Services	expenditure	2,024	-2	11	0	-10	0	0	2,023
			income	-2,024	1	-4	0	-17	0	0	-2,044
				0	-1	7	0	-27	0	0	-21
CEO4-2	CEO4-2	Democratic Services	expenditure	799	-28	3	0	-30	0	0	744
			income	-799	26	0	0	0	0	0	-773
				0	-2	3	0	-30	0	0	-29

Draft Revenue Budget 2012/13
Chief Executive's Office

Ref. 2012/13	Ref. 2011/12	Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CEO4-3	CEO4-3	Coroner's Service	expenditure	990	0	14	0	75	0	0	1,079
			income	-172	0	0	0	56	0	0	-116
				818	0	14	0	131	0	0	963
CEO4-4	CEO4-4	Members' Allowances	expenditure	1,027	0	0	0	0	0	0	1,027
			income	0	0	0	0	0	0	0	0
				1,027	0	0	0	0	0	0	1,027
CEO4-5	CEO4-5	Members' Services	expenditure	163	0	0	0	-7	0	0	156
			income	-10	0	0	0	0	0	0	-10
				153	0	0	0	-7	0	0	146
CEO4-6	CEO4-6	Chairman's Allowance	expenditure	19	0	0	0	0	0	0	19
			income	0	0	0	0	0	0	0	0
				19	0	0	0	0	0	0	19
CEO4-7	CEO4-7	Council Elections	expenditure	127	0	2	0	0	0	0	129
			income	0	0	0	0	0	0	0	0
				127	0	2	0	0	0	0	129
CEO4-8	CEO4-8	Registration Service	expenditure	1,586	-44	2	0	0	0	0	1,544
			income	-1,098	0	-15	0	0	0	0	-1,113
				488	-44	-13	0	0	0	0	431
		SUBTOTAL LAW & GOVERNANCE SERVICES		**2,632**	**-47**	**13**	**0**	**67**	**0**	**0**	**2,665**
CEO5	**CEO5**	**STRATEGY AND COMMUNICATIONS**									
CEO5-1		Policy & Improvement	expenditure	0	0	0	0	0	0	800	800
			income	0	0	0	0	0	0	-413	-413
				0	0	0	0	0	0	387	387
CEO5-2		Performance & Improvement	expenditure	0	0	0	0	0	0	730	730
			income	0	0	0	0	0	0	-903	-903
				0	0	0	0	0	0	-173	-173

Draft Revenue Budget 2012/13
Chief Executive's Office

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
CEO5-3		Communications & Engagement	expenditure	0	0	0	0	0	0	963	963
			income	0	0	0	0	0	0	-1,137	-1,137
				0	0	0	0	0	0	-174	-174
CEO5-4	CEO5-2	Grants	expenditure	238	0	0	0	-20	0	87	305
			income	0	0	0	0	0	0	0	0
				238	0	0	0	-20	0	87	305
CEO5-5	CEO5-5	Scrutiny	expenditure	24	-1	1	0	0	0	38	62
			income	0	0	0	0	0	0	0	0
				24	-1	1	0	0	0	38	62
	CEO5-1	Partnership Working	expenditure	426	0	2	0	-100	0	-328	0
			income	-413	0	0	0	0	0	413	0
				13	0	2	0	-100	0	85	0
	CEO5-3	Partnerships & Communities Team	expenditure	87	0	1	0	-20	0	-68	0
			income	0	0	0	0	0	0	0	0
				87	0	1	0	-20	0	-68	0
	CEO5-4	Policy & Performance	expenditure	870	-1	1	0	0	-49	-821	0
			income	-870	0	0	0	0	0	870	0
				0	-1	1	0	0	-49	49	0
	CEO5-6	Consultation and Involvement	expenditure	273	0	2	0	300	-300	-275	0
			income	-273	0	0	0	0	0	273	0
				0	0	2	0	300	-300	-2	0
	CEO5-7	Research and Intelligence	expenditure	178	0	1	0	0	0	-179	0
			income	-32	0	0	0	0	0	32	0
				146	0	1	0	0	0	-147	0
	CEO5-8	Communications & Marketing	expenditure	891	-1	0	0	0	0	-890	0
			income	-900	0	-1	0	0	0	901	0
				-9	-1	-1	0	0	0	11	0

Draft Revenue Budget 2012/13
Chief Executive's Office

Ref. 2012/13	**Ref.** 2011/12	**Service Area**		**Budget 2011/12** £000	**Permanent Virements Agreed in 2011/12** £000	**Inflation** £000	**Function and Funding Changes** £000	**Previously Agreed Budget Changes** £000	**Variation to Existing MTFP** £000	**Proposed Virements** £000	**Budget 2012/13** £000
	CEO5-9	Print & Design	expenditure	9	-3	0	0	0	0	-6	0
			income	0	0	0	0	0	0	0	0
				9	-3	0	0	0	0	-6	0
		SUBTOTAL STRATEGY & COMMUNICATIONS		**508**	**-6**	**7**	**0**	**160**	**-349**	**87**	**407**
CEO6	**CEO6**	**CORPORATE & DEMOCRATIC CORE**									
CEO6-1	CEO6-1	Corporate Management	expenditure	2,491	-230	0	0	0	0	0	2,261
			income	-228	228	0	0	0	0	0	0
				2,263	-2	0	0	0	0	0	2,261
CEO6-2	CEO6-2	Democratic Representation & Management	expenditure	1,323	-2	0	0	0	0	0	1,321
			income	0	0	0	0	0	0	0	0
				1,323	-2	0	0	0	0	0	1,321
		SUBTOTAL CORPORATE & DEMOCRATIC CORE		**3,586**	**-4**	**0**	**0**	**0**	**0**	**0**	**3,582**
			expenditure	**19,402**	**23**	**67**	**0**	**-326**	**-400**	**97**	**18,863**
			grant income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
			income	**-11,651**	**288**	**-21**	**0**	**39**	**0**	**36**	**-11,309**
		DIRECTORATE TOTAL		**7,751**	**311**	**46**	**0**	**-287**	**-400**	**133**	**7,554**

Draft Revenue Budget 2012/13
Strategic Measures

Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CAPITAL FINANCING									
Principal	expenditure	18,292	0	0	0	-300	203	0	18,195
	income	0	0	0	0	0	0	0	0
		18,292	0	0	0	-300	203	0	18,195
Interest	expenditure	18,858	0	0	0	-747	695	0	18,806
	income	0	0	0	0	0	0	0	0
		18,858	0	0	0	-747	695	0	18,806
Net Interest on Balances (split income and expenditure)	expenditure	2,143	0	-240	0	707	-876	0	1,734
	income	-3,970	-1,830	0	0	-2,434	2,152	0	-6,082
		-1,827	-1,830	-240	0	-1,727	1,276	0	-4,348
SUBTOTAL CAPITAL FINANCING		**35,323**	**-1,830**	**-240**	**0**	**-2,774**	**2,174**	**0**	**32,653**
Pensions Past Service Deficit Funding	expenditure	1,500	0	0	0	0	0	0	1,500
	income	0	0	0	0	0	0	0	0
		1,500	**0**	**0**	**0**	**0**	**0**	**0**	**1,500**
CONTRIBUTIONS TO/FROM BALANCES									
General Balances	expenditure	1,619	0	0	0	1,181	0	0	2,800
	income	0	0	0	0	0	0	0	0
		1,619	0	0	0	1,181	0	0	2,800
SUBTOTAL CONTRIBUTIONS TO/FROM BALANCES		**1,619**	**0**	**0**	**0**	**1,181**	**0**	**0**	**2,800**

Draft Revenue Budget 2012/13
Strategic Measures

Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
CONTRIBUTIONS TO/FROM RESERVES									
Reserves	expenditure	1,872	873	0	577	4,897	-382	0	7,837
	income	0	0	0	0	0	-744	0	-744
		1,872	873	0	577	4,897	-1,126	0	7,093
Prudential Borrowing costs	expenditure	1,250	0	0	0	0	0	0	1,250
	income	0	0	0	0	0	0	0	0
		1,250	0	0	0	0	0	0	1,250
SUBTOTAL CONTRIBUTIONS TO/FROM RESERVES		**3,122**	**873**	**0**	**577**	**4,897**	**-1,126**	**0**	**8,343**
Strategic Measures	expenditure	45,534	873	-240	577	5,738	-360	0	52,122
	income	-3,970	-1,830	0	0	-2,434	1,408	0	-6,826
STRATEGIC MEASURES TOTAL		**41,564**	**-957**	**-240**	**577**	**3,304**	**1,048**	**0**	**45,296**
UN-RINGFENCED SPECIFIC GRANT INCOME	expenditure	0	2,043	0	152	0	-2,195	0	0
	grant income	-48,519	-1,224	0	-1,534	-1,773	93	0	-52,957
	income								0
		-48,519	819	0	-1,382	-1,773	-2,102	0	-52,957
TOTAL UN-RINGFENCED SPECIFIC GRANT INCOME		**-48,519**	**819**	**0**	**-1,382**	**-1,773**	**-2,102**	**0**	**-52,957**

Draft Revenue Budget 2012/13
Strategic Measures

Service Area		Budget 2011/12 £000	Permanent Virements Agreed in 2011/12 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	Variation to Existing MTFP £000	Proposed Virements £000	Budget 2012/13 £000
COLLECTION FUND SURPLUSES/DEFICITS	expenditure	0	0	0	0	0	0	0	0
	income	-3,782	0	0	0	0	0	2,182	-1,600
		-3,782	0	0	0	0	0	2,182	-1,600
TOTAL COLLECTION FUND SURPLUSES/DEFICITS		**-3,782**	**0**	**0**	**0**	**0**	**0**	**2,182**	**-1,600**
FORMULA GRANT INCOME									
Revenue Support Grant	expenditure	0	0	0	0	0	0	0	0
	grant income	-28,844	0	0	0	0	0	26,651	-2,193
		-28,844	0	0	0	0	0	26,651	-2,193
Redistributed Business Rates	expenditure	0	0	0	0	0	0	0	0
	grant income	-93,316	0	0	0	0	0	-19,803	-113,119
		-93,316	0	0	0	0	0	-19,803	-113,119
TOTAL FORMULA GRANT INCOME		**-122,160**	**0**	**0**	**0**	**0**	**0**	**6,848**	**-115,312**

Draft Revenue Budget 2012/13
Government Grant Details - 2012/13

Directorate	Estimate 2011/12	Revised 2011/12	Estimate 2012/13
	£m	£m	£m
Children, Education & Families			
Dedicated Schools Grant	386.803	379.815	379.815
Pupil Premium	3.400	4.617	7.382
Young People Learning Agency – Sixth Form Funding	27.608	27.608	27.608
Young People Learning Agency – SEN	0.491	0.491	0.491
Additional Grant - Phonics, Physical Education, Maths & Science Teachers (MAST) and New Opportunties		0.340	
Music	0.640	0.704	0.704
Youth Justice Board		0.924	0.924
Intensive Interventions Programme (DfE)		0.140	
Intensive Interventions Programme (DfE) Sector Advisors		0.015	
Children's Centres Payment by Results Pilot		0.075	
Asylum (UASC & Post 18)		1.328	1.328
Total Children, Education & Families	**418.942**	**416.057**	**418.252**
Social & Community Services			
Workstep Grant		0.275	0.275
Total Social & Community Services	**0**	**0.275**	**0.275**
Environment & Economy			
Skills Funding Agency - Adult Education	3.803	3.820	3.820
Young People's Learning Agency - Young Apprentice		0.033	
Natural England	0	0.221	0.229
Total Environment & Economy	**3.803**	**4.074**	**4.049**

Draft Revenue Budget 2012/13
Government Grant Details - 2012/13

Directorate	Estimate 2011/12	Revised 2011/12	Estimate 2012/13
	£m	£m	£m
Strategic Measures			
Early Intervention Grant	21.329	21.423	23.446
Learning Disabilities & Health Reform Grant	19.224	19.224	19.693
Fire Revenue Grant	0.183	0.183	0.250
Community Safety Fund	0.563	0.567	0.287
Lead Local Flood Authority	0.158	0.158	0.325
Extended Rights to Free Travel		0.630	0.782
New Homes Bonus		0.491	1.068
Council Tax Freeze Grant	7.063	7.067	7.106
Revenue Support Grant	28.844	28.844	2.193
Redistributed Business Tax	93.316	93.316	113.119
Total Strategic Measures	**170.680**	**171.903**	**168.269**
Total Grants	**593.425**	**592.309**	**590.845**

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ANNEX 10

Service & Resource Planning 2012/13 - 2016/17

Virement Rules 2012/13

Introduction

1. Under the Constitution the Council is required to specify the extent of virement within the approved budget which may be undertaken by the Cabinet. Any other changes to the budget are reserved to the Council, other than any changes necessary to ensure compliance with the law, ministerial direction or government guidance.

2. Virement for these purposes is taken to include:

   - the transfer of net budget provision between budget heads as set out in the budget approved by Council;
   - changes to gross income and gross expenditure[1];
   - the transfer of funds from balances by way of a supplementary estimate.

3. Temporary virements only affect the current financial year. Permanent virements affect the current financial year and all future financial years.

Virements requiring Council approval

4. Council agree the budget for the forthcoming financial year in February each year. The approval of Council is required for any subsequent virement which:

   a) Is a permanent virement and involves a major change in policy[2]; or

   b) Involves the one-off transfer of funds of £500,000 or more between revenue and capital budgets; or

   c) Is a temporary virement, involves a major change in policy and is for £500,000 or more; or

   d) Where in the opinion of the Chief Finance Officer a Council decision is required.

   The Chief Finance Officer must consider if virements involve a major change in policy.

[1] The net effect of these changes is nil but the effect on expenditure and income is subject to approval as set out in these rules.
[2] Each plan and/or strategy is agreed by Council and comprised in the policy framework. As set out in the Constitution Article 4, paragraph 2 and Part 3.2 of the Constitution.

5. These provisions are reviewed annually as part of the budget setting process.

Virements for which the Cabinet is responsible

6. Virements that are not the responsibility of the Council become the Cabinet's responsibility. Cabinet must consider:

a) The remaining one-off virements that transfer funds between revenue and capital budgets and have a value of less than £500,000.

b) Any permanent virement worth £250,000 or more that does not involve a major change in policy;

c) Any temporary virement that involves:

   i. A major change of policy and is worth £250,000 or more but less than £500,000; or
   ii. No major change of policy and is worth £250,000 or more.

d) Any delegated virements that the relevant Cabinet member or members have concerns about that have been referred to the Cabinet for approval or where in the opinion of the Chief Finance Officer a Cabinet decision is required.

Virements delegated by the Cabinet

7. Cabinet delegates responsibility for the remaining permanent and temporary virements as follows:

Permanent virements

a) Responsibility for agreeing permanent virements that do not involve a major change in policy and are worth less than £250,000 is delegated to the relevant Director and Chief Finance Officer (or their nominated officer) subject to the approval of the relevant Cabinet member as part of the monthly financial monitoring process.

Temporary virements

b) Responsibility for agreeing temporary virements worth less than £250,000 but greater than or equal to £100,000 is delegated to the relevant Director and Chief Finance Officer (or their nominated officer) subject to the approval of the relevant Cabinet member as part of the monthly financial monitoring process.

c) Responsibility for agreeing temporary virements worth less than £100,000 but greater than or equal to £50,000 is delegated to the relevant Deputy Director or Head(s) of Service. These virements should be reported as part of the monthly financial monitoring process.

d) Responsibility for agreeing temporary virements worth less than £50,000 is delegated to budget holders and managers affected.

8. Where a decision by Council or Cabinet has already specified that temporary or permanent virements will result the virements should be first agreed and then actioned by the relevant budget holders and managers affected. If there are disagreements, an arbitration process will be led by the Chief Finance Officer.

9. Any delegated virements that the relevant Cabinet member or Chief Financial Officer have concerns about must be referred to the Cabinet for approval.

Monthly monitoring

10. As part of monthly financial monitoring procedures directorates should be forecasting the full year outturn position. Where action plans to address potential overspends do not reduce the forecast overspend, temporary virements should be made from underspendings elsewhere to reflect the forecast overspend that is not covered by measures in the action plan. Action plans that address overspends of £500,000 or more within a budget head as set out in the budget agreed by Council, or where the S151 Officer has raised a concern, should be approved by the Chief Finance Officer and the Cabinet Member for Finance and noted in the Financial Monitoring Report to Cabinet.

11. When virements are reported they will be assumed to be temporary virements unless it is specifically stated that they are permanent virements.

Cumulative virements

12. Successive virements to or from the same budget will produce a cumulative effect. If the cumulative effect would require approval at a higher level – for example by Council instead of the Cabinet, this should be obtained.

13. Once the higher level of approval has been obtained for a cumulative virement the cumulative total is reset to zero. This means that any subsequent virement is a separate request that should be treated as set out above.

Chief Finance Officer Powers

14. If directorates do not make virements in accordance with the Virement Rules the Chief Finance Officer has the power to make other virements to remedy the position.

Who approves a virement?

<table>
<tr><td></td><td colspan="2">Permanent virements</td><td colspan="2">Temporary virements</td></tr>
<tr><td>Description of the virement</td><td>Major policy change</td><td>Not a major policy change</td><td>Major policy change</td><td>Not a major policy change</td></tr>
<tr><td colspan="5">Council must always decide in the following cases</td></tr>
<tr><td>Where there is one – off transfer between revenue and capital budgets of £500,000 or more</td><td>Not applicable</td><td>Not applicable</td><td>Council (4b)</td><td>Council (4b)</td></tr>
<tr><td>Where in the opinion of the Chief Finance Officer a Council decision is required</td><td>Council (4a) and (4d)</td><td>Council (4d)</td><td>Council (4d)</td><td>Council (4d)</td></tr>
<tr><td colspan="5">In other cases, the value and type of the virement determines who decides</td></tr>
<tr><td>Where there is a one-off transfer between revenue and capital budgets of less than £500,000</td><td>Not applicable</td><td>Not applicable</td><td>Cabinet (6a)</td><td>Cabinet (6a)</td></tr>
<tr><td>£500,000 or more</td><td>Council (4a)</td><td>Cabinet (6b)</td><td>Council (4c)</td><td>Cabinet (6c) ii</td></tr>
<tr><td>Less than £500,000 but more than or equal to £250,000</td><td>Council (4a)</td><td>Cabinet (6b)</td><td>Cabinet (6c) i</td><td>Cabinet (6c) ii</td></tr>
<tr><td>Less than £250,000 but more than or equal to £100,000</td><td>Council (4a)</td><td rowspan="3">Director and Chief Finance Officer subject to approval by the relevant Cabinet member (7a)</td><td colspan="2">Director and Chief Finance Officer subject to the approval of the relevant Cabinet member as part of the monthly financial monitoring process (7b)</td></tr>
<tr><td>Less than £100,000 but more than or equal to £50,000</td><td>Council (4a)</td><td colspan="2">Deputy Director or Head(s) of Service and reported as part of the monthly financial monitoring process (7c)</td></tr>
<tr><td>Less than £50,000</td><td>Council (4a)</td><td colspan="2">Budget holders and managers affected (7d)</td></tr>
<tr><td>Previous decision by Council or Cabinet specifies that virements will result.</td><td colspan="4">Budget holders and managers affected subject to an arbitration process by the Chief Finance Officer (paragraph 8)</td></tr>
<tr><td></td><td></td><td colspan="3">Any of the virements in shaded boxes must be referred to Cabinet for decision if the Chief Finance Officer or relevant Cabinet member has concerns about them (6d) and paragraph 9.</td></tr>
</table>

ANNEX 11(a)

Oxfordshire County Council
Corporate Asset Management Plan 2012/13

Purpose

1. The Asset Management Plan (AMP) is a high level corporate strategy which establishes the role of the Council's property assets in meeting strategic objectives and the business strategy. The strategy is driven by corporate and service objectives.

2. The purpose of the AMP is to:

   - Give an overview of the Council's strategic direction and objectives and the implications this has for its property;
   - Describe how property needs to change and be used to help achieve those objectives;
   - Describe the objectives for property that arise from this and the strategy for each type of asset;
   - Set out the action to be taken, at a high level;
   - Provide a clear statement of the Council's approach to its property.

3. The Council's property is changing significantly in terms of its size, composition, use and cost so as to positively contribute to meeting the Business Strategy objectives.

4. Although this year's review of the plan proposes that the priorities remain largely the same, it also recommends that there should be a shift and clarification in policy, from reducing the size of the non-school estate by 25% to reducing costs by this amount. This also reflects a proposed shift from a priority of holding property to deliver services, to using our property to help deliver broader objectives of the Council. The proposed change would also better reflect the likely provisions of the Localism Bill.

5. The benefits of good asset management are clearly set out in best practice guidance. Land and buildings are the slowest of all strategic resources to respond to change, due to legal, financial, construction, organisational and development constraints and therefore it is necessary to plan for change in a systematic, long term way. Incremental change will not be sufficient as it cannot respond to the challenges of delivering service transformation and delivery of community objectives. The AMP provides the strategic context in which to deliver a structured and programmed approach to change in assets.

6. There is also an Asset Strategy Implementation Programme which sets out how the strategy will be put in to action. This includes:

   - Property Rationalisation Programme;
   - Corporate Landlord Implementation;
   - Procurement of a new Single Service Provider;

- Locality Reviews, Partnership Working & Asset Transfer;
- Improvements to asset management information.

7. The Asset Management Plan considers the period from 2012/13 to 2015/16 to allow forward planning and integration with the Council's Business Strategy; Service and Resource Planning process and Medium Term Financial Plan. It also considers longer term business drivers and asset needs.

Objectives and Business Strategy

8. The County Council's objectives and Business Strategy determine decisions about the Council's direction and therefore its assets.

9. The Corporate Plan contains the following priorities and themes:

Efficient Public Services

- Delivering our savings target;
- Business Strategy including changing the way we work including re-engineering staff work practices and processes; improving our use of technology; rationalising property and other assets; streamlining the organisational structure; giving priority to vital services; exploiting internal and external opportunities to find savings by moving more functions into our 'shared service' centre;
- Community leadership;
- Customer focus;
- Collaborative working: identifying opportunities to work with others to deliver services more effectively, and reviewing existing partnership arrangements to maximise the benefit we receive for the investment we make in them.

World Class Economy

- Supporting growth;
- Oxfordshire City Region Partnership;
- Infrastructure;
- Tackling congestion;
- Young people – improving educational attainment;
- Skill levels – link adult skills provision to the needs of the local economy.

Healthy and Thriving Communities

- Community self-help;
- Closer to Communities: developing our locality-focused approach to service planning and delivery;
- Breaking the cycle of deprivation;
- Prevention: early intervention on adult and children's services;
- Safeguarding: providing a high quality, focused safeguarding service for vulnerable children and adults;

- Demographic Change: supporting the increasing number of older people and people with disabilities to live in their own home rather than a care home.

Environment & Climate Change

- Increasing energy efficiency and reduce emissions;
- Increasing rates of recycling and reducing the amount of household waste;
- Protecting the natural and built environment.

10. The **Business Strategy** requires a rationalisation of the asset base to help deliver savings.

Financial Context

10. The current economic conditions place higher demand on public services and have significant implications on capital and revenue resources. The council has already experienced a sharp reduction in the value of capital receipts as well as delays in delivery of the disposal programme. The Council is receiving significantly less settlement from central government from 2011/12 onwards.

11. This makes the effective use of the Council's assets and limited capital resources of utmost importance.

How do our Assets Need to Change?

12. The Council's objectives, overall theme of breaking the cycle of deprivation and Business Strategy mean that the asset base will need to change significantly to support delivery of those objectives. The broad asset implications of the objectives are shown below.

Efficient Public Services

- The cost and size of our assets will be significantly reduced;
- The amount of maintenance that can be carried out will reduce and available funding must be used to support the Business Strategy;
- Property assets must be treated as a corporate and community resource and their future planned with our partners;
- Investment will need to be focussed on priority services and joint asset planning with partners.

World Class Economy

- Infrastructure will need to be provided for growth areas;
- Sufficient school pupil places will need to be provided.

Healthy and Thriving Communities

- Changes to the provision of adult social care will mean changes to the property estate;

- Encouraging community self help through joint and community use of assets;
- The need to improve health and well-being will require more effective working and co-location with our partners.

Environment and Climate Change
- The environmental impact of our property will need to be reduced and the estate be made more resilient to climate change to minimise impacts on services and reduce costs;
- Appropriate facilities for recycling and waste disposal will be required.

The Council's Property Portfolio

13. The Council has approximately 830 properties, the vast majority of which are operational rather than investment properties. They have an asset value of approximately of £1.2 billion (£1.516 billion). The main property types are:

- secondary schools
- primary schools
- special schools
- offices
- fire stations
- libraries
- museums
- day centres
- highway depots
- staff houses
- children's centres
- early intervention hubs
- waste recycling centres
- Homes for older people

14. The Council makes significant investment in the portfolio each year, through the capital programme and the repairs and maintenance programme. This has achieved significant improvement in schools, offices, children's centres and early intervention hubs over the last five years. However, only 45% of the portfolio is fully fit for purpose and there is required maintenance of £77 million. The challenge is to reduce the size of the portfolio and reconfigure it in a way that is strategically driven, affordable and enables and facilitates change to meet the Council's service delivery and broader objectives.

Property Objectives

15. In view of the Council's objectives and Business Strategy the Council's property objectives are set out below. The purpose of these objectives is to set out the overall approach to property.

Objective 1 Reduce the cost of the property portfolio by 25% whilst using our property to deliver the Council's broader objectives and support service delivery

Objective 2 Change the portfolio to support and enable locality working

Objective 3 Increase co-location of services and sharing with partners and community organisations to improve service delivery, reduce costs and achieve broader objectives

Objective 4 Put in place property that is fit for purpose and supports corporate priorities and service business models

Objective 5 Reduce energy consumption and avoid or reduce tax liabilities

Approach to Assets

Schools

16. The highest priority for investment in the schools estate is ensuring an overall sufficiency of school places to cope with the growing pupil population. This arises from a combination of increased birth rate and inward migration to existing communities (to be met, primarily, from ‘Basic Need’ funding) and from projected substantial housing development on a number of strategic sites (to be met from Developer Contributions). In addition there is a second priority of tackling repairs and maintenance issues in the worst condition school buildings through the Schools Structural Maintenance Programme.

17. The strategy is complicated by the conversion to academy status of schools currently maintained by the Council. This transfers the entire repairs and maintenance responsibility to the schools themselves whilst leaving the Council with the statutory responsibility for ensuring sufficient places, but without the power to require academies to expand to accommodate more pupils. In addition, where a converting school has acquired the freehold of its site and buildings, these will transfer to the academy, leaving the Council without veto over disposals or call upon any capital receipts.

18. The outcome of the post-James Review consultation on schools capital investment may further complicate the position by introducing central procurement of brand new schools (primarily to meet the needs of strategic housing sites) whilst establishing local pooled capital ‘pots’ to meet all other capital needs of publicly funded schools.

Offices

19. The Asset Rationalisation Programme will reduce the number of Council offices from 45 to 24 (including the Early Intervention Hubs) by 2014/15, with reduced staff numbers across the organisation allowing staff to be accommodated within the retained offices. The first major milestone in the programme was the vacation of the Cricket Road Centre in September 2011.

20. The medium to long term vision for the office estate is likely to involve further consolidation and be based around a four-hub model (Oxfordshire North (Banbury), Oxfordshire South (Abingdon), Oxford City Centre and Outer Oxford (Unipart House), supported by the Early Intervention Hubs. This approach is subject to approval in early 2012.

21. Under-pinning this long term office strategy is a need for a corporate New Ways of Working/Agile Working policy linking property, ICT strategy and HR policy to enable the most efficient and effective use of resources.

Libraries

22. A public consultation exercise on the future of the library service has been undertaken and closed at the end of September. The proposals for the future of the service will then be considered by the County Council's Cabinet in December 2011. Cabinet will consider the report on the outcomes of the consultation and will agree the way forward for the library service and its savings targets for 2012/13 to 2014/15.

Fire Stations

23. The future locations of fire stations will be based on meeting the needs determined by changing demographics, the increasing demands on infrastructure and associated operational risks - linked to the development of local communities and partner agencies (e.g. the Police and the Military), assessed against corporately-established response times across the county.

24. There remains an aspiration to re-provide the fire station at Rewley Road in Oxford, with the potential to co-locate a number of the functions it accommodates, perhaps as part of the Northern Gateway development. This would release some or all of the Rewley Road Fire Station site for redevelopment, depending on the ability to maintain appropriate emergency response levels for the historically important city centre area.

25. Furthermore, if suitable sites can be found that do not have a detrimental impact on response times, there is also an aspiration to relocate Banbury Fire Station to a location outside the town centre and closer to the M40. The release of the Bicester Fire Station site could enable the redevelopment of Queens Avenue and there may be potential for co-location of the fire station with partners.

26. Realistic fire fighting training is currently provided at Rewley Road Fire Station but there are issues with the impact of smoke on neighbouring properties. Options will therefore be considered for re-provision of this training function on other sites.

Homes for Older People

27. Homes for Older People are all leased to the Oxfordshire Care Partnership and the Council has been working with OCP to deliver the first phase of re-providing seven of the homes that were no longer fit for purpose. This is almost complete. Phase 2 will address the remaining eight homes. Whilst these currently meet standards there are likely to be implications for each arising out of the proposals in the review of the OCP contract which will deliver the changes to service strategy whereby there will be a withdrawal from residential home provision to be replaced with Extra Care Housing, specialist nursing and dementia homes either on existing or new sites.

Older People's Day Centres

28. As part of the Day Opportunities Strategy traditional older people's day centres are being replaced by resource centres. This has been completed in Bicester, Oxford, Abingdon and Witney and one is currently being built in Banbury. This leaves a requirement for Resource Centres in Didcot, Wantage and Wallingford.

Learning Disabilities Day Centres

29. This service is due to go out to tender in Spring 2012 and the service specification is currently being written. It is not clear yet what the property implications for the learning disability day centre will be. The new providers may either retain them under leases or choose to provide services in their own premises.

Special Needs Housing

30. A strategy for the delivery of Extra Care Housing is now established. This need is considered in all Council disposals, as well as any Section 106 bids, and through working closely with District Councils and Housing Providers.

31. An overall housing strategy is currently being prepared by Social & Community Services, which will set out the need and delivery strategies for all the areas of special needs housing, including older people, but also learning disabilities, physical disabilities and mental health. Whilst the demographic drivers are not on the same scale as for older people, often the need is much more specific and specialist and cannot be achieved through the normal affordable housing routes. The new strategy document will set out these specifics and the same principles will be applied with regard to the disposal of sites as for ECH.

Early Intervention Hubs/Satellites

32. As part of the CEF restructure, seven Early Intervention Hubs (EIH) were created across the county, supported by five Early Intervention Satellites (EIS). Six EIHs are now operational and the seventh in Witney is due for completion in Spring 2012, with the service currently being provided from temporary facilities at Thorney Leys, Witney.

33. The EIHs provide a single, integrated early intervention service for children, young people and families with additional and complex needs and the Service is provided by both Council staff and partner organisations. The EIHs/EISs also provide drop-in office accommodation for staff and support the Council's main hub offices.

Children's Centres

34. The Council has now completed provision of its Phase 3 children's centre programme and there is now a children's centre accessible to all families across Oxfordshire. The Service is run by a number of different providers, including schools, the Council, private and voluntary organisations.

35. A countywide review of all children's centre services in Oxfordshire is underway and it is expected that the process for reviewing and re-commissioning services will be completed by March 2013. A funding condition imposed by the then DCSF for Phase 3 capital builds states they should be used to provide services for young people for the next 25 years.

Children's Homes

36. The Council has two children's homes within the county. Thornbury House children's home for boys was re-provided in a new building on the same site in 2011 and is now known as 40 The Moors, Kidlington. Maltfield House in Headington provides accommodation for girls. Both are now fit for purpose.

Autistic Spectrum Disorder (ASD) unit

37. The Capital Investment Board has approved a proposal for capital investment for an Autistic Spectrum Disorder (ASD) unit within Oxfordshire and a feasibility study to convert the Ormerod special school site into suitable accommodation is underway.

Waste Recycling Centres

38. The Council has eight waste recycling centres across the county. The City and Districts continue to improve recycling through kerbside collection. Every house in Oxfordshire now has a comprehensive kerbside collection that reduces the need for visits to the waste recycling centres. The role and service of the waste recycling centres is changing.

39. A number of the current sites require significant investment to bring the facilities up to date as the current infrastructure is deteriorating. Also, there are a number of sites with temporary planning permissions that are due to expire over the next few years and these will not be renewed.

40. The Service proposals rely on providing facilities that are fit for purpose and well located to the main population centres to complement the kerbside collection undertaken by the Districts.

41. A new facility is proposed for Kidlington; Redbridge is to be refurbished and modernised, and a new site is to be established in Banbury (replacing Alkerton). Dean Pit, Ardley and Stanford in the Vale are to be closed and Drayton, Dix Pit and Oakley Wood will continue as existing.

Registration Offices

42. The Registration Service will continue to operate from nine sites across the county.

43. A feasibility study is underway to relocate Oxford register office from Tidmarsh Lane into County Hall to enable disposal of the existing building and make better use of County Hall.

44. Didcot registration office is within the library and will need to be considered alongside proposals for the town centre redevelopment.

Highway Depots

45. The Highways contract allows for investment of £5m in highway depots sites, which will be funded through revenue savings. Atkins has licence agreements for the use of Deddington, Milton Common, Drayton, Chipping Norton and Woodcote depot sites. A depot strategy will be developed which will determine where capital will be invested. Feasibility studies will then be undertaken.

46. The priorities for capital investment are:

- Office accommodation, including refurbishment of existing buildings at Drayton and replacement of temporary buildings at Deddington. This is likely to involve the relocation of some staff at Ron Groves House, Kidlington to Deddington;
- Increased salt storage capacity (Deddington, Chipping Norton, Drayton and Milton Common);
- Other operational improvements, including storage and hard-standing
- Vehicle maintenance, including possible co-location with the Integrated Transport Unit.

Adult Learning

47. Adult Learning is currently being restructured with its administrative functions being concentrated into four area offices – Unipart House, Kidlington Adult Learning, Union Street (East Oxford) and Grove Adult Learning Centre.

48. Permanent staffing will no longer be provided at the other centres and any staffing will be on the basis of need. Premises will continue to be required for service delivery. Co-location of Adult Learning accommodation with other Council and partner services will be pursued.

49. Wallingford Adult Learning premises on the Wallingford School site will become surplus to requirements. There is a priority need for premises in Didcot and opportunities will be pursued as part of the town centre redevelopment. Options to meet a priority need in Witney will be considered. Section 106 contributions will provide improved facilities in Bicester.

Museums/Cultural Buildings

50. The Museum & Heritage Service's public museum is Oxfordshire Museum, Woodstock, supported by a back office function and storage facility at the Standlake Museum Resource Centre.

51. Discussions have recently taken place between the Council and the Soldiers of Oxfordshire to consider the feasibility of building a new museum on part of

the Woodstock site. This would have a Joint Operational Agreement for the management of the site.

52. Standlake Resource Centre has recently been extended and now provides a sufficient principal storage facility.

Outdoor Education Centres

53. The Outdoor Education Centres (one in Oxfordshire and three out of county) are required to be self-financing before 2015/16. The Service is on target to meet this objective.

Staff Housing

54. The general approach to vacant staff housing was agreed by the Cabinet in July 2005 and seeks to reduce the size of the staff housing estate where there is no school need for the accommodation and where the property can be easily separated from the main school site. The agreed approach is as follows:

- If the house is an integral part of the school site, the school should be allowed to decide whether it wishes to take over the building for teaching or office functions, or whether it wishes to retain it for caretaker use in which case either the responsibility for paying the rent subsidy should transfer to the school, or the school should consider whether the rent should be increased so that no rent subsidy is required;
- If the house is part of the school site, but could potentially be separated to allow a disposal, the Council should review the position with the school before making a firm decision as to whether a sale can be achieved;
- If the house is not part of the school site the Council should pursue disposal of the house, unless there are particular reasons why this is not appropriate.

Organisational Arrangements

55. The governance structure for asset management comprises of the Capital Investment Board (CCMT & Cabinet) and the Capital & Asset Programme Board. The governance assists with:

- Changing the culture and approach to asset management to achieve a Corporate Landlord approach
- Improving planning of capital investment
- Making more effective use of assets
- Enhanced cross-service working
- Improved working and asset sharing with partners

56. The role of the Capital Investment Board is to set the vision and agenda for capital investment and asset planning to put in place the next generation of infrastructure and to deal with the asset implications of the Business Strategy.

57. The role of the Capital & Asset Programme Board is to provide a single point of contact for all capital and asset matters, to ensure development and delivery of the asset strategy, enhance cross-service and organisation working, develop a programme of strategic capital investment and to provide officer leadership and challenge. The C&APB acts as the Programme Board for the Asset Strategy Implementation Programme, receiving bi-monthly RAG status report on all strands of the work.

58. Property & Facilities was restructured in November 2010 to allow a refocusing of resources to increase the capacity for strategic work, and to ensure that all asset considerations are made in a corporate context. A further restructure will take place in 2012 to ensure appropriate arrangements are in place for management of and effective working with the new Single Service Provider from July 2012.

Strategic Actions

59. The main strategic property actions required to support the achievement of the Council's objectives are to have:

By the end of 2011/12

- Property rationalisation underway meeting 2011/12 savings – **on target.**
- Arrangements in place for joint asset planning with partners – **operational level 'Asset Collaboration Group' in place. Joint mapping undertaken. Locality reviews commenced.**
- Workplace strategy agreed to enable our staff to work flexibly and effectively and to make the most effective use of our property assets **– report on approach to be considered by extended CCMT in January 2012**.
- A Corporate Landlord approach to assets in place, with all relevant non-school premises budgets transferred to Property & Facilities **– on target.**

By the end of 2012/13

- The new procurement arrangements for Property & Facilities in place and able to deliver the savings required by the Business Strategy **– completion July 2012.**
- Review the Asset Transfer and Disposals Policy **– by May 2012.**

By the end of 2014/15

- Delivered the property savings required by the Business Strategy **– on target.**

Mark Tailby
Service Manager – Strategy
Property & Facilities

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ANNEX 11(b)

TRANSPORT ASSET MANAGEMENT PLAN & PROGRAMME

Introduction

1. Oxfordshire County Council's Transport Asset Management Plan (TAMP) was approved in its original form by Cabinet in March 2008. This report provides an overview of proposed overarching TAMP policies and strategies and the 2-year rolling programme of maintenance capital schemes.

2. The TAMP is central to the identification of highway maintenance strategies, and the development of the new Transport Services contract. The TAMP contains both asset and financial data that enables more advanced forward planning, improved budget management and improved working practices. Crucially, in the current financial environment it provides a means of identifying where limited funding may be targeted to best effect through the implementation of the forward programme.

3. The Council recognises that reliable asset management information is key to the effective stewardship of the highway. It informs process, decision-making, and the development of short and longer term maintenance strategies that reflect customer needs and sound value-management. Its prudent and timely use drives operational improvements and the efficient use of funding, whilst managing the Council's exposure to risk and third party claims.

4. The TAMP spans all highway maintenance activities and all types of highway infrastructure including roads, footways, bridges, street lighting, traffic signals and so forth. Although, the document focuses on the asset groups where the majority of the maintenance budget is spent, information on other asset groups is also being collected and incorporated into the document as it develops.

TAMP Development

5. The original TAMP provided the first comprehensive account of the Council's main highway assets with actions identified for the ongoing development of prudent highway stewardship and efficient asset management practice. Since then, a number of strategies for better managing our highway assets have been progressed.

6. The Council has considerably developed its knowledge of highway assets and made consistent overall improvements to carriageway and footway condition across the County. The level of highway inventory information has been substantially increased and financial/condition models and scenarios produced. The Council's systems' functionality and work processes have been developed further. It now has access to much more intuitive data for asset management planning, for operational performance monitoring and for managing risk.

Service Levels

7. A series of Asset Management Service Standards has recently been developed as a supplement to the TAMP. The Service Standards contain Asset Management priorities, objectives, service levels, performance targets, work plans and risk register that together form a statement of the key areas of asset management focus and development.

Network Condition

Carriageways

8. The overall condition of the Council's network may be expressed for each road category as 'the percentage of those roads where structural maintenance should be considered' (as defined by national performance indicators):

Network Category **Measure**	**2010/ 11 Indicator**	**2009/10 Indicator**	**Change in amount of Network requiring Treatment since 2009/10**
A roads (NI 168)	4.3%	4.6%	0.3% (or 1.1 miles less)
B roads (NI 169 (part))	8.1%	7.6%	0.5% (or 1.5 miles more)
C roads (NI 169 (part))	10.3%	9.5%	0.8% (or 5.7 miles more)
U roads (BV 224b)	13.1%	11.6%	1.5% (or 22.1 miles more)

Table 1a

Network Category **Measure**	**2011/ 12 Indicator**	**2010/11 Indicator**	**Change in amount of Network requiring Treatment since 2010/11**
A roads (NI 168)	4.2%	4.3%	0.1% (or 0.7 miles less)
B roads (NI 169 (part))	7.3%	8.1%	0.8% (or 4.5 miles less)
C roads (NI 169 (part))	11.0%	10.3%	0.7% (or 5.1 miles more)
U roads (BV 224b)	16.0%	13.1%	2.9% (or 39.5 miles more)

Table 1b

9. Tables 1a and b show that the overall condition of A roads and B roads has improved over the 2-year period, whilst C roads and Unclassified roads have deteriorated. The deterioration may largely be attributed to the effects of the recent harsh winters which have affected the weaker local roads to a greater degree. Unclassified roads make up half of the County's road network. They generally have thin layers and poor drainage, so are very susceptible to damage caused by freezing and thawing.

10. The fragility of the highway network is evidenced by the effects of the harsh winters, with a 3-fold increase in reported potholes. Whilst the Council has received winter damage grant in excess of £5m in total, it is estimated that Oxfordshire's highway network has suffered over £12 million accelerated deterioration during the period. The number of registered claims relating to pothole and structural defects has also increased. In addition, £3.5 million of damage was caused by drought and heat in both 2004 and 2006 respectively.

11. The Council is currently developing defect threshold criteria for the County's roads that will be used to produce more accurate year by year measures of local network condition. These will also enable defective areas to be identified with greater accuracy for more efficient targeting of treatments. The local indicators will be produced annually along with the national indicators.

Footways

12. Prior to 2009, the condition of our busiest footways had remained stable. The subsequent deterioration in their condition may again be attributed mainly to the harsh winters and the reduction in the capital funding. This meant that investment had to be diverted from footways in recent years to enable costly schemes and drainage improvement schemes. The less busy footways have also deteriorated during the winter months.

13. It is intended to commence more comprehensive surveys of all the County's footways from next year. Alongside this, a local footway indicator is being developed that will be monitored together with the existing indicator that currently only measures the condition of the busiest footways (BV 187).

Network Category **Measure**	**2010/ 11 Indicator**	**2009/10 Indicator**	**Change in amount of Network requiring Treatment since last year**
Busiest Footways (BV187)	9%	6%	3% (or 4.3 miles more) **Table 2a**

Network Category **Measure**	**2011/ 12 Indicator**	**2010/11 Indicator**	**Change in amount of Network requiring Treatment since last year**
Busiest Footways (BV187)	18.0%	9.0%	9% (or 12.7 miles more) **Table 2b**

14. Due to the recent deterioration in footway condition (identified in Tables 2a and 2b) following the recent severe winters, £400,000 of additional investment has been identified to address this issue (Annex C Table 2).

Drainage

15. The condition of Oxfordshire's Drainage Asset ranges from historical stone drains to recent plastic pipes or swales. The oldest known Medieval stone drains have been located in Dorchester while the latest Sustainable Urban

Drainage Systems (SUDS) are being constructed in all new developments. Generally all the stone drains should be upgraded to cope with the increased flows and the weight of the vehicular traffic, which is causing them to collapse slowly and increase localised flooding. The more modern clay and concrete systems, (on average approximately 60 years old), although stronger than the stone drains, are suffering from being undersized and a limited maintenance investment over the last 20 years.

16. The Flood and water Management Act 2010 places a Duty on the Lead Flood Authority (Oxfordshire County Council) to manage and record all surface water flooding within the County, and to ensure a publically accessible register of flood structures. The Act also puts a requirement on the Authority for the improvement of the quality of water flowing through our drainage systems. A GIS application has been developed as part of a surface water pilot project that allows the mapping of drainage assets and the critical infrastructure. This in turn enables work to be directed to flood prone areas.

Bridges

17. The overall condition of OCC's bridge stock is declining following the reduction in capital funding as resources and funding have been diverted to support other priority assets like carriageways. Therefore, the bridge stock is being managed in a more reactive rather than proactive way. The Council is currently reviewing the Bridges Maintenance Programme to ensure that the future bridge maintenance schemes still provides value for money in terms of whole life costs.

Street Lighting

18. The UK Lighting Board actively encourages highway authorities to use the risk assessment process, produced by TRL in 2002, in monitoring the condition of their lighting columns. In addition to this the ILP Technical Report 22 supports asset management requirements by providing Authorities with guidance in the day to day management of lighting supports. This includes:

    i. Introducing strong management cycles – Routine checks every 3 years to assess condition
    ii. Detailed condition assessment process – Independent structural testing & risk assessment approach
    iii. Review of lighting column risk assessment data
    iv. Age profiling

19. A simple system is used to assess the structural safety of lighting columns that provides an indication of the lighting column condition, which then forms the basis of a series of road lighting condition indicators. The interim report published in June 2002 proposed that the road lighting condition indicator should initially be based on the age of the lighting columns and any indicators of residual life that can be determined, whilst also taking into account environmental factors and other elements, such as luminaires and cable networks.

20. Analysis of our inventory returns identified the following categorisation of our Lighting Stock:
   i. 58,711 Street lighting columns (Total number of units)
   ii. 28,350 Lighting columns aged less than 20 years
   iii. 7,432 Lighting columns aged between 20 to 30 years old
   iv. 8,167 Lighting columns aged between 25 to 30 years old
   v. 13,482 Lighting columns aged between 30 to 40 years old
   vi. 1,280 Lighting columns aged at over 50 years plus

Structural Maintenance

21. Structural maintenance activities include carriageway and footway resurfacing and reconstruction, structural patching, surface dressing, specialist treatments, bridge strengthening, street lighting column replacement and drainage improvements. This work is primarily funded through the Council's Capital Programme.

22. The Council is increasingly using value-engineering to qualify and prioritise work, and in assessing the whole life costs of alternative treatments. The value-engineering approach often means that more substantial treatments are specified to ensure longevity of repair and reduced overall disruption to road users. This means that schemes can cost more initially (but not always) but with the benefit of savings later on. However, the timing of the work is also very important so that interventions ideally take place before the onset of more serious and costly deterioration.

Financial/ Condition Modelling

23. Analyses have been carried out to predict the effects of various levels of financial investment on the structural condition of the road network. These include a variety of budget/condition scenarios that have been used to inform the budget process to date. Other relevant data including accidents, traffic and highway claims have also been considered in identifying and prioritising maintenance work at scheme level.

24. The following considerations have been taken into account when determining the structural maintenance allocation across the next 5 years:

- The County Council has a statutory responsibility to maintain highways in a safe condition.
- The state of our roads and footways remains a key priority for the residents of Oxfordshire.
- The life of roads can be extended relatively economically if repairs are carried out in time. Conversely, delays in applying treatments can lead to rapid deterioration and a large increase in the cost of repair.
- There is a need to reduce pressure on revenue budgets. Make-shift treatments and reactive maintenance such as pothole repairs will cost the Council much more in the medium to long term.

- Although road casualty accidents have decreased in recent years the number of accidents occurring in wet conditions has not. Therefore, there is a need to maintain/ improve the skidding resistance of our busiest roads.
- The majority of the structural maintenance budget is allocated to carriageways, with the remainder being spent mainly on footways, bridges, drainage improvements, and street lighting column replacement. It is envisaged that carriageway integrity will continue to take precedence over these other activities whilst budgets are severely limited.

25. Schemes have been prioritised using a well-established rating system called HAMP. This produces relative need factors that effectively score roads and footways according to the level of deterioration present. However, this can sometimes result in relatively minor routes being promoted for treatment. In recognition of this issue, the Council has progressively applied a value-engineering approach to the assessment, prioritisation and design of carriageway maintenance schemes. Scheme appraisals include assessments of the importance of the route in the network hierarchy and the effects on through traffic and the local community. Whilst funding remains at a premium, maintenance schemes on higher category routes will take precedence over lower category routes, unless there are particular circumstances or significant cost benefits that would override this precedent. This approach does not detract from the Council’s duty to maintain the network in a safe condition. Defects identified through highway inspections or reported by the public will be investigated and repaired if there is an implication for safety.

26. The Council recognises that 3rd party highway claims may increase if the network deteriorates given that during the next 5 years all authorities will be managing a likely decline in their overall asset conditions. All being equal, the analyses performed to date indicate that it will take 2 or 3 years for budget cuts to be reflected in a significant worsening of overall carriageway condition. Therefore, the Council will consider reinstating funding into structural maintenance if funding becomes available as part of the annual capital budget setting process, with a view to preserving the existing asset by early intervention where possible.

Systems & Inventory

27. The Council’s highway network comprises over one million individual items of apparatus. A detailed knowledge of the location, type and condition of the highway inventory is vital to the establishment of appropriate service standards and efficient maintenance regimes. The Council has also a statutory duty in accordance with the new Flood & Water Management Act to publish a register of flood structures for interrogation by the public during 2011.

28. A number of highway management systems are used currently to manage highway data and resources. These are vital for effective asset management and for responding efficiently to customer enquiries and they require investment and development. Geographical information systems (GIS) are being used increasingly to analyse asset inventory, condition information, and

other data, and to display the information against map backgrounds for greater interaction of information and easier interpretation of results.

29. The Council has a framework of inventory and attributes visible on GIS that can be easily updated. It is a main objective of the new Transport Services contract to update the inventory as part of the routine day to day business to ensure data is current and easily interrogated. There is also a pressing business need to digitise our large stock of highway records and plans.

Highway Valuation

30. The value of our Highway and Transport assets exceeds £4.6 billion. Highway authorities are now required by central government to collate sufficient highway inventory information for the submission of progressively accurate annual calculations of highway network net present values, gross replacement values and maintenance backlog (the value of outstanding maintenance work that has accrued over the years). This will require more regular and detailed surveys of highway assets, and rural footways in particular. The information gathered will also enable life cycle plans to be created for sections of the network and for various assets so that treatment types and intervention periods can be optimised. The collection of this information is subject to national audit.

Route Hierarchy

31. The County Council is responsible for over 4,500 kilometres of carriageway and approximately 2600 kilometres of footway. An exercise has recently been undertaken to re-categorise these routes according to the type and volume of traffic they carry and by their relative importance to one another. This exercise has enabled a modified network hierarchy to be established that may be used to inform budgetary decisions and treatment types, and to prioritise activities such as the frequency of statutory safety inspections and winter maintenance gritting routes.

Safety Inspections

32. In its role as Highway Authority, Oxfordshire County Council has a statutory duty to maintain the network in a safe condition. A revised policy for Statutory Safety Inspections has recently being produced that aligns with the revised network hierarchy and new operational processes. The new policy and practice will assist the Council in managing resources and risk, and provide a robust mechanism for claims defence.

Customer Satisfaction

33. There is a strong correlation between customer satisfaction and the condition of local roads. In a 2009 survey, 58% of respondees said they were dissatisfied with the condition of roads and pavements in Oxfordshire (NHT). More recent research work suggests that more than 60% of customers are

likely to be dissatisfied with a Council's service when more than 12% of its local roads are defective or have poor surface condition (Seasig).

Additional Pressures

34. We are currently assessing the implications of new guidance relating to the exposure, treatment and disposal of coal tar and derivatives. These substances are found in many existing road constructions and are classified as hazardous waste. It is likely that coal tar will be identified at many locations on our network, however, the financial implications of dealing with the problem will only become clearer after further site investigation work and research has been carried out. Where its presence is detected we may have to recycle material on site, or remove it to special treatment facilities or to the approved disposal sites.

35. In the absence of further advice from government agencies, our approach to dealing with this problem is to undertake early site coring and testing and to design maintenance treatments to limit disturbance of the coal tar as far as possible or, where feasible, to utilise suitable on-site recycling methods that should help reduce disposal costs.

36. Consequently, dealing with the coal tar will add significant costs in addition to the extra cost of increased coring and testing. Core samples are now taken at the majority of sites in the forward programme. The cost of coring, testing, analysis and associated Traffic Management is approximately £3k/ km and has been allowed for in our budget planning. However, it is harder to budget for the additional cost of dealing with the coal tar, once identified. At some sites where coal tar was detected the increased costs have varied between 11% and 38%.

Resilience to Extreme Weather and Climate Change

Carriageways and Footways

37. The County's highway network is particularly susceptible to the effects of harsh winters. Water and ice entering the road construction are the main factors that cause widespread damage, with the prospect of massive repair costs and increased claims. To help address this, additional funds have been directed to surface dressing and similar treatments in the forward programme that economically seal road surfaces from water ingress.

38. Work has commenced to identify the areas of County road network that are most at risk from weather events with an aim to inform management action plans, material and apparatus specification, life cycle planning and risk management.

39. Effective targeting of these treatments and increased coverage should go some way to protecting vulnerable roads and footways. A more pro-active approach is also being taken to the management of the structural patching

programme to ensure that these repairs are targeted and specified to best effect

Drainage

40. Poor drainage is the main cause of early carriageway failure. More funds will be directed in future to addressing local drainage issues such as grip and ditch clearing in an effort to keep road formations drier. Formal drainage investigations are now included in early feasibility work for schemes in the carriageways forward programme with costs built into the annual site investigation and works allocations.

41. The weather patterns in the country are changing dramatically giving increased severity of storms, as well as unusual hot and cold periods. The Environment Agency is predicting a 30% increase in rainfall to be added to the 1 in 100 year return period to be used on all calculations involving flood storage. If this scenario were to occur, many of the current highway drainage systems, with the exception of the more recent porous pavement systems and swales, would not be able to cope.

42. The Flood and Water Management Act 2010 has been introduced to encourage a holistic approach to flood management and promotion of sustainable systems to help manage the intense storms which can happen due to climate change. These systems are currently being advocated for new drainage systems where appropriate.

Bridges

43. Significant flood events such a that experienced in July 2007 required emergency scour inspections to be undertaken, detailed underwater inspections to follow and then works to address any significant scour issues identified to be completed. Extreme local events also seem to lead to local pressure to enlarge the flow capacity of individual bridges perceived to be restricting flows. Extreme winters require higher volumes of salt to be spread on the highway which is detrimental to the durability of steel and reinforced concrete bridges. Freeze thaw is detrimental to the durability of certain stone, mortar and brickwork and therefore affects numerous OCC bridges constructed with these materials. Hotter summers and colder winters would increase the thermal movement that bridges experience and therefore the magnitude of movements that bridge joints and bearings have to accommodate. If climate change does lead to more frequent extreme flood events, hotter summers and colder winters this can only accelerate the rate of deterioration of OCC's bridge stock.

Street Lighting

44. Using the latest street lighting technology i.e. dimming, trimming & LED equipment will reduce the operating hours and allow for reduced lighting levels. As well as reducing the consumption of electrical energy these measures will also provide reductions in carbon emissions. Our long term plan

is to reduce energy consumption in our street lighting and gain the benefits from dimming / dynamic lighting strategies.

45. We are currently looking to undertake a pilot scheme (£0.3m) to convert 750-1000 street lighting columns to LED or dimmed ballast lanterns across the County, as part of the planned repairs and maintenance work. This will result in a year on year saving on our street lighting running costs of between £4.5k and £9k, equivalent to 49,000 – 100,000kWh or 27-54 tonnes of CO_2. If the pilot is successful, we will endeavor to roll out the scheme fully across the County, providing the additional budget (£1.2m) can be allocated.

Budget

46. The 5 year capital programme for highways structural maintenance was approved by Council in February 2011 and subsequently updated in October 2011. Structural maintenance comprises carriageways, footways, bridges, street lighting and drainage. The carriageways allocation is sub- divided according to treatment type (Annex A).

47. Annex B shows an amended budget profile that takes account of the October 2011 updates.

48. Annex C shows the allocations for major Principal Road and General Maintenance schemes. In addition to the £9.6m for Major Maintenance Schemes and £2m for general maintenance have been identified in the proposed programme. The details of the proposed general maintenance allocations as follows:-

   i. £1m has been identified to maintain carriageways.
   ii. £0.6m will be targeted at bridge maintenance schemes. Recent inspection works have identified a number of defects and therefore need for further site investigation and evaluation to identify the most appropriate treatments.
   iii. £0.4m of this additional funding would be targeted at footway schemes which have suffered a sharp deterioration due to recent server winters.

Drainage

49. The two year programme targets work to locations with drainage or flooding problems. The work is prioritised according to risk e.g. the severity of the flooding, the number of properties affected, type of property (schools, old people's homes) and impact on infrastructure and the community.

Bridges

50. The Bridges Programme of works generally arises from the faults, deterioration and shortcomings found during routine bridge inspections, inadequate structural capacity identified by assessment or monitoring and by faults reported by the other highway staff, external organisations and the public.

Street Lighting

51. With an average life expectancy of 30 years it would be necessary to renew an average of 1460 lighting columns per year in order to keep pace with natural deterioration in the condition of Oxfordshire's lighting stock. However, the current budget allocation allows a programme of work to replace approximately 900 columns a year which have reached the end of their expected life. Installations are mostly based on High Intensity Discharge lamps and Low pressure systems requiring appropriate ballasts and optical systems.

Structural Maintenance Programme 2012/13 & 2013/14

Annex D contains the programmes for structural maintenance for 2012/13 and 2013/14, including reserve schemes.

52. The proposed programmes are provisional for a number of reasons:
a) More feasibility work is required to be carried out on some of these schemes
b) Schemes not included in the schemes lists may assume a greater priority, for example, if their rate of deterioration suddenly increases. This may influence the 2013/14 programmes more than the 2012/13 programmes.
c) When the implications of the harsh winter, coal tar, the Flood & Water Management Act and other factors are known, there may be changes to the overall structural maintenance budget
d) Network Rail are likely to adjust their works programme which and this will have a knock-on effect on the County's bridge programme
e) At the time of writing, Oxford City's Section 42 allocation has yet to be finalised and this may mean that some schemes are substituted in the final carriageways and footways programmes.

53. Due to the requirement for additional feasibility work (i.e. site investigation and evaluation), the Carriageways, Footways and Drainage schemes have a contingency allowance built into the estimates. Reserve lists of schemes have therefore been identified which can be brought forward if the contingency allowances are not fully utilised.

54. Oxford City's S42 allocation is based on a combination of capital and revenue maintenance activities. The City's qualifying capital schemes for carriageways and footways are shown in the programme lists in Annex D. The City's surface dressing allocation is based on a proportional split of the County's surface dressing budget (capital). The City's revenue allocation is based on a proportion of the County's allocations for relevant routine maintenance activities which have yet to be decided.

55. Prior to last year, we have managed to consistently improve the overall condition of Non-Principal Roads whilst maintaining funding for Principal Roads at a reasonable level. The Council considers that it is now necessary to transfer funds from Principal Roads in order to control deterioration of non-Principal Roads as best we can. This approach was approved in principle by

Cabinet in 2008, when the Transport Asset Management Plan was originally produced. The rationale for taking this approach is that Principal Road condition has remained fairly stable in recent years, and significantly better than the condition of other categories of road in Oxfordshire. Schemes on Principal Roads are also considerably more expensive to deliver.

56. If further reductions to capital funding are announced if future years, the bridges, street lighting and drainage improvement budgets will be mainly unchanged as it is unrealistic to cut these further. Consequently, the number of carriageway and footway schemes will be reduced.

57. It should also be noted that future year's allocations may subsequently be influenced by potential pressures arising from the Flood & Water Management Act, which may require additional capital investment in drainage depending upon the level of responsibility imparted upon the authority within its duty as Lead Flood Authority.

58. Funding is also identified in the capital programme for major schemes. Additional bids for major elements of highway maintenance scheme funding will be submitted separately for consideration. However, in the absence of any additional funding, schemes would have to be paid for from the highway maintenance block allocation in order to be progressed. Consequently, if bids are unsuccessful, it is likely that schemes currently identified in the draft programmes will be deferred to allow the higher priority/ more expensive works to progress.

59. The Footway programme to deliver the additional £0.4m of funding identified in Annex C Table 2 will be developed by targeting the most strategic footways in the County. Schemes will be developed by grouping areas of deterioration identified in recent condition data. It is anticipated that a developed programme of work for 2012/13 will be available at the end of February 2012.

60. The Bridges Programme for 2012 is currently being evaluated based on the findings of the inspections and assessments carried out in 2011/12. A programme of works for 2012/13 is expected to be available on completion of this exercise at the end of February 2012.

Annex A

Structural Maintenance Budget Allocations (Approved 15 Feb, 2011)					(£m)
Financial Period	**2012/13**	**2013/14**	**2014/15**	**2015/16**	**Total**
Carriageways	7.240	7.430	7.505	7.490	29.665
Footways	1.350	1.350	1.350	1.300	5.350
Bridges	1.400	1.060	1.015	0.930	4.405
Street Lighting	0.500	0.500	0.500	0.500	2.000
Drainage	1.100	1.100	0.950	0.950	4.100
Total	**11.590**	**11.440**	**11.320**	**11.170**	**45.520**
Carriageways:					
Assessed Carriageway Schemes (inc VE)	3.250	3.495	3.530	3.500	
Safety Schemes	1.100	1.150	1.100	1.250	
Routine Surface Dressing (2011/12)	1.900	1.800	1.950	1.800	
Surface Dressing Pre-Patching (2012/13)	0.900	0.900	0.850	0.850	
Advance Site Investigation/Coring/Testing	0.090	0.085	0.075	0.090	
Total	7.240	7.430	7.505	7.490	

Annex B[1]

Revised Budget Allocations (excluding Major Schemes)						
	2012/13	**2013/14**	**2014/15**	**2015/16**	**2016/17**	**Total**
Repayment of b/f capital				-2.600		
Assessed Carriageway Schemes (inc VE)	3.320	3.555	3.604	1.639	3.630	
Safety Schemes	1.100	1.150	1.100	1.100	1.100	
Routine Surface Dressing	1.900	1.800	1.950	1.300	1.800	
Surface Dressing Pre-Patching	0.900	0.900	0.850	0.850	0.850	
Advance Site Investigation/Coring/ Testing	0.092	0.085	0.075	0.075	0.075	
Carriageways	7.312	7.490	7.579	7.564	7.455	37.400
Footways	1.350*	1.350	1.350	1.300	1.300	6.650
Bridges	1.123**	1.010	0.965	0.880	0.800	4.778
Street Lighting	0.500	0.500	0.500	0.500	0.500	2.500
Drainage	1.102	1.098	0.950	0.950	0.945	5.045
Total	**11.387**	**11.448**	**11.344**	**11.194**	**11.000**	**56.373**

Notes:

1- £11.690m of Structural Maintenance during 2011/12 is being funded with Corporate Resources.

2- The Cabinet agreed to bring forward £2.6m SM works into 2011/12. This will be paid back in 2015/16.

3- A further £2m is requested as part of 2012/13 S&RP process for Carriageways (£1m), Bridges (£0.6m**) and Footways (£0.4m*) which is shown in Annex C Table 2

[1] The expenditure profile in the table does not match the profile in the Draft Capital Programme attached at Annex 13. This will be updated for the Council meeting in February 2012.

Annex C- Additional Resources Requirement for the next 5 years[2]

Table 1- Structural Maintenance Budget Allocations (Major Schemes)						(£m)
Financial Period	**2012/13**	**2013/14**	**2014/15**	**2015/16**		**Total**
Major Schemes						
Iffley Road	0.600					
	0.600				**Total**	**0.600**
Major Schemes (Additional Bid)*						
A4130 Bix Duals	0.570	4.370				4.940
A420 Shrivenham Bypass	0.350		3.070			3.420
A420/A34 Botley Road Jnctn & Cumnor Bypass		0.080	0.030	1.040		1.150
A415 Clifton Hampden		0.130				0.130
Total	**0.920**	**4.580**	**3.100**	**1.040**	**Total**	**9.640**

Table 2- General Maintenance Budget Allocations						(£m)
Financial Period	**2012/13**	**2013/14**	**2014/15**	**2015/16**		**Total**
Carriageway Schemes	0.544	0.456				1.000
Bridges Schemes	0.600					0.600
Footways	0.400					0.400
Total	**1.544**	**0.456**			**Total**	**2.000**

[2] The expenditure profile in the table does not match the profile in the Draft Capital Programme attached at Annex 13. This will be updated for the Council meeting in February 2012.

(Details of the Schemes for Programmes identified in the Transport Asset Management Plan (Annex B & C)

	Parish	Road Name	2012/13 Costs (£)	2013/14 Costs (£)
	ASSESSED CARRIAGEWAY SCHEMES - (NON-PRINCIPAL ROADS PROGRAMME) - ANNEX B			
	A- NON- PRINCIPAL ROAD PROGRAMME			
1	Curbridge	Downs Road	38,467	
2	Radley	Thrupp Lane	86,790	
3	Oxford	Juxon Street	45,937	
4	Bloxham	Queen Street	97,483	
5	Warborough	Warborough Road	133,101	
6	Faringdon	London Street	159,678	
7	Abingdon	Letcombe Avenue	44,306	
8	Hook Nortton	The Firs	124,978	
9	Didcot	Cockcroft Road	87,459	
10	Faringdon	Folly View Road	185,692	
11	Oxford City	Juxon St, Cranham Terrace to End		34,958
12	Oxford City	Godstow Road	100,800	
13	Oxford City	Pembroke Street, St Aldates to St Ebbes Street		31,500
14	Piddington	Lower End, Arncott Rd Footpath to Blackthorne		290,238
15	Fringford	Rectory Lane, The Green to the Old Rectory		212,362
16	Little Wittenham	Little Wittenham Road, Christmas Cottage to150m NW of Christmas Cottage		106,280
17	Advance Design		28,994	27,000
18	Contigency Allowance			147,104
	TOTAL NON-PRINCIPAL ROAD SCHEMES		**1,133,684**	**849,442**
	B- VALUE ENGINEERED SCHEMES PROGRAMME			
19	North Hinksey	Yarnells Hill, Westminister Way to Lime Rd	329,274	
20	Shrivenham	Stalpits Road, From B400 to End	119,890	
21	Wheatley	Church Road, from Holloway Rd to Friday Lane	202,186	
22	Witney	Westend/Bridge St Rbts	199,594	
23	Wiggington Heath	Wiggington Heath Rd, 150m East of HookNorton Rd for 300m East toward Wiggington Heath	237,100	
24		Wigginton Heath Rd, Nill Cottages to Nill Farm		
25	Oxford City	Warneford Lane, Gypsy Lane to Morrel Avenue	110,500	
26	Cookley Green	B481, Church Lane to Cookley House Entrance, Cookley Green	80,862	
27	Didcot	Brasenose Rd, from Foxhall Rd to Freeman Rd	368,766	
28	Oxford City	42 St Lukes Rd to Garsington Rd	52,387	
29	Watlington	Ingham Lane, Watcombe Manor Farm Rd to No.47 Brooke Street	221,827	
30				
31	Oxford City	Butterwyke Place, Speedwell St to Thames ST		57,445
32	Oxford (A Class)	St Aldates Northbound from Thames St to Const Joint St Traffic Island		271,529
33	Moulsford	Halfpenny Lane, Approx 400m from A329		26,063
34	Stanton St John	Woodperry Hill, From Wodperry Farm Entrance to 450m East at bend in road	155,356	
35	Freeland	Wroslyn Road, Blenheim Lane to The Green		319,665
36	East Hendred	A417, Const Joint At White Rd to Allin's Lane		237,271
37	Oxford (C Class)	Gypsy Lane, Headington		338,611
38	South Leigh	Stanton Hardcourt Rd, fromStation Rd to B4449		185,248
39	Henley	Reading Rd, from Hamilton Ave to Couching St Juncts		262,842
40	Banbury	Orchard Way/Woodgreen Roundabout		185,816
41	Abingdon	A415/A34 Marcham Interchange Rbt		346,307
42	Advance Design		108,861	85,000
43	Contigency Allowance			389,473
	TOTAL VALUE ENGINEERED SCHEMES		**2,186,603**	**2,705,270**
	TOTAL ASSESSED CARRIAGEWAYS SCHEMES		**3,320,288**	**3,554,712**

TRANSPORT ASSET MANAGEMENT PLAN
STRUCTURAL MAINTENANCE PROGRAMME 2012 - 2014

(Details of the Schemes for Programmes identified in the Transport Asset Management Plan (Annex B & C)

	Parish	Road Name	2012/13 Costs (£)	2013/14 Costs (£)
	SAFETY SCHEMES (RE-SURFACING SCHEMES PROGRAMME) - ANNEX B			
44	Gozzards Ford - Faringdon		22,000	
45	North Newington - B4035		210,000	
46	Gosford Park & Ride		200,000	
47	Stadhampton - B480		52,000	
48	Ipsden - A4074		62,000	
49	Britwell Salome - B4409		73,000	
50	Risinghurst - A4142		140,000	
51	Emmer Green - Peppard Rd		39,000	
52	Drayton A422 - bend nr Drayton Village		72,000	
53	Design		102,000	
54	Williamscott - A361		128,000	72,000
55	*2013/14 Schemes to be identified following site evaluation in May 2012*			835,000
56	Contingency Allowance			243,000
	TOTAL SAFETY SCHEMES		**1,100,000**	**1,150,000**
	ROUTINE SURFACE DRESSING SCHEMES PROGRAMME- ANNEX B			
57	Surface Dressing	Various sites	1,516,339	
58	Lines & Studs	Various sites	200,000	
59	Re-Texturing	Various sites	183,661	
	TOTAL SURFACE DRESSING SCHEMES		**1,900,000**	**1,800,000**
	SURFACE DRESSING PRE-PATCHING SCHEMES (ANNEX B)			
60	Pre S/Dress Patching	Various sites	900,000	
	TOTAL PRE-PATCHING SCHEMES		**900,000**	**900,000**
	ADVANCE INVESTIGATION SCHEMES (ANNEX B)			
61	Coring/testing	Various sites	92,000	
	TOTAL ADVANCE INVESTIGATION SCHEMES		**92,000**	**85,000**
	TOTAL CARRIAGEWAYS		**7,312,288**	**7,489,712**

TRANSPORT ASSET MANAGEMENT PLAN
STRUCTURAL MAINTENANCE PROGRAMME 2012 - 2014

(Details of the Schemes for Programmes identified in the Transport Asset Management Plan (Annex B & C)

	Parish	Road Name	2012/13 Costs (£)	2013/14 Costs (£)
	FOOTWAYS PROGRAMME (ANNEX B)			
62	Sutton Courtney	Drayton Rd	8,701	
63	Abingdon	St Peters Rd	21,745	
64	Burford	High Street	16,072	
65	Oxford	Richmond rd	35,420	
66	Oxford	Regent St	28,820	
67	Sibford Gower	Manings Hill	11,683	
68	Bicester	Fallowfields	39,535	
69	Witney	Corn St, Witney	17,011	
70	Witney	Corn St, Witney	19,788	
71	Banbury	Ruskin Rd	10,733	
72	Oxford	Headington Rd (Service Road)	24,310	
73	Oxford	hayfield Rd	36,875	
74	Salford	Lower End	11,572	
75	Oxford	Hurst St	112,860	
76	Hanwell	Main St	14,361	
77	Bletchingdon	Oxford Rd	52,768	
78	Oxford	footpath link, Egerton Rd	5,000	
79	Wheatley	High St, Witney	47,391	
80	Middle Barton	Church lane	9,748	
81	Wheatley	High St, Weatley	53,039	
82	Hampton Poyle	Oxford Rd	26,963	
83	Kingston bagpipe	Frax Close	16,642	
84	Wantage	Tirrold Way	22,471	
85	B0481 Nettlebed	Watlington St	40,129	
86	Henley	Kings Close	34,623	
87	Henley	Newton Rd	111,091	
88	Bampton	Chandler Close	39,803	
89	Bampton	Colvile Close	45,664	
90	Bampton	Bpwling Green Close	15,600	
91	A4095 Witney	Curbridge Rd	36,747	
92	Hook Norton	The Bourne	26,187	
93	Didcot	Norreys Close	10,306	
94	Benson	Paddock Close	10,982	
95	Ascott-Under-Wychwood	Chestnut Drive	19,626	
96	Wantage	Harcourt Rd	103,989	
97	A4095 Blaydon	Grove Road	6,843	
98	Steventon	Tatlings Rd	23,738	
99	Wantage	Hamfield Rd	50,000	
100	Oxford A4144	Beaumount St	75,815	
102	Oxford	Victoria Rd		78,160
103	Oxford	Edgeway Rd		47,506
104	Oxford	Stanway Rd		117,280
105	Didcot	Edwin Rd		100,102
106	Adderbury	St Marys Rd		128,524
107	Banbury	Oakland Rd		111,641
108	Bicester	Wedgewood Rd		25,343
109	Bicester	St Hughs Close		15,121
110	Abingdon	Burton Close		25,174
111	Grove	Gleebe Gardens		24,160
112	Didcot	Lloyd Rd		28,891
113	Adderbury	The Green		8,448
114	East Hanney	The Green		25,765
115	Lower Hayford	Station Rd		29,624
116	Kiddlington	Marlborough Ave		61,702
117	Sibford Gower	High Meadow		33,452
118	Bloxham	Hyde Grove		15,206
119	Middle Barton	South St		19,198
120	Bourton	Uplands Rise		31,476
121	Carterton	Sycamore Drive		7,518
122	Ardley with Fewcott	Ardley rd		16,050
123	Kiddlington	Link footpath, Oxford Rd to Crown Rd		14,442
124	Broughton	Wykham lane		21,541
125	Banbury	Nursery Drive		59,133
126	Drayton	Whitehorns Way		20,528
127	Advance Design		55,350	55,350
128	Contingency Allowance			228,665
129	**Further Footways schemes are currently being developed and will be identified in February 2012 (Note:The 2012/13 budget allocation is identified in ANNEX C Table 2)**		400,000	
	TOTAL FOOTWAYS SCHEMES		**1,750,000**	**1,350,000**

TRANSPORT ASSET MANAGEMENT PLAN
STRUCTURAL MAINTENANCE PROGRAMME 2012 - 2014

(Details of the Schemes for Programmes identified in the Transport Asset Management Plan (Annex B & C)

	Parish	Road Name	2012/13 Costs (£)	2013/14 Costs (£)
	DRAINAGE SCHEMES (ANNEX B)			
130	Abingdon	Abingdon - Faringdon Road	35,000	
131	Abingdon	Abingdon - Nash Drive	15,000	
132	Ambrosden	Ambrosden - Merton Road	20,000	
133	Appleton	Appleton - Badswell lane	30,000	
134	Appleton	Appleton	60,000	
135	Bampton	Bampton - Weald Street	30,000	
136	Banbury	Banbury - The Cross	15,000	
137	Botley	Botley - Cumnor Hill/Cumnor Rise Rd	15,000	
138	Brightwell Baldwin	Brightwell Baldwin	30,000	
139	Brize Norton	Brize Norton - Burford Road	10,000	
140	Buckland Marsh	Buckland Marsh - New Cottages	10,000	
141	Buscot	Buscot - A417 Snowswick Lane	25,000	
142	Chadlington	Chadlington	20,000	
143	Charlbury	Charlbury - Ditchley Road	20,000	
144	Claydon	Claydon - Butlin Farm	25,000	
145	Curbridge	Curbridge - Well Lane	30,000	
146	Curbridge	Curbridge - Range Road	5,000	
147	Drayton St Leonard	Drayton St Leonard	20,000	
148	Fifield	Fifield - Stow Road	10,000	
149	Gording	Goring - Springfield Road	30,000	
150	Headington	Headington - Old Road	70,000	
151	Hinton Waldrist	Hinton Waldrist - Laggotts Farm	15,000	
152	Kingham	Kingham - Daylesford Rd/Kingham Hill Rd	10,000	
153	Longcot	Longcot	10,000	
154	Lyndham	Lyneham - Sarsden Turn	12,000	
155	Milcombe	Milcombe - Heath Close	15,000	
156	Mixbury	Mixbury	25,000	
157	Nuneham Courtenay	Nuneham Courtenay	25,000	
158	Oxford	Oxford - Campbell Rd	10,000	
159	Oxford	Oxford - Ferry Hinksey Rd	20,000	
160	Oxford	Oxford - Headington Quarry	70,000	
161	Oxford	Oxford - Woodstock Rd	5,000	
162	Tackley	Tackley	30,000	
163	Sparsholt	Sparsholt - West Street	15,000	
164	Countywide	Countywide - Investigation	50,000	
165	Countywide	Countywide - Lining	100,000	
166	Countywide	Countywide - Contribuitions	50,000	
167	Abingon	West St Helen Street (c/f)	60,000	
168	Alvescot	Station Road	25,000	
169	Appleton with Eaton	Bablock Hythe Road	30,000	
170	Ascott Under Wychwood	London Road		20,000
171	Asthall	Old Cottage (c/f)		15,000
172	Banbury	Acorn Road (c/f)		20,000
173	Begbroke	Spring Hill Road		25,000
174	Bladeon	A4095 Grove Lane		30,000
175	Bloxham	Painters Close (c/f)		20,000
176	Botley	Cumnor/Eynsham Road (c/f 08/09)		20,000
177	Broughton	Danvers Barn		20,000
178	Burford	Burford, Swan Lane Close		15,000
179	Burcot	Burcot Park		20,000
180	Cholsey	Lapwing Lane		25,000
181	Compton Beauchamp			20,000
182	Cothill			20,000
183	Didcot	A4130 Power Station RAB and Basil Hill Road		10,000
184	East Lockinge	to Betterton		20,000
185	Fernham	High Street (c/f)		20,000
186	Fulbrook	Manor Farm, Westhall Hill		15,000
187	Hempton	Duns Tew Road		20,000
188	Hinton Waldrist	Church Street (c/f)		30,000
189	Kennington			10,000
190	Kingston Blount	/ Aston Rowant (c/f)		15,000
191	Launton	Station Road		15,000
192	Leafield	Greenwich Lane		10,000
193	Leadfield	The Green and Lower End		15,000
194	Lew			20,000
195	Longcot	Mallins Lane		15,000
196	Northmoor	Bablock Hythe Road		10,000
197	North Moreton	Wallingford Road, The Corner House		15,000

(Details of the Schemes for Programmes identified in the Transport Asset Management Plan (Annex B & C)

	Parish	Road Name	2012/13 Costs (£)	2013/14 Costs (£)
198	Shilton			20,000
199	Shilton			20,000
200	Shipton Under Wychwood			20,000
201	South Leigh			15,000
202	South Leigh	Shores Green (c/f)		20,000
203	Southmoor	Blandy Avenue (c/f 08/09)		20,000
204	Steventon	Mill Lane (c/f)		20,000
205	Tackley			35,000
206	Countrywide	Investigations for schemes		50,000
207	Countrywide	Flood & Water Management Act works (Central Government Funded)		0
208	Countrywide	Lining		100,000
209	Countrywide	Jetting & CCTV (Revenue Funded)		0
210	Countrywide	Contributions		50,000
211	Contingency Allowance			218,000
	TOTAL DRAINAGE SCHEMES		**1,102,000**	**1,098,000**
	DRAINAGE RESERVE SCHEMES 12/13			
	Sutton Courtenay	Sutton Courtenay - Harwell Rd	Reserve	
	Sutton Courtenay	Sutton Courtenay - Milton Rd	Reserve	
	Wantage	Wantage - Ickleton Road	Reserve	
	Woodscote	Woodcote - Oakdene	Reserve	
	Wroxton	Wroxton - Main Street	Reserve	
	Ardley	Ardley - B430 Station Rd	Reserve	
	Bladon	Bladon - Heath Lane	Reserve	
	Henley	Henley - Kings Rd	Reserve	
	Kidlington	Kidlinton - Garden City	Reserve	
	Risinghurst	Risinghurst	Reserve	
	Salford	Salford - Lower End	Reserve	
	Woodstock	Woodstock - Brook Hill/Green Lane	Reserve	
	Tadmarton	Stand Hill (c/f)		Reserve
	Westcot			Reserve
	Westwell			Reserve
	Witney	Burwell Estate		Reserve
	Witney	Farmers Close		Reserve
	Wootton (VOWH)	Church Lane (c/f)		Reserve
	A41	A41 (J9-M40 to Bicester)		Reserve
	Alverscot	Alvescot Lower End		Reserve
	Ascott Under Wychwood	Ascott Under Wychwood The Green		Reserve
	Bampton	Bampton, Broad Street		Reserve
	Black Barton	Black Barton		Reserve
	Cassington	Cassington, St. Peters Close		Reserve
		Filkins And Broughton Poggs		Reserve
	Henley	Henley, Kings Road / Ravenscroft (c/f 08/09)		Reserve
	Kiddington	Kiddington Canyon		Reserve
	Kidlington	Kidlington, Garden City		Reserve
	North Leigh	North Leigh, East End		Reserve
	North Leigh	North Leigh, East End		Reserve
	Salford	Salford, Lower End		Reserve
	South Leigh	South Leigh		Reserve
	Taynton	Taynton		Reserve
	Wroxton	Wroxton, Main Street (Phase 3)		Reserve
	BRIDGES PROGRAMME			
212	The programmes out work are currently being developed and will be identified in February 2012		1,123,000	1,010,000
213	**Further Bridges schemes are currently being developed and will be identified in February 2012 (Note:The 2012/13 budget allocation is identified in ANNEX C Table 2)**		600,000	
	TOTAL BRIDGES SCHEMES		**1,723,000**	**1,010,000**

TRANSPORT ASSET MANAGEMENT PLAN
STRUCTURAL MAINTENANCE PROGRAMME 2012 - 2014

(Details of the Schemes for Programmes identified in the Transport Asset Management Plan (Annex B & C)

	Parish	Road Name	2012/13 Costs (£)	2013/14 Costs (£)
	STREET LIGHTING - ANNEX B			
214	The Street Lighting programme consists of Column replacement (approx. 900 cols per annum)		500,000	500,000
	TOTAL STREET LIGHTING SCHEMES		**500,000**	**500,000**
	MAJOR SCHEMES (PRINCIPAL ROADS) PROGRAMME - ANNEX C Table 1			
215	Approved in 2010/11	Iffley Road Phase2	600,000	
216	New Approval	A4130 Bix Duals	570,000	4,370,000
217	New Approval	A420 Shrivenham Bypass (@ £3.420m)	350,000	
218	New Approval	A420/A34 Botley Roas Jtn & Cumnor Bypass (@£1.150m)		80,000
219	New Approval	A415 Clifton Hampden Project Development		130,000
	TOTAL MAJOR SCHEMES		**1,520,000**	**4,580,000**
	ADDITIONAL £1m ALLOCATION FOR CARRIAGEWAYS -- ANNEX C Table 2			
220	Chipping Norton	A44 Horsefair, New Street to 310 meters North	244,443	
221	Chesterton	Phase 1 - Un-named Road	299,932	
222	Sonning Eye	Playhatch Rd, from Henley Rd Roundabout to Lakeside Cottages		455,625
	TOTAL MAJOR SCHEMES		**544,375**	**455,625**
	RESERVE SCHEMES 2012/15			
	Chesterton	Phase 2 - Un-named Road	77,187	
	Headington	A40 Westbound, From 50m East of Thornhill P&R to Ridgeway Road	533,201	
	Witney	Corn St, From Butchers Ct to Marlborough Lane	711,539	
	Banbury	Hennef Way Rbt	453,285	
	TOTAL RESERVE MAJOR SCHEMES		**1,775,212**	

OXFORDSHIRE COUNTY COUNCIL

THE CAPITAL STRATEGY 2012/13 to 2022/23

DOCUMENT INFORMATION

VERSION HISTORY

The table below outlines the high level changes that have been made to each version of this document and who made them:

Version	Notes	Changed by & Date	Completed
1	Draft prepared by Arzu Ulusoy-Shipstone in consultation with Directorates	30th Sep- 22nd Nov 2011	√
2	Capital & Asset Programme Board	5th October 2011	√
3	Consultation with Cllrs Jim Couchman & Keith Mitchell	20th Nov- 2nd Dec 2011	√
4	Capital Investment Board	6th December 2011	√
5	Scrutiny Meeting	15th December 2011	√
6	Cabinet Meeting	17th January 2012	

There may be further revisions to this document given the number of ongoing consultations and reviews.

SIGN OFF

Accepted by: The Cabinet 17th January 2012

Approval by: The Council 7th February 2012

REVIEW DATE

This document will be reviewed yearly from the date of approval.

THE CAPITAL STRATEGY- 2012/13 to 2022/23

1. Introduction

1. The Capital Strategy sets out the County Council's capital investment plans and explains how capital investment contributes to the Council's Vision and Priorities. It shows how the Council prioritises, targets and measures the performance of its limited capital resources. It also shows how the Council intends to maximise the value of its investment to support the achievement of its vision and priorities. It provides the framework for determining capital spending plans and the effective use of capital resources.

2. This Capital Strategy, despite the challenging economic and financial environment, emphasises the significant contribution that the capital programme can make in delivering corporate priorities and in bringing benefits for wider communities. It seeks to ensure that resources are used in the most efficient way and they support the Council's objectives most effectively. It sets out a robust, relevant and sustainable financial policy and strategy that aim to get most out of the scarce capital resources over the next five to ten years.

2. The Vision for Oxfordshire and Council's Strategic Objectives

3. The Vision for Oxfordshire is set out in the Sustainable Community Strategy, Oxfordshire 2030:

   "By 2030 we want Oxfordshire to be recognised for its economic success, outstanding environment and quality of life; to be a place where everyone can realise their potential, contribute to and benefit from economic prosperity and where people are actively involved in their local communities."

4. The County Council has four strategic objectives:
   - better public services,
   - world class economy,
   - healthy and thriving communities, and
   - environment and climate change.

   There is also the cross-cutting theme of breaking the cycle of deprivation, which focuses on reducing the gap between the most and least affluent, targeting areas where resources are most needed.

5. The County Council manages a significant capital investment portfolio, which addresses the priorities identified within the Asset Strategy, the Corporate Asset Management Plan (CAMP) and the Local Transport Plan (LTP).

3. Delivering Corporate Priorities through Capital Investment in a Challenging Financial Environment

3.1. National Picture

3.1.1. Current Economic Conditions

6. Although the national economic policy objective is to achieve strong, sustainable and balanced growth, the UK's economic outlook has worsened given the changing projections for growth for the world economy. The problems surrounding the Eurozone countries make the UK vulnerable to recession. The internal housing market is still slow due to viability issues experienced by developers across the country. Recovery in employment levels could take up to 5 years and it is expected that the move towards a more balanced economy is going to be hard and long.

7. These conditions place a higher demand on public services and significantly affect the level of resources available for capital investment. The Council continues to experience a reduction in the capital receipts profile and delays in the delivery of the disposal programme. In common with other authorities, the Council is also witnessing increasing demands from developers to reassess the need for contributions for infrastructure secured through planning obligations (S106) and to review the terms applied to these contributions.

3.1.2. Local Government Finances

8. The Comprehensive Spending Review (CSR2010) introduced reductions of 28% in real terms to local authority settlements over the review period. Capital funding to local authorities was also reduced by 45%. The cost of borrowing for local authorities increased by nearly 1%. These changes meant that the size of the capital programmes has reduced significantly. The reduction in revenue budget allocations makes it difficult for the Council to increase its prudential borrowing provision significantly. Similarly, the increased cost of revenue financing impacts on the decisions on the level of capital spend. This is because, it affects the value for money assessment of schemes that are being delivered or proposed as part of the implementation of the business strategy.

9. Local Authorities are further challenged *to tighten* their asset management strategies. As a major owner and occupier of property, local authorities are required to justify holding land and buildings and to dispose of assets that are surplus to requirements. This places further pressure on local authorities to sell major assets. At the same time, the reduction in funding and the Big Society agenda are generating pressure for the Council to transfer assets to local community organisations especially where there is a risk that the service will be discontinued without the transfer.

10. On the other hand, the CSR2010 announced a significant devolution of financial control to local authorities and removed ring fencing around many resources. The Government is planning to roll out the community budget model across the country as a way of bringing different national and local funding strands together into a single local funding pot in order to enable various different agencies to work together. This

approach brings further flexibility to the use of resources and helps deliver services more cheaply through a joined-up approach in service delivery. It is likely that this model will have an influence on how capital allocations will operate in the near future.

11. The Local Government Resource Review (LGRR) is also underway. The new local government finance system based on relocalising business will substantially replace the current Formula Grant allocations. It aims to give local authorities the ability and incentives to increase economic development in their areas. Authorities are being encouraged to pool and align funding to tackle difficult cross-cutting issues within an area, to improve the coordination of development and to deliver better outcomes. A number of new financial instruments and tools for infrastructure financing are currently being introduced by the national government. The common feature of these instruments is their link with future income streams or underlying assets that necessarily require long-term capital investment planning. These new instruments combined with the introduction of a “general power of competence” will significantly change the funding composition of the Council’s medium to long-term capital investment plan.

3.2. Local Picture

3.2.1. Population

12. The County is facing significant demographic pressures. Oxfordshire's population was around 635,500 in 2008 and 648,000 in 2010. It is the most rural county in the South East region; almost 40% of Oxfordshire's population lives in rural areas, a similar proportion lives in or around the market towns[1], whilst one quarter of the county's population lives in the City of Oxford. The population is ageing with substantial recent growth in the number of people aged 85 and over.

13. It is forecast that Oxfordshire’s population could grow to 675,000 by 2018.[2] There could be 736,500 people living in the county by 2033, 16% more than in 2008. The number of very elderly people (85 years plus) is expected to increase by almost 40% by 2018, and to more than double by 2033 with one in four requiring intensive support from the social and health care system. It is expected that there will be an increase in the number of clients with learning disabilities as well as an increase in this client group’s life expectancy. In addition, the increase in fertility rates in the existing population residing in existing housing will lead to an increase in the number of children requiring school places. This will result in an erosion of existing and forecast spare capacity in many primary schools and in time, secondary schools.

3.2.2. Economic Development and Housing Growth

14. The Council and its partners have successfully delivered the Local Investment Plan (LIP) and established a Local Enterprise Partnership (LEP) for Oxfordshire. They also work together to deliver the first Strategic Infrastructure Framework for the County.

[1] This includes all wards for Banbury, Bicester, Kidlington, Didcot (+hagbourne and Harwell wards), Henley, Thame, Wallingford (North and Cholsey and Wall. South), Abingdon, Wantage, Grove, Faringdon, Carterton, Chipping Norton and Witney). The ward figures are taken from the 2009 ONS mid-year estimates.
[2] Office for National Statistics, 2008 based Sub-national Population Projections. May 2010

Both the LIP and the LEP identify a number of spatial priorities for the next five to ten years. These include Science Vale UK (becoming a National Centre of Excellence for Science and Innovation), Bicester (delivering an international exemplar of sustainable development) and Oxford (sustaining a world-class centre of education, research and innovation). They also place “investing in the transport and communications infrastructure” at the heart of the long-term strategy to achieve sustainable economic growth.

15. Oxfordshire will experience significant housing growth over the next fifteen to twenty years. Growth points have been designated within the county at Oxford and Didcot. Bicester (through the identification of North West Bicester as a location for an Eco-town) and Grove/Wantage are other county towns where major housing growth is planned.

16. Initial analysis of long-term infrastructure implications of future growth shows that significant investment in schools and transport infrastructure will be required. In addition, considerable investment in extra care housing, community facilities, green infrastructure and recreational resources is needed. It is not yet clear what scale of investment will be required by our partners responsible for health and utilities infrastructure.

17. As is the case for all Spatial Planning and Infrastructure Partnership partners, the Council faces challenges in managing this growth in a way that both meets economic, housing and regeneration pressures and provides sufficient infrastructure. The increased housing development, population growth and aging profile create demands both for infrastructure investment and better quality public services, while at the same time there is a significant reduction in the available capital funding at national and local level. Other major considerations include the protection of the environment and responding to the challenges of sustainability.

18. In this context, the Council needs to balance the considerable investment needed in infrastructure to meet the pressures on essential services such as schools, highways and transport, waste and extra-care housing provision with the need to make significant savings through the implementation of the new asset strategy. One of the key challenges in the medium term therefore is to make best use of limited resources to fund, forward plan and implement growth effectively.

3.2.3. Standard of Living

19. Oxfordshire is a diverse and changing county with Areas of Outstanding Natural Beauty, the green belt and areas of significant housing and commercial development. It has a modern and prosperous economy, which demands a highly skilled workforce and well-developed infrastructure. Many residents enjoy a high standard of living and a good quality of life, supported by high quality County Council services.

20. There is, however, a significant shortage of affordable housing across Oxfordshire and pockets of relative deprivation where residents have lower wages and low skills. In these areas there is poor housing, young people do not fulfil their potential at school and older people have poorer health than most. These pockets of the county’s population derive little benefit from its economic success.

21. One of the key aspects of the County Council's corporate plan is to narrow the gap between the most disadvantaged people and communities. The overall challenge is to reduce inequalities and break the cycle of deprivation by addressing the regeneration needs of disadvantaged groups and communities.

3.3. County Council's Infrastructure and Asset Base

22. The County Council has a wide range of infrastructure and property assets including schools, offices, highways depots, roads, bridges, park and ride sites, waste recycling centres and county farms. The Council's capital assets were valued at £1,516.4m in the 2010/11 Statement of Accounts. The summary of the balance sheet is set out in the table below.

Category	Net Book Value £m
Intangible Assets	3.5
Land & Buildings	1,088.7
Assets Under Construction	22.3
Surplus Assets	1.7
Vehicles & Plant	83.1
Infrastructure	311.3
Investment Properties	4.8
Assets Held for Sale	1.0
TOTAL	**1,516.4**

23. This total excludes roads and bridges. It is estimated that the depreciated replacement cost for highways assets is £4.9bn, £4.3bn of which relates to carriageways.

3.3.1. Non-Schools Property Infrastructure

24. The new Property Asset Strategy (2012/26) brings significant change to the way the Council's assets are managed. This is a necessary response to the business efficiency agenda, growth pressures, sustainability and environmental drivers and new work patterns. The Council's Asset Policy Objectives are set out below.

Objective 1	Aim to reduce the cost of the property portfolio by 25%, contributing to MTFP savings targets
Objective 2	Change the portfolio to support and enable locality working
Objective 3	Increase co-location of services and sharing with partners and community organisations to improve service delivery and reduce costs
Objective 4	Put in place property that is fit for purpose and supports corporate priorities and service business model
Objective 5	Reduce energy consumption and avoid or reduce tax liabilities

25. The Council's Asset Management Plan reports a £77m repair and maintenance backlog. Only 45% of the overall asset portfolio, composed of approximately 830 properties, is fit for purpose. The Plan includes a number of new asset programmes which require up-front investment where the scale of investment and the pay-back period are currently uncertain. The medium to long term vision for the office estate is likely to involve further consolidation. The challenge is to reduce the size of the portfolio and reconfigure it in a way that is strategically driven, affordable and enables and facilitates service change. In addition, the ownership composition of the portfolio presents challenges in terms of benefit realisations and timely delivery.

3.3.2. Schools Infrastructure

26. One of the key investment challenges for the Council is the rapid and substantial growth in demand for primary school places forecast over the period 2011/12 – 2016/17 in Oxford City, Witney, Wantage and Henley in particular. Although, there remain surplus school places across the secondary schools estate, a general demand for secondary places is likely to emerge from 2015/16 onwards given earlier pressures in some areas due to the mis-match between available places and the demand pattern.

27. The Council, working with the schools, the Schools Forum and other partners, is committed to improving educational attainment and to deliver a consistently high standard of outcomes for students. However, this improvement agenda is going to be delivered in a different way given that revenue funding reductions will have an impact on matters related to schools' improvement and organisation.

28. The future shape of the education sector is still uncertain as the policy framework continues to evolve and a new market develops. Free Schools and Academies[3] proposals will influence the Council's strategy around how investment is shaped across the schools' estate in the medium to long-term. Over the coming years, the Council will shift away from being the direct provider of education towards being a commissioner.

29. There will be new models of school organisation including the creation of more federations, trusts and academies and other arrangements that generate greater collaboration between early years, primary, secondary and post-16 providers. These models will be encouraged as a means of improving the educational experience of children and young people. These changes to school organisations are likely to have an impact on the required school infrastructure and lead to the use of available capital funding to support more collaborative working among schools and other education partners.

30. It is difficult to predict the changes to future years' local government finance settlements for local authorities in this area given the ongoing education capital review. The Council already have started to see the impact of the recent changes in its settlement. The Education White Paper clearly states that national priorities are to address the poor condition of the existing schools estate and to provide sufficient places to meet the predicted increase in the number of school age children.

[3] The Academies Act 2010 indicates that liability of principal or interest on debt cannot be transferred to academies. This means that the Council's level of debt will remain the same irrespective of the number of schools that convert to Academies. However its asset value will decrease.

31. The Council intends to use the majority of its settlement allocation to address the basic needs pressure. It will also use the capital maintenance allocation to address this pressure and needs with respect to the condition of the schools' infrastructure with a strong emphasis on and alignment to the Health & Safety, Energy Reduction and Basic Needs Programmes. The use of the overall allocation will also take into account the changes in the Council's asset base and its impact on the balance sheet as a result of the changing ownerships of school assets and related roles and responsibilities.

3.3.3. Transport Infrastructure

32. The Council has a statutory responsibility to maintain the transport infrastructure in a safe condition. The Transport Asset Management Plan identifies the need to develop a more detailed network hierarchy for maintenance given that the current investment level only sufficient to manage a decline in the condition of the infrastructure. Reductions in capital funding will add to the existing maintenance backlog and there will be a consequential increase in the demand for reactive maintenance and in the cost of repairs.

33. The Council also aims to create an efficient and effective highway network, maximising access to education, employment and other services, reducing congestion, carbon emissions and other environmental impacts, and supporting growth and development. The Local Transport Plan (2011/30) stresses that a substantial level of investment in transport infrastructure and services is needed to support the new developments planned in local development frameworks. It identifies major packages of transport investment to support growth and development at Science Vale UK and Eco-Bicester, along with several other major development locations.

34. The significant level of cuts in capital settlements means that the majority of the funding will be used for structural maintenance schemes for the foreseeable future. The reduced availability of other capital funding places increased importance on using developer contributions to help deliver the highest priority needs while taking into account the flexibility of the funding. The challenges in this area mean that early delivery will focus on schemes that can be fully funded or are needed to support development sites that are ready to be delivered.

35. In the long term, the strategy needs to focus on the effective use of new financial instruments and frameworks to secure the necessary funding. The government will be consulting on the creation of "Local Transport Consortia". It is proposed that decisions on funding for local transport improvements, including major projects, will be devolved to these new bodies. It is also proposed that each consortium will be made up of "a number of LEPs and their constituent local authorities". This initiative will be very important in the future development of the Council's funding strategy for the major transport schemes.

3.3.4. Business Strategy Implementation and Service Transformation

Transforming Adult Social Care

36. Another key challenge for the Council is to enable the development of extra care housing (ECH) throughout the County. The changes to the HCA's grant regime have significantly reduced the funding envelope for delivering ECH across the sector. These reductions in HCA capital subsidy put local authorities under more pressure to either provide direct capital contribution or free land (or less than best value disposals) in order to meet the need for more affordable housing.

37. The Council targets the provision of 30 units of residential accommodation per annum for adults with physical disabilities. There is an ongoing need for purpose built premises for adults with learning disabilities, and for mental health housing. The Council's strategy in relation to social care for older people also means that health and social care sectors need to work together, both to stop people going into hospital unnecessarily and to provide alternatives to staying in hospital as soon as the patient is medically fit to leave.

38. These service areas are already under pressure from the aging population and housing growth and are further affected by the self-directed support, personalised care/ prevention agendas, and by related major service transition. Programmes are being developed or implemented to provide an increased level and a wide range of support to enable people to remain in the community. This means that these services will also be subject to a comprehensive review of systems and processes to support future working practices. Investment in those systems and processes is likely to be required in the near future.

39. In order to support the promotion of independence and enabling people to live full and successful lives there may need to be further work carried out on local community assets (Health & Wellbeing Centres) in order to provide appropriate facilities to deliver the Council's strategy. This is likely to be a key feature for all client groups. Capital investment may be required in the form of acquisition of land for development or funding to part-fund the build costs or adaptations to an existing property.

Waste Management

40. Waste Management is continuing to face a period of rapid and radical change on a national level due to European Legislation, government targets, public expectations and the tighter financial environment. The Council is working through the Oxfordshire Waste Partnership to revise the Oxfordshire Joint Municipal Waste Management Strategy in light of our success in diverting waste from landfill and increasing recycling and composting. The Council has recently procured a residual waste treatment contract to direct waste away from landfill and has already secured major private sector investment in new technologies to treat food and garden waste. The success of district council kerbside collection schemes has enabled the Council and its partners to agree a new HWRC strategy and the priority for the future is to ensure that the Household Waste Recycling Centres (HWRCs) are well located to close to the largest urban areas whilst minimising the number of facilities. Investment is required to help minimize the impact of increasing landfill tax, deliver revenues savings and ensure that our HWRC network remains fit for purpose.

Youth Services

41. The approach to the delivery of non-statutory youth services to young people has changed significantly. There is a shift towards funding more targeted youth support rather than universal services in all areas. This more streamlined service is largely managed through the Early Intervention teams delivered in seven hubs and through a small number of satellite centres; located mainly in centres of higher need and deprivation, with an outreach aspect to areas further afield. The Council seeks to facilitate community led solutions in areas where it is no longer funding provision. Each community has the opportunity to deliver individually tailored services which may or may not involve council assets.

Library Services

42. Another key area of service transformation is Libraries. The Council is currently looking for new ways of developing sustainable local library services based on a model of provision which focuses on the reading, learning and information needs of customers, now and in the future. The delivery of this new model involves the provision of library hubs in the main town and key rural areas, using technology to modernise the service, exploring commercial or community partnering opportunities and delivering mobile or community based services from existing or alternative community buildings such as children's centres, community centres, schools, and health centres.

Broadband Infrastructure

43. Significantly improving broadband infrastructure and therefore speeds in rural areas will contribute to the achievement of corporate and service priorities. The Council aims to ensure the development, availability and the use of affordable, accessible and appropriate superfast[4] broadband infrastructure to 90% of premises in Oxfordshire by 2015. This will ensure that Oxfordshire becomes a digitally inclusive county with residents and businesses able to access and use broadband and other digital media for a range of purposes. The Council has recently been allocated £3.86m to support the deployment of superfast broadband in the county.

Fire & Rescue Service

44. The key investment priority for the service is to achieve a resilient command and control facility with increased efficiency and reduced long-term costs. The Council aims to maximise the use of technology to improve both functionality and capacity, and to create efficiencies through a collaborative approach. The Council is also exploring opportunities for reproviding relatively older fire stations and addressing the increasing demand on infrastructure based on the changing demographics and projected housing growth.

3.3.5. Energy Consumption, Environmental Sustainability and Climate Change

45. The Council started to develop and implement its long-term strategy early to address its carbon emissions through the Carbon Management Programme. It is investing in improvements to street lighting and energy conservation schemes across the county.

[4] The superfast broadband is defined as speeds of at least 24Mbps.

The driver for change has been crystallised through changes to the Carbon Reduction Commitment scheme announced in the Spending Review 2010 changing it from a trading scheme to a straightforward tax on energy consumption, and the immediate and forecast increase in the cost of energy consumption. A new delivery model that will embed energy efficiency and resilience to external markets across the Council is emerging in response to these drivers.

46. It is clear from the initial analysis that achieving a level of reduction which will eliminate a possible additional tax pressure and increased costs for the Council will require further investment in the Council's assets and activities that result in increased carbon emission (property, street lighting, travel and waste). The enlarged programme is likely to focus in particular on improving the performance of the property portfolio and the street lighting infrastructure. The Council is also to working with the Schools Forum to devise a funding strategy for the further expansion of this programme to the schools estate.

47. Another fundamental challenge is to deliver infrastructure that is resilient and responds effectively to the challenges of climate change through the sustainable design and construction of new developments. The Council is committed to enhancing the environmental sustainability of building infrastructure by achieving as a minimum the BREEAM (Very Good) Standard for its new-build portfolio. It is also committed to improving the environmental performance of its existing infrastructure through investing in innovative solutions that will reduce energy use, water use, and waste, improve energy efficiency, increase the proportion of energy generated from renewables and minimise environmental pollution or the likelihood and impact of flooding.

4. Capital Strategy - Use of Capital Resources

48. It is of the utmost importance that the Council's limited capital resources are managed effectively given the picture described above. Also of utmost importance is the task of successfully managing the Council's assets and infrastructure base, and managing growth and developing related infrastructure provision in timely manner.

49. The Council ensures its effectiveness in this area by
    - Allocating capital resources in line with corporate objectives and priorities and considering what outcomes can be achieved by a particular project and how effectively it uses corporate capital resources;
    - Using capital resources prudently and flexibly in line with the agreed capital funding strategies to ensure their affordability, longevity and sustainability;
    - Providing contingencies across the capital programme to manage the resources pressure arising from housing growth and uncertainties related to ongoing service transformations.

4.1. Central Government Settlements

50. The Council is committed to achieving more flexible use of settlement allocations. This flexibility is key to achieving the most effective use of capital resources and key to generating efficiency savings for local areas by increasing the potential for multi agency working. In order to achieve this, all capital programmes have been brought

together and the overall capital programme is now owned corporately. The determination of priorities for the overall capital programmes is very transparent and broad member engagement is at the heart of the decision-making process.

51. Where formulaic allocations and grants are issued as "not ring-fenced", the Council uses the opportunity to allocate these resources in line with the Council's priorities based on this capital strategy and the underpinning asset management plans. The residual amount of ring-fenced or earmarked funding received from central government in the form of grant and borrowing approval continue to be used for the purposes for which it is issued.

52. The Council is also looking for opportunities to use some strategic programme allocations in more flexible ways where local needs/pressures also represent a national issue. In this context, the Council has been successful in using all of the formulaic basic needs settlement and other resources from the schools capital funding to respond to the increasing demand for school places due to changes in demography and parental choice. However, the Council recognises that such flexibility is and always will be within the discretion of the funding body and will continue to work with the relevant government departments to look for such opportunities for further flexibility. In particular, the Council considers pursuing this approach as an important part of its strategic response to meeting and containing demographic pressures.

53. The Council is also critically observing the impact of community based budgeting on central government allocations. It is observing how strategic programmes and settlement allowances and their future operation will be influenced by this agenda. It is likely that this approach will enable the Council to progress with its own localities investment agenda subject to the scale and timing of the forthcoming funding provision.

4.2. Usable Capital Receipts

54. Council policy is to treat capital receipts as a thoroughly corporate resource, not automatically allowing the originating service to utilise them. The Council seeks to maximise capital receipts from the disposal of surplus land and buildings, unless another option gives greater overall benefit. This approach will stay firmly in place while it is likely that there will be increased pressure to sell major assets and reduce the size of the property portfolio.

55. Although services can still make a case for the replacement of an asset, the Council, in principle, does not support the ring-fencing of capital receipts for the re-provision of assets. This is due to the fact that the Council's Business Strategy requires a rationalisation of the asset base to help deliver the targeted level of savings in the Business Strategy between 2010/11 and 2014/15. This is in order to

- encourage a case to be made for joint proposals, where the use of assets benefits more than one service area;
- influence and challenge, in a firm manner, business cases for service re-provision based on ring-fenced capital receipt funding;

56. The Capital Investment Board will continue to consider each case on its merits. This is particularly important when current economic conditions do not favour the disposal of assets and proposals based on ring-fencing assets on an individual basis are likely to have viability and cash flow problems from the start.

57. The new asset strategy determines the detailed policies around disposal of the Council's property assets, including school buildings.[5] As the Big Society agenda redefines the state's relationship with communities and looks for ways of empowering communities to be independent and self-sufficient. The Council also needs to think about how it can leverage and direct its capital assets to communities. Whilst the Council supports this approach in principle, its challenge in this area is to design ownership vehicles that can ensure sustainable solutions and take into account current liabilities. The Council will work with its partners to develop mutually beneficial and sustainable solutions by undertaking 'joined up' reviews of assets, by assessing how proposals meet local needs and generate value for those communities and by analysing any associated risks.

4.3. Prudential Borrowing

58. The Council has established a strong links between the use of prudential guidelines and the delivery of its Business Strategy. It is currently using funding under prudential guidelines for two categories of expenditure:

- capital investment which will result in future revenue savings; the cost of borrowing is met from these savings by services. Examples include Energy Conservation and the ECH programmes. In such cases, the specific prudential borrowing provision is considered as ring-fenced subject to the end of year financing strategy.
- capital investment where the Council has a significant unmet capital need; a decision can be taken for capital investment to be funded by borrowing. In such circumstances, the borrowing is repaid corporately from revenue over a number of years and therefore treated as a thoroughly corporate resource.

59. The Council's policy is to utilise unsupported borrowing to finance capital investment where there is a clear proven need and where this borrowing does not result in unacceptable increases in Council Tax levels. Currently, under prudential guidelines, the revenue implications of every initiative are taken into account when estimating affordability of these proposals. As part of its medium term planning process the Council also evaluates the relative merits of funding revenue or funding capital proposals. In the case of capital proposals it ensures that there is on-going revenue funding available to meet the impact of any additional borrowing requirements.

60. The Council also uses prudential borrowing as part of its strategic response to meet and contain demographic pressures. In 2008/09, The Council approved £25m additional prudential borrowing to respond to the investment need in services not

[5] The overall details of the policy may be affected by the Land Transfer Scheme Regulations. Local authority owned land that is no longer used for maintained schools to be transferred for the use of an Academy or Free School. The Secretary of State has the power to transfer the land if it is required from a local authority if that land has been used for the purposes of a maintained school in the last 8 years. If the local authority is already using the land for another purpose, the land can still be transferred.

receiving capital settlement from central government. This was to ensure that the Council was able to strike a better balance between those needs arising from changing service priorities and those arising from changes/shifts in the demographic picture.

61. The Council may also take up additional borrowing to replace low capital receipts or to deal with the timing issues in funding infrastructure. Although interest rates are low at the moment, this option would still mean an increase in revenue costs from paying interest on the additional loans. Additionally, interest rates are likely to rise in the medium to long term. Therefore, a prudent strategy for increased prudential borrowing on an invest-to-save basis is currently being employed to deal with the immediate pressures on capital resources.

4.4. External Funding and Project Specific Grants

62. The Council will try wherever possible to influence investment through the targeted use of its limited capital resources to lever in other investment to meet its objectives. However, the Council is clear that projects that may bring in further investment will only be supported if they meet the Council's priorities and objectives.

63. Once secured, the Council uses these external resources for the purposes for which they are issued as per the guidance and conditions determined by funding providers. The Council also evaluates long-term implications of accepting any external funding provision, in particular on its revenue budget and allows such projects to proceed only if they are affordable and demonstrate value for money.

64. The Council has benefited from this approach by securing approval for £5m Local Sustainable Transport Fund (LSTF) from the Department for Transport and approval for its Local Investment Plan (LIP) from the Homes and Communities Agency. The secured LSTF, with £3 million match funding from the Council, covers the extension to Thornhill Park and Ride car park, an extension to the London Road bus lane to Green Road Roundabout, pump-priming new bus services, improving conditions for cyclists, pedestrians and bus users between Thornhill and the hospitals, and promoting travel choices.

65. The Council will build on these successes and use its considerable experience in aligning funding streams and strategic programmes to meet its priorities in the context of its Capital Strategy. The Council also enhances this strategy by working within the context of the LIP and the LEP to align available funding streams further in relation to economic development and housing growth, including those from partner organisations at local, sub-regional, regional and national levels. The Council employs this approach to ensure that funding is generated for the longevity of the capital strategy and the capital programme and makes maximum impact.

4.5. Funding Growth and Developer Contributions

66. The Council is proactive in ensuring, as far as possible, that all additional capital investment needs arising from new developments are funded from developer contributions. It has benefited from its good track record of effectively identifying

infrastructure needs arising from new developments and securing developer contributions to enable required infrastructure delivery.

67. However, developer contributions historically have not been able to fund all new infrastructure requirements and the scale of infrastructure provision needed to respond to the described level of growth requires a different approach to capital investment planning and a stronger emphasis on funding infrastructure. In addition, the range of contributions now sought from development has broadened, meaning that less money is available for more ‘traditional’ contributions such as schools and transport.

68. Due to the effect of current economic conditions on developer contributions, several issues have become critical when managing the scale of growth facing Oxfordshire:

- Maintaining the viability of development proposals due to the reduction in land values;
- The funding implications of providing infrastructure up-front due to timing issues;
- Securing central government funding for some of the major infrastructure requirements;
- Being prepared to deal with uncertainties around the exact cost of infrastructure provision when the development takes place;
- Identifying the wider impacts of ad hoc or small scale developments and securing reasonable contributions from them;

69. In order to address these issues, the Council has established stronger links between the infrastructure planning and the asset management planning processes through the effective use of developer contributions. This approach ensures that future community assets are affordable and sustainable in the long term. The Council also continuously looks for opportunities to deliver capital projects using external funding not necessarily related to development[6] e.g. looking at where key private sector beneficiaries could contribute to the capital funding of schemes.

4.5.1. The Community Infrastructure Levy (CIL)

70. The Government has also introduced a new tariff based mechanism to give local authorities extra resources to invest in vital facilities, public services and social infrastructure and to give developers greater certainty about their role and contribution. The introduction of CIL within Oxfordshire should deliver an income stream toward infrastructure potentially more predictable than the current arrangements. Although the CIL aims to bring much needed flexibility to the use of contributions from developers, it is still not clear what the tariff/ levy income can be spent on, how it will be apportioned, how it will be transferred from charging bodies to infrastructure delivery organisations, and how it will affect the future of the S106 agreements. Hence, the coalition government’s response to concerns raised by county councils across the UK will be critical in determining the future capital strategy implications of this new funding mechanism. The Council is working closely with the charging authorities to ensure smooth transition to this new mechanism.

71. The use of these funding streams is expected to unblock stalled developments to some degree. The Council is also looking into more sustainable and long-term funding

[6] The example here is Sainsbury’s funding the £2m junction upgrade at Heyford Hill.

models to manage the growth agenda effectively and deliver the related infrastructure in a timely manner. The Council therefore considers the new financial incentives and funding mechanisms introduced by the Government for local economic growth and housing development as an integral part of its long-term capital strategy.

4.5.2. Funding Streams for Local Economic Growth & Housing Development

72. The Government has introduced a number of financial measures in order to provide incentives for local authorities to deliver sustainable economic growth. The Council is committed to obtaining as much investment as possible for Oxfordshire through the effective use of these new instruments where they prove to be affordable and value for money. The Council will work with its partners to channel a level of funding that will help establish a 21st Century economic infrastructure and bring increased competitiveness to Oxfordshire.

73. The Council works closely with district councils, the private sector and other partners to take advantage of all available funding streams. The application for Oxfordshire's share of the Eco-Town Pilots Support Funding (£11 to £13 million)[7] has been successful. The Council and its partners are also aiming to benefit from the new Growing Places Fund and the Regional Growth Fund[8] to support the delivery of infrastructure in growth areas. As one of the key public sector players in Oxfordshire, the County Council seeks to use these funding streams to establish a better balance between public and private investment, to generate sustainable employment growth and to address infrastructure bottlenecks.

74. The Government is considering more radical financial options to enable local authorities to retain locally raised business rates in the context of the Local Government Resources Review. The Business Increase Bonus Scheme will enable the Council to keep, up to a "certain level", the increase in business rates for a period of six years where the growth in business rates yield exceeds a "certain threshold". This is a clear incentive to seek long-term sustainable growth in the business rate base. It is currently difficult to estimate the benefits from these schemes in terms of raising capital funding without more knowledge of how they will be implemented and how much of the funding will be directed to support Oxfordshire's economic infrastructure and asset base through local arrangements.

4.5.3. The Local Enterprise Zone- Science Vale UK

75. The Oxfordshire LEP has been successful in securing approval for the Science Vale UK Enterprise Zone. This is developed as a joint initiative between leading hi-tech and research organisations in South Oxfordshire and local authorities with the single ambition of being globally competitive to the benefit of Oxfordshire and the UK.

76. The Zone will provide 200,000 square meters of development delivered by the private sector by 2015. It is expected to bring in around 8,400 high-tech, high-value-adding jobs and generate additional business rates. These funds can be directly reinvested

[7] £60m start- up funding for local infrastructure relating to eco-towns.

[8] The Regional Growth Fund has increased to £1.4bn (£580m capital) with no ring fencing. The fund will run from April 2011 until April 2014 with the minimum thresholds for bids being set at £1m.

into the Oxfordshire economy. New businesses will benefit from over £1bn of business rate discounts over five years, simplified planning procedures and access to super-fast broadband.

77. The Council views the Local Enterprise Zones as a means of stimulating economic growth and innovation, and maintaining the investment in infrastructure in this tight financial environment. It is now working with its partners to agree a mechanism in order to ensure contributions to infrastructure are secured, even where planning permission is unnecessary.

4.5.3. The Rolling Fund

78. The Council has recently established a forward funding arrangement to enable investment in infrastructure on the back of future funding secured through developer contributions or other funding streams. The Rolling Fund is used as a flexible forward funding mechanism to facilitate the development and timely provision of critical infrastructure that support the delivery of planned growth or development

79. This is a mechanism by which the Council uses initial public money to forward-fund major infrastructure schemes where infrastructure is needed to support the planned development. The cost of infrastructure is then recovered from public and private sector funding streams as they come forward.

80. The Fund is composed of a contribution from flexible developer contributions and the County Council's share of the new homes bonus[9]. It is governed by the Capital Investment Board under the chairmanship of the Leader of the Council. The priorities under this fund will be agreed by the Cabinet based on recommendations by the CIB and within the context of the Infrastructure Framework[10]. The Council will use this system as a complementary mechanism in order to address infrastructure bottlenecks in the County.

4.6. Alternative Funding Models to Meet the Investment Challenge

81. The level of funding available from central government and the private sector is constantly changing and current economic conditions put further constraints on available future infrastructure funding. There are a number of innovative funding options and delivery models available or under development to support infrastructure delivery.

82. The Council therefore aims to use the devolution of power to local authorities and these options and models to address the viability issues regarding new developments and related up-front funding requirements. It acknowledges that these options and models need to be fully evaluated to determine the most appropriate solution based on the nature of the infrastructure need, the scale of the funding gap and the availability of funding sources offered by Central Government. Early analysis indicates that how the Council packages infrastructure investment or regeneration proposals to make them

[9] The New Homes Bonus introduced in 2011/12. It funds the additional council tax for six years for each new home or property that is brought back into use after the home is built.
[10] This is currently under development.

attractive for capital markets will play a critical role in determining its ability to benefit from such incentives. It is also clear that these flexibilities will be a strong base for institutional financing options for the Council in the medium and long-term.

83. The Council is committed to exploring all relevant options in consultation with its partners in delivery to ensure the effective management of its asset portfolio, facilitation of economic development and housing growth and the timely provision of related infrastructure. However, the Council is also aware that a major constraint when employing the instruments listed below in practice is the minimum level of capital that must be raised through their use.

4.6.1. Public Private Partnerships (PPP), Private Finance Initiative (PFI) and Local Asset Backed Vehicles (LABVs)

84. The PPP/PFI funding models are used as long-term contracts between the public sector client and a private sector special purpose vehicle to deliver infrastructure and services in exchange for an annual performance related payment. The Council looks at these models of funding for its major schemes and takes a decision on the merits of each individual case. It has successfully used PPP funding to develop the Oxford Castle site working with the private sector and SEEDA. It has also upgraded homes for the elderly in partnership with the Order of St John.

85. The Council's policy regarding the PFI funding model has always been to carry out a full and robust assessment of its long-term implications to determine value for money for the Council. This is due to the fact that while this model works well in many circumstances, it has not been found appropriate in financial terms. In line with this policy, the Council has fully investigated PFI options but has not so far decided it has been appropriate for any scheme. However, the Council is still working on employing similar models when they are suitable for its objectives. The Council recently procured a residual waste treatment contract that utilises similar principles to a PFI and is based on the Government's standard contract. Similarly, it is planning to work with a private sector partner, selected via a competitive dialogue process, to deliver the infrastructure needed to allow the 28.9% of premises in rural areas to have access to superfast broadband.

86. The Council expects to see more competitive versions of this model, such as competitive or incremental partnerships as the costs of such funding streams are transferred to individual departments at the central government level. It also expects to see a simpler procurement framework that is applicable to shorter-term contracts[11]. Decisions in relation to this funding stream will be made based on its applicability to the specific circumstances or infrastructure requirements following new Treasury guidance. The Council's priority in this area will be to build the right delivery model in order to derive real benefits from capital finance in a partnership environment.

87. Similarly, Local Asset Based Vehicles aim to encourage private sector investment by making regeneration projects appealing on a long-term basis. Current economic conditions and their impact on public finances and land values mean that it is likely that

[11] It is likely that the minimum level of capital investment PFI will be raised from £20m to £50m in order to apply PFI only to the largest infrastructure.

very limited levels of funding from the public and private sector will be available. The use of this funding mechanism will increase in the coming years given the expected increase in asset rationalization by local authorities. The Council continues to work with its partners, in particular District and Town Councils, on key regeneration programmes and evaluate opportunities as they arise in this area.

4.6.2. Tax Increment Financing

88. Tax Increment Financing[12] is a mechanism that enables the use of anticipated future increases in tax revenue to finance the current improvements (such as new or improved infrastructure) that are expected to generate those increased revenues. The UK central government is working on introducing new borrowing powers to enable local authorities to carry out TIF. By using TIF, the Council will be able to borrow against future additional increase in their business rate base to fund infrastructure and capital projects. Legislation is needed to introduce this scheme, so it will take at least two years to arrive. Because the TIF model will initially be introduced through a bid-based process, there is also an opportunity for the Council and its partners to assess their current priorities in the LIP in order to derive early benefits from this funding stream where eligible.

4.6.3. Local Authority Bonds

89. Local authority bonds are a common feature of local capital finance outside the UK and although they have been legislatively possible for UK local authorities to raise capital in this way, it has not been frequently used. The coalition government is looking into promoting this instrument and making it an attractive alternative to loans from the Public Works Loan Board (PWLB). The Council expects to see more tax incentives to emerge in relation to these bonds in the near future. As the key barrier to bond issuance is issuing bonds on a large enough scale to make them viable, the Council also expects to see new opportunities for collective deals and to package a number of projects at local, regional and sub-regional levels.

5. The Capital Programme: Governance, Development & Implementation

5.1. Capital Programme

90. The current capital programme for 2011/12 to 2016/17 totals £435m capital investment and covers a wide range of projects. While it is good practice to have a five-year capital programme, the Council recognises that when the external environment is changing rapidly, the policy framework is evolving and the economic outlook is uncertain, it is important to have a flexible approach to investment decisions. Clearly, significant changes to the resources profile will affect the level of planned investment within the next five to ten years. Therefore, only the first two years of the programme are considered as “the firm capital programme”. The figures for the years 2014/15 onwards are a draft and constitute the “provisional” part of the capital programme.

[12] British Property Federation (November 2008): Tax Increment Financing

91. This provisional programme includes some indicative projects where no firm costings or business cases have been produced. As these projects are not part of the firm capital programme, they can only be progressed after a formal approval process has been followed and if funding is available. Consequently, decisions about which projects are brought forward into the firm capital programme rest with the Cabinet. Where there is urgency, projects can be brought forward into the firm programme with the joint approval of the Chief Finance Officer and the Director for Environment and Economy after consultation with the Leader of the Council and the Cabinet Member for Finance & Property. Such urgent decisions are then reported to the Cabinet at the earliest opportunity as part of the Financial Monitoring Report.

5.2. Governance

92. The Council has the vision of "developing a truly corporate approach to strategic capital investment, infrastructure and asset planning". It recognises that implementing a high-profile capital governance structure is essential in fulfilling this vision and ensuring success in the capital arena.

93. That is why capital governance arrangements were reviewed in the context of the immediate challenges presented by the infrastructure gap and the growth, total place, co-location and cross service delivery agendas. A new capital governance structure has been in operation since September 2009. The Council established a stronger integration between the capital governance structure and the implementation of its Business Strategy in 2011.

94. The new structure also establishes a strong direct link between the mainstream capital programme and capital investment needs arising from the growth agenda (in particular strategic sites) and from cross-departmental and cross-organisational co-location and joint service delivery initiatives. The key features of this structure are listed below:

5.2.1. The Council & the Cabinet

95. The Council and the Cabinet continue as the key democratic decision-making bodies as per the Council's constitution. The Council approves the key policy documents and the capital programme as part of the Council's Policy and Budgetary Framework. The Cabinet recommends priorities, policy direction and the capital programme to the Council for approval. The Cabinet also approves new inclusions to the capital programme in line with the scheme of delegation and the financial procedure rules.

5.2.2. The Capital Investment Board (CIB)

96. The Capital Investment Board is a high-level political platform providing a cross-portfolio approach to and political steer on policy developments, strategic infrastructure development, the use of resources discussion and the growth, co-location and joint service delivery agendas.

5.2.3. The Capital & Asset Programme Board (C&APB)

97. The Capital Programme Board is a strong officer group with a clear remit and function to be the single point of contact in all capital and asset matters across the organisation with clear accountability and a sufficiently high level of authority and decision-making power within the limits of delegated responsibility.

5.2.4. The Financial Procedure Rules for Capital

98. The Council revised its financial procedure rules related to capital following the introduction of the new governance structure. The principle behind these adjustments is ensure that the overall structure is supported by appropriate officer teams operating clear, agreed, open and transparent corporate policies, protocols and procedures.

5.3. Capital Programme Development & Implementation

99. The Council has recently strengthened the development framework for the capital programme. In particular, the Council has taken steps to enhance the strategic alignment of the capital programme with corporate priorities and balance capital investment needs arising from planned growth and the maintenance of the existing portfolio.

100. It has also developed a two-stage approval process for capital resources allocation. If a project is approved at stage 1, it is accepted in principle to the Council’s capital programme and allocated a project development budget. This stage is also called “commit to investigate”. At stage 2, the project receives full political approval for work to commence and expenditure to be incurred, subject to the budget constraints of the project delivery budget allocation.

5.3.1. Principles of Prioritisation and Capital Resource Allocation

101. The Council’s capital programme deals with a wide range of property and other infrastructure asset needs across all service areas. The Council recognises the challenges around making prioritisation decisions when comparing the relative merits of investment into these assets. It therefore agreed a set of principles for prioritising capital investment proposals.

102. The application of these principles ensures that the Council allocates capital resources in line with corporate objectives and priorities and considers what outcomes can be achieved by a particular project and how effectively it uses our very limited corporate capital resources. These principles are integrated into the service and resource planning process.

103. Priority is given to programmes and projects (or proposals) in the following order:

- ***Priority 1:*** *projects which enable compliance with our legal/ statutory duties including projects which address any infrastructure deficits related to statutory compliance. For projects in this category, there is still a need to justify the cost level.*
- ***Priority 2:*** *projects that generate revenue savings through the delivery of the new business strategy or service transformation proposals. For projects in this category,*

there is still a need to explore whether or not they could be self-financing, for example through prudential borrowing. Consideration will also be given to projects which lead to substantial levels of cost avoidance in the future.

- ***Priority 3:** projects where a major proportion (50% or more) of the capital from external sources which will be lost if the project fails to go ahead. Projects in this category are subject to consideration of future revenue requirements.*
- ***Priority 4:** projects that contribute to the delivery of a smaller property portfolio through increased co-location or space utilisation or adaptation of new ways of working.*
- ***Priority 5:** projects that facilitate economic development and housing growth - in particular in priority localities (Banbury, Bicester, Abingdon, Oxford City, Didcot and Carterton) and the Science Value UK as the new Enterprise Zone.*
- ***Priority 6:** projects that address cross-cutting issues, facilitate joint-working with partners or generate new/ additional income;*

104. It is not effective to have every individual scheme assessed and prioritised across the Council when they are very low cost relative to other areas of Council capital expenditure. Instead, the cabinet approves a programme level allocation based on the application of the principles outlined above and agrees the relevant assessment and prioritisation methodology for the approved allocation. This enables those schemes below a certain financial threshold value to be assessed within those approved programmes. The delivery of these programmes would then be determined by the availability of capital funding, either from the Council's capital programme or elsewhere, for a 'block' of these schemes. Schemes above the threshold value and identified as being in line with Council objectives, are assessed as part of the Council's overall capital prioritisation and programming as per the principles listed above.

5.3.2. Technical Assessment (Options, Deliverability and Affordability Appraisals)

105. The Council is committed to ensuring that each investment decision represents the best possible use of these limited resources and the best long-term solution for the authority and its citizens a whole. This is critical for the long-term future of the Council's infrastructure base. In order to ensure the wise and responsible use of resources, each investment decision is based on a full consideration of all possible solutions and a full recognition of life cycle cost.

106. The Council employs technical assessment processes for evaluating readiness and value for money of all its capital investment proposals. The agreed principles are:

    - Analyse a range of possible solutions at both the option appraisal and feasibility phases of each major capital investment;
    - Base the options appraisal and feasibility study on the life cycle costs of possible solutions, including the discounted cost of future expenditures to determine their affordability;

- Explore different project delivery models that, where possible, include partnerships, sharing costs with other organisations, obtaining grant contributions or generating revenue income;

107. This approach ensures that investment in assets carries the underlying principle of seeking maximum benefit from the sum invested. The revenue implications of any scheme are considered at both stages of the process. However, more details are provided prior to full political approval being granted.

108. Similar processes are also in place for prioritising and resourcing Highways Maintenance schemes, which are peer reviewed within a value engineering process. The merits of each scheme are assessed in conjunction with condition survey information, build-ability, value for money and environmental factors. A priority list of schemes is developed that addresses Oxfordshire's strategic objectives whilst contributing to improving national road condition indicators

5.3.3. Procurement

109. The Council has established collaborative partnerships with both the professional services and construction services supply chains through strategic procurement initiatives. It operates a category management approach to the delivery of its works and services. This approach ensures that the Council can utilise 'best of breed' suppliers to minimise risk and cost as well as delivering a 'right first time' solution.

110. The Council has entered into new contractual arrangements for the delivery of the Transport service and is operating in an integrated organisational structure. This integrated partnering contract provides a flexible vehicle for the procurement of professional and mainstream construction services, primarily for transport related projects. It enables the Council to plan the overall resource from inception to delivery on the ground thus smoothing the workflow throughout the year and enabling planning for future years.

111. The Council's procurement strategy on the property portfolio seeks to align building use and maintenance considerations into the design and construction process where environmental and whole life costs aspects are of key importance. The operational strategy focuses on driving efficiency through procuring programmes of work that will enable economies of scale and better resource management to deliver works to time and budget.

112. The Council aims to achieve further benefits to the delivery of its capital programmes through developing potential synergies through its respective property and highways supply chains. Where commonality between materials, plant, labour and locality exist the Council proactively co-ordinates these supply chains into a cohesive and collaborative programme to deliver additional efficiencies and resilience.

113. Similarly, the Council, where possible, explores third party delivery models as an alternative ways of securing the provision of required infrastructure arising from new development. These models are seen as a means of realistically securing delivery of major infrastructure.

114. The Council is also engaged with Improvement and Efficiency South East (IESE) in co-ordinating expenditure on a regional basis to drive standardisation and benefit from the resulting economies of scale. This collaborative approach enables the Council to have more leverage over the supply base. The Council can also adopt the Office of Government Commerce (OGC)'s portfolio of framework contracts for both professional services and construction. These collaborative and flexible arrangements with the OGC and IESE are necessary to complement the Council's portfolio so that it is responsive and scalable in today's financial climate. The Council will draw on the experience of its peers in order to deliver a value for money solution if a more specialist vehicle of procurement such as Strategic Partnerships is needed.

5.3.4. Partnership Working

115. The Council has a strong vision to create sustainable places by working closely with its partners. It recognises that it can only achieve its objectives through partnership working and is therefore committed to working with public, private, voluntary and community organisations. The Council's approach to infrastructure planning looks to influence and shape the investment decisions at the national level through the provision of leadership in the co-ordination of investment.

116. The Council already has a history of pursuing joint-working and joint-service delivery initiatives for better outcomes for communities and citizens of the County. The Council is currently
- operating a private public partnership with the Oxfordshire Care Partnership (Orders of St John – referred to as OCP/OSJ) to provide residential and nursing care homes for Older People;
- working closely with the Oxfordshire City-Region Enterprise Partnership to improve the alignment of investment across public and private sectors to deliver a shared ambition for economic growth;
- working jointly with its partners and national government to deliver the vision for eco-Bicester, including the proposed NW Bicester ecotown which will provide 5000 new homes and 5000 jobs;
- working in partnership with District Councils in the collection and treatment of waste, including delivering improved recycling and a reduction in landfill;
- working with the Housing and Communities Agency and other partner organisations under the Single Conversation Framework to deliver the Local Investment Plan (LIP) for Oxfordshire. This plan, resulting from Oxfordshire's Single Conversation with the Homes and Communities Agency (HCA), sets out a shared vision and priorities for delivering housing growth, economic development, regeneration, and infrastructure.
- working on the West End Project in partnership with Oxford City Council and other partners. The renaissance of Oxford's West End is the single biggest regeneration project that Oxford has seen for some decades and will shape the city centre experience for a hundred years to come.

5.3.5. Performance Management

117. The Council agrees a rolling five-year capital programme annually in accordance with its priorities. The capital programme is updated quarterly and its performance is reported monthly to the Cabinet. The Council's use of capital resources indicator was

91% at the end of 2010/11[13]. Although this adjusted use of capital resources in 2010/11 represents a reduction compared to the 2009/10 performance (94%), it is still within the tolerances recommended by best practice.

5.4. Provide contingency across the capital programme

118. The Council's capital budget setting principle is "a balanced position with sufficient level of contingency". A 3% contingency, in line with the audit recommendation, is built into the capital programme planning assumptions in order to respond effectively to unforeseen capital pressures and to accommodate possible changes in the capital resources position supporting the programme. The Capital Investment and Business Development Manager manages this corporately held provision and other contingencies in relation to the capital programme on behalf of the Cabinet and reviews them on a regular basis based on the risks associated with the overall programme.

119. The Council continues to employ an effective year-end financing strategy for its capital programme. The capital financing strategy is aimed at minimising the on-going liabilities to the Council's revenue budget arising from capital investment. The first calls on capital resources are therefore external funding (including S106), grants, supported borrowing, and capital receipts and reserves. The final calls, where necessary, are on unsupported borrowing and revenue contributions.

120. The financing strategy also ensures the effective management of the cashflow of the capital programme. The Council may forward fund externally funded projects using internal funding resources. These internal resources will be replaced when external funding is received. This is particularly relevant for S106 funded schemes.

[13] The Council still maintains the improvement made in the use of resources position compared to 2008/09 (90%) and 2007/08 (82%).

Annex 13

Draft Capital Programme 2011/12 - 2016/17

January 2012

OXFORDSHIRE COUNTY COUNCIL
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CAPITAL PROGRAMME: 2011/12 TO 2016/17

Programme		Capital Investment Programme (latest forecast)						CAPITAL INVESTMENT TOTAL
		Current Year	Firm Programme		Provisional Programme			
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	
		£000	£000	£000	£000	£000	£000	£000
Children, Education & Families 1 - OCC		30,428	20,702	40,282	49,864	20,175	7,483	168,934
Children, Education & Families 2 - Schools Local Capital		8,087	5,155	1,787	1,787	1,787	1,787	20,390
Social & Community Services		8,907	8,758	4,241	4,210	2,390	1,025	29,531
Environment & Economy 1 - Transport		25,227	23,742	36,202	20,839	13,010	10,006	129,026
Environment & Economy 2 - Other Property Development Programmes		3,201	5,124	13,737	6,783	3,946	1,041	33,832
Chief Executive's Office		195	155	0	0	0	0	350
TOTAL ESTIMATED CAPITAL PROGRAMME EXPENDITURE		76,045	63,636	96,249	83,483	41,308	21,342	382,063
Earmarked Reserves		0	70	9,593	9,000	9,600	24,470	52,733
TOTAL ESTIMATED CAPITAL PROGRAMME		76,045	63,706	105,842	92,483	50,908	45,812	434,796
TOTAL ESTIMATED PROGRAMME RESOURCES		78,217	71,525	82,856	81,782	51,330	45,100	410,810
In-Year Shortfall (-) /Surplus (+)		2,172	7,819	-22,986	-10,701	422	-712	-23,986
Cumulative Shortfall (-) / Surplus (+)	24,245	26,417	34,236	11,250	549	971	259	259

CAPITAL PROGRAMME: 2011/12 TO 2016/17

SOURCES OF FUNDING		2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	CAPITAL RESOURCES TOTAL £000
SCE(R) Formulaic Capital Allocations - Credit Approval		0	0	0	0	0	0	0
SCE(C) Formulaic Capital Allocations - Grant		42,892	39,046	38,415	35,190	32,075	31,581	219,199
SCE(R) Supplementary Credit Approval		0	0	0	0	0	0	0
SCE(C) Supplementary Grant Approval		320	525	1,899	575	0	0	3,319
Devolved Formula Capital- Grant		6,700	5,155	1,787	1,787	1,787	1,787	19,003
Prudential Borrowing		6,522	7,118	7,252	7,165	2,794	6,960	37,811
Grants		10,273	4,320	7,485	3,000	0	0	25,078
Developer Contributions		4,019	5,577	20,884	33,710	13,762	1,074	79,026
District Council Contributions		162	575	70	5	0	0	812
Other External Funding Contributions		333	200	476	0	0	0	1,009
Revenue Contributions		4,427	1,190	756	276	240	117	7,006
Schools Contributions		397	0	0	0	0	0	397
Use of Capital Receipts		0	0	19,798	74	250	4,003	24,125
Use of Capital Reserves		0	0	7,020	10,701	0	290	18,011
TOTAL ESTIMATED PROGRAMME RESOURCES UTILISED		76,045	63,706	105,842	92,483	50,908	45,812	434,796
TOTAL ESTIMATED PROGRAMME RESOURCES AVAILABLE		78,217	71,525	82,856	81,782	51,330	45,100	410,810
Usable Capital Receipts C/Fwd	7,666	9,475	15,966	0	0	422	0	0
Capital Reserve C/Fwd	16,579	16,942	18,270	11,250	549	549	259	259

CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Primary Capital Programme										
Launton - Hall, classrooms and Pre-School Accommodation (ED695)	955	186	5	0	0	0	0	1,146	191	5
Tackley - 2 classroom ext & Pre-School Accommodation (ED734)	753	242	10	0	0	0	0	1,005	252	10
Oxford, Wood Farm - replacement of existing buildings (ED749)	3,772	1,500	3,400	3,388	600	0	0	12,660	8,888	7,388
Banbury, The Grange - 6 classroom block to replace temporary classrooms (ED739/1)	9	1,000	600	41	0	0	0	1,650	1,641	641
Primary Capital Programme Total	**5,489**	**2,928**	**4,015**	**3,429**	**600**	**0**	**0**	**16,461**	**10,972**	**8,044**
Secondary Capital Programme										
Chipping Norton - New Science block (ED708)	2,544	800	16	0	0	0	0	3,360	816	16
Burford Community College - 8 Classroom block and drama studio to replace temporary classrooms (ED714)	1,682	372	20	0	0	0	0	2,074	392	20
Wantage, Fitzwaryn - Phase 2 (Modernisation & new Post 16 accommodation) (ED715)	711	1,650	575	224	0	0	0	3,160	2,449	799
Faringdon Community College - Phase 3; Basic Need provision and replacement of temporary classrooms (conditional approval)	0	0	0	0	0	0	0	0	0	0
Oxford, Northern House - 6 classroom Block to replace Horsa & temporary classrooms and provide food technology facility (ED746)	302	1,200	70	28	0	0	0	1,600	1,298	98
Abingdon, Kingfisher - Internal alterations for basic need provision for nursery accommodation (ED779)	16	219	10	0	0	0	0	245	229	10
Oxford, Iffley Mead - Basic Need (temporary classroom)	1	0	0	0	0	0	0	1	0	0
Secondary Capital Programme Total	**5,256**	**4,241**	**691**	**252**	**0**	**0**	**0**	**10,440**	**5,184**	**943**

CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £000	Latest Forecast: Current Year 2011/12 £000	Firm Programme 2012/13 £000	Firm Programme 2013/14 £000	Provisional Programme 2014/15 £000	Provisional Programme 2015/16 £000	Provisional Programme 2016/17 £000	Total Scheme Cost £000	Capital Investment Total (excluding previous years) £000	Future Capital Investment Total (excluding previous and current years) £000
Academy Programme										
Oxford Academy (ED678)	31,278	2,339	0	50	0	0	0	33,667	2,389	50
Oxford Spires Academy	0	50	200	5,000	3,000	0	0	8,250	8,250	8,200
Academy Total	**31,278**	**2,389**	**200**	**5,050**	**3,000**	**0**	**0**	**41,917**	**10,639**	**8,250**
Provision of School Places (Basic Need)										
Oxford, New Marston - Phase 1; (Foundation Stage & KS1) (ED753)	612	239	0	0	0	0	0	851	239	0
Bicester, Cooper - New 6th Form Centre (ED747)	2,621	1,341	50	38	0	0	0	4,050	1,429	88
Bloxham - additional classroom & ancillary facilities for 2FE (ED762)	26	375	1	0	0	0	0	402	376	1
Witney, Madley Brook - Phase 2 (3 Classroom extension) (ED743)	72	1,024	28	0	0	0	0	1,124	1,052	28
Bayards (New Scheme) - replacement of existing buildings and additonal space to meet basic need	0	50	300	3,300	2,600	350	0	6,600	6,600	6,550
Peppard- Replacement of Temporary Classroom	12	0	0	0	0	0	0	12	0	0
John Watson - Reprovision of Temporary Classrooms	10	0	0	0	0	0	0	10	0	0
Existing Demographic Pupil Provision (Basic Needs Programme)	27	470	5,119	8,059	5,345	5,185	750	24,955	24,928	24,458
Oxford, Wolvercote - Modular Building (ED776)	2	54	3	0	0	0	0	59	57	3
Wallingford, St Nicholas Infants - Temporary Classroom ED773)	0	105	5	0	0	0	0	110	110	5
Faringdon Infants - 2 Classrooms Modular Building (ED772)	0	170	10	0	0	0	0	180	180	10
Oxford, Windmill - Conversion of existing D&T & ICT into FS & KS1 classrooms (ED770/1)	0	210	50	0	0	0	0	260	260	50

CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast: Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Oxford, Sandhills - Conversion of ICT & Music into KS1/2 classroom (ED771)	0	120	15	0	0	0	0	135	135	15
Abingdon, Dunmore - Internal Alterations for FS classroom (ED774)	0	70	3	0	0	0	0	73	73	3
Oxford, New Marston - (Phase 2a) Internal conversion to create additional Classroom (ED777)	0	130	10	0	0	0	0	140	140	10
Oxford, Cutteslowe - (Phase 1) Internal conversion to create additional Classroom (ED781)	0	25	0	0	0	0	0	25	25	0
Woodstock, - Internal alterations to create additional Classroom (ED780)	0	45	1	0	0	0	0	46	46	1
Oxford, Windale - Phase 1 Internal Alterations (ED784)	2	13	5	0	0	0	0	20	18	5
Wantage, Charlton - Phase 1 Extension & Internal Alterations (ED775)	0	405	29	0	0	0	0	434	434	29
Yarnton, William Fletcher - Phase 1 Additional Classroom and Internal Alterations (ED782)	17	483	30	0	0	0	0	530	513	30
Reducing Out of County Provision for SEN Pupils	0	50	350	3,000	350	0	0	3,750	3,750	3,700
Wantage, Charlton - Phase 2 Foundation & Studio (ED787)	0	300	870	126	0	0	0	1,296	1,296	996
Provision of School Places Total	**3,401**	**5,679**	**6,879**	**14,523**	**8,295**	**5,535**	**750**	**45,062**	**41,661**	**35,982**
Growth Portfolio - New Schools	Note: This section of the programme shows available funding and not the full scheme cost									
South Oxfordshire										
Didcot, Great Western Park - Primary 1 (14 classroom)	0	5	75	1,500	4,704	220	0	6,504	6,504	6,499
Didcot, Great Western Park - Secondary (Phase 1)	0	0	200	1,500	9,838	4,700	0	16,238	16,238	16,238
Didcot, Ladygrove - 7 classroom	0	0	0	0	0	0	0	0	0	0
Cherwell										
Bodicote, Bankside - 10 classroom	0	5	50	200	3,000	1,000	233	4,488	4,488	4,483
Bicester, Gavray Drive - 7 classroom	109	5	20	150	3,499	0	0	3,783	3,674	3,669

CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Bicester - Secondary P1 (incl existing schools)	0	0	150	500	6,000	3,350	303	10,303	10,303	10,303
Bicester, South West - 14 classroom	0	40	260	5,000	310	0	0	5,610	5,610	5,570
Upper Heyford - New Primary School	0	5	45	400	4,248	0	0	4,698	4,698	4,693
<u>Vale of White Horse</u>										
Wantage / Grove - Secondary (option c)	0	0	0	0	0	0	0	0	0	0
Growth Portfolio Total	109	60	800	9,250	31,599	9,270	536	51,624	51,515	51,455
<u>Improvements to Young People's Centres</u>										
Abingdon Young People's Centre (ED754)	251	150	9	0	0	0	0	410	159	9
Didcot Young People's Centre (ED748)	373	328	16	0	0	0	0	717	344	16
Banbury New Futures Centre (ED735)	849	1,700	41	10	0	0	0	2,600	1,751	51
Chipping Norton; New Young People's & Adult Learning Centre (ED736)	348	647	15	10	0	0	0	1,020	672	25
Witney Young People's Centre (Phase 2) (ED709)	58	750	60	102	0	0	0	970	912	162
Young People's Centres Total	1,879	3,575	141	122	0	0	0	5,717	3,838	263
<u>Annual Programmes</u>										
Schools Access Initiative	2,435	966	500	500	400	400	400	5,601	3,166	2,200
Cumnor, Matthew Arnold - Accessibility Improvements (ED752)	176	248	5	0	0	0	0	429	253	5
Health & Safety - CE&F	793	250	0	0	0	0	0	1,043	250	0
Health & Safety - Schools	931	400	400	400	400	400	400	3,331	2,400	2,000
Temporary Classrooms - Replacement & Removal	1,256	200	300	330	330	330	340	3,086	1,830	1,630
Schools Accommodation Intervention & Support Programme	0	100	100	200	150	150	150	850	850	750

CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
School Structural Maintenance (inc Health & Safety)	0	7,000	5,750	5,250	4,250	3,250	3,904	29,404	29,404	22,404
Schools Energy Reduction Programme	0	0	500	750	750	750	750	3,500	3,500	3,500
Secondary Schools Modernisation Programme	0	0	0	0	0	0	0	0	0	0
Capital Maintenance - Surplus from 5 yr allocation	0	0	0	0	0	0	0	0	0	0
Annual Programme Total	5,591	9,164	7,555	7,430	6,280	5,280	5,944	47,244	41,653	32,489
Other Schemes & Programmes										
Thornbury House Children's Home - Repl of Building (ED702)	1,280	330	20	0	0	0	0	1,630	350	20
14-19 Rural Areas - Thame Skills Centre (ED758)	192	606	22	0	0	0	0	820	628	22
Loans to Foster/Adoptive Parents (Prudentially Funded)	197	90	90	90	90	90	253	900	703	613
Short Breaks (Aiming High)	0	92	0	0	0	0	0	92	92	0
Great Tew (Contribution) Conditional Approval	0	0	100	0	0	0	0	100	100	100
Small Projects	1,175	65	0	0	0	0	0	1,240	65	0
Other Schemes & Programmes Total	2,844	1,183	232	90	90	90	253	4,782	1,938	755
Retentions & Oxford City Schools Reorganisation										
Retentions & OSCR Total	33,591	1,209	189	136	0	0	0	35,125	1,534	325
Schools Capital										
Devolved Formula Capital	17,502	6,700	5,155	1,787	1,787	1,787	1,787	36,505	19,003	12,303
Harnessing Technology Grant- Schools Allocation	3,774	761	0	0	0	0	0	4,535	761	0
Specialist College	149	201	0	0	0	0	0	350	201	0

CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Kitchen & Dinning improvements	460	58	0	0	0	0	0	518	58	0
14-19 Diploma	1,142	367	0	0	0	0	0	1,509	367	0
14-19 Rural	50	0	0	0	0	0	0	50	0	0
School Local Capital Programme Total	23,077	8,087	5,155	1,787	1,787	1,787	1,787	43,467	20,390	12,303
CE&F CAPITAL PROGRAMME EXPENDITURE TOTAL	112,515	38,515	25,857	42,069	51,651	21,962	9,270	301,839	189,324	150,809
CE&F OCC ADJUSTED CAPITAL PROGRAMME EXPENDITURE TOTAL	89,438	30,428	20,702	40,282	49,864	20,175	7,483	258,372	168,934	138,506

SOCIAL AND COMMUNITY SERVICES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
COMMUNITY SERVICES PROGRAMME										
Libraries										
Introduction of RFID (Radio frequency identification) self service in Libraries - Phase 1 (CS9)	710	395	55	100	0	0	0	1,260	550	155
Introduction of RFID (Radio frequency identification) self service in Libraries- Phase 2	0	0	700	265	0	0	0	965	965	965
Bicester Library	0	0	25	600	575	0	0	1,200	1,200	1,200
County Heritage & Arts										
Abingdon Town Council (CS10)	100	100	100	0	0	0	0	300	200	100
Development Project - SOFO	15	15	0	0	0	0	0	30	15	0
Oxfordshire Records Office (CS8)	253	217	0	0	0	0	0	470	217	0
COMMUNITY SERVICES PROGRAMME TOTAL	1,078	727	880	965	575	0	0	4,225	3,147	2,420
COMMUNITY SAFETY PROGRAMME										
Fire & Rescue Service										
Bicester Fire Station Upgrade (SC108)	39	240	130	91	0	0	0	500	461	221
Fire Equipment	0	0	75	275	150	0	0	500	500	500
Upgrade Fire Command & Control Centre (conditional approval)		0	25	500	600	25	0	1,150	1,150	1,150
Gypsy & Travellers Sites										
Redbridge Hollow Phase 2 (SS106)	19	1,240	344	90	0	0	0	1,693	1,674	434
COMMUNITY SAFETY PROGRAMME TOTAL	58	1,480	574	956	750	25	0	3,843	3,785	2,305
SOCIAL CARE FOR ADULTS PROGRAMME										
Mental Health										
Mental Health Projects	531	100	77	0	0	0	0	708	177	77

SOCIAL AND COMMUNITY SERVICES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>Residential</u>										
HOP's Bicester (Forward Funding) SS88	1,765	16	0	0	0	0	0	1,781	16	0
HOPs Phase 1- New Builds	0	4,659	4,894	0	0	0	0	9,553	9,553	4,894
Learning Disabilities - Supported Living Programme (SS93)	0	0	0	0	0	0	0	0	0	0
<u>Specialist Housing Programme (inc ECH - New Schemes & Adaptations to Existing Properties)</u>										
ECH - New Schemes & Adaptations to Existing Properties	386	100	486	1,818	2,725	2,200	860	8,575	8,189	8,089
ECH - Greater Leys (SS105)	0	409	409	192	0	0	0	1,010	1,010	601
ECH - Shotover (SS104)	0	600	600	0	0	0	0	1,200	1,200	600
<u>Day Centres</u>										
Banbury Day Centre (SS97)	7	60	488	95	0	0	0	650	643	583
Deferred Interest Loans (CSDP)	61	225	120	160	160	165	165	1,056	995	770
SOCIAL CARE FOR ADULTS PROGRAMME TOTAL	**2,750**	**6,169**	**7,074**	**2,265**	**2,885**	**2,365**	**1,025**	**24,533**	**21,783**	**15,614**
<u>STRATEGY AND TRANSFORMATION PROGRAMME</u>										
IT- Supporting People	81	0	0	0	0	0	0	81	0	0
Time to Change	2,089	0	0	0	0	0	0	2,089	0	0
Adult Social Care IT Infrastructure	319	0	0	0	0	0	0	319	0	0
New Adult Services System (SC107)	0	300	195	30	0	0	0	525	525	225
Mobile Working Project	50	50	0	0	0	0	0	100	50	0
Transforming Adult Social Care (ICT)	100	66	0	0	0	0	0	166	66	0
STRATEGY& TRANSFORMATION PROGRAMME TOTAL	**2,639**	**416**	**195**	**30**	**0**	**0**	**0**	**3,280**	**641**	**225**
Retentions & Minor Works	7,533	115	35	25	0	0	0	7,708	175	60
S&CS CAPITAL PROGRAMME EXPENDITURE TOTAL	**14,058**	**8,907**	**8,758**	**4,241**	**4,210**	**2,390**	**1,025**	**43,589**	**29,531**	**20,624**

SOCIAL AND COMMUNITY SERVICES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000

ENVIRONMENT & ECONOMY - HIGHWAYS & TRANSPORT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>NETWORK DEVELOPMENT PROGRAMME</u>										
Thornhill Park & Ride Extensions	408	190	3,080	821	0	0	0	4,499	4,091	3,901
London Road Bus Lane	0	0	0	1,000	0	0	0	1,000	1,000	1,000
Kennington Roundabout	0	125	250	2,125	0	0	0	2,500	2,500	2,375
Heyford Hill Roundabout	0	30	0	0	0	0	0	30	30	0
Hinksey Hill Interchange	0	96	154	0	0	0	0	250	250	154
Other Small & Completed Network Development Schemes	52	0	0	0	0	0	0	52	0	0
NETWORK DEVELOPMENT PROGRAMME TOTAL	460	441	3,484	3,946	0	0	0	8,331	7,871	7,430
<u>ROAD SAFETY PROGRAMME</u>										
Speed Limit Review	101	60	12	0	0	0	0	173	72	12
Other Small & Completed Road Safety Schemes	88	29	0	0	0	0	0	117	29	0
ROAD SAFETY PROGRAMME TOTAL	189	89	12	0	0	0	0	290	101	12
<u>OXFORD TRANSPORT STRATEGY PROGRAMME</u>										
Fairfax Rd/Purcell Rd Cycle Link	6	15	164	0	0	0	0	185	179	164
New Headington Transport Improvements	41	470	26	0	0	0	0	537	496	26
<u>TRANSFORM OXFORD PROGRAMME</u>										
Frideswide Square	230	300	125	1,550	1,495	0	0	3,700	3,470	3,170

ENVIRONMENT & ECONOMY - HIGHWAYS & TRANSPORT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Other Small & Completed OTS schemes	5,788	98	64	0	0	0	0	5,950	162	64
OXFORD TRANSPORT STRATEGY PROGRAMME TOTAL	**6,065**	**883**	**379**	**1,550**	**1,495**	**0**	**0**	**10,372**	**4,307**	**3,424**
TOWNS PROGRAMME										
LARGER TOWNS										
ABINGDON										
Other Small & Completed Abingdon Schemes	3,403	0	0	0	0	0	0	3,403	0	0
BANBURY										
Hanwell Fields Mineral Railway	15	95	40	0	0	0	0	150	135	40
Banbury: Higham Way Access Road	9	24	176	0	0	0	0	209	200	176
Banbury North South Routes Improvements	0	0	0	0	0	0	0	0	0	0
Other Small & Completed Banbury Schemes	46	5	0	0	0	0	0	51	5	0
BICESTER										
Bicester Roman Road	267	86	2	0	0	0	0	355	88	2
Other Small & Completed Bicester Schemes	11	14	0	0	0	0	0	25	14	0
WITNEY										
Cogges Link Road	3,117	1,393	600	11,380	3,131	0	0	19,621	16,504	15,111
Other Small & Completed Witney Schemes	134	68	48	0	0	0	0	250	116	48
SCIENCE VALE UK (SVUK)										
SVUK Highway Schemes (project development)	0	185	295	0	0	0	0	480	480	295

ENVIRONMENT & ECONOMY - HIGHWAYS & TRANSPORT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Other Small & Completed SVUK Schemes	1	44	0	0	0	0	0	45	44	0
SMALLER TOWNS										
Chipping Norton, Oxford Road Crossing Improvements	2	70	58	0	0	0	0	130	128	58
A44 Crossing, Yarnton	0	32	313	0	0	0	0	345	345	313
Other Small & Completed Smaller Towns Schemes	2	174	33	0	0	0	0	209	207	33
RURAL AREAS										
Other Small & Completed Rural Areas Schemes	7	112	0	0	0	0	0	119	112	0
TOWNS PROGRAMME TOTAL	7,014	2,302	1,565	11,380	3,131	0	0	25,392	18,378	16,076
PUBLIC TRANSPORT PROGRAMME										
Didcot Station Forecourt	1,581	593	1,940	2,021	555	0	0	6,690	5,109	4,516
SVUK Premium Routes	0	55	75	0	0	0	0	130	130	75
Other Small & Completed Public Transport Schemes	1	61	5	0	0	0	0	67	66	5
PUBLIC TRANSPORT PROGRAMME TOTAL	1,582	709	2,020	2,021	555	0	0	6,887	5,305	4,596
TRAVEL BEHAVIOUR										
Smarter Choices (BWTS)		44	0	0	0	0	0	44	44	0
TRAVEL BEHAVIOUR PROGRAMME TOTAL	0	44	0	0	0	0	0	44	44	0

ENVIRONMENT & ECONOMY - HIGHWAYS & TRANSPORT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
LTP1 Schemes	57	0	132	0	0	0	0	189	132	132
Integrated Transport Future Programme- LTP3	0	157	792	1,195	900	900	900	4,844	4,844	4,687
OTHER INTEGRATED TRANSPORT TOTAL	**57**	**157**	**924**	**1,195**	**900**	**900**	**900**	**5,033**	**4,976**	**4,819**
INTEGRATED TRANSPORT STRAGEGY TOTAL	**15,367**	**4,625**	**8,384**	**20,092**	**6,081**	**900**	**900**	**56,349**	**40,982**	**36,357**
STRUCTURAL MAINTENANCE PROGRAMME										
Carriageway Schemes (non-principal roads)		8,464	3,757	3,880	3,775	3,550	2,249	25,675	25,675	17,211
Footway Schemes		1,711	1,750	1,350	1,350	1,300	1,300	8,761	8,761	7,050
Surface Treatments		4,910	4,141	3,874	3,924	3,924	2,698	23,471	23,471	18,561
Street Lighting Column Replacement		500	500	500	500	500	500	3,000	3,000	2,500
Drainage		1,200	1,100	1,100	950	950	945	6,245	6,245	5,045
Bridges		1,105	1,723	1,010	965	880	800	6,483	6,483	5,378
Bridges - Major Schemes										
Potash Bridge	499	10	487	0	0	0	0	996	497	487
Thames Towpath Emergency Repairs	0	120	30	0	0	0	0	150	150	30
Detrunked & Principal Roads - Major Schemes										
A422 Ruscote Avenue, Banbury	126	686	50	0	0	0	0	862	736	50
A4158 Oxford Iffley Road (Phase 1)	107	1,569	45	0	0	0	0	1,721	1,614	45
A4158 Oxford Iffley Road (Phase 2)	30	200	555	0	0	0	0	785	755	555
Thames Towpath Reconstruction (Sonning Eye, Goring, Farmoor)	0	65	350	50	0	0	0	465	465	400

ENVIRONMENT & ECONOMY - HIGHWAYS & TRANSPORT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
A4130 Bix dual carriageway	0	0	570	3,930	430	0	0	4,930	4,930	4,930
A420 Shrivenham Bypass	0	0	200	150	2,728	342	0	3,420	3,420	3,420
A420/A34 Slip Road	0	0	0	36	36	564	514	1,150	1,150	1,150
A415 Clifton Hampden	0	0	0	130	0	0	0	130	130	130
Public Rights of Way Foot Bridges - Replacement & Repairs Programme	0	0	100	100	100	100	100	500	500	500
Completed Major Schemes	6,371	62	0	0	0	0	0	6,433	62	0
STRUCTURAL MAINTENANCE PROGRAMME TOTAL	7,133	20,602	15,358	16,110	14,758	12,110	9,106	95,177	88,044	67,442
HIGHWAYS & TRANSPORT CAPITAL PROGRAMME EXPENDITURE TOTAL	22,500	25,227	23,742	36,202	20,839	13,010	10,006	151,526	129,026	103,799

Note: Please see Appendix B for a list of developer funding held for specific purposes for which schemes are not yet included in the programme.

ENVIRONMENT & ECONOMY CAPITAL PROGRAMME (EXCLUDING TRANSPORT)

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>CORPORATE PROPERY & PARTNERSHIP PROGRAMMES</u>										
Asset Strategy Implementation Programme	0	75	300	2,850	1,150	477	0	4,852	4,852	4,777
Cricket Road Centre Closure (including Unipart House works)	0	135	13	0	0	0	0	148	148	13
Bampton Community Facility	270	448	5	0	0	0	0	723	453	5
Clarendon House and County Hall electricity generators	7	185	0	0	0	0	0	192	185	0
Disaster Recovery Kidlington HQ	0	161	0	0	0	0	0	161	161	0
Broadband (OxOnline) Project	0	0	2,000	5,860	4,000	2,000	0	13,860	13,860	13,860
Non-Schools Property Structural Maintenance Programme	0	0	100	500	0	0	0	600	600	600
CORPORATE PROPERY & PARTNERSHIP PROGRAMME TOTAL	277	1,004	2,418	9,210	5,150	2,477	0	20,536	20,259	19,255
<u>ENERGY EFFICIENCY IMPROVEMENT PROGRAMME</u>										
Energy Conservation (Prudentially funded)	720	60	340	465	100	100	0	1,785	1,065	1,005
SALIX Energy Programme	722	235	249	239	259	240	117	2,061	1,339	1,104
Energy Tax Reduction Programme (Property - non-schools)	18	247	0	0	0	0	0	265	247	0
Energy Strategy Implementation (Street Lighting Pilot) Conditional Approval	0	0	300	300	300	300	300	1,500	1,500	1,500
Energy Strategy Implementation (Non-Schools)	0	0	173	200	400	600	600	1,973	1,973	1,973
Energy Tax Reduction Programme (Street Lighting)	57	63	0	0	0	0	0	120	63	0
Installation of Solar Panels on Non-School Buildings	0	30	0	0	0	0	0	30	30	0
ENERGY EFFICIENCY IMPROVEMENT PROGRAMME TOTAL	1,517	635	1,062	1,204	1,059	1,240	1,017	7,734	6,217	5,582

ENVIRONMENT & ECONOMY CAPITAL PROGRAMME (EXCLUDING TRANSPORT)

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
ANNUAL PROPERTY PROGRAMMES										
Minor Works Programme	0	300	300	300	300	205	0	1,405	1,405	1,105
Health & Safety (Non-Schools)	0	24	24	24	24	24	24	144	144	120
ANNUAL PROPERY PROGRAMMES TOTAL	0	324	324	324	324	229	24	1,549	1,549	1,225
WASTE MANAGEMENT PROGRAMME										
Kidlington WRC	151	150	1,000	1,699	0	0	0	3,000	2,849	2,699
Alkerton WRC	0	0	200	1,300	250	0	0	1,750	1,750	1,750
Oxford Waste Partnership PRG Allocation	413	157	0	0	0	0	0	570	157	0
WASTE MANAGEMENT PROGRAMME TOTAL	564	307	1,200	2,999	250	0	0	5,320	4,756	4,449
OXFORDSHIRE CUSTOMER SERVICES										
Capitalised ICT Hardware & Software	3,766	766	0	0	0	0	0	4,532	766	0
OXFORDSHIRE CUSTOMER SERVICES PROGRAMME TOTAL	3,766	766	0	0	0	0	0	4,532	766	0
Retentions (completed schemes)	40,867	165	120	0	0	0	0	41,152	285	120
ENVIRONMENT & ECONOMY (EXCLUDING TRANSPORT) CAPITAL PROGRAMME EXPENDITURE TOTAL	46,991	3,201	5,124	13,737	6,783	3,946	1,041	80,823	33,832	30,631

CHIEF EXECUTIVE'S OFFICE CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure	Latest Forecast								
		Current Year	Firm Programme		Provisional Programme			Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<u>Parnerships</u>										
Grants to Voluntary & Community Groups	0	105	20	0	0	0	0	125	125	20
Big Society Fund	0	90	135	0	0	0	0	225	225	135
CHIEF EXECUTIVE'S OFFICE CAPITAL PROGRAMME EXPENDITURE TOTAL	0	195	155	0	0	0	0	350	350	155

Capital Programme 2012/13 to 2016/17

Transport Developer Contributions - Agreements with restricted use not yet included in the Capital Programme

This appendix shows the available developer funding for specific purposes where a scheme is not yet included in the capital
When an initial assessment and costing of a scheme has been carried out, if the cost is within the funding available the scheme will be brought into the Capital Programme.
If the cost is greater than the available funding and the scheme is to be progressed, approval to allocate additional flexible resources will be sought.
Inclusion into the programme will be reported as part of the monthly Financial Monitoring Report to the Cabinet.

	Estimate of Spend 11/12	Estimate of Spend 12/13	Expenditure 13/14 Onwards
OXFORD			
Oxford, Traffic calming in Sandford			
Oxford, Henley Ave Cornwallis rd - junction improvements		£27,000	
Oxford, Oxpens Rd Osney Lane West junction		£17,000	
Oxford, Banbury Rd / Marston Ferry Rd - minor safety realignments		£14,000	
ABINGDON			
Abingdon, The Vineyard - traffic signal upgrade and new junction markings			
Abingdon (Marcham), Cotsdale/Abingdon Rd - new bus stops	£5,532		
Abingdon (Wootton Village) - bus shelter			
Abingdon, Radley Road - VAS School Warning Signs	£7,850		
BANBURY			
Banbury, Hanwell Fields - public transport improvements		£13,465	
Banbury, Ermont Way - cycling and public transport improvements		£93,465	
Banbury, Ermont Way - cycling and public transport improvements		£35,218	
Banbury, Middleton Road Area - cycling and public transport improvements		£13,916	
BICESTER			
Bicester, Bicester Village - cycle route	£132,103		
BOTLEY			
Botley: Cumnor Hill - side road entry treatment	£6,542		
Botley: Elms Road - side road entry treatment		£2,628	

	Estimate of Spend 11/12	Estimate of Spend 12/13	Expenditure 13/14 Onwards
CARTERTON			
Carterton, Cycle Parking*	£5,000		
DIDCOT			
Didcot, Milton Rd TRO to reduce speed			
Didcot, Road/rail crossings			
Didcot, Northern Perimeter Road			£775,570
FARINGDON			
Faringdon: Park Road - Vehicle activated sign	£4,566		
Faringdon: public transport improvements - bus stop laybys and shelters			£60,723
Faringdon, - Public Transport Service Improvements		£15,000	
HENLEY			
Henley: Walton Avenue and Harpsden Road - TRO			
Henley: Station Road and Reading Road - new bus stops and shelters	£10,000	£15,000	
Henley: Safety Measures at the junction of the A4130 and the entrance to Smiths Hospital site			
THAME			
Thame, Thame Park Road and Park Street - to ameliorate impact of additional traffic			
Thame: Rycote Lane - highway infrastructure			
Thame: Towersey Road - traffic calming		£5,269	
WALLINGFORD			
Wallingford, Wantage Road -possible enhanced crossing or speed cushions		£50,265	
WANTAGE			
Wantage / Grove, Grove St - bus shelter	£1,204		
Wantage / Grove, Portway - pedestrian crossing	£7,878		
Wantage, Grove Street -highway infrastructure including traffic calming/improvements in Grove Street		£132,446	

	Estimate of Spend 11/12	Estimate of Spend 12/13	Expenditure 13/14 Onwards
WITNEY			
Witney, Newlands - clearway marking	£2,564		
Witney, Cycle Parking - identified by the West Oxfordshire Sustainable Transport Forum.	£15,000		
Witney, Bridge Street Mill			£13,211
Witney, Bridge St or Witan Way ped crossing			£105,610
Witney, Witan Way ped crossing			£12,287
Witney, Witan Way mini roundabout			£11,012
RURAL CHERWELL			
Adderbury, - A4260 crossing improvements *		£29,381	
Ambrosden - traffic management		£831	
RURAL SOUTH OXON			
Chinnor: public transport infrastructure - new bus shelters	£15,000		
Cholsey, Public transport, Honey Lane			
Sonning Common, 44 Wood Lane - loading & waiting restrictions	£6,312	£0	
Goring-on-Thames -General transport measures		£1,543	
Lewknor: The Old Inn, Postcombe - public transport infrastructure			
Watlington Road, Benson. Pelical crossing and traffic calming on the B4009			
RURAL WEST OXON			
Eynsham: Acre End Street - waiting restrictions		£2,000	
Long Hanborough: tree planting at access of former Oxford Scientific Film Studios.	£1,600		
Stanton Harcourt - traffic surveys			
Woodstock - to supplement cycle parking or public transport improvements		£373	
SCHEMES ADDED SINCE DEC 2010			
Banbury - signage review and alterations		£45,857	
Banbury - N/S Route - Sainsbury's and Hightown Junction*		£200,000	
TOTALS	£221,151	£714,657	£978,413

Capital Programme 2012/13 to 2016/17

NEW FUNDING STREAMS

Internal Rolling Fund

The Cabinet agreed to establish a capital rolling fund to facilitate, through forward funding, the timely provision of infrastructure that supports planned growth. The fund is set up as a £6.5m fund initially and its allocation will be determined by the Cabinet based on the recommendations by the Capital Investment Board in April 2012.

Growing Places Fund

The Oxfordshire Local Economic Partnership submitted a proposal for the Growing Places Fund (£6m) in December 2011. The fund will be set up as a Rolling Fund and be used to unlock stalled projects that support economic growth and to act as a catalyst for proposals that enable investment in jobs to be made by the private sector. The LEP will determine the allocation of these resources in late March 2012. The County Council will act as an acountable body for the fund and allocations will be monitored as a special annex to the Capital Programme to ensure transperancy.

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ANNEX 14

CABINET – 17 JANUARY 2012
BUSINESS STRATEGY & SERVICE AND RESOURCE PLANNING 2012/13– 2016/17

Cross Cutting Community Impact Assessment – First Assessment January 2012

Introduction and approach to budget setting

1. The Council's budget proposals were published on 6th December 2011 in papers going to Scrutiny Committees. Comments from Scrutiny Committees will be fed back to Cabinet for consideration on 17 January 2012. The final budget will be set by the Council on 7 February 2012.
2. In last year's budget the Council identified the need to make savings of £119 million between 2011/12 and 2015/16, and we are on course to achieve £54m of savings in the current financial year. In addition the coalition government set out a new policy direction with profound implications for the council and other public sector organisations. Last year's Corporate Plan and Directorate Business Strategies explained how we would respond to these changes.
3. The past twelve months have been challenging. We have focused on protecting front line services and ongoing delivery of the Council's core business whilst at the same time becoming significantly slimmer and more efficient, through radical transformation of all service areas.
4. The approach set out in last year's directorate business strategies and the overarching Corporate Plan will continue to provide the foundations for our strategy. In the main, the Strategies are being delivered as planned with the majority of savings for 2012/13 to 2014/15 expected to be achieved. The next twelve months will therefore be the second year of delivering the four year plan we set out last year. Our focus remains on how we can deliver essential services to the public in a different way which will reduce our costs.
5. However the council is conscious that the proposed budget for 2012/13 to 2014/15 still includes some significant changes and these may have an impact on communities and particular groups defined in equalities legislation. This report therefore provides an update of the indicative qualitative assessment of the implications that was produced in December 2010, and the work underway to mitigate the potential effects.

The Council's Assessment Process

6. Section 149 of the Equalities Act 2010 ("the 2010 Act") imposes a duty on the Council to give due regard to three needs in exercising its functions. The restructuring proposal is such a function. The three needs are the need:

   a. to eliminate any conduct which is prohibited by or under the 2010 Act;

b. to advance equality of opportunity between persons who share any of the protected characteristics listed in section 149(7); and

c. to foster good relations between persons who share a relevant protected characteristic and those who do not.

7. Complying with section 149 may involve treating some people more favourably than others, but only to the extent that that does not amount to conduct which is otherwise unlawful under the new Act.

8. The need to advance equality of opportunity involves having due regard to the need:

    a. to remove or minimise disadvantages which are connected to a relevant protected characteristic and which are suffered by persons who share that characteristic,

    b. to take steps to meet the needs of persons who share a relevant protected characteristic and which are different from the needs other people, and

    c. to encourage those who share a relevant characteristic to take part in public life or in any other activity in which participation by such people is disproportionately low.

9. The need to foster good relations between different groups involves having due regard to the need to tackle prejudice and promote understanding. Compliance with these duties may involve treating some persons more favourably than others; but that does not permit conduct which would otherwise be prohibited by the 2010 Act.

10. One way in which the Council can show that it has had due regard to the statutory needs is by assessing the impact of proposed budget and services changes on service users and Council-paid staff, particularly in relation to people with a 'protected characteristic'. These protected characteristics are:

    - **Age** (people of different age groups)
    - **Disability** (e.g. physical or sensory impairments, long-term illnesses and conditions, hidden impairments such as a heart condition, frailty, learning disabilities or mental health problems)
    - **Gender** (men/women) and **Gender Reassignment**
    - **Ethnicity** (including **Black, Asian, Minority Ethnic groups**, Gypsies & Travellers)
    - **Religion/belief** (different faiths, including people with no religion or belief)
    - **Sexual orientation**
    - **Marriage/civil partnerships**
    - **Pregnancy & Maternity**

    In addition to the characteristics above, the Council has also considered the effect of the proposals on particular communities (e.g. urban, rural, deprived).

11. The assessment process the Council has undertaken involves:

a) A high-level Council wide assessment of the broad impacts on the groups and interests defined above. This paper provides an update on one produced in December 2010 regarding last year's budget, and does not include proposals that have already been implemented or agreed by Cabinet (eg libraries, early intervention service).

b) An individual service-level assessment of the potential impact on vulnerable groups for each proposal, where a significant change to the service is proposed. These are available on-line here.

a) Proposals may change as a consequence of the political process or consultation with service users and residents. We will therefore revise assessments as required once formal decisions on individual service changes are taken. Comments on draft and initial assessments are therefore welcome in ensuring they have fully considered the impact on communities and staff.

Early Assessment of possible implications of proposals

Communities

12. Four of our districts are classified as rural, and almost one-third of our population (28%) lives in settlements of fewer than 10,000 people. Nearly half of the population (49%) live in the market towns with more than 10,000 people. The largest settlement is Oxford with a population of close to 150,000 (23% of the county population).

13. Oxfordshire has generally low overall levels of deprivation. However there are ten areas in Oxford City and two in Banbury which fall within the 20% most deprived areas in the country. It should be noted that deprivation extends beyond these specific areas, but may be hidden within the overall affluence of an area potentially making the impact on individuals even greater.

14. Possible impacts of the proposals on different communities:

- A number of proposals may affect service provision and access to services from rural areas. These include:
    - Proposals to maintain the 44 Children's Centres while changing/managing management arrangements where appropriate, developing area-based clusters in line with the seven early intervention service areas and local need.
    - As part of the adult social care transformation programme there are proposals to concentrate the building based health and wellbeing resource centres in the seven market town/ city areas as part of a new day opportunities service.

15. Mitigation

- We hold and actively use data and other evidence to ensure that the council, as far as is possible, is aware of and able to serve the needs of particular communities and groups in Oxfordshire. For example our strong Joint Strategic Needs Assessment[1] is a critical tool, being used across adults and children's services to identify groups where particular needs are not being met and who are experiencing poor outcomes. We also have a Needs Analysis focusing on children and young people that supports the council's Children and Young People's Plan. We will use these tools as a guide to support individual service level impact assessments and ensure that decisions that are being taken, as far as possible, protect services for those most in need.

- The Council will continue to provide pump priming funding to support 'community self help' options through the Big Society Fund, which has already helped to develop community run youth provision in cases where funding has ceased. Other projects that have been funded include providing opportunities for troubled families to engage in relationship-building activities, a village cinema to be run by volunteers, a radio station run by young people with learning disabilities, and providing show clearing and gritting equipment and organise teams of volunteers to clear the streets in winter weather. We will review the Big Society Fund at the end of 2011/12 to understand whether the expressions of interest, applications, and projects receiving funding show that the fund is only being accessed by particular groups, or if more could be done to encourage high quality applications that will benefit people that share protected characteristics.
- Although proposals may involve some merging of some Children's Centres, services will continue to be offered through existing Children's Centre premises and through a variety of community venues. The Council's Rural Children's Centre will continue to target children and families living in rural communities, including the provision of outreach services via three mobile children's centre buses.
- The proposed day opportunities development would be supported by mobile health and wellbeing services that would specifically be targeted at older people in rural areas, alongside community based options that people can bid for in their local community. Wherever they live, people will be encouraged to use their personal budget in their local community to meet their needs.
- We will continue to make available existing Council buildings for community use where suitable sustainable and financially viable proposals are put forward. However the Council has costs and liabilities for these buildings and will need to reduce this financial burden as part of its budget reduction strategy. A combination of building and community solutions like the home library service will make this more affordable.
- Particularly in rural areas we recognise that access to services can be a problem for some groups, notably older people who do not drive and people with disabilities. The Council subsidises rural bus services in many areas, and it has been demonstrated in the past two years that subsidy can be reduced without a detrimental impact on service provision due to

[1] http://www.oxfordshirepct.nhs.uk/your-health/jsna.aspx

reduced tender prices and more subsidised routes becoming commercially viable. However more broadly we will continue to promote and support community transport provision.

- We are continuing to develop a framework to enable the ‘Big Society’ to flourish in Oxfordshire. We know that we have a healthy voluntary and community sector in the county and that there are many individuals and organisations who will want to take an active role in their communities. We will work with them to limit the impact of any service changes and ensure that individuals and communities are able to help themselves.

Age and disability

16. 18% of the population is over pension age (males 65 years, females aged 60 years) and this is expected to increase to over 20% by 2031. Numbers of the very elderly (85 years plus) are projected to more than double by 2031. At the time of the 2001 Census 13% of residents reported having a limiting long-term illness, health problem or disability which limited their daily activities or work.
17. As well as those issues identified in the ‘Communities’ section above, possible impacts of the proposals on older people and those with a disability include:
    - Older people and those with disabilities are more likely to be users of social care than the rest of the population. Proposals for changes to the payment regime for aspects of adult social care to may lead to increased costs for those in receipt of social care.

18. Mitigation

- The Council’s approach to social care is moving towards self directed support. This means that individuals will take responsibility for their own care and will be able to arrange the provision of services most beneficial to them. As the commissioner of services in future the council will play a role in clustering suppliers and managing the costs of services.

Gender

19. Possible differential impacts of the proposals on men and women:
    - Women use some public services more than men. For example there are more women in old age than men and therefore women are more likely to need social care.
    - The proposals for changes to adult social care funding assume a greater dependence upon informal carers to continue caring. We know that two thirds of carers are women (carers survey 2009).
    - Over 80% of the Council’s workforce are women (rises as high as 96% in some services such as Early Years). Job losses may therefore affect women in greater numbers. The scale of the savings required will make

job losses necessary and the only alternative to staff redundancies will be to transfer cuts in services to customers.

20. Mitigation

- As far as possible we are proposing to protect our spending on adult social care, moving towards self-directed support as set out above.
- Spending on carers has been protected in the proposals in recognition of their contribution
- We will continue to carefully monitor the impact of changes to the workforce as a result of the budget proposals, to ensure employment policies are applied fairly and to minimise any disproportionate impact on any particular groups. The Council annually publishes a review of its progress in promoting equality of opportunity within the workforce.

Black, Asian, Minority Ethnic groups

21. Black, and minority ethnic groups or those of other white backgrounds account for 13% of the county's population (varying from 7% in West Oxfordshire to 27% in Oxford City).

22. As well as those issues identified in the discussion above, possible impacts of the proposals on different minority groups include:

    - Many minority ethnic groups will be only occasional users of universal services but there are some groups with specific needs such as refugees, recent migrants and victims of racial harassment. A possible risk to this group is around proposals to alter the school improvement offer and changes to the way schools receive funding for specialist support to speakers of other languages, travellers and others, which in future they will receive directly.
    - People from minority ethnic groups are more likely than average to be in households on low incomes.

23. Mitigation

- Schools will continue to receive funding to commission services directly thus mitigating the impact of the proposed changes. However there may be some impact on schools with low numbers of ethnic minority young people who therefore struggle to achieve economies of scale.
- We will use our Joint Strategic Needs Assessment and other evidence to ensure that as far as possible we protect service provision for those most in need.
- The wider provision of personal budgets will provide greater choice in the way all people who use adult social care services are able to meet their individual needs.

24. At this stage we have not identified any particular impacts of our proposals on the groups below, beyond those issues discussed above.
    - **Religion/belief** (different faiths, including people with no religion or belief)
    - **Sexual orientation**
    - **Marriage/civil partnerships**
    - **Pregnancy & Maternity**

SUE SCANE

Assistant Chief Executive

Background papers: Nil

Contact Maggie Scott, Corporate Policy Manager, Tel: 01865 816081

January 2012

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Division(s): ALL

CABINET – 17 JANUARY 2012

DRAFT RAIL STRATEGY FOR OXFORDSHIRE TO 2034

Report by Deputy Director, Highways & Transport

Introduction

1. The purpose of this report is to set out the proposed Rail Strategy for Oxfordshire, to cover the period up to 2034 which includes the next four rail 'control periods' for investment. Subject to approval, stakeholder consultation on this Strategy will take place in February and March, with the final agreed version to be included in the Council's updated Local Transport Plan 3 in spring 2012.

2. Investment in rail will play a key role in supporting Oxfordshire's economic development. There are a number of transport corridors where traffic congestion is already a serious problem and where rail already provides (or could potentially provide) an efficient and sustainable alternative, as it has a number of important advantages for commuters, business travellers and the movement of goods There is an opportunity for Rail to establish itself as part of the backbone of Oxfordshire's transport network, linking the key settlements in the Oxfordshire Growth Arc - Science Vale, Oxford and Bicester, offering a genuine alternative to the A34 and other strategic corridors for many journeys. **Annex 1** illustrates the potential of the railway to underpin future development in the County, notably the up to 30,000 new jobs and 20,000 new homes which are planned for the Growth Arc area alone over the next twenty years.

3. With significant economic growth and forecast increases in demand for travel, there has never been a more important time for Oxfordshire to develop a long term rail strategy and timing is crucial: the Great Western Rail Franchise, which provides the majority of services through Oxfordshire, is being re-let from May 2013 for a potential 15 year period. Decisions are also due over the coming months on rail investment priorities for the 2014 to 2019 'Control Period', with Government consultation on the 'High Level Output specification' (HLOS) for that period due to take place in July 2012. Therefore, it is important that the County Council gives a clear view on its priorities for investment in infrastructure and services over this period.

Background – Recent and Committed Rail Investment

4. There are 40% more passenger journeys and 60% more freight on the National rail network compared with 10 years ago. In Oxfordshire, there were nearly 13 million journeys travelling to/from the county in 2009-10, an increase of 41% in just seven years. The importance of strategic rail for Oxfordshire has increased markedly in recent months, with the completion of three projects:

- Redoubling of the Cotswold Line;
- Southampton to West Midlands freight route gauge enhancement project, which will see a further 50,000 lorries per year taken off this route;
- Delivery of Evergreen Mainline (Banbury-Bicester-London Marylebone)

5. There are also a number of very significant projects underway, which will totally reshape the railway through the County over the next five years. The principal ones are:

- **Chiltern Railways Evergreen 3**: connecting Oxford and Bicester (and on to London Marylebone) with a high speed, high frequency service upgraded Bicester Town Station and new 'Parkway' Station at the existing Water Eaton P&R site. Subject to final ministerial approval, this is expected to be operational from May 2014;

- **East West Rail Stage 1**: A £270m investment that will further enhance the Bicester-Oxford corridor and extending it to Bedford/Milton Keynes and, crucially, down into Science Vale UK at Didcot and on to Reading, connecting all three areas of the Oxfordshire Growth Arc. This project has recently been included in the Government's draft HLOS for the 2014-2019 period, and is planned to be operational from 2017.

- **Electrification and resignalling** of the Great Western main line between London Paddington, Didcot and Oxford, which is a committed £5 billion investment by Network Rail project due to be delivered by 2016. This will be accompanied by a £4.5 billion investment in a new high speed train fleet by 2017 (Inter City Express Programme) providing 100 new trains (600 carriages) some of which will replace the ageing diesel fleet on the Great Western line.

Rail Strategy Document - Overview

6. The strategy covers passenger and freight travel. The proposed **vision** for the strategy is: *"to develop a safe, sustainable, integrated and efficient rail network that meets the access and mobility needs of residents, businesses and visitors; and supports the development of the county's economy."*

7. The specific **purposes** of the strategy include:

- Explaining how a safe, efficient and accessible rail network will help to deliver economic priorities for the county; in particular the creation of new jobs;

- Presenting a coherent, evidence-based and realistic set of investments that the County Council (and its partners) would like the rail industry to help us plan and deliver;

- Forming a key part of county and regional transport network by providing real choice of alternatives to road for passenger and freight movements.

8. There are two distinct parts to the Oxfordshire Rail Strategy. Part 1 covers policy and strategy, setting out Oxfordshire's approach to rail and its

importance in meeting wider economic, growth and other objectives. Part 2 is a Delivery Plan which shows, by route, what Oxfordshire (working in partnership with the rail industry) wants to see happen.

Rail Strategy Document – Part 1

9. **Part 1** of the document covers the following areas:

- The Role of Transport and Rail in Economic Development;
- Policies and standards for strategic aspirations to develop the rail network;
- The baseline situation - where the rail network is now, including the increase in service frequency and connectivity that has taken place in the last few years and key challenges now and into the future;
- Medium / Longer Term Rail Industry Investment Plans.

10. Strategic considerations and implications for the Council include:

- Working closely with the Oxfordshire Local Enterprise Partnership (and others) to highlight and promote rail projects which can stimulate and support growth;
- Undertaking business case work with rail industry and other partners to establish which projects offer the best value for money;
- Building up a prioiritised, deliverable programme of proposed investment in rail projects over the next 20 years.

Rail Strategy Document – Part 2

11. Part 2 sets out our aspirations for rail in Oxfordshire taking a corridor by corridor approach. It outlines the Strategic Projects that are either planned or could be developed, both for Oxfordshire and proposals that would enhance the County's national (and international) rail connectivity, setting out the main issues that the Council and its partners will need to consider. These include:

- **East West Rail** – finalising the business case, service patterns and funding package (including local contributions), work which is being led by the EWR Project Board;
- **Evergreen 3** – working with Chiltern Rail to ensure the requirements of the Transport & Works Act are delivered, especially at key locations including the Water Eaton Park & Ride site and Bicester Town station;
- **Oxford station** - resolving what will be the main operational constraint on the rail network in this area, once the works at Reading are completed. Work is

underway with partners to agree a longer term masterplan for the site whilst continuing to progress shorter term projects like the south bay platform.

- **Accessing Science Vale UK.** This includes the potential for Grove & Wantage station, linked to wider corridor approach from Bicester/Oxford via Grove/Wantage to Swindon/Bristol - a business case needs to clearly demonstrate how it would support growth and economic development. Also important is Culham station and access to the Science Centre and the further development of Didcot Parkway as a rail hub.

- **Electrification/the Intercity Express Programme (IEP):** scope and phasing, implications of a mixed fleet of electric / bi-mode trains for service patterns;

- **CrossRail and Western Access to Heathrow** - Rapid, reliable access to Heathrow is critical to Oxfordshire's economic success and Crossrail brings opportunities in terns of new connectivity with Gatwick.

- **High Speed 2** – considering Oxfordshire's response once a decision on its future is announced by Government, bearing in mind concerns about the business case and high cost of developing the proposal, and, should the project proceed, Oxfordshire's clear preference for the route consulted upon because it is shorter and has less impact on the county.

- **Other proposed strategic station projects** – these include upgrades at Banbury and Didcot Parkway.

12. Strategic considerations and implications for the Council include:

- Identification of key rail hubs, interchange points and developing a strategic, planned approach to the network – for example considering the role of Oxford station and access by different modes in relation to Parkway stations at Didcot and Water Eaton;

- Developing rail services and stations to link the main areas of the Oxfordshire Growth Arc, positioning passenger rail (as part of a wider high quality public transport network, including bus links) as a genuine alternative for car trips, especially on the A34 corridor;

- Facilitating rail freight enhancements, to promote better access for businesses and help reduce the pressure of lorries on the A34 – for example land at Graven Hill in Bicester to create a rail freight hub, and greater use of the Cowley branch line;

- Ensuring we maximise opportunities and outcomes for the rail network through the Great Western Franchise renewal and Network Rail investment planning.

Stakeholder Consultation and Engagement

13. Championing by and support from stakeholders for the major contribution that rail can play to Oxfordshire's growth agenda – especially in relation to the A34 corridor as a key enabler (but also barrier to) growth to Oxfordshire's three identified growth areas - will be crucial to realising Oxfordshire's ambitions. Close working with the Oxfordshire Local Enterprise Partnership and other key stakeholders will be essential if our ambitions are to be realised.

14. There are also likely to be many different demands from customers. Longer distance passengers want services to be as fast as possible by minimising the number of stops. Local communities want to see more stops at their particular station – before having as fast a journey as possible thereafter. There is an increasing demand for freight traffic as the operational and environmental advantages of rail become more apparent to people who need to move their goods about. Balancing these demands will be a challenge.

15. To identify these, throughout the document are highlighted **key consultation questions** (identified throughout the document) which we would particularly value views on from anyone with an interest in the future development of the county's rail network. A six week consultation is proposed and is planned to be launched in early February 2012, using the Council's consultation portal.

Financial and Staff Implications

16. There are no direct financial or staff implications arising from this report. Strategy development and consultation will use existing, identified resources.

RECOMMENDATION

17. **The Cabinet is RECOMMENDED to**

(a) Approve the draft Rail Strategy for Oxfordshire as set out in Annex 2 of this report, for stakeholder consultation;

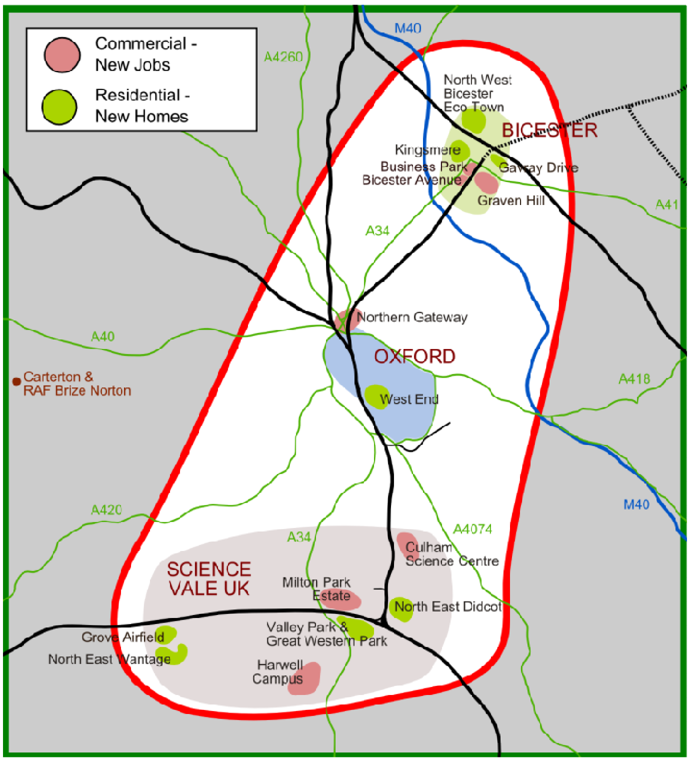
(b) Propose that a final version of this Strategy is brought back for approval by Cabinet (and incorporated into an updated LTP3 for Oxfordshire), taking into account views expressed.

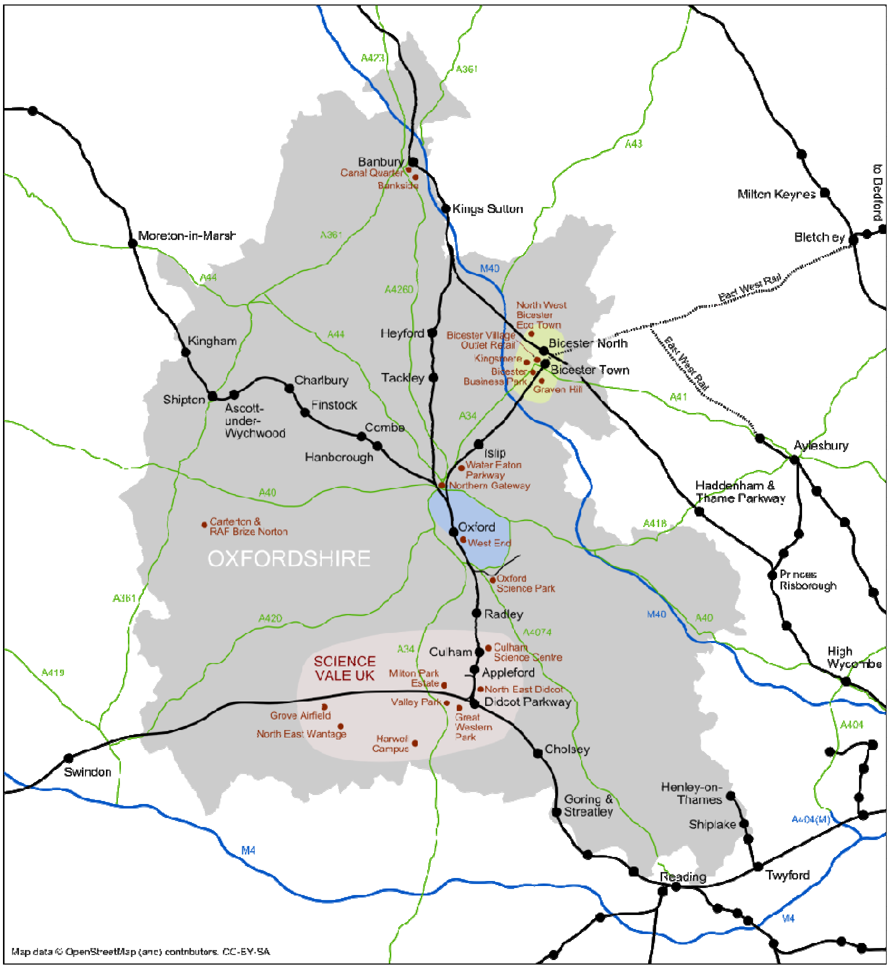
STEVE HOWELL
Deputy Director (Highways & Transport)
Environment & Economy

Background papers: Nil
Contact Officer: John Disley, Strategic Manager, Transport Policy & Strategy
Tel: 01865 810460

December 2011

Annex 1 – Rail Supporting Growth and Development in Oxfordshire





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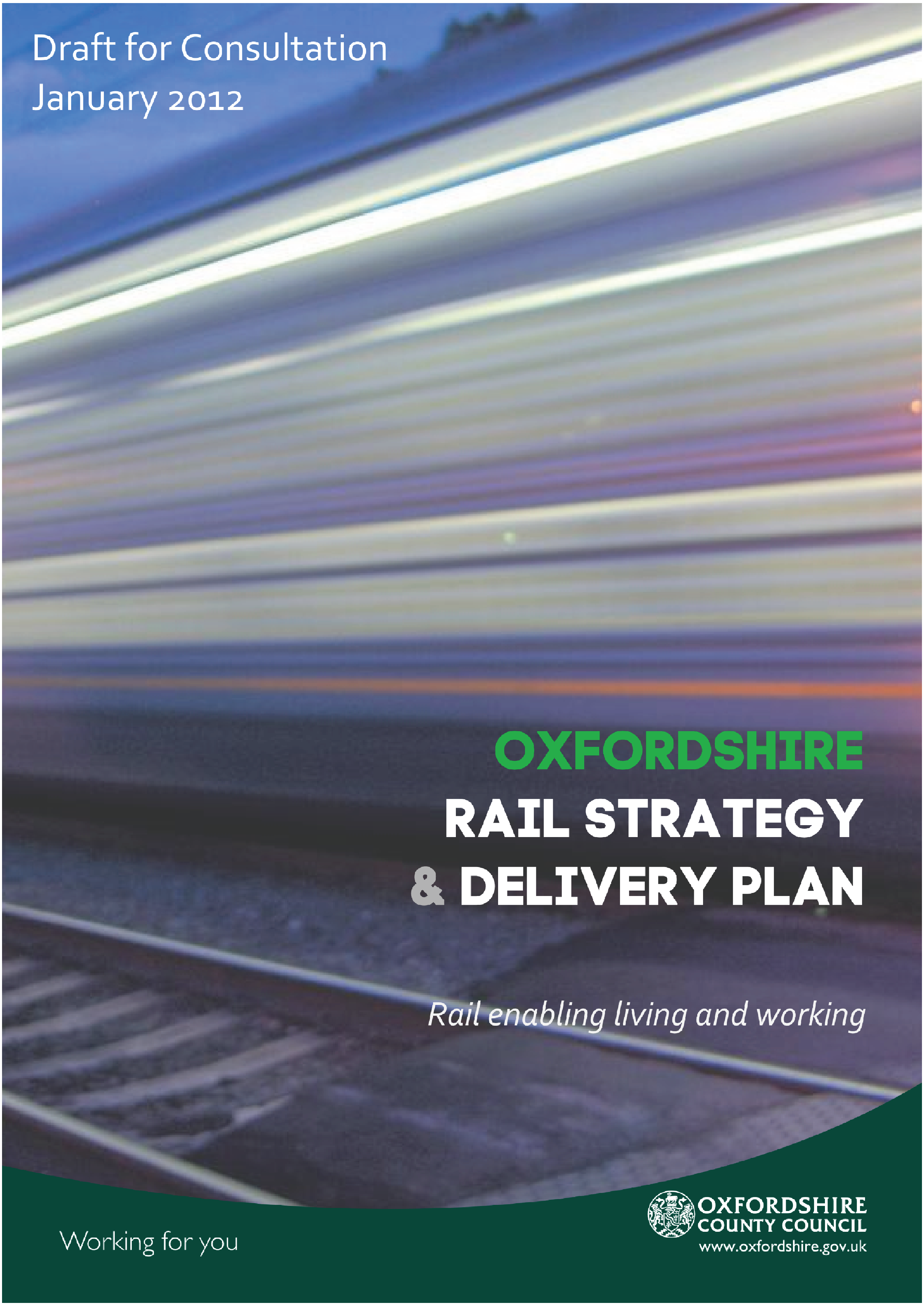
Draft for Consultation
January 2012



OXFORDSHIRE RAIL STRATEGY & DELIVERY PLAN

Rail enabling living and working

Working for you

OXFORDSHIRE COUNTY COUNCIL
www.oxfordshire.gov.uk

CONTENTS

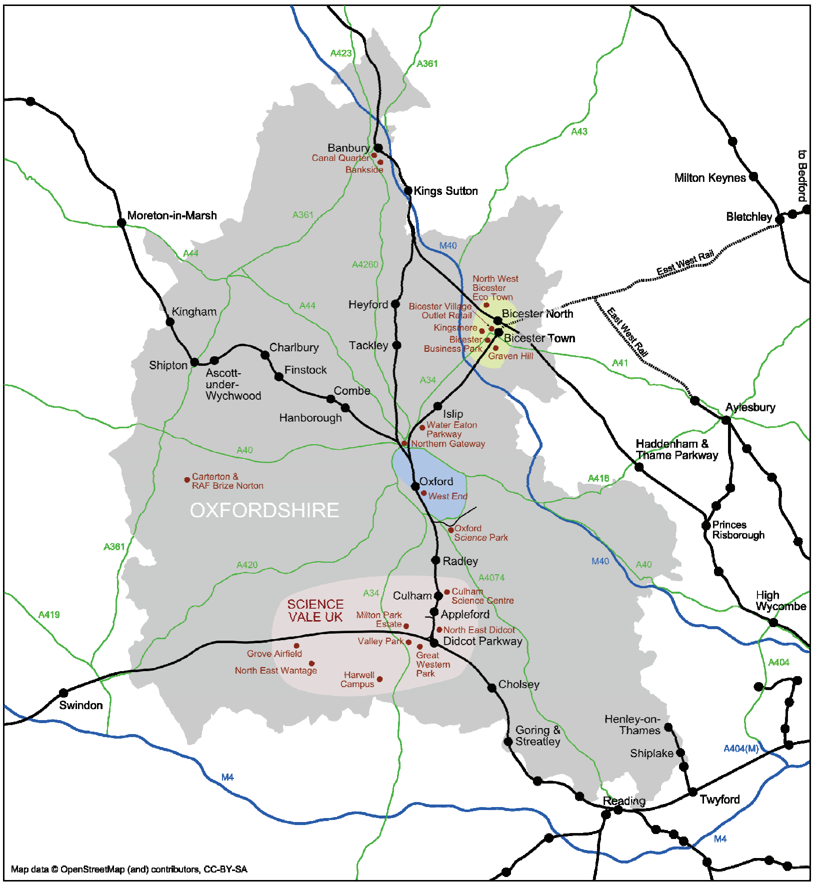
EXECUTIVE SUMMARY

Railways are an integral part of the transport network in Oxfordshire. For passengers, the railway is an efficient means of transport for travelling to work, business meetings and for leisure days out. For businesses, the railway is part of a national logistics network which allows goods to be moved long distances without delays due to congestion on our roads.

Without railways in Oxfordshire, we would likely see many more cars and lorries on our road network. In this respect, railways also play an integral role in reducing congestion and carbon emissions.

We have worked with the Department for Transport, Network Rail and train companies in recent years to promote and develop the local rail network. Nationally, there has been a 40% rise in passenger journeys and 60% more freight is now carried on the national rail network compared with 10 years ago. In Oxfordshire, there has been an increase of 41% in passenger journeys in just seven years!

With significant economic and population growth, and with forecast increases in demand for travel, there has never been a more important time to develop a long term Rail Strategy for Oxfordshire, to cover the period up to 2034, and help structure future dialogue with the rail industry.



The Rail Strategy sets out how investment will play a key role in supporting Oxfordshire's economic development and the opportunity for the railway to establish itself as part of the backbone of Oxfordshire's transport network, linking the key settlements in the Oxfordshire 'Growth Arc' - Science Vale UK, Oxford and Bicester - where up to 30,000 new jobs and 27,000 new homes are expected over the next twenty years. Rail is a genuine alternative to the A34 and other strategic corridors for local and national journeys from the 'Arc'.

Whilst there are local benefits, the railway is very much a national resource and with it will come opportunities for improved connectivity with neighbouring growth areas and the key international gateways. Oxfordshire can be at the heart of the network.

The proposed **vision** for the strategy is: "*to develop a safe, sustainable, integrated and efficient rail network that meets the access and mobility needs of residents, businesses and visitors; and supports the development of the county's economy*."

The specific **purposes** of the strategy include:

- Explaining how a safe, efficient and easily accessible rail network will help to deliver economic priorities for the county; in particular the creation of new jobs;
- Setting out a coherent, evidence-based and realistic set of investments that the County Council (and its partners) would like the rail industry to help us plan and deliver;
- Identifying rail as an integral part of county, regional and national transport networks by providing a choice of alternatives to road for passenger and freight movements.

There are calls for improved passenger facilities and new stations, faster journey times and new freight facilities. The Rail Strategy will give a clear view on investment priorities and help inform scheme promoters where they are likely to receive political support from Oxfordshire County Council.

There are projects that are either being delivered (committed) within the next 2-3 years or are being planned, and others that could be developed to enhance the County's national (and international) rail connectivity. These include:

- **Didcot Parkway Station Interchange** – a local authority funded project to redevelop the forecourt and car parks to create a modern high-quality transport hub for Didcot and Science Vale UK. Due for completion by 2013.
- **Oxford Station** – a commitment to deliver a major station redevelopment by 2018 to resolve what will be the major constraint on the rail network in the Thames Valley once the £850 million redevelopment at Reading is complete. Work is underway to agree a masterplan for the station that will increase passenger and freight capacity, improve passenger facilities and create a multi-modal interchange and access to the city centre and Oxford West End through Frideswide Square. These works are intrinsically linked to the industry's plans for electrification and resignalling.
- **East West Rail** – finalising the business case, service pattern and funding package (including 'local contributions') so that the project can be included in the Government's funding settlement for 2014-2019. Work is being led by the East West Rail Consortium, working with the Department for Transport.

- **Evergreen 3** – working with Chiltern Railways to ensure the requirements of the Transport & Works Act are met, especially at key locations such as Water Eaton and Bicester Town;
- **Accessing Science Vale UK** – including the potential for Grove & Wantage station, linked to a wider corridor approach from Bicester/Oxford via Grove/Wantage to Swindon/Bristol - a business case needs to clearly demonstrate how it would support growth and economic development. Also important is Culham station and access to the Science Centre and the further development of Didcot Parkway as a rail hub.
- **Electrification/Intercity Express Programme (IEP)** – understand scope and phasing and assist delivery of associated highway works, implications of a mixed fleet of electric / bi-mode trains on service patterns;
- **CrossRail and Western Access to Heathrow** – exploiting the benefits of Crossrail in facilitating access to Heathrow which is critical to Oxfordshire's economic success, and ensuring the optimal service pattern for revised local services, with the possibility of new connectivity with Gatwick.
- **High Speed 2** – review the project once a decision is announced by Government, bearing in mind concerns about the business case and high cost of developing the proposal, and, should the project proceed, reconsider the impact on Oxfordshire given a clear preference for the route consulted upon because it is shorter and has less impact on the county.

In delivering this Strategy, there are a number of strategic considerations and implications for the Council.

We will need to work closely with the Oxfordshire City Region Local Enterprise Partnership to highlight and promote rail projects which can stimulate and support growth, and with the rail industry and other partners to assess which projects offer the best value for money.

There is a need for better spatial integration between the Rail Strategy and future land use developments. The business case for future rail projects may be dependent on rethinking some current land use plans.

We acknowledge there is limited capacity on the rail network, and will seek improvements whilst taking a pragmatic view on optimising use of the network, particularly on the choice between lightly-used stations and the need to shift more freight from road to rail.

We will work with local planning authorities to achieve a strategic, planned approach to the rail network. This will involve identifying key rail hubs and interchange points and their role in supporting local communities, and how they ought to be accessed, and also facilitating rail freight enhancements and new freight terminals, for example, at Graven Hill in Bicester and the Cowley branch line.

We will seek to develop rail services and stations to link the main areas in the Oxfordshire 'Growth Arc', making rail (as part of a wider high quality public transport network, including bus links) a genuine alternative for car trips.

The output will be a prioritised, deliverable programme of investment in rail projects over the next 20 years, ensuring we maximise opportunities and outcomes for the rail network through franchise renewals and Network Rail business planning.

This strategy will require investment by the public and private sectors, coming from both the rail industry and a wider variety of transport and non-transport sources. It is likely we will need to 'pool' resources and finances with our partners so much-needed projects are brought forward and more likely to happen. In this way, projects can address a number of aspirations from each partner, with all partners have a stake in their successful delivery.

Subject to available funding, we will consider investing in station enhancements and new services. We will look to the industry to provide funding and we will lend our support to bids from programmes, such as the *Station Commercial Projects Facility*, *National Station Improvement Programme* or *Access for All*. Where appropriate we will submit bids to the Local Sustainable Transport Fund, and will look for backing from the industry. We will endeavour to secure private sector contributions towards rail from developments within the 'Growth Arc'.

I am therefore very pleased to present to you this draft for consultation of the Rail Strategy for Oxfordshire, to review how our railways work now and how we would like them to work in the future.

Councillor Rodney Rose

Cabinet Member for Transport

January 2012

PREFACE

The County Council is not responsible for specifying or funding the railways and it does not have any statutory obligation to do so. Nor do we have direct involvement in timetables or the setting of fares.

Under the Transport Act 1985, the County Council is required to: *"…secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose", and "…to formulate from time to time general policies as to the descriptions of services they propose to secure..*" - Paragraph 63(1) (a) and (b)

We therefore have an important role in influencing our partners within the rail industry, and must work with them in a proactive partnership to plan, fund and deliver local and strategic improvements in the rail network.

Consequently, this document has been prepared to influence the decisions of the major players within the rail industry; most notably:

- **The Department for Transport (DfT)** – decide on the level of service and the award of passenger service franchises; the allocation of rolling stock between train companies; and is ultimately responsible for decisions on investment;
- **Network Rail (NwR)** – leads industry planning; agrees timetables and directs service recovery; has responsibility for operating and maintaining the track, signalling, level crossings, bridges and tunnels, and for network performance;
- **Train Operating Companies (TOCs)** – operate the service specified by DfT, and any additional 'commercial' services and manage the day-to-day operation of the stations;
- **Freight Operators (FOs) –** private companies who provide rail freight services to customers who wish to move their goods by rail.
- **The Office of Rail Regulation (ORR) –** the independent governmental organisation whose role is to protect the rights of investors, customers and ensure the Government receives value for money for its investment; Responsible for safety and costs.

The strategy will also outline what Oxfordshire County Council can do to:

- **Provide more convenient and sustainable access** to the rail network through better integration with other travel modes – car, motorcycle, bus, cycle and walk;
- **Integrate rail investment with long term decisions** on land use planning and economic development; and
- **Promote use and protect the financial viability of the rail network** through travel planning, information provision and marketing / promotion.

This strategy covers both passenger services and freight.

CHAPTER 1: PURPOSE OF THE STRATEGY

Background

"…it seems that the age of the train is returning to Oxfordshire – even in these difficult economic times." (Oxford Times, 1st December 2011).

With significant economic growth and forecast increases in demand for travel, there has never been a more important time for Oxfordshire to develop a long term rail strategy.

Rail as a means of travel is a success story. The UK rail network is now carrying increasing numbers of people – 57% more since the mid 1990s alone. In Oxfordshire, there were nearly 13 million journeys travelling to / from the county in 2009-10; an increase of 41% in just seven years. Many more millions of people travel through the county on longer distance services to the West Country, Wales, the Midlands and the north of England.

Long term growth in demand for rail travel by both passengers and freight is set to continue. In part this is because many people are now considering rail as a viable and pleasant alternative to travelling on our increasingly congested road network. It also reflects the fact that there has already been substantial investment in various rail projects in recent years. The Evergreen 1 and 2 projects on the Chiltern Main Line, upgrades to the Southampton-West Midlands freight route and the recent redoubling of 20 miles of the Cotswold Line demonstrate that there is already a clear commitment to improving the network, and with East-West Rail identified as a Government priority this is set to continue.

However this success is now starting to cause problems. Many peak time trains – particularly on routes to London – are becoming crowded so that it is increasingly difficult to get a seat. At various locations, including some in Oxfordshire, the physical extent of the network means that it is now very difficult to increase the number or length of trains without major investment. In contrast, at certain times of the day some trains are relatively under-used which means that they are not generating enough revenue though fares.

There are also many different demands from customers. Longer distance passengers want services to be as fast as possible by minimising the number of stops. Local communities want to see more stops at their particular station – before having as fast a journey as possible thereafter. There is an increasing demand for freight traffic as the operational and environmental advantages of rail become more apparent to people who need to move their goods about. Balancing these demands is a challenge; and as the network becomes more crowded with a mix of services the potential for delays and cancellations, as a result of something going wrong, increase.

There is also a need to reduce the costs of operating, maintaining and investing in the railway network. Sir Roy McNulty's report *Realising the Potential of GB Rail* sets an ambitious target of reducing overall costs by between 20-30%. The existing gap between the costs of the rail network and revenue received from fares is around £4.3 billion. Whilst the focus of government is on reducing this deficit, in part through fare increases, there is an imperative both to make better use of the existing network and invest in targeted improvement projects that will deliver high benefits to passengers.

Introduction

This document sets out Oxfordshire County Council's draft strategy for development of the railway network to 2034 within the county and to/from adjacent areas. The end year of 2034 is significant because it covers the next four 5-year "Control Periods"; the planning and investment windows that are used by Network Rail. The current Control Period (known as CP4) ends in 2014.

There are a number of specific purposes of the strategy:

- **Explaining how a safe, efficient and accessible rail network will help to deliver wider economic policy priorities for the county and the wider sub-region; in particular the creation of new jobs.**
- **Presenting a coherent, evidence-based and realistic set of investments that the County Council (and partners, including neighbouring local authorities) would like the rail industry to help us plan and deliver**.
- **Forming a key part of county and sub-regional sustainable integrated transport network by providing real choice of alternatives to road for passenger and freight movements.**
- **Making local communities and stakeholders aware of how they can contribute to rail network development (thereby meeting the "localism" agenda).**

Question 1: Do these purposes address the key issues for rail services in the county and beyond?

The Case for Rail in Oxfordshire

There are a number of road corridors where traffic congestion is already a serious problem; and there are rail corridors that already provide (or could potentially provide) an efficient and sustainable alternative. As a mode of travel, rail has a number of important advantages for commuters, business travellers and the movement of goods:

- The ability to move large number of people in a relatively small space compared with single-occupancy private cars; thereby helping to reduce congestion in our crowded island.
- Relatively better performance in terms of carbon emissions per passenger kilometre; travelling by rail is on average three to four times less CO_2 intensive compared to road or air transport.
- Over longer distances the relative speed of conventional intercity services speeds up journey times.
- Passengers can either work or just relax on a train, as the driving is done for them.

- Rail has an excellent safety record; even compared with UK roads.
- An alternative to heavy goods vehicles for freight movements; reducing pressure on the road network.

Table 1.1 summarises major rail and road corridors; and outlines where there currently are limited or no direct rail services.

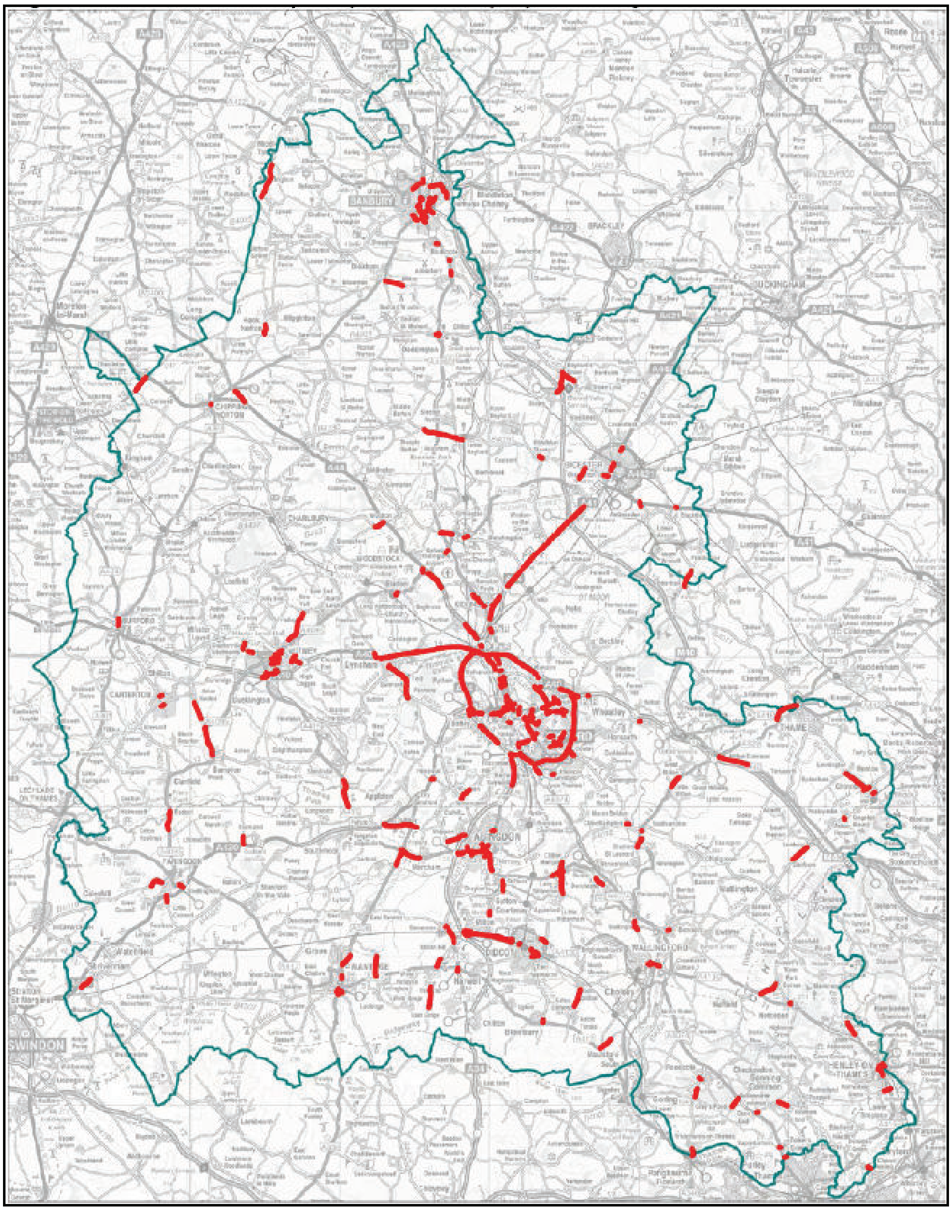
Table 1.1: Major Road and Rail Corridors

Rail Corridor	Parallel Roads
Oxford – Didcot Parkway – Reading - London	A34 / M4
Oxford – Bicester Town – High Wycombe – London *(no direct service)*	A34 / A40 / M40
Reading – Didcot Parkway – Oxford – Bicester Town – Bletchley – Milton Keynes / Bedford *(no passenger service east of Bicester Town)*	A34 / A4421 / A421
Bicester Town – Oxford – Culham – Didcot Parkway *(no direct service from Bicester Town, south of Oxford)*	A34
Oxford – Didcot Parkway – Swindon – Bath Spa - Bristol *(no direct service from Oxford, west of Didcot Parkway)*	A34 / A420 / M4
Banbury – Bicester North – High Wycombe – London	M40
Oxford – Banbury – Leamington Spa – Stratford-upon-Avon *(no direct service from Oxford, north of Banbury)*	A34 / M40 / A46
Oxford – North Cotswolds – Worcester - Hereford	A44
Henley-on-Thames – London *(direct service peak hours only)*	A404 / M4

Question 2: On which road corridors do you think that better rail services could make a real difference to both travel choice and congestion?

Figure 1.1 shows current congestion hot spots:

Figure 1.1: Peak Hour Congestion Hot Spots in Oxfordshire



There are traffic congestion issues on:

- A34/A41 between Oxford and Bicester (including M40 Junction 9);
- A34 approaching Oxford from Abingdon;
- Oxford Ring Road (including sections of the A40);
- A40 approaches to Oxford from Witney and the west;
- Didcot to A34 Milton Interchange; and
- Within market towns of Banbury, Bicester, Witney and Abingdon.

Question 3: Where do you think are the key road corridors where rail services could be further developed and improved?

Rail and the Economy

An expanded rail network will contribute to developing sustainable long term economic growth in Oxfordshire. The Oxfordshire City Region Local Enterprise Partnership (LEP) is developing a coherent programme of measures to support future needs of business; with transport a key component.

Ambitious plans for future development, including 30,000 new jobs in Bicester-Science Vale "**Growth Arc**" will be based on:

- Bio-technology / medical research;
- Scientific research and development;
- Space research;
- High technology engineering; and
- Green technologies.

The UK Government designated Science Vale UK an Enterprise Zone in August 2011:

Box 2.1: Science Vale UK Enterprise Zone

- Two sites covering 92 hectares;
- Green technology, advanced materials and engineering, space and other high value R&D (e.g. medical technologies, bio-technologies and cryogenics);
- 200 businesses and between 6,250 - 10,500 jobs by April 2015.

Creation of new jobs will lead an increase in travel demand; putting more pressure on the already congested highway network. Rail can provide an attractive alternative if services are fast, frequent, reliable and have enough seating capacity.

Rail and the Local Transport Strategy

Rail is an integral part of the County Council's long term transport strategy; as set out in the Local Transport Plan (LTP). Table 1.2 outlines how rail will contribute to LTP objectives; Table 1.3 the specific LTP policies relating to rail.

Table 1.2: Contribution of Rail to LTP Goals

LTP Goal	Contribution of Rail
Support the local economy and the growth and competitiveness of the county	Enables people to access major employment areas and urban centres for work, education and shopping
Make it easier to get around the county and improve access to jobs and services for all by offering real choice	Enables expansion of job markets and service needs for people who do not have access to a car and for people who prefer not to drive

Reduce the impact of transport on the environment and help tackle climate change	Provides a serious alternative to the car for medium / longer distance journeys in particular; with rail having lower carbon emissions per passenger kilometre
Promote healthy, safe and sustainable travel	Rail has an excellent safety record; and can be part of a healthy journey that includes a walking or cycling leg

Table 1.3: LTP Policies Relevant to Rail

Policy Number	Description
Policy PT4	Oxfordshire County Council will support proposals for strategic enhancement of the existing Oxfordshire rail network, and will work with the rail industry to facilitate these, providing they do not have unacceptable impacts on the county's rights of way networks, cultural heritage or natural environment.
Policy PT5	Oxfordshire County Council will work with the rail industry and other partners to deliver new or improved stations, new rail services and greater integration of rail and buses.
Policy PT6	Oxfordshire County Council will only support the High Speed 2 rail proposals if their local economic benefits outweigh the environmental impact on the county.
Policy PT7	Oxfordshire County Council will support the development of Quality Bus Partnerships and Rail Partnerships, where appropriate.

The LTP notes that demand for rail travel on routes to/from Oxfordshire is forecast to increase significantly:

- Peak arrivals into Reading to increase by 31% by 2026 (DfT forecast, May 2007).
- Long distance services from Bristol to London (which serve Didcot Parkway) will exceed seating capacity by as much as 18% (DfT forecast, May 2007).
- Up to 42% increase in arrivals at London Paddington by 2019 (Network Rail *Great Western Route Utilisation Strategy*, March 2010).

The LTP concludes:

"It is evident that significant interventions will be needed to achieve a reliable railway with the capacity to support housing and economic growth in Oxfordshire, such as train lengthening, additional services and alterations to track and signalling."

A number of challenges for the rail network are then outlined. These include economic and population growth, capacity of the road and rail network (i.e. congestion), switching freight from road to rail, climate change and the environment, connectivity with regional centres and international gateways, and accessibility to train services. This last point embraces getting to the station, service frequency, and interchange between modes of transport.

Table 1.4 shows the opportunities for rail:

Table 1.4: Opportunities for Rail

Opportunity	Strategy Summary
Improving regional and inter-regional rail links	Support, and where appropriate will promotion of proposals for new rail services that increase accessibility to the rail network for existing and potential passengers
Supporting improved rail links to international gateways	Better rail links to Heathrow and Gatwick served by direct trains to make Oxfordshire internationally accessible
New stations and services to serve growth areas, such as Science Vale UK	Potential of new services and changes to existing services to be investigated at Didcot Parkway and Grove & Wantage
Better access for disabled people	When funding work at railway stations we will take account of best practice guidance on accessible trains and stations wherever possible
Improve and expand station car parking	A review of car parking is required at all stations, possibly as part of the station travel plan initiative. Where investment is made to improve provision the opportunity exists to secure an ongoing revenue income for Oxfordshire County Council from parking charges. We will encourage and support the provision of adequate car parking capacity, alongside other measures, as this can reduce the need for unnecessary car journeys
Station interchanges	The provision of high quality interchange between rail and other transport modes is a crucial part of encouraging people to use sustainable modes of travel for their journeys

Question 4: Are there other opportunities for rail in Oxfordshire?

Investments in the Rail Industry

There are already a number of **investment opportunities** presented by developments within the rail industry:

- Committed or priority major projects:
  - **Electrification:** London Paddington, Didcot Parkway and Oxford.
  - The 2nd phase of **Evergreen 3:** Oxford-Bicester-High Wycombe-London Marylebone.
  - **East-West Rail:** Reading-Didcot-Oxford-Milton Keynes-Bedford.
- National Stations Improvement Programme.
- Station Commercial Projects Facility

- New Great Western passenger franchise – Greater Western – is currently being re-tendered with a projected start date of April 2013 for a period of up to 15 years to 2028.
- The Department for Transport (DfT) High Level Output Specification (HLOS) and Statement of Funds Available (SoFA) for the 2014-19 Control Period (which is referred to as CP5); by the summer of 2012.
- Network Rail will be publishing its Business Plan – explaining its investment priorities for CP5.

This strategy will make the case for additional infrastructure and service investments that we believe will:

- Help to deliver economic growth via housing development, town centre regeneration, job creation and tourism;
- Deliver excellent rail services for the people of Oxfordshire, businesses and visitors to the county – promoting greater travel choice;
- Tackle problems of congestion and air pollution on the highway network; and
- Improve performance and connectivity of the UK rail network (of which Oxfordshire is an integral part).

Our Vision

The draft rail strategy vision is:

"To develop a safe, sustainable, integrated and efficient rail network that meets the access and mobility needs of residents, businesses and visitors; and supports the development of Oxfordshire's economy."

Question 5: Do you agree with this vision for the rail network?

The needs of passengers and freight customers will be at the heart of turning this vision into a reality; so that investments in rail meet the criteria of people, purpose and place:

Box 2.2: People, Purpose and Place

- **People:** Who will benefit from the proposed investment? These benefits could be either direct (as passengers) or indirect (e.g. businesses through job creation).
- **Purpose:** What types of journeys will the investment seek to improve? How will these journeys serve wider purposes such as economic development / job creation?
- **Place:** Which geographic areas are most important for rail service development? What is the contribution to wider "place-based" policy objectives?

Structure and Content

This strategy covers:

- The "operational rail network" itself (i.e. within land that is owned and managed by the various organisations that make up the rail industry);
- Access to the rail network from the public highway and trip generators / attractors such as housing, employment, education, retail etc.; and
- Travel planning, marketing and promotion of rail services.

Operational Rail Network

This strategy will be developed and delivered in partnership with various organisations that collectively make up what we term the "rail industry".

Box 2.3: Key Rail Industry Players

1. Department for Transport (DfT) – sets rail policy, provides funding, lets service franchises and monitors performance.

2. Network Rail (NwR) – owns the physical infrastructure (such as track, signalling, bridges and stations) and invests DfT funding in improvement projects.

3. Train Operating Companies (TOCs) – run passenger services (either via franchise or "open access") and manages stations.

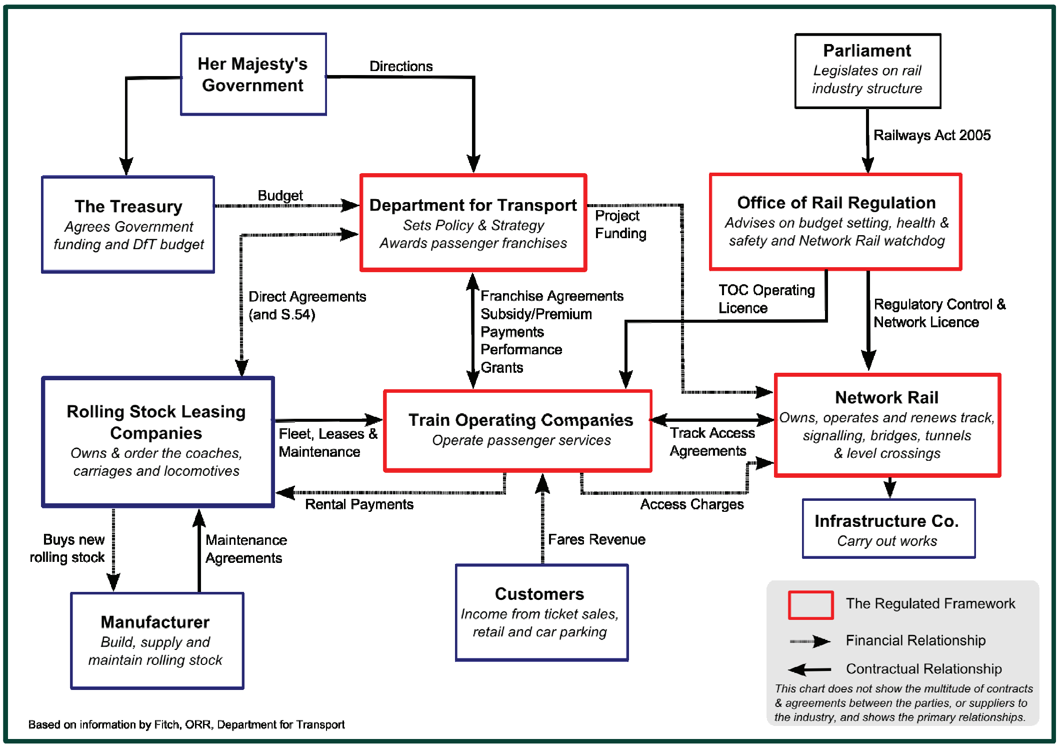
4. Freight Operators (FOs) – run freight service (subject to available capacity) on an "open access" basis.

5. Office of Rail Regulation (ORR) – monitors the work and business planning of Network Rail.

6. Rolling Stock Operating Companies (ROSCOs) – own the trains which are then leased to the TOCs.

Figure 2.2 presents a simplified structure showing the links between these key players.

Figure 2.2: Structure of the Rail Industry



For the operational rail network, this strategy aims to:

- **Suggest important higher level outcomes:** such as improvements to accessibility, greater choice of travel modes, reductions in traffic congestion etc.); and
- **Convert these outcomes to a range of outputs:** such as increases in passenger seat capacity, more rail freight opportunities, faster passenger journeys, new stations, better reliability of services, improved passenger facilities / information, new services etc.
- **Identify a range of projects:** that could deliver the outcomes and outputs.

There are often tensions between different outputs. For example, new railway stations and services are often requested as a means of improving access to the rail network. However these improvements can potentially:

- **Reduce journey speeds** – by increasing the number of stops on existing services;
- **Compromise line capacity** – by increasing the mix between faster and slower services; and
- **Affect reliability** – by reducing spare capacity if things go wrong.

The strategy aims to outline the potential costs and benefits of various service options: and prioritise service patterns and capital investment that will deliver optimal benefits to the greatest number of people. This is an essential element of **value for money**.

Question 6: ***What should be the balance of priorities between investment in new services and improvement in speed / reliability of existing services?***

Access Improvements

Access improvements to rail stations include:

- Bus services and bus priority measures on approaches to stations;
- Bus interchange facilities at, or near to, the station;
- Adequate car parking capacity;
- New or improved walking / cycling routes (including within the station lease area, such as forecourts and approach roads)
- New or improved secure cycle parking; and
- Improved directional signing for car drivers, cyclists and pedestrians.

The County Council has a successful track record of jointly funding and implementing these kinds of interventions in partnership with the Train Operating Companies since 2005.

As the highway authority, the County Council can sometimes take a leading role through the Local Transport Plan (LTP), but there is still a need to work with a range of external partners including:

- Network Rail / Train Operating Companies – who manage the stations and car parks;
- Highways Agency – where access from a trunk road / motorway is involved;
- District Councils - as the local planning authorities;
- Local communities – represented by Parish / Town Councils / Station Groups);
- Bus and taxi operators – who use the station;
- Businesses – especially those located at, or near to, stations;
- Passenger representative groups; and
- Landowners – whose land may be required for improvements
- Developers – who may benefit from and be able to fund rail investment.

Travel Planning, Marketing and Promotion

The provision of a train service should not be taken for granted and will only be viable in the longer term if it is well used and collectively the services generate enough revenue to cover the cost of operating them. It is therefore vitally important that people know about the journey opportunities available by train and have easy access to information so they can make an informed decision before travelling.

The Train Operating Companies produce detailed timetables twice a year but do not have the resources to produce bespoke information for every local community on their network. There is a role for the County Council to promote local rail services as part of its LTP goal of encouraging the use of high quality public transport,

This strategy sets out the steps that will be taken to promote local rail services and provide accurate, up-to-date travel planning. These include:

- Travel guides and/or mini timetables for the 'named' lines;
- Public transport information posters at every station;
- Online information; and
- Station Travel Plans.

Strategy Delivery

The role of the County Council and our partners is to provide support to the rail industry to deliver a range of prioritised projects including:

- Physical infrastructure work to the track, stations and structures;
- Improvements to communication equipment (such as signalling, in-cab radio and customer information systems);
- Service enhancements via the provision of additional rail vehicles and/or connecting feeder buses; and
- Measures such as community engagement, better information, integrated ticketing, marketing and travel planning.

Project prioritisation will be in four categories:

Box 2.4: Prioritisation Categories Explained

1. Short Term Priority Projects

- Small and medium sized projects that can be constructed within the next three years from available funding sources – in particular to improve access from the highway.
- Larger projects that should secure a firm commitment to be funded so that planning, design and construction work can be progressed and delivered by the end of Control Period 5 (2019).

In many cases, the County Council is already participating in these projects; and is therefore very keen to progress further work as soon as possible (once funding has been approved).

2. Medium Term Development Projects

- Major rail projects that could be programmed for funding before 2019 but constructed in Control Period 6 (2019-2024).
- Small and medium sized projects that can support and build on the short term priority projects (thereby delivering further incremental improvements).
- Projects improving access from the highway which are larger / more expensive and with longer timescales for delivery.

The County Council and other partners will need to agree priorities for further feasibility, planning and design work.

3. Longer Term Development Projects

- Major rail projects that could only be delivered in Control Periods 7 and 8 (between 2024 and 2034).
- Major public transport and highway improvements which provide a step change in access to the rail network.

There may be some initial feasibility work that could be progressed.

4. Aspirations and Projects for Further Investigation

- Key movement and access issues which might benefit from a rail-based solution.
- Long term major land use development proposals requiring a transport strategy which includes a rail element.
- Any solutions likely to be in the long term – i.e. after 2030.

The key challenge here will be to assess evidence that rail can provide at least part of a solution to identified problems.

Question 7: ***Do you agree with these four prioritisation categories?***

CHAPTER 2: RAIL AND ECONOMIC DEVELOPMENT

Introduction

Oxfordshire is already a key hub in local, UK and international business and transport networks. Its location in the centre of the country means that there are passenger rail links in almost all directions to adjacent areas including London, parts of the South East, the Midlands, the North East, the West Country, Wales and the North West.

The Southampton to West Midlands “W10” gauge enhancement project was completed in 2011 and enables larger deep sea containers to travel by rail, switching freight from road to rail along the A34 corridor. With each train equal to 40-50 lorry movements, this will see a further 50,000 lorries per year taken off this congested route.

However the rail network does not provide direct links that are of comparable quality to the roads; in particular to:

- Milton Keynes / South East Midlands;
- North and west Buckinghamshire (Aylesbury and High Wycombe);
- East Anglia; and
- International gateways such as Heathrow and Gatwick airports (although good coach links are available but only from Oxford).

Figure 2.1: Oxfordshire in the Wider Geographic Context

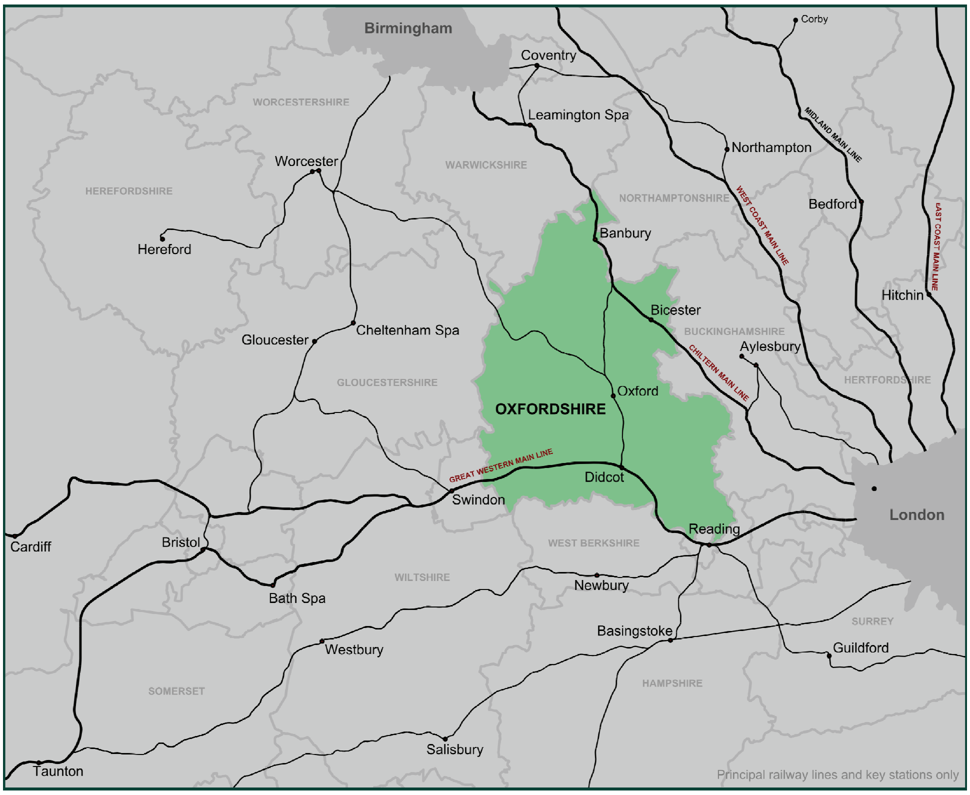
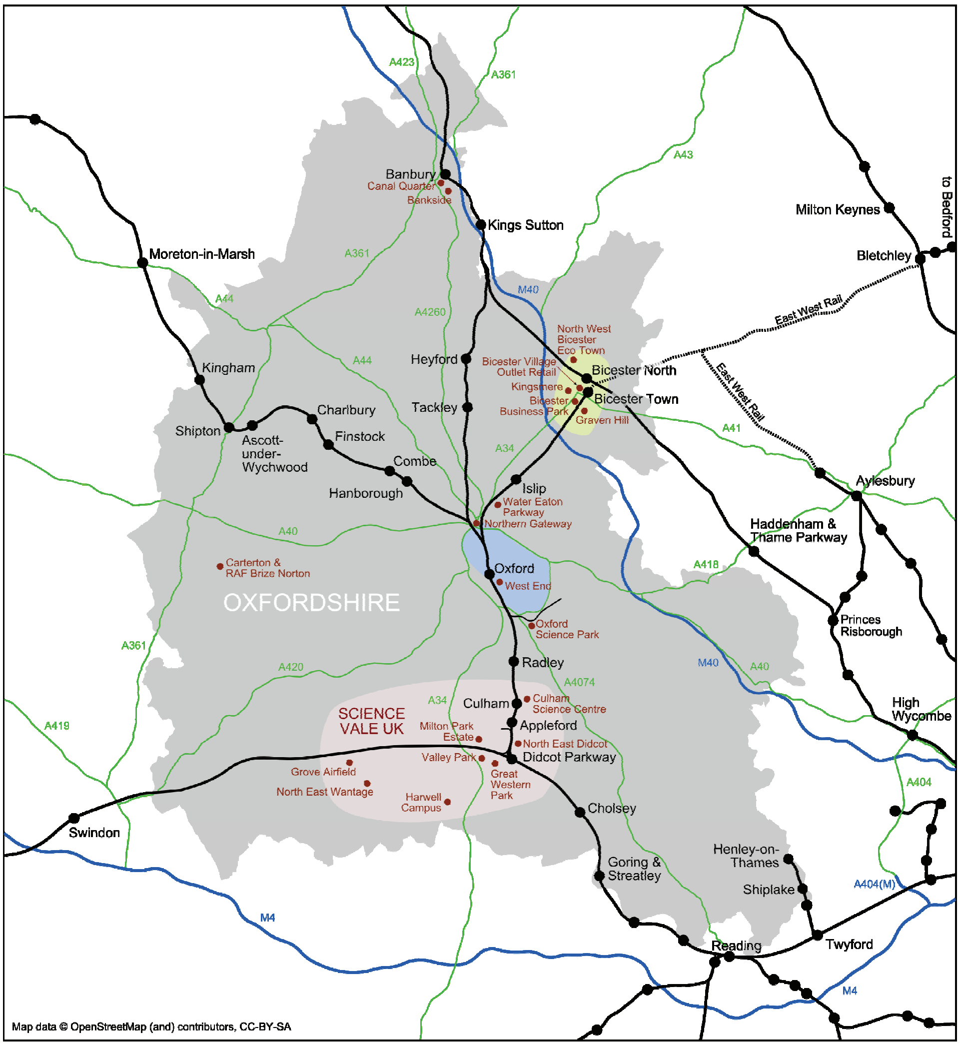


Figure 2.2 outlines the connectivity by rail and road and the county's growth areas.

Figure 2.2: Oxfordshire's Strategic Transport Network



Question 8: ***What should the priorities be for increasing links between Oxfordshire and other parts of the UK?***

The Role of Transport and Rail in Economic Development

Introduction

Rail infrastructure and service improvements support economic performance:

- Enabling business to locate closer together and work in clusters – known as "agglomeration";
- Reorganising or rationalising production, distribution and land use patterns;
- Increasing labour market catchment areas and the pool of available workers for existing and future jobs;

- Reducing the costs of the transport element of production, and thereby boosting competitiveness;
- Stimulating inward investment by making Oxfordshire an easy place to access and move around;
- Unlocking inaccessible sites for development; and
- Triggering a virtuous circle of economic growth; which in turn stimulates further growth.

The Oxfordshire City Region Local Enterprise Partnership (LEP) aims to further develop the county as the economic powerhouse of the UK through:

- Encouraging **inward investment** from private sector firms;
- Developing **education and skills** of local people;
- Promoting **leading edge research and development**; and
- Facilitating **knowledge transfer and co-operation** between companies, academic institutions and the public sector.

Businesses need the right conditions and infrastructure in order to invest and grow. OCC and the LEP are therefore developing a Strategic Infrastructure Framework (SIF) which will:

- Assess and prioritise infrastructure projects based on value for money and delivery of key economic growth objectives;
- Provide a framework which encourages and facilitates the co-ordination of investment decisions and programmes across the various agencies;
- Provide clarity on the most appropriate funding streams for particular investments; and
- Set out and address key project delivery issues.

Rail will have a vital role to play in SIF; especially where there are plans for new job-generating developments. This strategy will set out the key investment priorities that could become part of the SIF.

Whilst Oxfordshire has a strong economic base, there are a number of challenges:

- Economic output (measured by Gross Value Added per head) is only average compared with competitors in the UK and abroad;
- Skills shortages and a high number of 16-25 year olds without the necessary skills for a high value economy;
- Over reliance on public sector employers;
- A lower proportion of Small and Medium Enterprises (SMEs) than the national average.

The rail network will enable choice of mobility and access for both passengers and goods; thereby reducing the pressure on the road network and reducing economically damaging congestion.

Question 9: *What should be the key priorities for improving the rail network in order to benefit business and job creation?*

Key Economic Drivers, Developments and Places

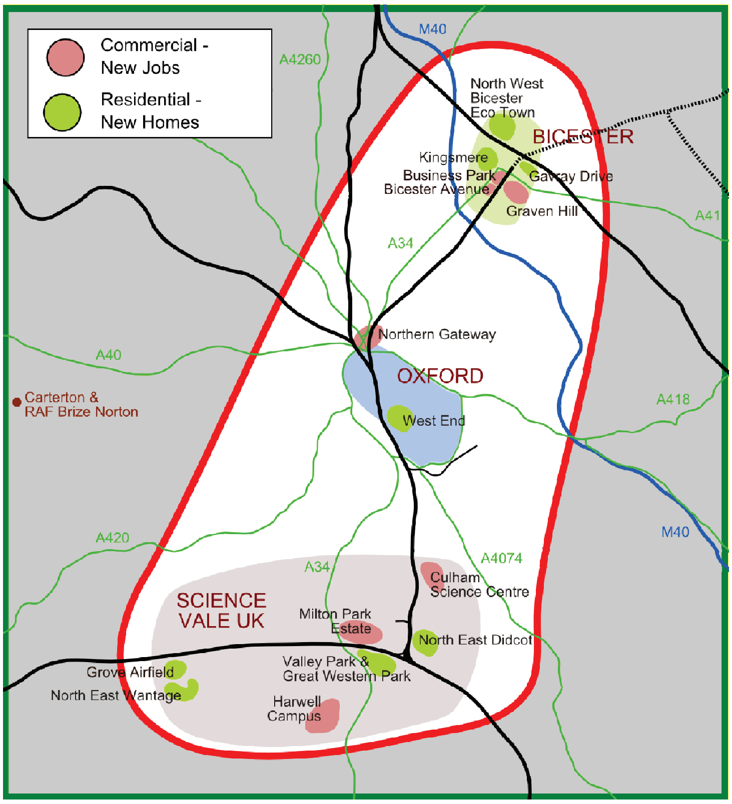
Introduction

The number and location of new jobs will increase commuting and business travel which, if all made by car, will lead to significant increases in traffic congestion. Much of the proposed economic growth and housing development will be concentrated within the **"Growth Arc"** of Bicester - Oxford – Science Vale UK (see Figure 2.3). Table 2.1 and Figure 2.3).

Table 2.1 – Summary of Growth Arc Development Plans (to 2026)

Area	Additional Housing		New Jobs	
	Number	% Increase	Number	% Increase
Oxford	8,000	10	10,000	7
Bicester	5,500	64	6,000	32
Science Vale UK	13,000	18	12,000	60
Total	**26,500**	**-**	**28,000**	**-**

Figure 2.3 – The "Growth Arc"



In order to maintain and enhance the high quality of life in the county, it is vital that our urban areas accommodate new development in a way that makes them better places to live, work and play.

Oxford

Oxford currently has a permanent resident population of more than 150,000. In addition to this there are 40,000 students and over 9 million visitors a year. The “Eastern Arc” is home to key employment sites, including three regional hospitals (the John Radcliffe Hospital, the Churchill Hospital and the Nuffield Orthopaedic Hospital), and campuses of Oxford Brookes University and the University of Oxford. Whilst the Eastern Arc will see significant employment and economic growth over the next decade, the area is not well connected to the existing rail network which runs through the west of the city.

Oxford has a high ratio of jobs to working-age population, leading to high levels of in-commuting; further housing is proposed to help address the imbalance. However, more employment growth is to occur, predominantly in the Eastern Arc and in the West End of the city centre, including a redeveloped Westgate shopping centre, which altogether will create up to 6,000 new jobs.

Oxford city centre will continue to be a major trip attractor for employment, shopping and higher-end leisure services. The regeneration of the West End of Oxford city centre will be achieved without any increase in public parking. It will be heavily reliant on access by other modes, especially park and ride and rail (as the station is nearby). Frideswide Square, together with the Oxford railway station forecourt, provides one of the most important public transport interchange points in the city, both for transfer between rail and bus and between different bus routes.

Box 2.1: Key Opportunities for Rail in Oxford

1. Improve connectivity for tourists, business travellers, commuters and shoppers between Oxford and major destinations including:
    - Bicester – High Wycombe – London Marylebone (Evergreen 3);
    - Swindon and the West of England / Wales;
    - Bicester – Milton Keynes – Bedford (East-West Rail); and
    - Banbury – Leamington Spa – Stratford-upon-Avon.
2. Development of master plan for Oxford railway station; so that capacity for inter-city, local and terminating services can be enhanced to meet forecast demand.
3. Improve public transport and cycling links between the Eastern Arc and the railway station.
4. Re-development of Frideswide Square and improvement to multi-modal interchange outside Oxford station.
5. Integration of railway station access into West End redevelopment.
6. Potential for rail freight movements from sites adjacent to the Cowley branch line.

Bicester

Bicester currently has a population of around 29,000 (12,500 households), but is one of the fastest growing towns in the county, with large amounts of planned housing and employment development.

In 2009, Bicester was designated as one of four national "eco-town" locations; which will mean a development of 5,000 homes and the creation of 5,000 new jobs by 2034. Other proposed employment growth and housing development will deliver an additional 4,000 new homes and 5,000 jobs.

There is a significant imbalance between homes and jobs - currently over 60% of residents leave the town for work; with 15% of these outgoing trips to Oxford.

Bicester Village Retail Outlet is a very popular tourist destination for over four million visitors a year, and is the most popular destination outside London for visitors from China and Japan. Whilst many shoppers already travel by train, its popularity does place severe strain on the local transport network during weekday peak periods, as well as weekends and bank holidays. This congestion impacts on the wider strategic network, with queuing problems on the A34, A41 and at M40 Junction 9.

Box 2.2: Key Opportunities for Rail in Bicester

1. Improvement of connectivity for business travellers, commuters and shoppers between Bicester Town station and major destinations including:
    - Oxford – Didcot Parkway – Reading and London Paddington.
    - High Wycombe – London Marylebone (Evergreen 3); and
    - Milton Keynes – Bedford (East-West Rail).
2. Additional bus and cycle facilities, and more car parking, at Bicester Town station to accommodate future demand from new services;
3. Improvement of bus, walking and cycling links between the proposed eco-town and the two Bicester stations, including a link between them;
4. Development of bus, walking and cycling links to the Bicester stations from other proposed developments, such as South West Bicester; and Graven Hill.
5. Potential for rail freight facility on former MOD land at Graven Hill.

Science Vale UK

Science Vale UK encompasses the settlements of Didcot, Wantage and Grove and three main employment, research and business centres at Harwell Science and Innovation Campus, Milton Park and Culham Science Centre. The area became an Enterprise Zone in August 2011, and will have substantial private investment over the next 20 years to further develop a world-class science-based research and development capability.

The three sites between them already support over 13,000 jobs and have been identified as a focus for this future investment and growth, with a proposed £1 billion of investment at Harwell alone. Together these three sites will create over 12,000 additional jobs by 2026.

Didcot has a population of around 23,000 (10,000 households) and committed or proposed housing developments are expected to bring up to 8,500 new dwellings by 2026. Didcot Parkway station is Science Vale's key gateway to the strategic rail network with frequent links to Oxford, London, Bristol and South Wales.

Wantage and Grove are two adjacent settlements with a combined population of 17,500 (5,700 households). This will rise significantly with the proposed development of 2,500 dwellings on the former Grove Airfield site to the west of the village and 1,500 homes at northeast Wantage. There are a number of key employers in Wantage / Grove, including Grove Technology Park and Williams Formula 1. However, there is currently a large proportion of out-commuting to Swindon, Oxford, Reading and London. The Great Western Main Line passes just to the north of Grove.

Although not directly within the Science Vale, the town of Abingdon (population 37,000) is an important source of out-commuting trips; the nearest railway station is three miles distant at Radley on the line between Oxford and Didcot Parkway, and the two are connected by a regular bus service.

Box 2.3: Key Opportunities for Rail in Science Vale UK

1. Improved public transport connectivity between the main employment sites and Didcot Parkway, Radley and Culham stations.
2. Development of walking and cycling links between the main employment sites and Didcot Parkway and Culham stations, as part of a wider Science Vale UK network
3. Improved connectivity with international gateways at Birmingham International and Heathrow Airports; and
4. Opening a railway station at Grove & Wantage as a new railhead for Science Vale UK – both for in-commuting and out-commuting.

Banbury

Banbury is a market town in the far north of the county and provides employment and services for a wide rural hinterland. Areas of land east and west of the railway station to the east of the town centre have been in need of regeneration for some years.

Banbury's location on the Chiltern Main Line means that it is an attractive location for both trips to London and the West Midlands; where services are fast and relatively frequent. Banbury is also an interchange point between services from the Chilterns and services to/from Oxford, the South and the North of England

The Cherwell District Council Local Development Framework (LDF) draft Core Strategy has identified the need for around 1,500 houses for the town; with another 700 or so in the adjacent rural hinterland.

Box 2.4: Key Opportunities for Rail in Banbury

1. Enhancement of services from Banbury to Bicester North, London Marylebone and to Birmingham and Oxford;
2. Re-design the station forecourt to provide for through buses to/from the Bankside development, and taxi, cycling and pedestrian facilities;
3. Consolidation of station car parking, and additional parking capacity;
4. Improvement of the walking routes from the rail station to the bus station and town centre;
5. Development of a cycle hub at the rail station and cycle hire scheme at locations around the town.
6. Improvement of platform passenger waiting facilities within the station.

Henley-on-Thames

Henley (population 10,600) is a provider of local jobs, services and retail opportunities; as well as a commuter railhead to Reading, Oxford and London. The town's main streets suffer from traffic congestion; partly as a result of the single crossing of the river. The South Oxfordshire District Council LDF has identified the need for around 400 new homes.

Box 2.5: Key Opportunities for Rail in Henley-on-Thames

1. Investigate opportunity for additional through services to London Paddington and Reading – ensure by Crossrail/Electrification;
2. Introduce a half hourly shuttle service throughout the day;
3. Improved pedestrian links to Thames Path and River & Rowing Museum as a means of stimulating more leisure tourism;
4. Promotion of through ticketing for ramblers with Marlow-Bourne End branch line; and
5. Investigate establishment of a Community Rail Partnership for the line.

North Cotswolds

Whilst the principal settlements of the Oxfordshire Cotswolds – Long Hanborough, Charlbury and Kingham - are not sizeable in population terms, their stations serve a wider catchment of smaller villages. However the area is growing in popularity as a tourist destination and is seen as a desirable place to live for commuting trips towards Oxford, London and the Midlands. Development is fairly constrained because of the very attractive natural environment.

There are larger towns – Woodstock, Witney and Chipping Norton – which are potential sources of travel for the rail network. The Cotswolds Line Railbus, for example, connects Chipping Norton with the railway at Kingham.

The Cotswolds & Malverns line has recently benefited from re-instating 20 miles of track between Charlbury and Evesham. This included new platforms at Charlbury and Ascott-under-Wychwood. The immediate benefit will be an improvement in reliability by removal of the long single-track sections where only one train at a time could run. Better reliability will also benefit other services in the Thames Valley. The redoubling allows up to four trains an hour (in both directions), instead of the current two and will eventually reduce overall journey times.

Box 2.6: Key Opportunities for Rail in the North Cotswolds

1. Introduction of a regular clockface service made up of a mix of fast and stopping services between London, Oxford, Moreton-in-Marsh and Worcester.
2. Boost tourism by encouraging overseas visitors in London to visit and stay in the area through marketing and promotional activities;
3. Improve public transport, walking and cycling links to the stations – including new Railbus links to Burford and Witney, footpaths, signage and secure cycle parking.
4. Enhancement of car parking facilities at Hanborough and Charlbury to satisfy current demand and as a means of attracting custom from towns without a railway station.
5. Further promotion of walks / cycle rides from and between the railway stations.

Thame

Thame is a market town with a population of 11,000. The South Oxfordshire District Council LDF has identified the need for around 530 houses and about two hectares of land for employment growth. There are relatively high levels of out-commuting from the town (56% of working residents at the time of the 2001 census).

The nearest railway station is Haddenham and Thame Parkway which is located two miles to the north east of the town (and just over the county border in Buckinghamshire). There are regular services to London Marylebone, Bicester North and Banbury – with some trains extended to Stratford-upon-Avon. Public transport connections with Thame itself are provided by Bus 280 (running between Oxford-Aylesbury) which runs every 20 minutes in the weekday daytime.

Box 2.7: Key Opportunities for Rail in Thame

1. Introduce new rail link to Oxford as part of Evergreen 3 (Oxford-London Marylebone);
2. Improve bus connectivity between the residential areas of Thame and the railway station through provision of feeder buses timed to connect with trains to/from London (and eventually to/from Oxford)
3. Provide additional late-afternoon peak departures on Bus 280 to enable passengers returning from London to reach Aylesbury and Thame.

Witney

Witney is a market town 27,000 people. Development plans include 1,500 new houses; and expansion of employment opportunities through the retention and modernisation of existing sites, development of remaining available employment land and the provision of further employment land.

Witney lost its station and train services in the 1960s. The nearest railway station is now at Hanborough, around six miles north east of the town along the A4095. Public transport connections are provided by the hourly bus 242 between Witney, Long Hanborough and Woodstock but they are not timed to connect with trains.

Box 2.8: Key Opportunities for Rail in Witney

1. Improve bus connectivity between Witney and Hanborough station – either through service changes to route 242 or consideration of a dedicated rail feeder service.
2. Investigate long term re-instatement of rail link to Oxford and Carterton as part of improving national connectivity to RAF Brize Norton.

Carterton

Carterton is the second largest town in West Oxfordshire with a population of about 16,000. Its rapid growth has been associated with nearby RAF Brize Norton, now the country's only air transport and air refuelling base for the military. Development plans for Carterton include 1,600 new homes.

There is no railway station within ten miles of the town, with the nearest station being Ascott-under-Wychwood (9.8 miles away) having a very limited service. However there are half-hourly bus services to Witney and Oxford.

Box 2.9: Key Opportunities for Rail in Carterton

1. Investigate long term re-instatement of rail link to Witney and Oxford as part of improving national connectivity to RAF Brize Norton.
2. Consider provision of a dedicated rail feeder bus service to Hanborough station (travel to Oxford and London).

Question 10: ***Are there any other opportunities for better rail services that you feel should be part of the strategy?***

CHAPTER 3: BASELINE AND CURRENT CHALLENGES

Introduction

This chapter summarises the baseline situation; the key challenges both now and moving forward into the future.

The baseline situation describes where the rail network is now. It is important to establish some key facts, such as:

- How many people use the network; and where they travel from and to?
- The current pattern of services – for both fast / stopping passenger trains and freight – and the connectivity within Oxfordshire and to other parts of the UK.
- How the network is currently performing in terms of key indicators including passenger satisfaction, reliability, punctuality, journey speeds etc.
- Access issues and facilities at railway stations.

Key Facts on Rail in Oxfordshire

Service Patterns

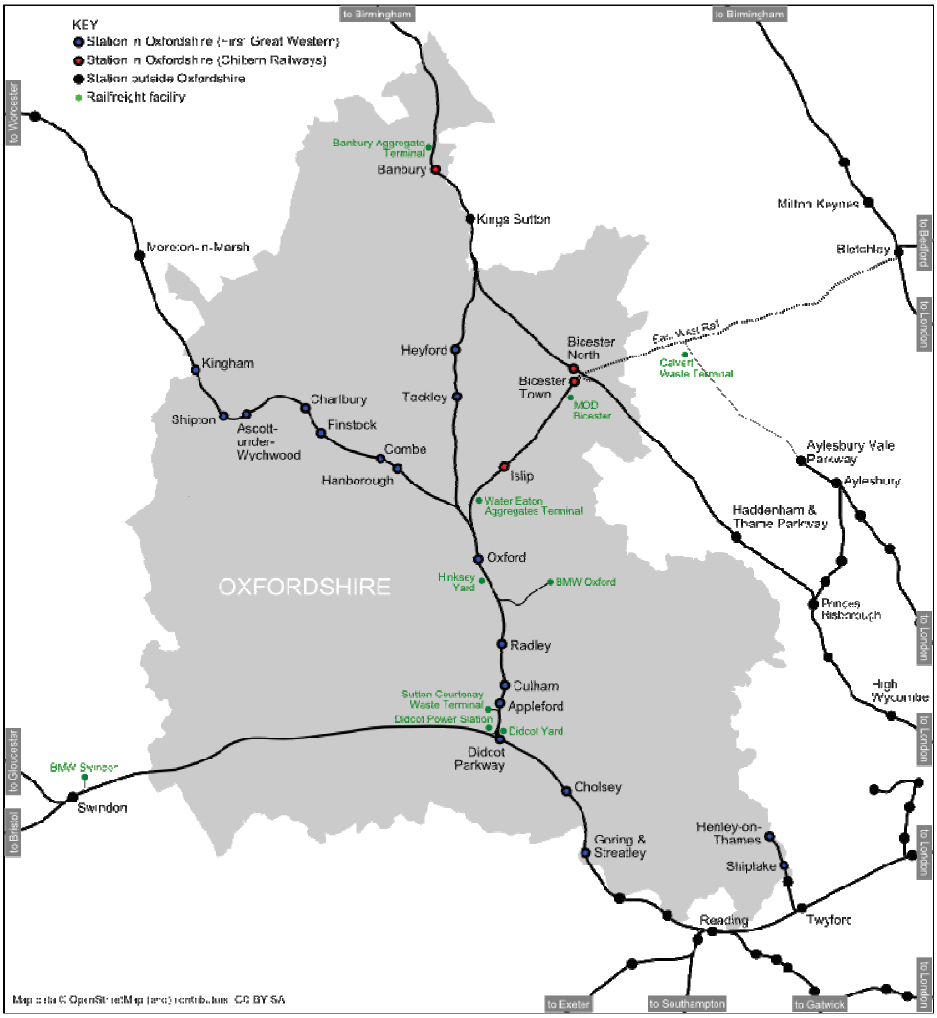
The current existing rail network in the county is made up of:

- Five **mainline higher speed** railway services:
  - London Paddington - Reading – Didcot Parkway – Swindon - Bristol / South Wales / Cheltenham.
  - London Paddington - Reading – Didcot Parkway – Oxford.
  - Reading – Oxford – Banbury - Birmingham New Street – Newcastle.
  - Bournemouth – Reading – Oxford – Banbury – Birmingham New Street - Manchester Piccadilly
  - London Marylebone – Bicester North – Banbury – Birmingham Snow Hill.
- Five **local semi-fast and stopping** services:
  - London Paddington - Reading - Didcot Parkway - Oxford (stopping at intermediate stations).
  - London Paddington – Oxford – North Cotswolds – Worcester – Hereford (stopping at intermediate stations west of Oxford).
  - Oxford - Bicester Town.
  - Oxford – Banbury (stopping at intermediate stations, with peak through services to/from London Paddington).

- Henley-on-Thames – Twyford (with peak through services to London Paddington).

- 22 passenger railway stations; with other stations in adjacent local authority areas also providing services to Oxfordshire residents.

Figure 3.1 – The Oxfordshire Rail Network



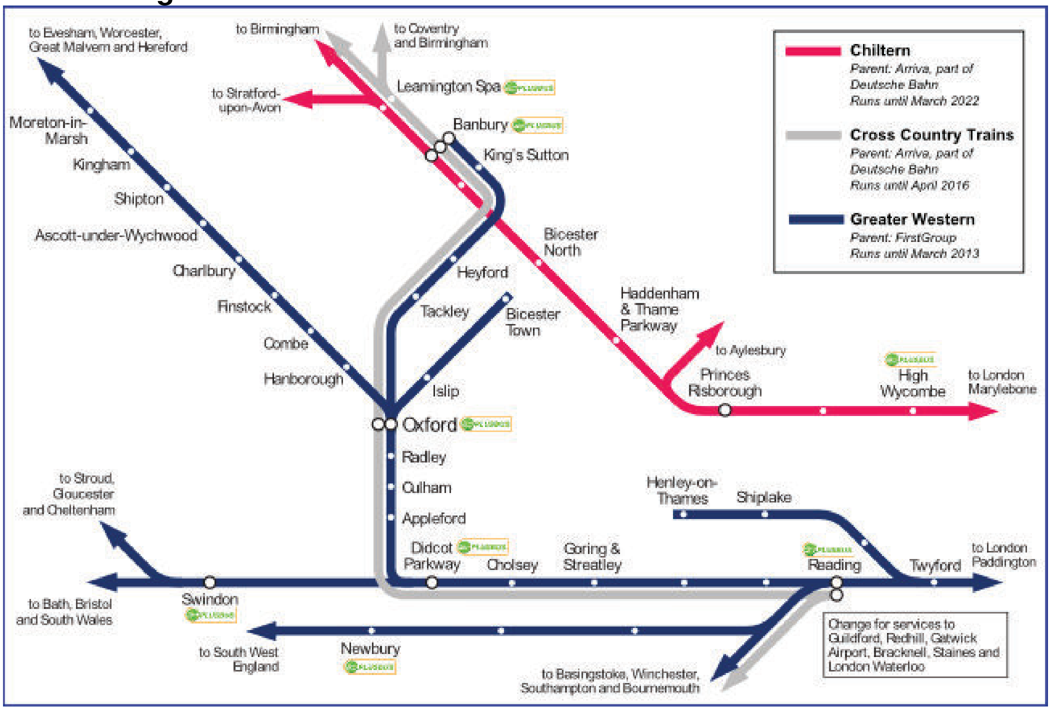
- Four freight-only lines:
  - Kennington Junction to Cowley;
  - Bicester Town to Calvert (*not in regular use*);
  - Appleford to Sutton Courteney;
  - Graven Hill.
- Rail freight facilities:
  - Didcot Yard;
  - Hinksey Yard (infrastructure);

   - BMW Oxford (car manufacturing);
   - Bicester (MOD);
   - Banbury and Water Eaton (aggregates);
   - Sutton Courteney (waste);
   - Didcot Power Station (coal)

- Three franchises that run passenger services are:
   - **Greater Western** (services from London Paddington via Reading);
   - **Chiltern** (services from London Marylebone); and
   - **Cross Country** (services from the South Coast and Reading).

Figure 3.2 shows the current rail passenger franchises in Oxfordshire

Figure 3.2 – Oxfordshire within the National Rail Network



The financial year 2009/10 is the latest for which information is available for rail usage:

- **Total number of passenger entries and exits at stations:** 12.822 million.
- **Total number of interchanges:** 0.664 million (mainly at Oxford and Didcot Parkway).
- **The five busiest stations (Oxford, Didcot Parkway, Banbury, Bicester North and Henley-on-Thames):** account for 89% of passenger entries and exits.
- **Since 2002/03:** Total rail usage at Oxfordshire stations has increased by 41%.

Table 3.1 shows the entries / exits at the 22 stations in 2009/10 compared with 2002/03

Table 3.1 – Railway Station Usage - Oxfordshire Stations

	Station	2002/03	2009/10	% Change
1	Oxford	3,648,550	5,427,286	+49
2	Didcot Parkway	2,036,685	2,524,260	+24
3	Banbury	920,602	1,706,264	+85
4	Bicester North	596,326	1,126,838	+89
5	Henley-on-Thames	566,266	609,410	+8
6	Goring and Streatley	355,405	374,298	+5
7	Charlbury	229,000	231,582	+1
8	Cholsey	214,381	185,970	-13
9	Kingham	121,318	137,944	+14
10	Bicester Town	52,198	104,788	+101
11	Hanborough	69,997	104,050	+49
12	Radley	55,824	74,820	+34
13	Shiplake	95,651	74,604	-22
14	Culham	35,185	55,226	+57
15	Islip	18,624	23,722	+27
16	Heyford	27,876	23,496	+16
17	Tackley	18,195	20,250	+11
18	Appleford	7,157	9,086	+27
19	Shipton	5,057	2,890	-43
20	Ascott-under-Wychwood	2,050	2,264	+10
21	Combe	1,548	1,836	+19
22	Finstock	1,799	1,458	-19
	Total	**9,079,694**	**12,822,342**	**+41**

Source: Office of the Rail Regulator LENNON Published Data – the figures (for un-staffed stations in particular) may be an under-estimate where fares are not collected.

The table shows that **rail in Oxfordshire is a significant success story**. The large percentage growth at some of the busiest stations reflects increases in service frequency and connectivity that have taken place in the last few years:

- Chiltern Railways and Cross Country have been particularly successful in developing services which explains the growth at stations like Bicester North, Banbury and Oxford.
- Improvements by First Great Western are also reflected in patronage increases at Didcot Parkway, Culham and Oxford.
- Service enhancements and marketing on the line between Oxford and Bicester funded by the County Council saw passenger numbers jump 74% to an all-time high in just one year!

The figures clearly show that if services are improved and are seen as giving good value for money and at times when they are needed, people will use them.

There are also a number of other railway stations which, whilst not located in Oxfordshire, serve residents of the county. Table 3.2 summarises the change in passenger numbers at these stations – although it should be remembered that only a proportion of users will live in Oxfordshire.

Table 3.2: Railway Station Usage - Non-Oxfordshire Stations

Station	2002/03	2009/10	% Change
Haddenham and Thame Parkway	379,970	559,770	+47
Tilehurst	387,422	441,548	+14
Pangbourne	344,056	391,026	+14
Kings Sutton	39,745	39,994	+1
Total	**1,151,993**	**1,432,338**	**+24**

Source: Office of the Rail Regulator LENNON Published Data – the figures (for un-staffed stations in particular) may be an under-estimate where fares are not collected.

The strong passenger growth at Haddenham and Thame Parkway again reflects service improvements introduced by Chiltern Railways, and ease of reaching the station by car.

Service Frequencies

Table 3.3 shows an overall summary of weekday service frequencies from Oxfordshire stations; and the major destinations served:

Table 3.3: Quantum of Services at Oxfordshire Stations

Station(s)	Major Destinations Served by Direct Trains
Over 250 trains per day	
Oxford	London Paddington, Didcot Parkway, Banbury, Reading, Slough, Birmingham New Street, Manchester Piccadilly, Southampton, Newcastle
Didcot Parkway	London Paddington, Reading, Slough, Swindon, Bristol Parkway / Temple Meads, Cheltenham Spa, South Wales
150 to 200 trains per day	
Banbury	London Marylebone, Oxford, Bicester North, Reading, Birmingham Snow Hill, Manchester Piccadilly, Southampton and Newcastle
100 to 150 trains per day	
Bicester North	London Marylebone, Banbury, Birmingham Snow Hill
50 to 100 trains per day	
Henley-on-Thames, Shiplake	Twyford, *limited direct service to Reading and London Paddington*
Radley, Cholsey, Goring & Streatley	Oxford, Reading, Slough, London Paddington
Haddenham and Thame Parkway	London Marylebone, Banbury, Bicester North, Birmingham Snow Hill
30 to 50 trains per day	
Kingham, Charlbury, Hanborough	Oxford, Reading, Slough, London Paddington, Worcester Shrub Hill / Foregate Street, Hereford
Culham, Appleford	Oxford, Reading, Slough, London Paddington
20 to 30 trains per day	
Heyford, Tackley	Oxford, Banbury, *limited direct service to Reading, Didcot Parkway and London Paddington*
10 to 20 trains per day	
Bicester Town, Islip	Oxford
5 to 10 trains per day	
Shipton	Oxford, Worcester Shrub Hill, *limited direct service to London Paddington*
Fewer than 5 trains per day	
Ascott-under-Wychwood, Combe, Finstock	Oxford, Worcester Shrub Hill

Connectivity

The term "connectivity" describes the ability to reach other parts of the United Kingdom from Oxfordshire by direct rail services. Table 3.3 summarises connectivity from the four largest rail-connected settlements in the county:

Table 3.3: Summary of Connectivity from Major Oxfordshire Railheads

Destination (outside of Oxfordshire)	Connectivity Summary				
	Oxford	Didcot Parkway	Banbury	Bicester North	Bicester Town
Reading, Slough and London Paddington	✓✓	✓✓	✓	×	×
High Wycombe and London Marylebone	×	×	✓✓	✓✓	×
Birmingham New Street	✓✓	×	✓✓	×	×
Birmingham Snow Hill	×	×	✓✓	✓✓	×
Swindon, Bristol and South Wales	×	✓✓	×	×	×
Exeter and South West	×	✓	×	×	×
Cheltenham / Gloucester	×	✓	×	×	×
Evesham / Worcester	✓	✓	×	×	×
Birmingham International Airport	✓	x	✓	x	x
Heathrow and Gatwick Airports	×	×	×	×	×

Key: ✓✓ = Frequent direct services (at least two per hour; weekday)

✓ = Limited direct service (one per hour or less; weekday)

× = No direct service

Whilst connections to London, Reading and Birmingham are relatively good, east-west connections are not as comprehensive.

Passenger Satisfaction

Table 3.4 shows the percentage of people rating services as either "good" or "satisfactory" – from the most recent Passenger Focus *National Passenger Survey*. The results are for the whole franchise area and not just those within Oxfordshire. Nevertheless they provide an indication of how passengers view existing services and priorities for improvement.

Table 3.4: Summary of Passenger Satisfaction

Performance Measure	Chiltern	First Great Western	Cross Country
Value for money for the price of your ticket	48	49	53
Punctuality	88	77	84
Sufficient room for passengers to sit / stand	74	69	70
Overall satisfaction with stations	85	74	77
How well train company dealt with delays	46	43	49
Length of time journey was scheduled to take (speed)	83	84	84
Connections with other forms of public transport	74	72	77
Station facilities and services	62	53	63
Frequency of trains on that route	82	76	80
Availability of staff	38	50	66
Connections with other train services	70	73	79
Facilities for car parking	67	58	53
Overall Satisfaction	**88**	**82**	**85**

Source: Passenger Focus Survey, Spring 2011

There are relatively high levels of satisfaction with the “moving” aspect of rail services such as journey speed, frequency and punctuality. Facilities for car parking score less well than connections between trains or with other forms of public transport. Station facilities and services also score somewhat lower; and availability of staff is seen as a key issue. The relatively low satisfaction levels with value for money for the price of the ticket may reflect general levels of concern about fares policy.

CHAPTER 4: NETWORK ASPIRATIONS

Introduction

In order for the rail network to build on its recent success, this chapter sets out policies and standards for strategic aspirations for development of the network. These aspirations will:

- Clearly set out the purpose of our rail aspirations and how they will help deliver jobs, housing growth and sustainable development.
- Help to gain a shared understanding and agreement with rail industry delivery partners, other public sector organisations and wider stakeholders.
- Ensure that there is consistency of planning and investment decisions between rail, LTP and wider land use planning functions.
- Provide passengers and freight operators with a compelling vision about what could be achieved if we all work together.
- Recognise the constraints imposed by levels of funding and rail industry operations; and establish a firm basis for making decisions on prioritisation based on value for money.

This section therefore sets out the overall policy standards that the County Council wishes to see adopted across the rail network in Oxfordshire.

Passenger Growth Forecasts

The DfT's *Thames Valley Regional Planning Assessment* (RPA), published in 2007, set out a range of passenger growth forecasts (un-constrained by crowding):

Table 4.1 – Forecast Growth in Passenger Demand at Three Busiest Stations

Destination	2006/16 (% Growth)		2006/26 (% Growth)	
	PDFH*	High Growth	PDFH	High Growth
London Paddington	25	35	49	59
London Marylebone	12	22	34	45
Reading	15	19	31	35

Source: Thames Valley Regional Planning Assessment, Department for Transport

** Passenger Demand Forecasting Handbook – the standard rail industry tool.*

The RPA states if the 2007 levels of seat capacity remain in 2016, there will still be spare seat capacity on morning peak time services arriving into Didcot Parkway from Oxford. However, services from Swindon would be full by the time they arrive at Didcot Parkway.

However, given there has been a 41% increase in passenger growth in just seven years, the County Council wishes to see the RPA forecast reviewed and revalidated based on current housing and job creation plans.

Medium / Longer Term Rail Industry Investment Plans

Network Rail has published a series of Route Utilisation Strategies (RUSs) which set out strategic direction of the railway based on a systematic analysis of future requirements of the network. They seek to balance capacity, passenger and freight demand, operational performance and cost whilst addressing the requirements of taxpayers and stakeholders.

Great Western RUS (March 2010)

The Great Western RUS primarily focuses on the 10 years to 2019; but has also considered the implications of growth in demand over the next 30 years in the context of the Government's 2007 White Paper *Delivering a Sustainable Railway*.

Table 4.2 outlines committed RUS schemes and recommendations which are either:

- Located within Oxfordshire; or
- Having impacts of services to / from Oxfordshire.

Table 4.2: Great Western RUS Schemes and Recommendations

Scheme Type	Scheme Name
Committed (Implemented or under construction)	Oxford Up and Down Goods Loops
	Reading station redevelopment
	Cotswold Line Redoubling between Charlbury and Evesham.
	Southampton to West Coast Gauge Enhancement
	Crossrail
Committed (Funding identified but yet to start construction)	Great Western Main Line Electrification and Resignalling (including Didcot Parkway and Oxford)
	Evergreen 3: Oxford – Bicester – London Marylebone
	Intercity Express Programme: New trains
	European Rail Traffic Management System: signalling
	Oxford station: South facing bay platform
Recommendations	Bournemouth to Manchester Piccadilly train lengthening
	Extend the Newcastle to Reading service to Southampton every two hours
	Improve capacity and performance through infrastructure schemes at Oxford

The line between Didcot Parkway and Oxford is constrained in capacity terms due to the number of services and mix of different types of passenger services and freight. Stopping at the three intermediate stations takes up valuable track capacity. As well as being an important route for long distance services linking the South with the Midlands and North, the completion of gauge enhancement works on the Southampton to West Coast Main Line is stimulating significant growth (potentially up to six additional trains per day) in freight, particularly for deep sea container traffic.

The RUS suggests a number of potential capacity enhancements which could address these issues:

- A dynamic **passing loop at Appleford** to enable faster trains to overtake stopping services;
- Restoration of a **four track railway** between Kennington Junction (south of Oxford) and Wolvercot junction (north of Oxford); and
- **Re-modelling of Oxford station** to separate terminating trains from through services.

The number of committed and likely enhancements, including Electrification, Evergreen 3 and East-West Rail, now provide a huge opportunity to develop an integrated master plan for accessing Oxford station – a key public transport “regional hub”.

Therefore the County Council strongly supports the need to develop enhanced capacity for both passenger and freight services in the Didcot -Oxford corridor.

West Midlands and Chilterns RUS (May 2011)

There are a number of committed and implemented schemes for the current Control Period (to 2014):

- **Evergreen 3:** A £274m investment to modernise the Chiltern route, comprising two parts – a faster journey time between London and Birmingham, and a new service from Oxford to London Marylebone:
    - **Chiltern Main Line:** Line speed increased to 100mph south of Aynho Junction (excluding Princes Risborough-High Wycombe section at 80mph); realigned track at Bicester, Princes Risborough, Neasden, Northolt and South Ruislip.
    - **Oxford to London Marylebone:** New tracks Oxford-Bicester including a new chord and new stations at Water Eaton Parkway and Bicester Town.
- **Aynho Junction:** Linespeed increase from 60mph to 90mph to Banbury.
- **Car Park Capacity increases:** Banbury (+220 spaces); Bicester North (+160 spaces); Haddenham & Thame Parkway (+240 spaces).
- **Banbury Re-signalling:** This will include re-modelling work to enable reduced headways to London Marylebone and more flexible service patterns.

There are additional schemes that could be included within future Control Periods:

- Improvements in journey times between Oxford and Birmingham;
- Infill Electrification of the London Marylebone to Birmingham Snow Hill route;
- Reopening the line between Honeybourne and Stratford-upon-Avon would create a new link from the Cotswolds & Malverns Line, and generate new tourism potential in the Oxfordshire Cotswolds. It is identified as an aspiration in the West Midlands and Chiltern RUS.

The County Council strongly supports aspirations to further improve journey times, and increase seating capacity on the Chiltern Main Line through Banbury, Bicester North and Haddenham & Thame Parkway.

Freight RUS (March 2007) and Strategic Freight Network (September 2009)

The Freight RUS covers the whole of the UK. The route between Southampton Port and the West Coast Main Line via Reading and Oxford is identified as the main route for deep sea container traffic from Southampton; and has seen growing use in recent years.

The DfT's Strategic Rail Freight Network (SFN) aims to optimise the performance of the UK's intensively utilised mixed-traffic rail freight network; enabling the efficient operation of more, longer and selectively larger freight trains. The SRN proposes a number of strategic interventions:

- Optimise freight trunk routeings to minimise passenger/freight conflicts – including use of the East-West Rail corridor between Oxford and Milton Keynes;
- Make the network available 24-hours a day, all year round;
- Eliminate pinch points; and
- Upgrade network capability.

Following completion of the Southampton to West Midlands 'W10' gauge improvements, the RUS predicts six additional trains per day by 2014/15. It identifies conflicts between freight paths and empty stock movements (from terminating trains) in the Oxford area.

In terms of potential projects in CP5, there is a proposal to divert deep sea container trains towards Southampton via the West Coast Main Line to Bletchley and then to Bicester and Oxford. The proposal for East-West Rail makes provision for an hourly freight path and the two projects are therefore compatible.

As part of the redevelopment of Reading station, a new viaduct will be built to the west of the station enabling freight trains on the relief lines to travel below the main line tracks. This will remove the main bottleneck on the route between Southampton and the West Coast Main line; and will improve the performance of main line passenger services.

OCC fully supports moves to improve capacity and terminal facilities for rail freight operations.

Rail Franchising Policy

The County Council supports the principle of franchises as the basis for providing long-term stability for passengers whilst encouraging the train operators to improve services and facilities. We recognise the need for the franchise holders to make a financial return on their investment.

The County Council welcomes the DfT's revised franchising policy and supports the introduction of longer franchises, of at least ten years, as these should encourage the franchise holder to invest in stations and services and receive an appropriate return. However, there should also be clear performance and investment targets with regular reviews and break points if the targets are not met.

In the last few years of a franchise, there is less incentive for the franchise holder to invest in new services or facilities due to the limited time remaining to recoup their investment. The County Council would like to see the Department for Transport or Network Rail underwrite the residual value in instances like this, in order to guarantee payback and encourage investment towards the end of a franchise.

The franchise system can also be complemented by provision for "open access" operators if they can provide new services to different destinations, and the County Council welcomes further provision of direct services at Oxfordshire stations. However, the Department for Transport and Office of Rail Regulation must ensure that an open access operator does not reduce the attractiveness or value of a franchise or reduce the number of train paths available for other, perhaps more frequent, services that better support economic growth in the county.

The County Council will be an active participant in the franchise consultation process, and welcomes the opportunity to have a direct influence on the franchise specification before it is issued to bidders; to meet each bidder; and provide feedback to the Department for Transport.

This strategy will become the County Council's initial input into the franchising process.

Passenger Service Levels

The County Council wishes to see selective enhancement of passenger service levels in order to:

- Provide greater seat capacity to reduce current and future over-crowding;
- Provide more choice for passengers in terms of times of travel and range of destinations;
- Encourage greater overall use of rail at the expense of the private car; and
- Generate additional revenue for the rail system as a whole.

The County Council therefore wishes to see the following train service levels as the minimum across the county:

For local "stopping" services:

- Minimum frequency of hourly from all stations, except the four Cotswold Halts (Monday – Sunday);
- At least two direct trains per hour in each direction from all stations on routes serving London between 07:00 and 09:00 for commuters, with corresponding return journeys between 17:00 and 19:00.
- First arrivals in London before 06:00 (Monday – Saturday) and 08:00 (Sunday). All services to begin by 06:00 (Monday – Saturday).
- Last trains no earlier than 01:00 from London termini.
- All routes should enable arrivals at Banbury, Bicester, Didcot and Oxford between 07:30 and 09:30 for commuters, with corresponding return journeys between 16:30 and 18:30;
- Clockface timetable to be maintained throughout the day, except for peak period services.
- Appropriate mix of semi-fast and all-stations services.
- Peak hour through services to London termini to be maintained from all branch line stations.

For "Intercity" high speed services:

- Incoming services should enable arrivals at Oxfordshire stations from all main line routes between 08:00 and 10:00 for business travel, with corresponding return journeys between 16:00 and 19:00.
- Outgoing services should provide departures from Oxfordshire stations to all main line destinations between 06:00 and 09:00.
- Services provided to a wide range of destinations throughout the day, including weekends, with more seasonal direct services to the far south west of England.
- Hourly services throughout the day from Kingham, Charlbury and Hanborough on the Cotswolds & Malverns Line.

For "inter-regional" services

- All inter-regional trains should continue to call at Oxford.
- Inter-regional trains to/from the Midlands should also call at either, or both of, Banbury and Didcot Parkway.
- Incoming services should, as a minimum, provide arrivals at all three stations in Oxfordshire between 08:00 and 10:00 for business travel, with corresponding return journeys between 16:00 and 19:00.

Train Service Performance

Journey Speeds

For the larger stations, the County Council wishes to see journey speeds maintained at current levels in the short term. In the medium to longer term, we wish to see speeds reduced so that there is greater competitive advantage over private car; specifically between:

- Bicester Town – Oxford – Didcot Parkway.
- Oxford – Didcot Parkway – Reading – London Paddington.
- Oxford – Banbury – Birmingham New Street.
- Banbury and Bicester North – London Marylebone and Birmingham Snow Hill.
- Didcot Parkway – Swindon – Bristol.

Punctuality and Reliability

Punctuality and reliability is measured by the Public Performance Measure (PPM) – the percentage of trains that run within five minutes (for local services) or ten minutes (for longer distance services) of their published arrival timetable at their destination.

The benchmark PPM targets (in 2011) are as follows:

- **Greater Western:**
    - **Thames Valley local services:** 92.0%
    - **Longer distance services:** 90.0%
- **Chiltern:** 93.75%
- **Cross Country:** 88.7%

The County Council supports greater efforts to improve the punctuality and reliability of services through measures such as:

- **Re-signalling** – to reduce the minimum headways between trains.
- **Removal of pinch points** – single track sections where only one train at a time can run.
- **Track capacity** – more opportunities to separate express and stopping services through four tracking or passing loops.
- **Rolling stock** – newer trains with enhanced acceleration.

Fares and Ticketing

Tickets are the first major interface between passengers and the rail network, and rail fare rises are one of the most emotive transport issues for passengers and customers rightly want to feel they get value for money. For many years, the policy of various Governments has focused on shifting the funding of the UK railways from the taxpayer to the passenger.

Government support for the industry has dropped sharply over the past five years, falling from £6.31bn in 2006-07 to 5.2bn in 2008-09 and £3.96bn in 2010-11[1]. The consequence of lower taxpayer support for UK railways is that passengers are now paying more of the annual cost of running the network, which now stands at around £10.5bn. Some £6.5bn comes from passenger fares, and £4bn from the taxpayer.

Since 2004, regulated fares, which account for almost half of all rail journeys and include season tickets and Off Peak return tickets on long distance trips, have risen according to a Government-set formula of the Retail Price Index (RPI) + 1%. Following the 2010 election, the Government announced it was intending to change the formula to RPI + 3% between 2012 and 2014, with the extra revenue would help pay for more trains, better stations and faster services. This includes more carriages to deal with overcrowding and major capital projects such as electrification to Oxford.

The County Council would like the fares formula assessed each year in light of the prevailing economic climate, and cost of running the railway. Following the McNulty report on rail value for money, we urge the industry to find ways of reducing the running costs as soon as possible.

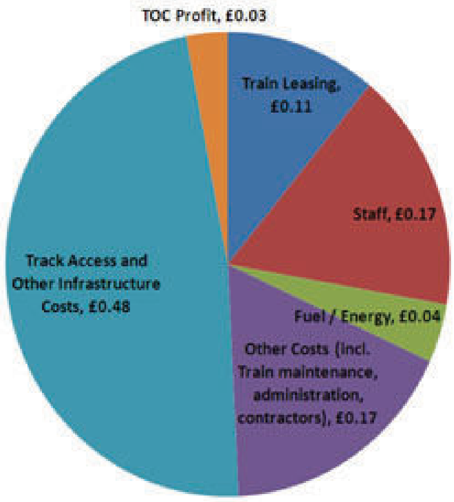
How do rail fares compare with other key consumer cost increases

Product / service	2010/11 % increase
Energy bills[1]	21%
Car commuting costs[2]	21%
Global food prices[3]	19%
Car insurance costs[4]	14.4%
Owning and running a car[5]	14%
Fuel costs[6]	12.4%
UK rail fares	**5.9%**
Rents – England and Wales[7]	4.1%

[1] uSwitch.com (September 2011).
[2] Green Flag (November 2011).
[3] World Bank Global Food Price Index (September 2011)
[4] RAC Annual Cost of Motoring Index (November 2011)
[5] RAC Annual Cost of Motoring Index (November 2011)
[6] RAC Annual Cost of Motoring Index (November 2011)
[7] LSL Property Services (October 2011)

[1] According to figures from the Office of Rail Regulation

Where every £1 of the rail fares goes



Source: Association of Train Operating Companies, 2011

Historically, fares within the former Network South East area have been set at a lower level than long-distance fares. This results in a big pricing differential at the boundary of the old area, for journeys of comparable length, such as between Didcot Parkway and Swindon and Didcot Parkway to Oxford. The County Council would like to see a review of fares policy with the intention of easing out these differences and those that occur at the shoulders of the peak period. This will encourage passengers to make their journey from the most appropriate station rather than chase the cheapest fare, or avoid using the train at all, and travel at a time which could make better use of available seating capacity.

Tickets should also be inter-operable across different modes of travel – train and bus – and also between different operators between the same points, for example between London and Oxford on Chiltern Railways or Great Western, with limited restrictions.

The Plusbus scheme enables passengers to buy an “add-on” to their train ticket which can be used on bus services within the participating area; therefore removing the need to buy a separate ticket. Plusbus schemes currently operate in Oxford, Didcot and Banbury; and the County Council would like to see schemes extended to other principal towns, including Bicester, Thame and Henley-on-Thames. An all-modes ticket for use on buses and trains in the Oxfordshire Cotswolds would also be welcomed.

The County Council would like to see train operators to adopt innovative approaches to fares and ticketing schemes, within the limits of franchise agreements. These include:

- Special contra-peak fares to make better use of spare capacity, and promotions for flexible business travel.
- The introduction of “carnet” tickets from local stations for travel into Oxford when infrequent travel does not justify a season ticket.
- Participation in ticketing schemes such as Plusbus or Local Travelcards.
- Season ticket options for school or college travel.

- Wide availability of ticket sales from other outlets, such as local shops or business parks, or through the internet.
- Greater use of new technologies, such as mobile ticketing (m-ticket) and print at home,

The County Council will expect all local train operators in the county to participate fully in the development and operation of smartcard ticketing schemes and associated marketing. The introduction of an ITSO compatible scheme at stations within Oxfordshire would be welcomed.

The County Council will not support changes in the opening hours of existing station ticket offices where they reduce the availability of staffing; and will encourage Train Operating Companies to consult widely on any such proposal, and investigate all options with the community before a decision is made.

Ticket Vending Machines (TVMs) have been introduced at many stations as a way of providing ticketing facilities at unstaffed stations; but they can suffer from vandalism and crime. As a result many do not now accept cash payment and tickets can only be purchased with a credit/debit card only. This is a barrier to travel for many people including the young. The County Council would like to see the rail industry tackle this problem and for all TVMs to offer the full range of payment options.

Stations

Railway stations are the "shop window" of the rail network and can provide a very good (or bad) first impression for existing and future passengers. High quality facilities significantly enhance the overall passenger experience and provide good value for money.

The County Council has been investing in local stations for a number of years and has developed a set of standards for railway stations that are broadly based on the *Better Rail Stations* report commissioned by the Department for Transport.

We will introduce a **Quality Rail Partnership** with the rail industry to identify, prioritise, fund and deliver station improvements.

Access / Interchange at Stations

In the larger towns and for very local journeys, rail users will be encouraged to use sustainable transport modes for access to stations, principally bus, taxi, cycling and walking. Specific access improvements that we will work towards will include:

- Conveniently located bus / taxi pick and set down facilities outside the station;
- Secure cycle parking with adequate capacity to meet demand;
- Direct and safe pedestrian and cycle routes to adjacent residential areas and businesses;
- Rail stations are sign-posted from national trails and cycle networks; and
- New initiatives, such as folding bike hire at stations.

Many of the issues will be identified through the programme of transport strategies and parish plans that cover the towns and villages in the county.

For people with mobility impairments, access to stations increases travel opportunities and independent living. The County Council will take account of the Equality Act 2010, and if involved in works at a station will, whenever reasonable, ensure they are carried out in compliance with DfT's *Accessible Train Station Design for Disabled People: A Code of Practice*.

Car Access and Parking

Provision of suitable car park capacity enhances the attractiveness of the rail service and that in itself influences modal choice for the principal element of the journey. This is particularly true in rural areas where public transport alternatives are more limited.

It is important that adequate car parking is provided, and that it is reviewed regularly to ensure that it matches demand and expectations of station users. A report for Passenger Focus *Getting to the Station* concluded that insufficient parking spaces at stations led to twice the number of car journeys as passengers unable to park were taken to and from the station.

There needs to be a dialogue between the TOC and the County Council in each case, to ensure that capacity and charging policies do not adversely affect traffic and parking in residential areas.

The County Council would like to see a more flexible approach to car parking provision, especially within franchise agreements. Whilst the number of parking spaces is regulated the number of bus stops, taxi stands or cycle spaces are not. The Network Modifications (Closures) Regime in the Railways Act 2005 is a lengthy process and makes it difficult to reduce parking in favour of more sustainable modes, even where they are the best option.

Opportunities to replace parking spaces by bus interchanges or other sustainable transport provision should be allowed and encouraged where this will not have a negative impact on the overall numbers of passengers accessing the station, such as at Oxford where high frequency bus services and the cycle network offer real alternatives. Car drivers will be offered a convenient choice to drive to a station where adequate parking and convenient access from the highway can be offered. Proposed new railway stations such as Water Eaton Parkway aim to expand this level of choice.

The County Council will support initiatives that make car travel more sustainable, such as the provision of electric vehicle charging points at the busiest stations, and promotion of the Oxfordshire Carshare scheme to encourage multiple occupancy of private cars.

Station Travel Plans

A Station Travel Plan (STP) brings together all the stakeholders with an interest in, and responsibility for, rail stations; to develop an integrated action plan with clear common objectives and a coordinated approach to delivering and funding key projects.

OCC will seek to establish STPs at the busiest stations as a means of co-ordinating and adding value to existing investment projects:

- **Oxford** – as part of access improvements in Frideswide Square, urban regeneration in the West End, improvements to passenger facilities and an operational master plan to improve capacity for passenger and freight services.
- **Didcot Parkway** – as part of redevelopment of the station forecourt which provides for sustainable modes and (walking/cycling/bus) and improved interchange facilities..
- **Bicester North and Town** – as part of the Evergreen 3 Implementation Agreement and support for East-West Rail) and initiatives to improve links with the proposed "eco-town" and other major employment and residential developments.
- Proposed **Water Eaton Parkway** station – as part of the Evergreen 3 Implementation Agreement.

The County Council has some expertise in developing travel plans having successfully introduced them at many schools in the county.

Safety and Personal Security

Safety on the railways is already very good, and high levels of safety and personal security are vital for all users, but especially for people who may be less confident and feel more vulnerable. Stations and trains should provide a welcoming and visible environment which delivers a sense of personal security for all passengers.

The County Council welcomed the re-opening of a British Transport Police office at Oxford station and we will work with BTP to improve perceived and actual security at stations in the county.

The County Council would like to see an appropriate and visible staff presence at stations and on trains, particularly on evening services to deter anti-social behaviour.

Help points should be maintained in good working order and available at all times, and be easy to find on all platforms. Calls for assistance should be answered promptly. CCTV should be provided at stations and in car parks, and adequate lighting and visibility should be provided on routes to stations.

Passenger Information

Accurate, timely and easy to understand passenger information is important as a means of:

- Enabling people to plan their journeys around their needs;
- Letting passengers know when services are disrupted; and
- Managing incidents by providing alternative means of travel.

It is particularly important that information is also comprehensive and covers all services – rail, bus and taxi.

The County Council already has an Information Strategy for bus operators, and is looking to establish an **Information Partnership** for all public transport providers in the county to cover:

- Provision of printed service information in a variety of formats to be distributed by members of the Partnership, and through a network of established outlets;
- Electronic real-time information for journey planning including "smart phone" applications.
- Increasing the use of the internet and mobile phones for information and product purchase (such as tickets).
- Development of integrated ticketing schemes and products to stimulate growth in patronage of bus and rail services.
- A stronger emphasis on strategic and tactical marketing for both the bus and rail networks, again to increase patronage.

We therefore expect TOCs to take an active role in development of the Partnership and the products and services it offers.

Customer Expectations

Evidence from Passenger Focus surveys, presented in Chapter 3, has emphasised the importance of the "end to end" journey experience of using the railway, including:

- Arrival at the station car park or bus stop;
- Buying the ticket;
- Movement through the station to the platform;
- Waiting on the platform;
- The train service (frequency, reliability, punctuality, seat availability and journey time);
- Moving through the destination station; and
- Leaving the station for the final destination.

Research into train service expectations carried out by Chiltern Railways identified the top commuter priorities, after safety, as being:

- A seat;
- A punctual train;
- A quick journey time without too many intermediate stops;
- A reasonable and predictable interval between departures, so if they miss their usual train home they know what the next choice is.

The County Council believes the aspirations set out above will help to deliver increased levels of customer satisfaction; especially where existing performance is viewed as poor. We strongly believe that customers and their representative groups should play a strong role in future service planning and identification of beneficial improvements.

Freight customers expect the timely delivery of their goods without the delays caused by traffic congestion on the road network. In the past freight trains were often seen as a nuisance and delayed to allow passenger trains to pass in front, but both are equally important to the UK economy, and often the value of the freight can be higher. Freight that is being transported overseas must arrive at the port within a time slot for loading onto the ship, which also has a booked departure time. Freight is often a time sensitive delivery.

Station Adoption and Community Rail

The County Council has been successfully working with community groups since 2005, and has helped to get several station adoption groups started. These much-welcomed groups bring local people together and give them an opportunity to develop and have an input in their station and make it an attractive community asset. Activities are varied but they help to raise awareness of rail and the train services, thereby increasing their use. This initiative fits well with the localism agenda.

A community rail line is a local railway which is specially supported by local organisations. In Oxfordshire, there is potential to develop a Community Rail Partnership for the Henley-on-Thames Branch Line, bringing together the local community, local businesses, local government and the railway to develop the potential for commuting and tourism.

Freight

The County Council supports the transfer of more freight from road to rail, and this strategy will give appropriate emphasis to freight capacity in ongoing discussions related to making best use of capacity on the rail network in Oxfordshire.

The movement of deep sea containers by rail through the county helps reduce the number of lorry movements on the road network. The A34 is the main road between Southampton Port and the Midlands but around Oxford it is also part of the ring road around the city, and this creates a mix of short local trips and long distance strategic trips. Anything that can be done to reduce traffic volumes will have a positive impact on growth and sustainability in Oxfordshire.

The County Council will work with industry partners and the District Councils to identify key locations for potential rail freight terminals in Oxfordshire, where they are feasible and can satisfy local planning policies. We welcome the guidance setting out Government policy on Strategic Rail Freight Interchanges that was published in late-2011.

The County Council will work with existing businesses using rail, such as BMW at Oxford and Swindon, the Ministry of Defence at Bicester, and RWE npower at Didcot, to explore how capacity and facilities can be improved to allow more goods to be transported by rail.

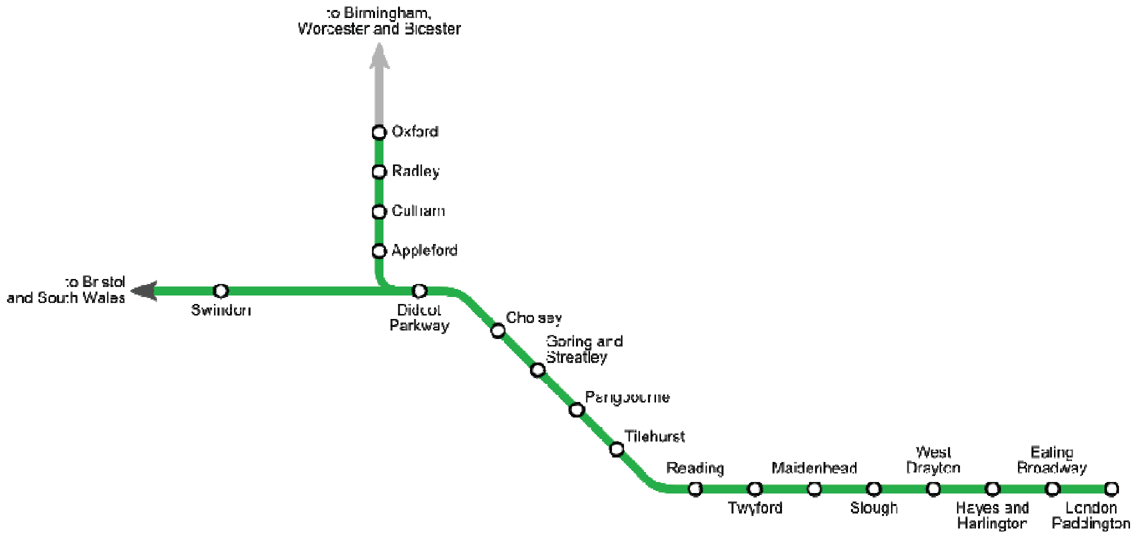
Safeguarding Land for Future Schemes

There are a number of disused railway corridors that may have potential for reinstatement for freight or passenger traffic during, or beyond, the timeframe of this Strategy. Therefore the County Council will, if consulted by the local planning authority, oppose development which would breach and prejudice any site where there is a realistic prospect of services being re-instated in the longer term. In accordance with Planning Policy Guidance 13 the County Council will aim to safeguard the following corridors:

- Kennington – Cowley (in use);
- Princes Risborough – Chinnor (preserved railway);
- Cholsey – Wallingford (preserved railway);
- Yarnton – Carterton (disused); and
- Radley – Abingdon (disused).

CHAPTER 5: LINE OF ROUTE ISSUES AND ASPIRATIONS

Great Western Main Line



Current Operations

There is a mix of 125mph higher speed services and 90mph outer suburban services as well as slower local stopping services. Between Reading and Oxford the line is also used by Cross Country trains between the South Coast and the Midlands. Freight is also a big user of the line, with deep sea containers from Southampton, coal and aggregates forming the majority of trains. Infrastructure trains supply engineering works across the South of England from the Network Rail facility at Hinksey, south of Oxford.

There are four tracks between London and Didcot Parkway and then two tracks continue to Swindon and two head north to Oxford. The timetable often exceeds 80% of available capacity for most of the day.

Key Priorities

The key priorities on the Great Western Main Line are:

- Extra track capacity between Reading and London Paddington;
- More seating capacity to satisfy demand now and in the future;
- Resolve the bottleneck at Oxford for passenger and freight trains;
- Increase availability of train paths through Oxfordshire;
- Station crowding from new services at Oxford station;
- No lesser connectivity after the introduction of Crossrail;

Aspirations

(a) Strategic Infrastructure

- Electrification of the line to Didcot Parkway and Oxford by 2016, and west to Bristol and South Wales by 2017;
- Additional platforms and track at Oxford station to improve performance, capacity and provide operational flexibility;
- Third bi-directional track at Didcot North to help reduce congestion between Didcot-Oxford – needed with IEP and any extra passenger trains;
- Increase line speeds between Didcot East and Didcot North for services that are routed through the station;
- New station at Grove & Wantage, if proved to be viable, to serve Science Vale UK.

(b) Service Levels

The introduction of electric/bi-mode IEP trains from 2016 is an opportunity to look at the timetable. Whilst an initial service specification was produced by DfT for procurement purposes, the detail has not been made available to the County Council and therefore we welcome the opportunity of discussing further our local requirements.

As a minimum, the County Council wishes to see four main line trains per hour call at Didcot Parkway, providing links with Bristol (2), South Wales (1) and Cheltenham (1).

The County Council would like to see a through service between Oxford, Guildford and Gatwick Airport, if Crossrail is extended to Reading following electrification, enabling a good interchange with outer suburban services.

We would like to see Cross Country trains calling at Didcot Parkway and Oxford.

There should be a mix of services from Oxford, with 'fast' services to Reading and London Paddington, as well as 'local' services serving intermediate stations as far as Reading.

We strongly support the introduction of East-West Rail services to Reading, calling at key intermediate stations, including Culham and Didcot Parkway.

The County Council would support a review of stopping patterns between Didcot and Oxford to ensure available paths are optimised, and that services are tailored to better meet existing and potential demand, around a need to also provide for freight growth.

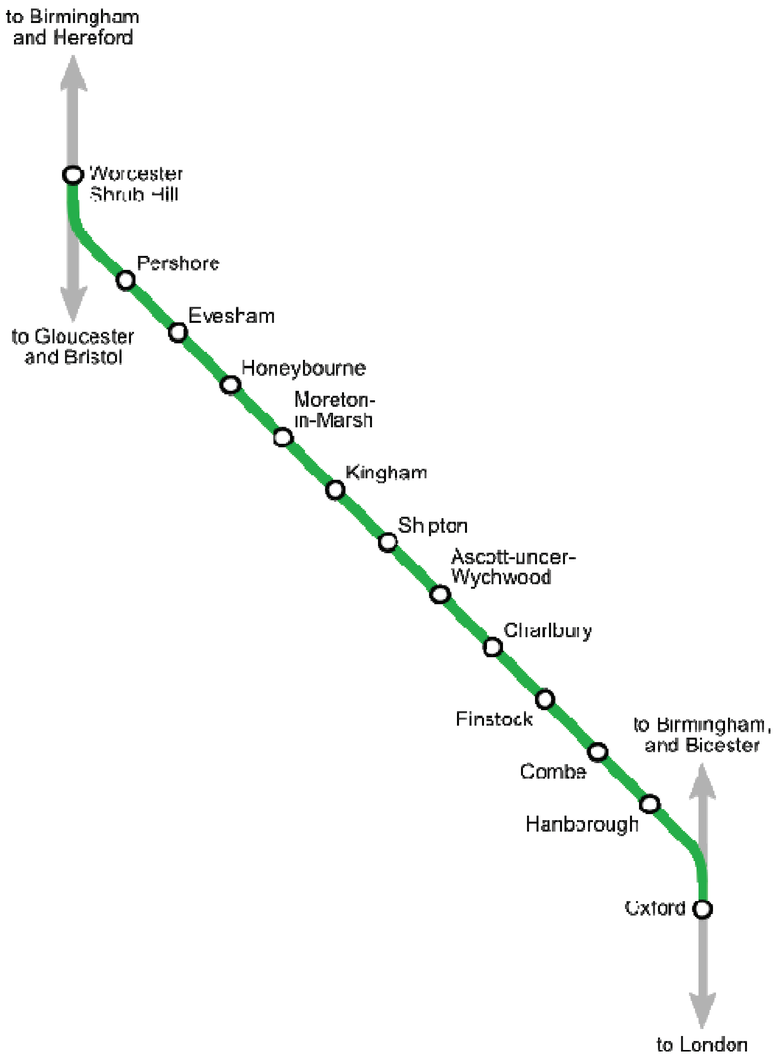
(c) Stations

	Issues and Aspirations
Goring & Streatley	Improve accessibility to all platforms; Extend ticket office opening hours to full-day.

Cholsey	Redevelop forecourt to make it better for pedestrians and cyclists; Improve car parking provision; Extend ticket office opening hours to full-day.
Didcot Parkway	Larger concourse, with more circulating space, new retail units and toilet facilities; Improve capacity and security of Foxhall car park; More passenger waiting facilities – platforms and concourse; Extend of customer information system to all parts of the station.
Appleford	Improve pedestrian access over road bridge; Cycle wheeling channels;
Culham	Provision of a car parking; Footpath into Culham Science Centre, with a new accessible footbridge.
Radley	Improve car parking provision; Accessible ramps on the footbridge to improve access for disabled people; Additional waiting facilities on both platforms.
Oxford	Reconfigure station layout (i.e. concourse and footbridge) to deal with increased footfall; Redevelop forecourt to encourage by walking, cycling and bus – review car parking provision; Improve lighting around the station with clear and concise signage; Master plan long term vision for redeveloping the station to provide operational and network benefits, and gateway to Oxford West End.

Question 11: ***Have we got the right priorities and aspirations for the Great Western Main Line through Oxfordshire?***

Cotswolds & Malverns Line



Current Operations

There is a mix of fast or semi-fast services and slower local stopping services. Most trains have historically called at most stations, although the Oxfordshire halts have a much more limited service, with some having only one train in each direction on weekdays. Until 2011 single track and signalling constrained the timetable and had an impact on reliability but 20 miles of track have since been redoubled along with new signalling.

Key Priorities

The key priorities on the Cotswolds & Malverns Line are:

- Improve and maintain reliability of at least 93% PPM;
- Reduce journey times from the furthest stations;
- Develop and introduce services that meet the needs of all communities;

Aspirations

(a) Strategic Infrastructure

- Four-track between Oxford Station and Wolvercot Junction to provide flexibility;
- Redouble the remaining single-track section between Charlbury and Wolvercot Junction;
- Platform extensions at Charlbury and Hanborough to accommodate longer trains;
- Reopen the line from Honeybourne to Stratford-upon-Avon, if considered viable to do so and a service is identified.

(b) Service Levels

A review of the service pattern should be carried out once the operational experience post-redoubling has been assessed. There is a need to speed up journey times from stations west of Worcester, whilst still providing an acceptable frequency of service at the other stations.

In Oxfordshire, all trains should call at Kingham (for connecting Railbus to Chipping Norton), and at Charlbury. All trains should call at Hanborough during peak hours, and at least once each hour during the daytime, with the off-peak service formed by 'local' services to / from Charlbury.

The timetable should be clockface with departures at the same minutes past each hour to assist with integration between train and bus, and all trains should continue to Didcot Parkway, Reading and London Paddington.

There should be a train every two hours at Shipton and Ascott-under-Wychwood, that serves residents of the Wychwoods, and we will support the provision of a connecting Railbus to the tourist destinations of Burford and the Cotswold Wildlife Park.

The smallest stations, at Combe and Finstock, should have three trains each weekday at times that make them convenient for commuting and shopping.

Weekend services should have adequate seat capacity to match demand, particularly on Sunday afternoons and evenings, and leisure travel should be encouraged.

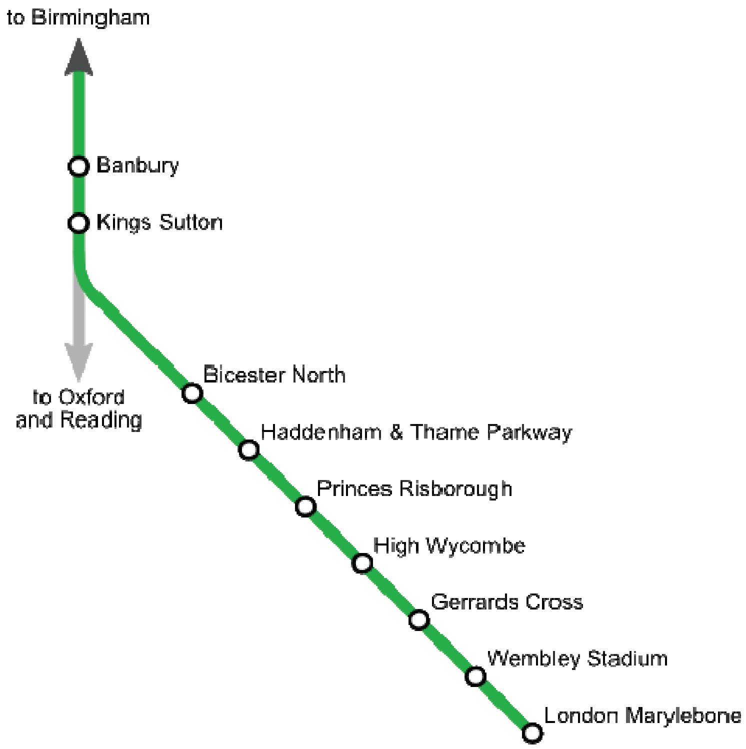
(c) Stations

	Issues and Aspirations
Hanborough	Improve provision of car parking; Café/refreshment facility; Bus interchange – if a Railbus is introduced.
Combe	Maintain facilities at the station.

Finstock	Maintain facilities at the station.
Charlbury	Improve provision of car parking, including extra cycle parking; Improve station facilities - accessible toilets, retail unit (café/coffee bar); Extend ticket office opening hours to full-day.
Ascott-under-Wychwood	*Note: the station was rebuilt in 2011.* Provision of cycle parking; Bus interchange - if a Railbus is introduced.
Shipton	Provision of car parking along north side approach road; Footbridge to provide direct access between platforms – avoiding trespass and busy yard.
Kingham	Renew footbridge with a fully accessible bridge to improve access for disabled people; Renew / enlarge waiting room on eastbound platform; Extend ticket office opening hours to full-day.

Question 12: ***Have we got the right priorities and aspirations for the Cotswolds & Malverns Line through Oxfordshire?***

Chiltern Main Line



Current Operations

The Chiltern Main Line has undergone a complete transformation since privatisation in 1996. The once single track, secondary route is now a double-track 100mph main line railway linking the West Midlands with London. Mainline services are primarily operated using 3 or 4-car diesel trains but locomotive-hauled coaches are used on some peak time journeys. Between Aynho and Banbury, the line is shared with Cross Country and First Great Western trains to / from Oxford.

Generally, there are two trains each hour between London and Birmingham, with a third train going to Stratford-upon-Avon every other hour. In September 2011, a new Main Line timetable was introduced but this caused a dramatic drop in reliability requiring remedial action to reduce the number of park hour trains to a more manageable level.

There are two Cross Country trains each hour between Oxford and Birmingham, and First Great Western run local services as far as Banbury about every two hours.

Key Priorities

The key priorities on the Chiltern Main Line are:

- Improve, and maintain, reliability and performance of at least 93.75% PPM, as required by the franchise agreement;
- Integration of Oxford-London Marylebone train service with no detrimental impact on existing main line services;

- Provision of adequate seat capacity to eliminate standing in excess of 20 minutes on all services from Oxfordshire.

Aspirations

(a) Strategic Infrastructure

- New connecting line at Bicester to facilitate new service to Oxford;
- Infill Electrification between London Marylebone and Birmingham Snow Hill to give a diversionary route, and potential for new electric services;
- Remodelling of Banbury station to provide greater flexibility and capacity for freight;
- Platform extensions to accommodate longer trains necessary to meet demand;
- Additional platform capacity at London Marylebone;

(b) Service Levels

There should be at least one ‘fast’ service in each hour from Banbury and Bicester North to London Marylebone, with a second ‘semi-fast’ service serving some of the intermediate stations. There should also be two trains each hour from both of these stations to Birmingham Snow Hill, calling at Leamington Spa, Warwick and Solihull. The ability to travel between the two Oxfordshire stations should be maintained and allow for commuting in both directions.

All trains between Oxford and London Marylebone should call at Haddenham & Thame Parkway and at High Wycombe to improve their connectivity with Oxford. The service level at Bicester North station should be maintained at its winter 2011 level after the introduction of the new Oxford service. This will help make Bicester an exemplar of sustainability, with people using the station nearest their home or work.

Services to Stratford-upon-Avon should also be provided, with a good connection at Banbury with services to / from Oxford.

The timetable should be easy to understand with consistent stopping patterns and clockface departure times throughout the day, except for some peak enhancement.

The County Council supports the diversion of Oxford-Newcastle Cross Country services via Coventry as this will improve connectivity between Oxfordshire and Birmingham International and ease overcrowding on existing services.

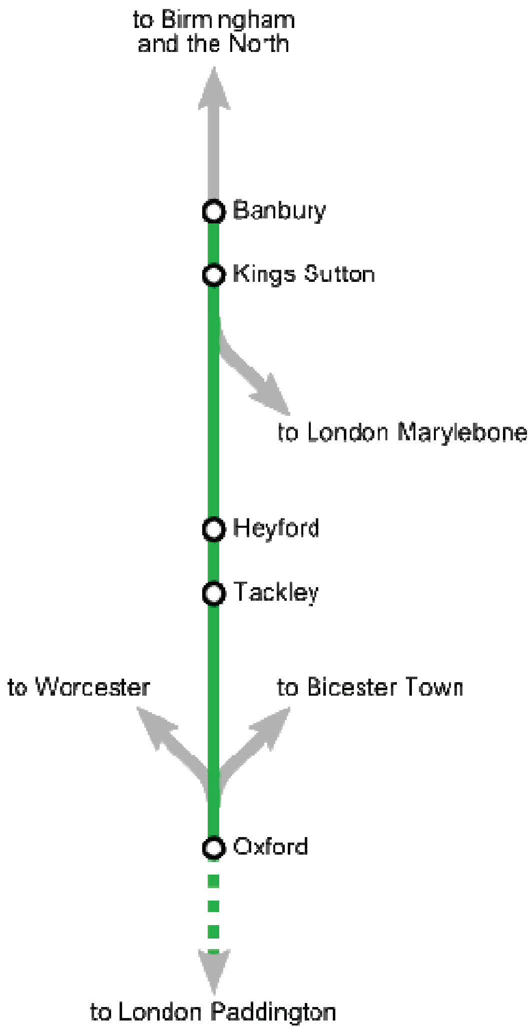
(c) Stations

	Issues and Aspirations
Haddenham & Thame Parkway (not in Oxfordshire but used by residents)	Better bus service(s) to Thame;

Bicester North	Remodel station forecourt to enable high quality cross-town public transport, linking the proposed NW Bicester eco-town, town centre, Bicester Town station, Bicester Village and Business Park with the station.
Banbury	Improve provision of car parking – consolidate into new car park(s); Provide direct access to station building from east of the railway; Redevelop station forecourt to provide for through bus services, more pedestrian and cyclists space and taxis; Improved passenger facilities on platforms.

Question 12: ***Have we got the right priorities and aspirations for the Chiltern Main Line through Oxfordshire?***

Cherwell Valley (‘Oxford Canal Line’)



Current Operations

The Oxford Canal Line is actually a section of the strategically important line between the South Coast and the Midlands. The local train service provides ten trains per day at the intermediate stations, at approximately two hourly intervals but has to fit in around higher speed Cross Country services and the increasing number of freight trains carrying deep sea containers to/from the Port of Southampton.

Key Priorities

<u>The key priorities on the Cherwell Valley Line are:</u>

- Reduce headways and create additional capacity through resignalling;
- Improve journey time between Oxford and Birmingham New Street;
- Develop local passenger service to meet the needs of communities;

Aspirations

(a) Strategic Infrastructure

- Renew Wolvercot Junction with higher speed turnouts and the ability for parallel movements;
- Remodel Banbury station to provide flexibility and capacity for freight;

(b) Service Levels

There should be a local passenger service every two hours as the intermediate stations are well located for communities in North Oxfordshire and the Oxford Canal. Extending some services beyond Banbury to Stratford-upon-Avon would the tourist link with the Thames Valley that was lost in 2006. This would be welcomed.

A Sunday service has proven to be commercially viable during the summer and has encouraged people to visit and stay in the area which has boosted the local economy. The County Council would like to see the service provided throughout the year.

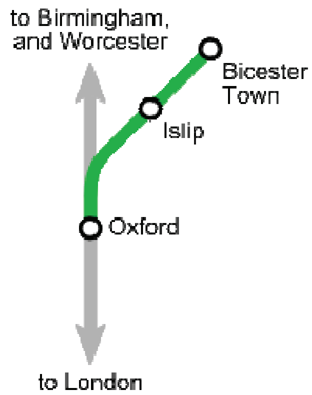
We would welcome proposals to improve connectivity with Birmingham International Airport, by diverting all Cross Country trains via Coventry, potentially reducing crowding on that route.

(c) Stations

	Issues and Aspirations
Tackley	Southbound platform is only accessible by foot crossing – is there an alternative? Provide waiting shelter on northbound platform; Establish a Station Adoption Group.
Heyford	Improve access with ramps on the footbridge – links with Oxford Canal towpath; Introduce CCTV to car park and platforms; Install lighting on footpath leading to station from Lower Heyford village; Improve footpath between station and the crossroads at Steeple Aston.

Question 13: ***Have we got the right priorities and aspirations for the Cherwell Valley Line through Oxfordshire?***

Bicester Branch Line ('Bicester Link')



Current Operations

The Bicester-Oxford line is a single track branch line that was reopened by the County Council and British Rail in 1987. There is one intermediate station, at Islip. Currently there is a limited, but well-used service. The franchise requires only seven trains on Mondays to Saturdays only, but the County Council financially supports a higher level of service, and a Sunday service, using monies secured under Section 106 of the Town & Country Planning Act. The line will become a main line railway after updating as part of Chiltern Railways' Evergreen 3.

Key Priorities

<u>The key priorities on the Bicester Branch Line are:</u>

- Introduction of Evergreen 3 (Oxford to London Marylebone services) by 2014;
- Introduction of East-West Rail services to Milton Keynes and Bedford from 2017;
- Safeguarding for future Electrification;
- Provide W10 gauge clearance for freight;
- Develop Strategic Rail Freight Interchange at Graven Hill (Bicester).

Aspirations

(a) Strategic Infrastructure

- New track and signalling required by Evergreen 3 <u>and</u> East-West Rail, delivered in a co-ordinated and cost effective way;
- Provide new sidings and access arrangement at MOD Bicester;
- A new Water Eaton Parkway station;
- Bicester Town and Islip stations rebuilt to ensure facilities provide for all new services and allow interchange between all modes.

(b) Service Levels

The County Council strongly supports the enhancement of services from Bicester to Oxford. We aspire for a service level of 4 trains per hour at regular 15-minute intervals throughout the day, with two trains per hour to/from London Marylebone, and two trains per hour to/from Milton Keynes/Bedford.

The service level at Islip should be two-hourly throughout the day, comprising a mix of services to London Marylebone and Milton Keynes/Bedford.

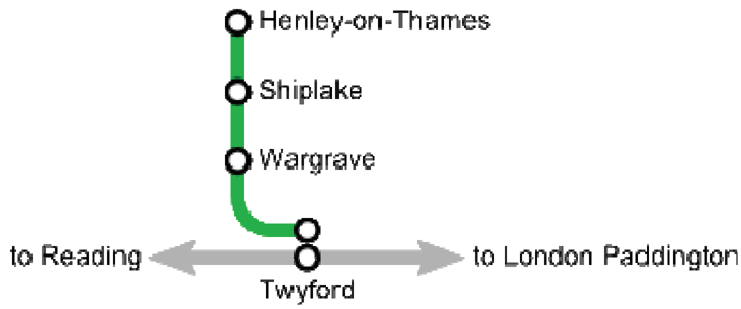
We require a peak service from Bicester Town and Islip, in both directions, with trains timed to allow arrivals in Bicester and Oxford between 0800-0900, with corresponding departures between 1730 and 1830.

(c) Stations

	Issues and Aspirations
Water Eaton Parkway (proposed)	*Implement stations works as specified in the Implementation Agreement agreed between the County Council and Chiltern Railways.*
Islip	*This station will be rebuilt as part of EG3 and East-West Rail projects.* Security – CCTV to be implemented
Bicester Town	*Implement stations works as specified in the Implementation Agreement agreed between the County Council and Chiltern Railways.*

Question 14: ***Have we got the right priorities and aspirations for the Bicester Branch Line?***

Henley-on-Thames Branch Line ('Regatta Line')



Current Operations

The branch line is operated as a shuttle service between Twyford and Henley-on-Thames with a train every 45-60 minutes in each direction using one diesel multiple unit. However on weekdays, there are two through trains to London Paddington in the morning peak, and three return journeys in the afternoon peak.

An enhanced service is provided during the five days of the Henley Royal Regatta by omitting some calls at the intermediate stations and double-crewing the trains to allow a faster turnaround at the termini. The County Council introduced the Regatta Line brand in 2008.

Key Priorities

The key priorities on the Henley-on-Thames Branch Line are:

- Improve frequency and journey times;
- Retain peak hour services to London Paddington after Crossrail and Electrification;
- Ensure shuttle services connect at Twyford with services to Reading and to London Paddington;
- Establish a Community Rail Partnership to boost tourism use and local economy.

Aspirations

(a) Strategic Infrastructure

- Improve line speed over Shiplake Viaduct (River Thames);
- Upgrade Shiplake Level Crossing with full width barriers and increase line speed;
- Improve route availability from RA4 to RA6 to allow higher axle load locomotives, and facilitate excursions and railtours;
- Extend Electrification toThames Valley branches.

(b) Service Levels

The County Council would welcome a service of two trains each hour at Henley-on-Thames, with the intermediate stations having one train each hour. An improved half hourly service will offer better connections provided at Twyford with services to/from London Paddington. We would welcome an investigation into the possibility of through services to Reading.

(c) Stations

	Issues and Aspirations
Shiplake	Introduce parking charges that are comparable with Henley-on-Thames station to discourage non-local users; Introduce CCTV to improve security (funded by the parking charge);
Henley-on-Thames	Ticket Office to open weekday afternoons and weekends - station is otherwise unstaffed; Better signage between station, town centre and the Thames Path.

Question 15: ***Have we got the right priorities and aspirations for the Henley-on-Thames Branch Line?***

CHAPTER 6: STRATEGIC PROJECTS

East-West Rail

To be inserted into pre-consultation document

Project Evergreen 3

Evergreen 3 is a Chiltern Railways franchise commitment and represents a £274 million investment to modernise the Chiltern route, comprising two parts – a faster journey time between London and Birmingham, and a new service from Oxford to London Marylebone.

Improvements to the **Chiltern Main Line** included an increased line speed of 100 mph south of Aynho Junction (excluding the Princes Risborough-High Wycombe section) and realigned track and new southbound platform at Bicester North. A new timetable was introduced in September 2011 with faster journey times from Banbury (reduced by 15 minutes to an average 52 minutes) and Bicester (just 45 minute) to London Marylebone.

The second part of the project is a new half hourly **London Marylebone to Oxford** service which is made possible by construction of a new south to west connecting line to connect the Chiltern Main Line and the proposed East-West Rail line where they cross in Bicester.

The works involve upgrading the railway between Bicester and Oxford, with single and double track suitable for 100 mph trains, and a five-minute planning headway suitable for future East-West Rail services, a rebuilt and enlarged station at Bicester Town, a platform extension at Islip, a new parkway station at the existing Water Eaton Park & Ride, and two new platforms at Oxford station.

A Transport & Works Act Order was submitted in 2010 and a public inquiry held in early 2011. The Inspector had recommended refusal due to the existence of bats within the Wolvercot Tunnel, but the Secretary of State has said she would over-rule the Inspector if mitigation measures could be agreed with Natural England. Permission is expected to be granted in early 2012.

Chiltern Railways will complete design work during 2012, with construction taking place in 2013 so that services can commence by May 2014.

The County Council strongly supports implementation of the Evergreen 3 project and will offer assistance to Chiltern Railways to ensure it is delivered efficiently.

Oxford Station

Oxford station has been identified by Network Rail as being a significant constraint on the network and is **our top priority for improvement**. Once the £850 million redevelopment of Reading station is complete, this will become the biggest single capacity bottleneck in the Thames Valley and a major barrier to rail and economic growth.

Network Rail completed an upgrade to the two goods loops north of the station in 2008, and this gave some operating flexibility with the ability for parallel train movements that hitherto were not possible.

The *Great Western RUS* identifies the biggest issue as the lack of through platforms, and terminating trains that take several minutes to vacate the platform once passengers have alighted. The current layout also necessitates empty stock movements having to cross at the north end of the station between arrival and departure, which again restricts flexibility of operation.

It is apparent that between 2014 and 2019 further infrastructure will be required to achieve robust performance and adequate capacity as there are significant limitations in capacity within the station area and the approaches into and out of the station which are the cause of poor performance. It is predicted that the number of peak services using the station is close to the maximum that can be accommodated, before any additional passenger or freight growth.

Options to add more capacity include the south bay platform and transfer deck developed by Network Rail and Oxfordshire County Council, and a more comprehensive scheme that would result in four through-platforms north of Botley Road. The latter scheme would involve demolition of many of the existing station buildings and possibly other nearby buildings outside the station footprint.

The County Council strongly supports the major redevelopment of Oxford station, and will continue to work with Network Rail and other partners to bring this about.

The platforms are orientated for passenger activity at the south end of the station, and they lack appropriate passenger facilities. In the future there will be much greater activity at the north end of the station, with Chiltern Railways Evergreen 3 and East-West Rail. This may lead to crowding and safety concerns on the platforms. Further development is needed to identify the optimum solution for the station layout.

Resolving the problems at Oxford station will bring major benefits for Oxford's West End regeneration, Oxford and Oxfordshire more widely, in addition to strategic benefits for long distance passenger and freight services passing through Oxford.

Work is underway to agree a masterplan for the station that will increase capacity, improve passenger facilities and create a multi-modal interchange with access to the city centre and Oxford West End through Frideswide Square. Given the availability of public transport alternatives, **the County Council would like to see greater access by sustainable modes (bus, walking and cycling), with a limit on car parking in favour of edge of city ‘parkway’ stations.**

Any redevelopment will intrinsically be linked to the industry’s plans for electrification and resignalling. **The County Council wants to ensure that all schemes take account of each other, particularly when locating new infrastructure, and would like to see the establishment of a Project Board to oversee all projects at the station**

Didcot Parkway Station Interchange

The County Council is leading the redevelopment of the station forecourt to create a multi-modal transport interchange. Funding of £5.6 million has been committed by the County Council and South Oxfordshire District Council.

When completed, the station will be a high quality gateway to Science Vale UK, and able to handle increases in demand for travel that will arise from significant new housing and job creation.

The project is complex in nature. There are numerous external partners, with Network Rail and First Great Western, and the station has to remain open throughout. The existence of signalling cables has meant very careful planning to ensure that the construction period of 15 months is problem-free.

The project involves reconstructing, removal or diversion of underground utilities, including electricity and drainage, and demolition of redundant buildings. Other work involves an upgraded electricity supply, CCTV, lighting, retaining walls and landscaping. The key aim is to segregate each mode of transport to reduce conflicts and congestion. This will create extra space for pedestrians, cyclists, buses and taxis. There will be improved access for disabled people and motorcyclists, and a new car park will be created.

The scheme is due for completion by 2013.

Access to Science Vale UK

Science Vale UK was designated an Enterprise Zone in 2011, and will have substantial private investment over the next 20 years to further develop a world-class science-based research and development capability. It is already the location of internationally renowned companies and significant business and employment sites.

To ensure the area maintains its attractiveness as a place to do business and fulfils its potential it must have excellent transport links. The County Council supports moves that will bring improved rail access to Science Vale UK, including existing stations at Culham and Didcot Parkway, and a potential new station at Grove & Wantage.

Culham is an important commuter station, primarily for the adjacent Science Centre, and there is potential to improve the train service at the busiest times, and at regular intervals during the daytime. A masterplan for the expansion of the Science Centre recognises the role the railway can play in encouraging sustainable access.

The County Council welcomes improvements in the frequency of trains throughout the day, linked to development of station facilities, such as a car park and footpath into the Culham Science Centre.

The major railhead within Science Vale UK is at **Didcot Parkway**, and the County Council has been investing in better passenger facilities jointly with First Great Western since 2006 and have worked together to identify further improvements to be funded by DfT's *National Stations Improvement Programme* (NSIP). The County Council is also redeveloping the station forecourt to create a £5.6 million transport interchange, in partnership with South Oxfordshire District Council. Work is due to start in spring 2012.

Improved connectivity is important for economic and business growth, and the County Council would like to see:

- **More Main Line services** calling at the station - four trains in each hour to Bristol (1 via Bath Spa and 1 via Bristol Parkway), Cardiff (1) and Cheltenham (1); and
- **Reintroduction of Cross Country services** to give businesses direct access to Birmingham International Airport and the North of England – the need to change trains at Oxford is a major deterrent considering the proximity of the motorway network.

The County Council has had an aspiration for a **new station at Grove & Wantage** since around 2000, and has secured outline planning consent. Following the loss of the Oxford-Bristol train service in 2003 achieving the station became a longer term goal.
With subsequent changes in spatial planning and plans for extensive new housing in the area, as well as the strategic importance of Science Vale UK, the time is right to look again at the potential for Grove & Wantage station.

The franchise renewal in 2013 may provide an opportunity to seek an appropriate train service – possibly releasing capacity on longer distance services by encouraging local travel between Swindon and Didcot to be made on 'local' services. It is important to consider the station and train service in the context of a wider corridor approach between Bicester/Oxford and Swindon/Bristol, and a business case needs to clearly demonstrate how they would support growth and economic development.

The County Council will work in partnership with neighbouring local authorities and the rail industry to investigate the viability of a new station at Grove & Wantage, and an appropriate 'local' train service to serve the station.

Electrification

In November 2010, the Government announced the electrification of the Great Western Main Line as far as Didcot, Oxford and Newbury, and this was followed by a second announcement in March 2011 which extended the works west of Didcot to Bristol and Cardiff. At the same time the existing signalling will be renewed to ensure it is compatible with the new overhead power equipment.

Electrification presents huge opportunities -

- It is **better for the environment** as electric trains are more reliable and emit 20% less CO per passenger than diesel trains, even allowing for electricity generation. They are quieter and virtually silent when waiting at stations;

- The new fleet of trains will have **more seats** and **journey time savings** can be made; and

- **Cutting costs** as electric trains are around 16% **cheaper to operate**, are lighter causing less wear and tear, and they require less maintenance.

There are 22 road bridges that require parapet works to protect people from reaching the 25kV AC overhead power lines. **The County Council strongly supports electrification and will help facilitate delivery by assisting with associated highway works.**

There are also likely to be alterations to the sidings north of Oxford station so they can handle a mix of electric and diesel trains.

It is important for the County Council to have ongoing dialogue with Network Rail during the planning stages, which are already underway, to ensure that infrastructure (such as sub-stations, transformers, feeder stations and masts) is not located where it could jeopardise or make it difficult to achieve future projects. Specifically, this is a key issue at Oxford station and around the proposed site for a Grove & Wantage station.

When completed, most of the existing two and three carriage Turbo diesel trains will be cascaded to services around Bristol and Devon & Cornwall. A small fleet will be retained to operate branch line services, such as those to Henley-on-Thames.

They will be replaced by 100mph four carriage Class 319 trains that are being cascaded from Thameslink (which will receive new trains as part of the ongoing £6 billion upgrade of that route). Although they will be 30 years old by the time they arrive in Oxfordshire they are expected to get an internal refurbishment before re-entering service.

Intercity Express Programme (IEP)

Following completion of electrification along the Great Western Main Line, a new fleet of 49 Intercity Express trains will be introduced onto services between London Paddington, Oxford, Bristol and South Wales.

The fleet will comprise 308 vehicles and a mix of five or eight carriage bi-mode (electric and diesel) sets and eight carriage electric sets. The bi-mode variant is intended to be used on services that need to run through onto non-electrified routes, and can be connected together to form 10-carriage trains at the busiest times.

In 2009, the Government announced that Agility Trains, led by Hitachi, had been awarded the contract. Just before the 2010 General Election a review was carried out into the value for money of the contract, and it was not until 2011 that a much-reduced order was placed.

The IEP train is not tried and tested; there are no long-distance high speed intercity bi-mode trains operating anywhere in the world, and the 26 metre carriages are new to the United Kingdom. These are both risks to a successful introduction.

IEP trains are lighter and more fuel efficient than existing HSTs which should allow for faster journey times. However, the bi-mode sets have to carry around a weighty diesel generator to power the 3 under floor electric motors, and there are concerns over the amount of power and acceleration these trains will be able to achieve, particularly when there are frequent stations stops, such as along the Cotswolds & Malvern Line.

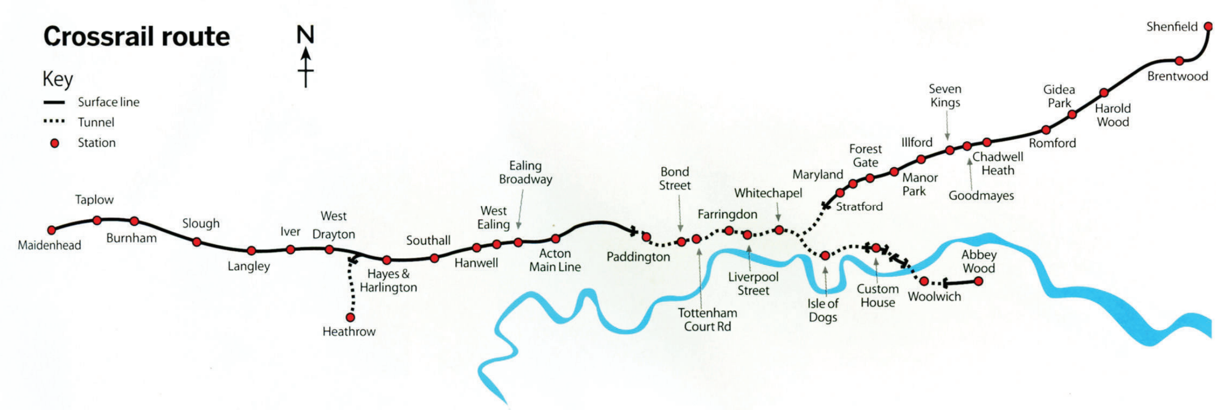
It is envisaged that fast services will utilise a 5-car electric IEP, with 339 commuter seats, and services to Worcester/Hereford will use 5-car bi-mode sets, with seating for 279 (558 for a 10-carriage train) - this compares with 550 seats on the existing HSTs.

For the latter, the changeover between overhead electric power and the on-board diesel generator will take place at Oxford. It is not known whether this can occur ‘on the move’ or whether the train must be stationery, which may create problems with platform occupancy at Oxford.

The County Council will need to understand how service patterns will change as a result of IEP introduction, and the operating characteristics of the new trains in the context of station capacity and redevelopment. The first trains are expected to enter service in 2018.

Crossrail

Crossrail is currently Europe's biggest engineering project and will transform travel across London when it opens in 2018. The network will connect 37 stations, including Heathrow Airport and Maidenhead in the west with Canary Wharf, Abbey Wood and Shenfield in the east, but the effects on existing train services will extend far beyond the capital.



Although the cost of Crossrail is almost £15 billion it is expected to deliver substantial economic benefits to London and the South-East, and contribute £42 billion to the UK economy. Construction work has started on the central section to build the new tunnels and stations, with preliminary work taking place elsewhere.

Each train will accommodate up to 1,500 passengers and around 200 million passengers are expected to use Crossrail each year. The timetable for Crossrail services has not yet been finalised but during the weekday morning peak, it is assumed there will be 10 trains per hour into central London from the Great Western Main Line - four trains starting from Maidenhead, four trains from Heathrow Airport and two trains from West Drayton, with a further 14 trains starting at Paddington. Slightly fewer of trains would operate against the flow, and a similar pattern, albeit in reverse, would operate in the afternoon peak time.

This level of service means that Crossrail will have almost exclusive use of the relief lines and will be a mix of stopping patterns to minimise journey times from outer stations and allow limited capacity for non-Crossrail services on the Great Western Main Line.

The majority of First Great Western services that start east of Reading in the morning peak, including the three through trains from Henley-on-Thames, would be replaced by Crossrail. Most First Great Western outer suburban services that start west of Reading would be amended to operate non-stop between Reading and Paddington, presumably using the main lines, whilst any residual services will call at principal stations using the relief lines shared with Crossrail.

It is unclear what the pattern of service will be between Reading and Maidenhead, and whether that is appropriate to meet the demand from stations such as Twyford, and the

Henley-on-Thames branch line, and also whether cross-Reading journeys to intermediate stations will still be possible.

For Oxfordshire, Crossrail brings potential new journey opportunities but also some concern about the continuation of existing services. The County Council will use all reasonable endeavours to protect existing commuter services.

There is uncertainty about local services east of Reading. In a worst case scenario the existing through services from Henley-on-Thames would be withdrawn, with passengers then required to change trains at Twyford, and again at Maidenhead onto Crossrail.

If Crossrail is extended to Reading it would guarantee four trains an hour at peak times and could then allow one of the existing stopping services from Oxford to be diverted to Gatwick Airport, thereby providing new connectivity with the Brighton Main Line avoiding the need to travel across London.

The County Council therefore supports the extension of Crossrail to Reading from the outset, and its role as an outer interchange for the Thames Valley.

Banbury Station Redevelopment

Although Banbury station is considered to be fit for purpose it does not provide an attractive or welcoming gateway to the town centre or a practical transport interchange.

There are problems with traffic congestion at the Station Approach / Bridge Street junction which hampers access to the station and its car parks at peak times, and the dispersed car parking is inconvenient.

There is dislocation between the rail and bus stations, which is compounded by the busy roads that have to be crossed by pedestrians in between.

To assist bus, car and taxi access a proposal has existed for several years to create a new through route between Bridge Street and Tramway Road but this has not yet secured any funding.

Broader proposals to provide an integrated rail and bus interchange on the forecourt, with better facilities for pedestrians, cyclists and taxis, and facilities for through and terminating bus services have also been discussed for some time.

The County Council will continue to work with its partners Cherwell District Council and Chiltern Railways to develop and agree proposals to improve the station area as part of the Canalside redevelopment.

Chiltern Railways, as the station operator, has recently increased the number of parking spaces, but has also proposed new decked car parks to consolidate parking on the east and west sides of the station, including a new pedestrian footbridge so the station can be reached from the east side.

The County Council welcomes the consolidation of car parking, and direct access to the east side of the railway.

High Speed 2

To be inserted into pre-consultation document

Western Access to Heathrow

To be inserted into pre-consultation document

Oxford Eastern Arc

To be inserted into pre-consultation document

Carterton Rail Link

To be inserted into pre-consultation document

Freight Facility Improvements

To be inserted into pre-consultation document

CHAPTER 7: FUNDING AND DELIVERY OF THE STRATEGY

Introduction

This strategy will require investment by the public and private sectors, coming from both the rail industry and a wider variety of transport and non-transport sources. The latter are particularly important given that the objective of the strategy is to deliver job creation and housing growth.

For many projects, it will be necessary to ‘pool’ resources and secure investment from a number of sources. In this way, projects will be able to address a number of aspirations from each partner and are more likely to come to fruition. We have previously delivered projects where contributions from one partner have been “matched by others” and all partners have a stake in successful delivery.

Partnership funding may also be able to deliver wider outcomes that would not otherwise be possible if organisations worked alone and in “silos”. As an example, our aspiration for Oxford railway station includes track capacity, passenger facilities, multi-modal access, town planning, links to the city centre and integration with adjacent regeneration areas.

The purpose of this section is therefore to outline the main funding sources. **However the identification of potential funding does not necessarily mean the County Council will decide to pursue it.** Decisions will be made collectively in partnership with our other stakeholders.

We recognise in the current economic climate that there are many pressures on funding, and close working with partners will be needed to ensure that money is targeted where it can deliver the right results within a realistic investment strategy that can enable strategic funding decisions to be made.

Rail Industry Funding Sources

High Level Output Specification (HLOS)

The DfT has the legal responsibility to set out the rail services and projects that it wants the rail industry to deliver over the next five-year Control Period (2014-19). A supporting Statement of Funds Available (SoFA) then sets out the finance that can be used to deliver the HLOS specification. The DfT will publish the HLOS and SoFA for public consultation in summer 2012.

The DfT will then release Government funding to Network Rail once the latter's Business Plan has been approved by the Office for Rail Regulation, which is due to take place in early 2013.

HLOS is therefore a huge opportunity for the County Council and partners to make the case for additional investment. The East-West Rail project has recently been identified as a potential project that could be funded in this way, and work is ongoing to validate the business case and specification. Other projects, such as the redevelopment of Oxford Station, capacity improvements between Didcot Parkway and Wolvercot Junction, and a direct service from Oxford to Bristol, might also be funded though this source if proven to be viable.

Station Commercial Project Fund (SCPF)

The £100m station commercial project facility is an initiative developed by the Department for Transport in partnership with Network Rail, Association of Train Operating Companies (ATOC) and the ORR. It is available for capital expenditure projects generating additional income and increase the value of a franchise to the Government. This includes extra car parking with charges, new retail units at stations and revenue protection (e.g. ticket gates).

Projects must provide a financial return over and above project costs and be completed by 31st March 2014. In Oxfordshire, the car park extensions at Radley and Charlbury stations received funding in the first tranche of funding. A number of bids were also submitted for the second tranche but were unsuccessful. The fund is administered on behalf of the DfT by Network Rail, and works are delivered by the train operating companies.

National Stations Improvement Programme (NSIP)

In 2007 the DfT launched a £150m programme aimed at delivering noticeable and lasting improvements in the station environment for the benefit of passengers. The projects have tended to focus on passenger facilities, waiting areas, signage, lifts and footbridges and security. NSIP is again administered by Network Rail and runs until 2014 with over 150 stations included in the programme nationally.

The only station included in Oxfordshire is at Didcot Parkway, where the modernisation of the concourse and ticket hall were identified as being complimentary to the redevelopment of the forecourt. The works are due to be carried out by First Great Western during 2012.

Commercial Investment by Franchises

Rail industry partners, in particular the train operators, are able to invest their own money in projects which they feel will generate a financial return within the term of their franchise.

These projects are therefore funded by the private sector with no need for public subsidy. Chiltern Railway's currently have the only long 20-year franchise and their Evergreen 3 project is funded this way as they will receive adequate payback on their investment.

FirstGroup has also invested its own funding in acquiring rolling stock directly, and carrying out refurbishment to their existing trains as part of their franchise. Often the DfT agrees to underwrite any loss or guarantees a buy-back arrangement where the franchise is short.

More risky is investment in new services as they take some time to generate demand and tend to have high operating costs. The introduction of longer franchises should incentivise the train operators to make more private investments in the future, and the County Council will need to identify and discuss potential projects with franchise bidders and train operators.
If there is available network capacity, non-franchised "open access" passenger operators are able to introduce services if they believe there is a strong enough demand and a good business case. Freight operators work on a purely commercial basis and are able to work with their customers to develop freight flows if there is the available capacity at the right time.

Community Rail Partnerships (CRPs)

Community Rail Partnerships are local communities, individuals and organisations who take on a significant role in the development and running of their local rail services and stations; in partnership with the Train Operating Companies and Network Rail. CRPs generally cover lines with speeds less than 75mph and with little or no freight traffic.

Research by the independent Rail Consultancy Group has concluded that:

- There are around 4,000 volunteers involved in community rail around Britain; and
- They contribute over 1.2 million hours of work, bringing around £27 million of extra value to the rail industry.

Research by Transport Regeneration Ltd suggests that CRPs could generate substantial benefits with every £1 invested in a CRP bringing around £4.60 in benefits.

Another form of community involvement is station adoption, and the County Council has been very active in supporting 'Friends of …' groups at a number of local stations where fund raising and business support has helped regenerate the station and create a sense of local pride.

The Association of Community Rail Partnerships (ACoRP) is the umbrella organisation for community rail partnerships.

The County Council is particularly interested to explore whether a CRP would be possible for the Henley-on-Thames branch line, marketed as the Regatta Line, in order to boost tourism and visitors.

Rail Quality Partnerships (RQPs)

Responsibilities for the provision of rail services and for the rail network are split between various organisations; with various stakeholder objectives, timescales, and budgets.

An RQP is an opportunity for the County Council, the rail industry and other stakeholders to work together to plan and deliver further improvements to services and station facilities. This can be achieved by pooling resources in order to secure value for money both for the partners and existing and potential passengers.

The County Council will look to establish a countywide RQP with its rail industry partners.

Wider Funding Sources

Local Transport Plan (LTP) 2011-2030

The LTP features a five year programme of investment across all transport modes; with the money allocated from a variety of sources including the Department for Transport (DfT), the County Council's own capital resources and developer contributions. There are a number of other schemes and area packages which will make a direct and positive contribution to improving multi-modal rail access, including:

- Frideswide Square, Oxford (as part of a broader project to upgrade the station, facilities and access);
- Science Vale Transport Package, including new highway links, cycling and public transport networks; and
- A countywide allocation for integrated transport schemes to supplement developer contributions.

Major Transport Schemes

The DfT had previously provided ring-fenced funding for major transport schemes over £5 million on receipt of a detailed value for money business case. Whilst there is no money for new projects until at least 2016, local authorities can start the process of business case preparation. However the DfT is still considering whether to channel future major scheme funding through consortia of Local Enterprise Partnerships. Future funding for rail-related schemes is likely to be channelled through the LEP Local Investment Plan, underpinning the importance of working with them to identify potential projects.

Developer Contributions

Section 106 Contributions: The traditional method of securing developer contributions is Section 106 of the Town and Country Planning Act 1990. Planning obligations (or "Section 106 Agreements") are negotiated, usually as part of a planning application, between local authorities (County and District) and the developer, and are intended to make acceptable development which would otherwise be unacceptable in planning terms. Obligations can also be secured through unilateral undertakings by developers, and must be:

- Relevant to planning;
- Necessary to make the proposed development acceptable in planning terms;
- Directly related to the proposed development;
- Fairly and reasonably related in scale and kind to the proposed development; and
- Reasonable in all other respects.

Planning obligations cannot be used solely to resolve existing deficiencies in infrastructure provision; or to secure contributions to the achievement of wider planning objectives that are not necessary to allow consent to be given for a particular development.

In development areas (such as Bicester and Science Vale UK), Section 106 Agreements are likely to form an important part in delivering supporting transport infrastructure, which may include routes to railway stations. Indeed, in Bicester, we are already using Section 106 Agreements to fund enhanced train services on the Oxford-Bicester branch line that deliver people sustainably to a major retail outlet.

Community Infrastructure Levy (CIL): CIL allows planning authorities in England and Wales to charge a discretionary levy on new development; to raise funds for local or sub-regional infrastructure to support the development of the area. CIL is calculated using a formula that takes an average cost distributed across a number of developments; which enables contributions to fund infrastructure in an area, rather than to support the specific development that is seeking planning permission.

The applicability of CIL to rail projects will require close joint working between the County Council and any District Council that decides to introduce a charge.

Locally Retained Business Rates (LRBR)

In July 2011 the Government launched a consultation into local retention of business rates from April 2013.

The key change would see district councils and unitary authorities retain responsibility for the billing and collection of business rates. But instead of contributing all business rates into the central pool and receiving Formula Grant some business rates would be retained locally. The baseline level of funding for each authority would be set so that at the start of the system, funding would be equivalent to that under the current system. From then on funding would rise or fall depending on the size of the business rates base in the area.

County councils would receive a share of business rates revenues from the districts in their area (and a top up from other areas if relevant), rather than receiving Formula Grant. The baseline level of funding would be set, and subsequently rise or fall, in the same way as billing authorities.

Any use of LRBR funding for rail would need to demonstrate benefits to the business community; and the County Council will need to work closely with the Local Enterprise Partnership to decide whether this source of funding is appropriate for rail projects.

Supplementary Business Rates (SBR)

Under the Business Rates Supplement Act 2009 local authorities are permitted to levy an additional Supplementary Business Rate of up to two pence in the pound, in order to raise revenue for local projects.

From 2010 county councils and unitary authorities will be able to levy the rate on any business within their jurisdiction. Properties liable for business rates but with a rateable value of less than £50,000 will be exempt from SBR. The revenue generated from SBR will be locally raised and retained and can only be used on economic development, such as infrastructure. Under the prudential borrowing system, local authorities would be able to raise finance and pay it back using SBR.

Any use of SBR funding for rail would need to demonstrate benefits to the business community; and the County Council will need to work closely with the Local Enterprise Partnership to decide whether this source of funding is appropriate for rail projects.

Tax Increment Financing (TIF)

Tax Increment Financing (TIF) works on the basis that a project in a specific area results in an overall increase in the council’s tax base, which in turn increases the potential revenue generated from taxation i.e. the “tax increment”. If there is any shortfall in funding for the project, credit may be raised on expected increased tax yield.

TIF will allow local authorities to borrow against predicted growth in locally raised business rates, and the borrowing can then be used to fund key infrastructure and other capital projects. TIF might be suitable funding for projects which enable economic development and therefore help to generate the additional business rates.

At present the government is introducing primary legislation to enable TIF schemes to be introduced. The County Council will monitor progress but would only pursue such funding if it were clear that the benefits would substantially outweigh any risks.

New Homes Bonus

The New Homes Bonus commenced in April 2011, and will match fund the additional council tax raised for new homes and empty properties brought back into use, with an additional amount for affordable homes, for the following six years.

The Department for Communities and Local Government has set aside £200m in 2011/12 and £250m for each of the following three years. The additional revenue for each authority would depend on the levels of Council Tax and new housing planned.

The bonus may not yield large sums of money; but may provide a useful supplement as part of a wider funding package in development areas.

Land Value Capture

An innovative way to fund public transport is through Land Value Capture. LVC aims to recover the capital cost of investment in transport infrastructure by capturing some or all of the resultant increase in land values gained by land developers as a direct result of the investment. This could be particularly relevant around new stations.

Betterment tax is a levy to cover the cost of investment which raises the land value at no cost to the developer/owner. Betterment tax is directed towards the beneficiaries of any increased accessibility, reduced congestion and pollution, and lower transport costs that can be achieved due to public transport investment. It has several advantages, the most noteworthy being that it shifts the burden of infrastructure finance from the public to the properties that directly receive the benefit.

Three potential mechanisms for betterment tax are:

- A uniform land tax, paid annually without discrimination;
- A tax on income generated from the sale of land and buildings at appropriate tax rates, providing tax deductibility for the value of improvements;
- Capturing the difference between the unimproved value of the land at its current use and its unimproved value following the investment.

Air Rights

Air rights are another form of value capture that involves granting development rights above, or below, a railway station that will then generate an increment in land value.

Seeking the "air rights" to build over an existing shopping centre, rail station or transport corridor is something property developers have already become adept at in London's key business districts; the railway stations at Liverpool Street and Charing Cross both boast office complexes built over their platforms.

Proposals for redeveloping other city centre rail stations are based on selling the air rights to build shops or offices as part of the scheme, as these then increase land value to the benefit of both the public and private sectors.

Delivery

The County Council is not ultimately responsible for the planning and delivery of major rail investment schemes; and instead must work closely with the rail industry and with wider stakeholders to identify and prioritise value for money projects that deliver both user and (if possible) wider economic benefits.

This strategy will support the county council's LTP delivery programme whilst also actively contributing to future developments within the rail industry, including:

- Re-franchising of Great Western (commencing 2013);
- Subsequent re-franchising of Cross Country (2016) and Chiltern (2022);
- Strategic projects which are already partly or full funded; and
- Capital investment though HLOS for future Control Periods.

Our Rail Development Officer will lead delivery of the programme; supported by a range of officers across transport, planning and economic development functions; with the LEP having a particularly important role.

Working with communities is seen as particularly important in order to ensure that rail stations and services are further developed as valuable community assets as part of the localism and Big Society agendas. Joint working to integrate rail into wider development plans through the District Council Local Development Frameworks will be particularly critical so there is a realistic expectation about what rail can deliver, and an understanding of how development, spatial planning and rail proposals can support each other.

We will set up a Rail Programme Board that will co-ordinate all activity around the various investment projects - with specific emphasis on:

- Identification of passenger demand and value for money;

- Contribution to identified problems and wider policy objectives;
- Option identification;
- Operational feasibility;
- Design;
- Stakeholder consultation; and
- Business Case Development and Funding.

Where investment proposals and ideas have 'in-principle' support from the rail industry, we will work with partners to identify suitable revenue budgets to progress any feasibility and technical work. Whilst in some cases this expenditure will be at the promoter's risk, and could be speculative, it is necessary to determine whether a specific proposal is viable and worthy of further development.

The County Council has been a supporter of East-West Rail since 1995, and considerable sums have been spent by the local authority consortium to prove the viability of the project and gain the support needed to see the scheme delivered. The recent announcement by the Government to back East-West Rail and provide funding shows their is merit in taking a pro-active approach. It is important that projects are in a suitable state of readiness and can be advanced when funding becomes available.

CHAPTER 8: PLAN DEVELOPMENT

Risk Factors

The delivery of this Rail Strategy relies heavily on the rail industry, and is therefore subject to funding available to the Department for Transport, Network Rail and the train operating companies. Aspirations set out in this plan are those of Oxfordshire County Council and therefore do not necessarily correspond with the rail industry's own priorities.

Schemes being developed and delivered by the County Council are also limited by the authority's level of funding available.

Programme for Updating

This Rail Strategy will be updated in response to any significant changes in the rail industry that have a direct affect on Oxfordshire, and in any event no later than April 2017.

Reporting Progress

Progress in delivering the strategy will be reported through the Local Transport Plan Annual Progress Report.

Equal Opportunities

The key equal opportunity issues relating to the Rail Strategy are those of physical access to and on stations, and problems about fear of crime. Both of these issues are addressed through the station standards and consequent aspirations for improvements set out in this document.

Environmental Impact

The County Council promotes rail travel as it has lower air pollutant emissions than car travel. The Rail Strategy promotes sustainable transport as the means of access to the station.

It is recognised that any new rail construction will have a direct impact on the local environment, and that construction traffic can have a detrimental impact on residents

CHAPTER 9: CONSULTATION

Stakeholder Consultation

Consultees are requested to comment on this draft Rail Strategy for Oxfordshire which has been endorsed for consultation by the Council's Cabinet.

We welcome views on the proposals for development of the rail network in Oxfordshire in the period up to 2034. Throughout the document we have highlighted **key consultation questions** in **yellow**, and we would particularly value your views on these.

Action following consultation

Following the consultation period, the County Council will consider responses, undertake any further analysis as necessary and, if appropriate, make revisions to the Strategy.

The County Council will produce a summary of the outcome of the consultation process and will publish this online in April 2012, and in the same month the Council's Cabinet will be asked to adopt the Rail Strategy.

Invitations to consultees

A list of bodies formally consulted is set out in Appendix 3.

Other rail user groups and members of the general public may wish to respond, and are welcome to do so. When responding, please state whether you are responding as an individual or representing the views of an organisation.

The County Council will process personal data in accordance with the Data Protection Act 1998, and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

It should be noted that submissions will not in general receive an individual response.

How to respond

We would very much like to receive comments and feedback from anyone with an interest in the future development of the county's rail network.

Details about the consultation can be found at http://myconsultations.oxfordshire.gov.uk

You can let us have your views in two ways:

i) **ONLINE** – by completing the online questionnaire; or

ii) **BY POST** – by downloading and printing the questionnaire.

Responses to this consultation should be sent to:

Rail Strategy Consultation
Oxfordshire County Council
Transport Policy & Strategy (ASa)
3rd Floor, Speedwell House
Speedwell Street
OXFORD OX1 1NE

The deadline for receipt of comments is Friday 16th March 2012 - earlier replies will be very welcome.

CHAPTER 10: GLOSSARY OF TERMS

We want to make reading this draft strategy as easy as possible. Therefore are a number of terms which are used throughout this document:

- **Connectivity** – Describes the range of rail services from a particular station to other stations.
- **Control Period** – The five year time slices within which Network Rail programmes its investment. We are currently in Control Period 4 (2009-14). Future Control Periods are from 2014-19, 2019-24 etc.
- **Franchise** – The right of a private company to provide passenger rail services for a number of years; with the Department for Transport managing the process.
- **Infrastructure** – Physical assets including railway tracks / stations / freight depots, communications equipment (such as signalling) and access to stations via the highway.
- **Path** -
- **PPM** -
- **Services** – The running of trains, stations and freight terminals.
- **Rail industry** – The collective term for a number of organisations (see Chapter 1) who have direct investment, regulatory and operational responsibility for the rail network.

To be inserted into pre-consultation document

Appendix 1: Station facilities and standards

The 22 stations in Oxfordshire are listed in the following table, along with summary details about their current passenger facilities.

Station	Cat	2009/10 Station Usage	Car Parking	Induction Loop	Secure Station Status	Toilets	Seating and Catering	Public address	Customer information screens	Ticket Office opening hours
Appleford	F2	9,086	X	X	✓	X	Waiting shelter	✓	✓ WebCIS	Unstaffed
Ascott-under-Wychwood	F2	2,264	✓	X	✓	X	Shelter	✓	✓ Web	Unstaffed
Banbury	C1	2,048,682	✓	X	?	✓	Waiting room & shelter Catering Available	✓	✓ CIS	0545-2015 (MF) 0635-1915 (Sat) 0810-1740 (Su)
Bicester North	D	1,126,838	✓	X	?	✓ Not Accessible	Waiting shelter	✓	✓ CIS	0550-1915 (MF) 0635-1800 (Sat) 0840-1610 (Su)
Bicester Town	F1	104,788	✓	X	✓	X	Waiting shelter	✓	✓ WebCIS	Unstaffed
Charlbury	E	231,582	✓	✓	✓	✓ Not Accessible	Waiting room	✓	✓ CIS	0555-1220 (MF) 0605-1235 (Sat)

Station	Cat	2009/10 Station Usage	Car Parking	Induction Loop	Secure Station Status	Toilets	Seating and Catering	Public address	Customer information screens	Ticket Office opening hours
Cholsey	E	185,970	✓	✓	✓	✓ Not Accessible	Waiting room	✓	✓ CIS	0630-1300 (MF) 0630-1200 (Sat)
Combe	F2	1,836	X	X	✓	X	Seats	✓	✓ WebCIS	Unstaffed
Culham	F1	55,226	X	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Didcot Parkway	B	2,686,338	✓	✓	✓	✓ Accessible	Waiting room Catering available	✓	✓ CIS	0600-1940 (MF) 0630-1940 (Sat) 0800-1940 (Su)
Finstock	F2	1,458	X	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Goring & Streatley	E	374,298	✓	✓	✓	✓ Not Accessible	Waiting room	✓	✓ CIS	0630-1300 (MF) 0630-1200 (Sat)
Hanborough	F2	104,050	✓	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Henley-on-Thames	E	609,410	✓	✓	✓	X	Seats. Catering available	✓	✓ WebCIS	0600-1300 (MF) 0700-1300 (Sat)
Heyford	F2	23,496	✓	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Islip	F2	23,722	✓	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed

Station	Cat	2009/10 Station Usage	Car Parking	Induction Loop	Secure Station Status	Toilets	Seating and Catering	Public address	Customer information screens	Ticket Office opening hours
Kingham	E	137,944	✓	X	✓	X	Waiting room. Catering available	✓	✓ CIS	0550-1230 (MF) 0550-1230 (Sat)
Oxford	B	5,586,615	✓	✓	✓	✓ Accessible	Waiting room. Catering available	✓	✓ CIS	0545-2000 (MF) 0730-2000 (Sat) 0715-2000 (Su)
Radley	F1	74,820	✓	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Shiplake	F2	74,604	✓	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Shipton	F2	2,890	X	X	✓	X	Shelter	✓	✓ WebCIS	Unstaffed
Tackley	F2	20,250	X	X	✓	X	Shelter (South Platform)	✓	✓ WebCIS	Unstaffed

Station Categorisation

Since privatisation in 1997, Britain's 2,535 stations have been divided into six categories with almost half of them falling into the unstaffed 'F' group, which actually account for only 2% of daily rail journeys. Only two thirds of customers are satisfied with Britain's stations[ii].

The following table shows the number of stations in Oxfordshire within each of these categories, and the qualifying criteria.

[ii] National Passenger Survey Spring 2009

Category	No. of Stations	Type of Station	Criteria per annum
A	0	National Hub	More than 2m trips; and over £20 million revenue
B	2	Regional Interchange	More than 2m trips; and over £20 million revenue
C1	1	Important Feeder - mainline	500,000 to 2m trips; and between £2 and £20 million revenue
C2	0	Important Feeder - suburban	500,000 to 2m trips; and between £2 and £20 million revenue
D	1	Medium Staffed	250,000 to 500,000 trips; and between £1 and £2 million revenue
E	5	Small Staffed	Up to 250,000 trips; and between £1 and £2 million revenue
F1	3	Small Un-staffed - Basic+Plus	100,000 to 250,000 trips; and less than £1 million revenue
F2	10	Small Un-staffed - Basic	Below 100,000 trips; and less than £1 million revenue

Minimum Standards

We have used the *Better Rail Stations* study to develop detailed minimum station standards for each station category and would like to see these made a mandatory requirement in all future franchise specifications, and we encourage train operating companies to achieve at least an 80% station satisfaction score by 2016.

We would also like to see each station reviewed every five years to ensure it remains in the most appropriate category. Stations are the shop window of the rail network and must be maintained to a consistently high standard to meet passengers' expectations and to handle the forecast growth in passenger numbers over the next two decades, safely and efficiently.

Minimum Standards for Accessibility	Station Category						
	B	C1	C2	D	E	F1	F2
Street direction signs							
• Station signed to & from main road(s), pedestrian and cycle routes	✓	✓	✓	✓	✓	✓	✓
Station signs							
• Totem Pole with National Rail symbol and station name	✓	✓	✓	✓	✓	✓	✓
• Illuminated Totem Pole and comprehensive external station signing	✓	✓	✓				
• Station signing in Brunel alphabet with use of pictograms	✓	✓	✓	✓	✓	✓	✓
Car Parking							
• Small station parking area (<10 spaces)						✓	✓
• Designated station car park with adequate number of spaces	✓	✓	✓	✓	✓		
• Premium 'pre-bookable' guaranteed parking	✓	✓	✓				
• Electric vehicle charging points	✓						
Bus information							
• Bus timetables displayed in or near station entrance (where practical)	✓	✓	✓	✓	✓	✓	✓
• Plusbus multi-modal ticketing scheme for seamless travel	✓	✓	✓				
• Bus interchange on or near forecourt	✓						
Cycle Parking							
• Minimum of 4 cycle racks (capacity 8 cycles)	✓	✓	✓	✓	✓	✓	✓
• Secure cycle spaces (undercover) for 5% of car park capacity	✓	✓	✓	✓	✓		
• Staffed Cycle Hub/secure cycle spaces with storage for 15% of car park capacity	✓						
Taxis							
• If no taxi rank, phone number(s) prominently displayed					✓	✓	✓
• A well-signed taxi rank, located outside station if possible	✓	✓	✓	✓			
• Provision of 'accessible taxis' as part of any retail agreement	✓	✓					
Access for All							
• Lowered kerbs from road(s) to station threshold	✓	✓	✓	✓	✓	✓	✓
• Step-free access to each platform by 2016	✓	✓	✓	✓	✓		
• Full access from main entrance to all platforms, including lifts/escalators, by 2020	✓	✓					
• Wheelchair train ramps (if station is staffed and accessible)	✓	✓	✓	✓			
• Tactile paving along all platform edges with scheduled services	✓	✓	✓	✓	✓		
Station Travel Plan	✓	✓					

Minimum Standards for Information	Station Category						
	B	C1	C2	D	E	F1	F2
Train Running information							
• Visual indicator(s) showing real-time information	✓	✓	✓	✓	✓	✓	✓
• Additional summary screens and audible announcements	✓	✓	✓	✓	✓		
• Inclusion of bus departure information on CIS screens	✓						
Help Point							
• On all platforms with scheduled services; with Emergency and Information buttons	✓	✓	✓	✓	✓	✓	✓
• An additional staffed help desk facility (available 0700-1900)	✓						
Timetables							
• Simplified summary poster for Community Rail lines						✓	✓
• Poster with all current train services and advance notification of engineering work	✓	✓	✓	✓	✓	✓	✓
Local information							
• Street map & useful information (e.g. bus/taxi phone numbers)	✓	✓	✓	✓	✓	✓	✓
Standard information							
• Mandatory rail industry core information including 'contact' details/opening times	✓	✓	✓	✓	✓	✓	✓

Minimum Standards for Facilities	Station Category						
	B	C1	C2	D	E	F1	F2
Ticket Office							
• Open at peak times (0600-1000 and 1600-1900) with opening hours displayed					✓		
• Open daily between 0600-1900 with opening hours clearly displayed		✓	✓	✓			
• Open daily from first to last train	✓						
Ticket machine							
• At least one adjacent to station/platform entrance (unless derogation)	✓	✓	✓	✓	✓	✓	
• Additional machines necessary to avoid queues greater than 5 minutes	✓	✓	✓				
Ticket gates							
• Operational and staffed for most of the day, every day	✓	✓	✓	✓			
Waiting Areas							
• Waiting shelter on each platform with a scheduled service	✓	✓	✓	✓	✓	✓	✓
• Waiting room(s) on well used platforms	✓	✓	✓	✓			
• Waiting room(s) available for use from first to last train	✓	✓					
• Canopies along at least 50% of the busiest platforms	✓						

Seating							
• Minimum of 6 seats (2 benches) on each platform with a scheduled service	✓	✓	✓	✓	✓	✓	✓
• Additional 6 seats (4 benches) on each platform with a scheduled service	✓	✓	✓	✓	✓		
• Plentiful seating with 50% under cover (canopy/shelter/waiting room)	✓	✓	✓				
Platform/Dispatch Staff							
• Staff available at peak times (0600-1000 and 1600-1900)					✓		
• Visible staff presence between 0600 and1900	✓	✓	✓	✓	✓		
• Visible staff presence from first to last train	✓	✓					
Toilets							
• Appropriate for demand, smart & regularly cleaned to high standard	✓	✓	✓	✓			
• Open throughout the day and checked/cleaned at least every 2 hours	✓	✓	✓				
• Available for use from first to until last train and checked/cleaned hourly	✓						
Catering							
• 24 hour vending machines for hot/cold drinks and confectionary/snacks	✓	✓	✓	✓			
• At least one catering outlet open between 0600-1700 each day	✓	✓	✓				
• A wider range of outlets, with at least one catering outlet staying open until 2100	✓						
Retailing							
• Choice of outlets (e.g. newsagent, ATM, food store, convenience store, gift shop)	✓	✓					
Lighting							
• Adequate lighting in car parks, on forecourts and platforms, including footpaths	✓	✓	✓	✓	✓	✓	✓
Clock							
• On each platform with scheduled service (may form part of the CIS)	✓	✓	✓	✓	✓		
Luggage trolleys							
• Good supply with system to re-balance regularly	✓	✓					
CCTV							
• Coverage of platforms, cycle parking and car park entrance(s)	✓	✓	✓	✓	✓		

Minimum Standards for Environment	Station Category						
	B	C1	C2	D	E	F1	F2
Cleaning • Station is regularly cleaned and litter bins are provided. • Additional cleaning throughout the daytime with litter bins emptied daily.	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓	✓	✓
Maintenance • Repairs are carried out promptly and station is kept well painted	✓	✓	✓	✓	✓	✓	✓
Appearance • Station approaches look smart, and buildings are used or demolished	✓	✓	✓	✓	✓	✓	✓
Secure Stations Status	✓	✓	✓	✓	✓	✓	✓
Park Mark Safer Parking Accreditation	✓	✓	✓	✓	✓		

Although each station will need to be assessed individually, these are the minimum standards which the County Council consider to be acceptable and those it would like to see considered at each of the stations. We have worked with train operating companies in the past to provide funding for station enhancements, and to make joint bids for funding, and we will do so in the future, subject to our available funding.

To address a backlog investment in stations, the County Council will support an extension to the current five year funding for both *Access for All* and the *National Stations Improvement Programme* (NSIP) beyond 2014, if that should be proposed by the Government as part of the High Level Output Specification for 2014-2019.

Any extended NSIP funding should include a one-off programme to remove redundant station buildings, and upgrading remaining station facilities at the Category ‘C’ to ‘F’ stations so they are progressively brought up to minimum standards. It should be the intention to make all ‘A’ to ‘D’ stations fully accessible by 2020.

Appendix 2: Delivery Plan

To be inserted into pre-consultation document

Appendix 3: List of invited consultees

1. Arriva the Shires
2. Association of Train Operating Companies
3. Bicester Vision Partnership
4. BMW
5. British Transport Police
6. Buckinghamshire County Council
7. Cherwell District Council
8. Cherwell Rail Users Group
9. Chiltern Railways
10. Colas Rail
11. Cotswold Line Promotion Group
12. Cross Country Trains
13. DB Schenker
14. Department for Transport
15. Defence Infrastructure Organisation (MOD)
16. Direct Rail Services
17. East West Rail Consortium
18. First Greater Western
19. Freighliner Group
20. Friends of Heyford Station
21. Friends of Radley Station
22. Freight Operators
23. Freight Transport Association
24. GB Railfreight
25. Gloucestershire County Council
26. Members of Parliament (within Oxfordshire)
27. Network Rail
28. Northamptonshire County Council
29. Oxford Bus Company
30. Oxford City Council
31. Oxford Strategic Partnership
32. Oxford-Bicester Rail Action Group
33. Oxfordshire City Region Local Enterprise Partnership
34. Oxfordshire Unlimited
35. Parish/Town Council Transport Representatives
36. Passenger Focus
37. Rail Freight Group
38. Railfuture Thames Valley
39. Reading Borough Council
40. RWE npower
41. Science Vale UK Partnership
42. South Oxfordshire District Council
43. Stagecoach in Oxfordshire
44. Thames Travel
45. Travelwatch SouthWest
46. Vale of White Horse District Council
47. Warwickshire County Council
48. West Berkshire Council
49. West Oxfordshire District Council
50. Wiltshire Council

Division(s): All

CABINET– 20 DECEMBER 2011

S75 NHS ACT 2006: MENTAL HEALTH POOLED COMMISSIONING BUDGET. PROPOSAL TO EXTEND THE CURRENT S75 AGREEMENT TO MARCH 2012, AND TO EXTEND THE SCOPE OF THE AGREEMENT TO INCLUDE SPECIALIST AND TARGETED MENTAL HEALTH SERVICES FOR CHILDREN AND YOUNG PEOPLE

Report by Director for Social and Community Services

Introduction

1. This paper sets out proposals commencing April 2012 in respect of:
   - the section 75 NHS Act 2006 Mental Health Pooled Commissioning Budget Agreement between Oxfordshire County Council (OCC) and Oxfordshire Primary Care Trust (OPCT); and
   - Specialist and targeted Child and Adolescent Mental Health Services (CAMHS) commissioned by OCC/OPCT and provided by OCC and Oxford Health NHS Foundation Trust (OH).

2. Cabinet/ Oxfordshire Clinical Commissioning Group (OCCG) are asked to endorse the proposals set out below which have been approved by
   - Oxfordshire Clinical Commissioning Group at its meetings on 19/7/2011 and 25/10/2011
   - Oxfordshire Children's Trust at its meeting on 23/9/2011
   - The Mental Health Commissioning Joint Management Group at its meeting on 14/11/2011

   Grant delegated authority to Directors and s151 officers to prepare and agree the section 75 agreement.

3. This paper sets out the proposed strategic approach to mental health commissioning for the period 2012-15, and proposes the delivery of that approach during 2012-13 by means of a section 75 NHS Act 2006 agreement. It is ***not*** proposed to make any changes in the delivery of health or social care services at this point, and the scope of the section 75 agreement will need to be reviewed again during 2012-13 as part of the developing Health and Wellbeing strategy and structures locally.

4. This proposal support the Council's strategic objectives to create healthy and thriving communities and efficient public services that support a world class economy.

Scope and current investment

5. In September 2011, the contributions to the Mental Health Pooled Commissioning Budget are

- Oxfordshire PCT: £35.111m
- Oxfordshire CC: £6.477m
- Total: £41.488m

6. The current scope of the Pooled Commissioning Budget is all adult mental health (aged 18-64) with the exception of Specialist Forensic Psychiatric services. During the lifetime of *Better Mental Health in Oxfordshire* - the agreed commissioning strategy, the scope of the Pool has changed slightly to reflect Equalities legislation and now covers (in some newly commissioned pathways) the needs of people aged 16 and above.

7. Funding for CAMHS currently sits with OPCT and OCC (within Children's Services). Funding in 2011/12 for targeted CAMHS is:
   - OPCT: £6.315m
   - OCC: £0.833m
   - Total: £7.148m

The budget available for 2012/13 is still being determined. An outline of the services commissioned through the Pool and Children's Services is attached as Annex 1

What needs to change, and why

8. The current section 75 agreement expires on 31/3/2012. This needs to be renewed to provide governance for joint commissioning of mental health and social care services.

9. *Better Mental Health in Oxfordshire 2009-12* expires 31/3/2012 and needs to be replaced so as to set the framework for future commissioning priorities.

10. There are national drivers that need to be addressed in the mental health commissioning strategy from 2012 and within the mechanisms that are designed to deliver it
    - The national mental health strategy, *No Health without Mental Health* requires commissioners to have an "all age strategy" in relation to mental health and places an increased emphasis on whole population wellbeing
    - *Personalisation* (in social care now and health in the future) and *Payment by Results* for mental health (live from April 2012) will lead to changes to patient/service user pathways and how money is spent in a changed relationship between user/commissioner and provider
    - The on-going changes to commissioning structures arising out of the Health and Social Care Bill.

11. There are local priorities for Oxfordshire
    - The need to improve transition for young people into adult services

- The need to deliver financial efficiencies
- The integration of mental and physical healthcare to deliver better patient outcomes
- The need to align with the developing Health and Wellbeing strategy.

How do we propose to deliver these changes?

12. The Draft Mental Health Commissioning Strategy for Oxfordshire going forward from 2012-15 should be extended to include specialist and targeted services for children and young people and have a greater emphasis on the mental wellbeing of the wider population.

13. The strategy should deliver the outcomes for mental health defined by the Health and Wellbeing Board (HWB).

14. To deliver these outcomes
    - the current section 75 Agreement between OCC and OPCT should be extended from April 2012 to 31 March 2013
    - The scope of the current section 75 agreement should be extended to include specialist and targeted CAMHS services
    - The section 75 agreement should be reviewed again during 2012-13 as part of the wider discussions in relation to the developing Health and Wellbeing Board.

15. The current s75 agreement should be amended to reflect the increase in scope to cover specialist and targeted CAMHS services and to deliver the outcomes defined by the HWB by
    - Ring-fencing funding for specialist and targeted CAMHS within the section 75 agreement
    - Reviewing involvement structures to reflect the needs of stakeholders from within children and young people
    - Reviewing the outcome and quality schedules to the agreement

Consultation and Governance

16. OPCT has sought the views of stakeholders regarding the proposed changes to the mental health strategy to the section 75 agreement:

An engagement process with service users, carers, providers, clinicians including a Stakeholder event in Oxford on 21st September. The report can be read at: https://consult.oxfordshirepct.nhs.uk/consult.ti/MHStrategy/consultationHome

- Presentations to the *Better Mental Health in Oxfordshire (BMHO)* Programme Board.

17. OCC has sought the views of children and young people
- At the Children and Young People Sounding Board on 15th September
- By supporting children and young people at the stakeholder event on 21st September.

18. OCC/OPCT carried out a joint presentation to Oxford Health NHS Foundation Trust Executive Board on 18 October.

19. In addition these proposals were shared with members of the Health Overview Scrutiny Committee on 18th October. HOSC advised that as the proposals do not include any changes to service provision, there was no need for further consultation, and that the engagement undertaken was appropriate in view of the level of change proposed.

20. Broadly the responses to the strategy have been positive. Stakeholders
    - agreed that the strategy should continue with the approach established in BMHO from 2009-12, with the focus on recovery, prevention and high quality services working within pathways;
    - supported the contention that the move from children's to adult services is a time of significant risk, needs to be improved and might be improved by an all age commissioning approach;
    - supported the prevention agenda, in terms of earlier intervention to support young people, whole population approaches to highlight understanding and prevention, and to help people think about staying mentally well as they grow older.

21. There were some concerns:
    - That moving specialist and targeted CAMHS services into the adult mental health pool may dilute the service to children and young people. We can address this concern by building safeguards into the section 75 agreement that ring-fence the funding, and ensure that there is appropriate user and professional input into the Joint Management Group
    - There was a suggestion from Oxford Health NHS Foundation Trust that an alternative way forward might be to move towards integration of children mental health and community services, rather than the integration of children and adult mental health commissioning. Our proposal does not mean that these specialist and targeted CAMHS services will be planned in isolation from other children's services or be subsumed by adult mental health services. Rather we will focus on the opportunity it provides commissioners to consider the mental health treatment needs of a person with mental illness, whatever their age, and also to consider these needs in the context of that person's family networks and responsibilities.
    - There was a view that there needs to be a split between general older people's wellbeing issues, which fall appropriately under the strategy and the needs of older people with mental health problems under the care of OH. We accept this, and the care of older people with mental health problems will be aligned with older people's services.

Governance

22. The strategy and proposed changes to the Section 75 have been approved by:

- Oxfordshire Clinical Commissioning Group at its meetings on 19/7/2011 and 25/10/2011
- Oxfordshire Children's Trust at its meeting on 23/9/2011
- The Mental Health Commissioning Joint Management Group at its meeting on 14/11/2011
- The agreement of OCCG Transition Board at its meeting on 6 December and of Cabinet at its meeting on 20 December is needed to proceed with the development of the s75

Risks

23. There are no apparent risks in proceeding with the proposed strategy and section 75 agreement. There are considerable risks arising out of not proceeding with a strategy and renewed section 75 agreement.

24. The engagement exercise highlighted a number of potential risks in relation to bringing CAMHS funding into the Pool, but these will be mitigated by the plan to ring-fence funding, and ensure appropriate representation with the governance structure of the JMG.

25. There is a possible risk to this arrangement arising from the general uncertainty around commissioning changes. The fact that the revised agreement is designed to run for only one year offers assurance to OCC and OCCG around scope to renegotiate the agreement as necessary during 2012-13.

Equality Impact Assessment

26. A separate EQIA has been carried out from the perspective of the current Mental Health Commissioning Pool and from that of specialist and targeted Child and Adolescent Mental Health Services. These assessments identify the age-related impacts discussed in paragraph 21 above as the main issues.

Financial and Staff Implications

27. This proposal has no implications in relation to staff. Financial implications are limited to the contribution to the section 75 NHS Act 2006 mental health commissioning pooled of existing budgets for 2012-13 in relation to social care in relation to adult mental health and specialist and targeted child and adolescent mental health services.

RECOMMENDATION

The Cabinet is RECOMMENDED to

28. (a) approve the proposals:
to widen the scope of the Mental Health strategy as set out in paragraph 12;
to extend the current s75 to April 2013; and

to transfer the Council's funding for specialist and targeted_**Child and Adolescent Mental Health Services (**CAMHS) into the section 75 agreement; and

(b) to grant delegated powers to Directors and s151 officers to develop and sign off the section 75 agreement

JOHN JACKSON
Director for Social and Community Services

Background papers: Draft Mental Health Commissioning Strategy 2012-15

Contact Officer: John Pearce, Service Manager, Strategic Commissioning, Tel: 01865 323619

December 2011

Division(s):

CABINET – 17 JANUARY 2012

MERGER/ACQUISITION OF RIDGEWAY PARTNERSHIP NHS TRUST

Report by Director for Social & Community Services

Introduction

1. Ridgeway Partnership (Oxfordshire Learning Disability NHS Trust) is commissioned by Oxfordshire County Council to provide both social care and specialist health services to people with learning disabilities in Oxfordshire. The total value is £20m per annum and they are the largest learning disability service provider in Oxfordshire. The specialist inpatient health services, community health professionals and step-down beds are commissioned by the Council on behalf of the PCT, through the section 75 Pooled Budget and Lead Commissioning arrangements. Oxfordshire commissions approximately 65% of Ridgeway's current business. The services comprise:

   - 9 specialist inpatient beds, 3 Step-down beds and Assertive Outreach Service: value £2.4m p.a.
   - Community health professionals who work as part of the multi-disciplinary Learning Disability teams: value £3.8m p.a.
   - Social Care Services (supported living, residential care, day support, respite): value £14m p.a.

2. In line with the Department of Health's policy that all NHS Trusts have to become Foundation Trusts, or become part of an existing Foundation Trust by 2014, the Strategic Health Authority is currently leading a process through which existing Foundation Trusts are bidding to acquire Ridgeway Partnership. As the main commissioner of Ridgeway's services, the Council has a significant interest on the outcome of this process and Oxfordshire's Lead Commissioner for learning disability services is a member of the project board.

3. On 5th July 2011 the cabinet member for Adult Services agreed to include the services purchased from Ridgeway Partnership by Oxfordshire County Council in the NHS merger/acquisitions process, and requested that the recommendation to appoint a preferred provider to acquire Ridgeway Partnership NHS Trust be brought to cabinet for approval in early 2012.

4. This paper sets out the acquisitions process and progress to date, and recommends that cabinet confirms its intention to continue to include the services purchased by the Council in the acquisitions process. It also recommends that, due to the timing of decision points, the final approval to proceed with the preferred provider be delegated to the Lead Member for Adult Services.

The Acquisition Process

5. The Acquisition Process is led by the Strategic Health Authority through a Project Board which is comprised of Directors of the Strategic Health Authority, Directors of Ridgeway Partnership NHS Trust, and the Lead Commissioner for learning disability services from Oxfordshire County Council.

6. Expressions of Interest were sought from any NHS Foundation Trust interested in acquiring Ridgeway Partnership in July 2011, and bidders were invited to submit a pre-qualifying questionnaire. Thirteen bids were submitted, of which 12 passed the initial qualifying threshold. The 12 Trusts were scored on their responses and the 6 highest scoring bidders were invited to proceed to the next stage (Invitation to Submit Outline Proposal). They submitted responses to 19 questions, covering the following specific areas:

   Service delivery and framework
   Partnership and engagement
   Benefits to service users, carers and relatives
   Workforce
   Integration planning
   Finance

7. Responses were evaluated by panels which represented Ridgeway Partnership and the SHA. Oxfordshire County Council was represented on the Service Delivery and Partnership and Engagement panels, and was also a member of the consolidation panel which scrutinised and confirmed the composite scores from all the panels. In addition all of the bidders were required to make presentations to a group of stakeholders, which included service users and carers, and commissioners from Oxfordshire and Buckinghamshire. This section was also scored and fed into the consolidated scores for each bidder.

8. The 3 highest scoring bidders were shortlisted to proceed to the next stage (Invitation to Submit Detailed Proposal). They have given permission for their identity to be shared with relevant parties, and are Calderstones Partnership NHS Foundation Trust, Hertfordshire Partnership NHS Foundation Trust and Southern Health NHS Foundation Trust. They submitted detailed responses to 26 further questions. Evaluation of their responses is taking place during the first half of January, and the Lead Commissioners from Oxfordshire and Buckinghamshire, and the commissioning manager from Oxfordshire, are represented on the evaluation panels and the consolidation panel.

9. In addition to the formal evaluation of written submissions, a Big Engagement Day was held in November. This enabled service user and carer representatives and all commissioners to meet informally with the 3 shortlisted bidders and to view their stands of information. The bidders heard presentations from Ridgeway Partnership’s staff and had the chance to visit and find out more about the services currently provided. Subsequently, a group of Ridgeway staff and stakeholders have visited services provided by

the 3 bidders in their own areas. All of this softer information has fed into the formulation of questions for a final Board to Board interview to be held on 19th January, which will be evaluated and contribute to the consolidated scores for each bidder.

10. Taking the scores on all sections of the final bids and the Board to Board interview into account, the consolidation panel will present its recommendation to the project board on 30th January. Following this the recommendation will be submitted for approval to Ridgeway Partnership's Board and to the Board of the Strategic Health Authority. Unfortunately this does not coincide with a scheduled cabinet meeting of Oxfordshire County Council and it is therefore suggested that cabinet delegate the final approval to proceed with the preferred provider to the Lead Member for Adult Services.

11. Following approval, the Department of Health requires that the proposed acquisition is scrutinised by Monitor and by the Competition and Collaborations Panel. This process can take up to 6 months and as a result the anticipated date for transfer to the new provider is September 2012.

Corporate Policies and Priorities

12. A successful transfer of Ridgeway's services to a new NHS provider in a way that minimises disruption for service users, maintains value for money, and enables people to continue to be supported in their communities is in line with the objectives of the Council's Corporate Plan. In particular it will contribute to maintaining Healthy and Thriving Communities through supporting people with disabilities to live in their own homes, and by protecting and safeguarding vulnerable people.

Financial and Staff Implications

13. The Council commissions social care services to the value of £14m pa and specialist health services to the value of £6m pa from Ridgeway Partnership. This amounts to 65% of Ridgeway's total business. The Council's contracts were tendered in 2009 and run for a period of 5 years subject to continuing satisfactory delivery of service. Over this period of time there is a gradual reduction in cost built into both the social care and the specialist health contracts.

14. As part of the acquisition of Ridgeway Partnership, there will be a statutory transfer of contracts on the existing terms. The merger/acquisition process involves a detailed assessment of the financial standing of the acquiring bidders. The acquiring trust will also be required to meet Monitor's financial requirements as a Foundation Trust. The financial risk will therefore be less than that faced currently with a small organisation providing these services; there are no new financial implications for the Council as the main commissioner.

15. There are no implications for Council staff other than the need to develop positive working relationships with a new organisation.

Other Risks

16. As a key provider of services to vulnerable people, under contract to the Council, the quality, safety and financial stability of the acquiring NHS Trust's services is of considerable importance to the Council. There would be reputational risks to the Council as a result of failures of quality or safety on the part of a significant contractor. This risk is mitigated by a thorough and transparent competitive process used to identify the preferred provider, which incorporated detailed submission of evidence of the provider's performance in the areas of service quality, management of safeguarding and health & safety, and financial sustainability. Ongoing delivery of service will be underpinned by the contractual requirements to maintain quality and safety, which will be regularly monitored by the Council's contract monitoring team, with advice from the safeguarding team and the Council's Health Safety and Wellbeing team. The specialist inpatient services, and supported living services, will also be subject to registration and monitoring from the Care Quality Commission.

Alternative Option

17. If the Council does not choose to maintain its contracts as part of the statutory transfer of Ridgeway Partnership's business to the new provider, it would be necessary to secure an alternative provider to deliver these services by September 2012. This option was considered by the Lead Member for Adult Services in July 2011 who took the decision that the interests of service users and the Council would be best served by transferring the business to the new NHS provider. It would not now be possible to carry out an open tender, identify an alternative provider, and allow for TUPE and safe transfer of services by September. However, the Council would have the option to give notice on the contracts with the acquiring NHS provider and to place the contracts with a new provider as soon as a tender could be completed.

RECOMMENDATION

18. **The Cabinet is RECOMMENDED to**

(a) confirm that, on the basis of the processes so far, the Council is willing to continue with the services it purchases from Ridgeway Partnership being included as part of the business to be acquired; and

(b) request that the final approval to proceed with the transfer of the services the Council purchases to the preferred bidder be delegated to the Cabinet Member for Adult Services.

JOHN JACKSON
Director for Social & Community Services

Background papers:

Contact Officer: Ann Nursey, Lead Commissioner, 01865 323669

December 2011

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Division(s):

CABINET – 17 JANUARY 2012

RENEWAL OF REAL TIME BUS PASSENGER INFORMATION (RTPI) SYSTEM CONTRACT

Report by Deputy Director, Highways & Transport

Introduction

1. This report:

   (a) Outlines the approach taken to procuring new contract services for the Oxfordshire Real Time Passenger Information (RTPI) system - 'Oxontime', to reflect changes in technology and public expectations;

   (b) Seeks approval to award a contract to the supplier submitting the most economically advantageous tender on the basis of quality and cost;

   (c) Provides an update on the development of the system, and summarises the public response and performance standards attained.

Policy Framework

2. The Oxfordshire RTPI system has formed an important element of the Council's Local Transport Plan (LTP) strategy for public transport since 2004, promoting sustainable travel choice as part of a wider set of measures delivered in partnership with the principal Oxfordshire bus operators, including the introduction of smart-card ticketing and low-emission vehicles.

3. RTPI services support the Council's stated LTP3 objectives to:

   (a) Develop and increase the use of high quality, welcoming public transport;
   (b) Reduce congestion;
   (c) Secure infrastructure and services to support development.

4. The current Local Transport Plan (LTP3) states that the Council intends to improve the operation of its real time information system, referred to as one of the best performing systems in the UK.

Project Delivery

5. In November 2002 the County Council gave authority to proceed to tender for the implementation of an RTPI system, initially covering a limited number of

trial routes, but with scope for future expansion on a county-wide basis. A contract was subsequently awarded to Advanced Communications & Information Systems (ACIS) Ltd with a fully operational system in place by April 2006.

6. Since 2004, both Oxford Bus Company (OBC) and Stagecoach in Oxfordshire have made a significant commitment to the delivery of RTPI in the County, including the supply of accurate data for dissemination to the public via on-street displays and other on-line media. An investment of approximately £1.4 million has been made by the bus operators over this period, directly assisting them to deliver service reliability and journey time improvements.

7. In January 2006, Cabinet approved the extension of RTPI services, allowing for geographical expansion outside of Oxford and functional development through the implementation of a text (SMS) messaging service. Developer contributions have since been utilised for specific improvements, requested through the planning process, including new displays at Bicester Village and in Kidlington. Funding has been agreed to support further developments in Bicester, Yarnton and the Science Vale UK area.

8. The Council's capital investment priorities have been delivered within budget, extending RTPI services to all areas of Oxfordshire and covering cross-boundary routes to/from Buckinghamshire and Reading. **Annex 1** shows the current distribution of RTPI services across Oxfordshire.

9. In 2008 the County Council awarded a contract to Cloud Amber Limited to supply, configure and maintain a traffic management system for Oxfordshire. RTPI is made available through an interactive, multi-modal Live Travel Information website. The website also provides access to real time congestion data, car park occupancy statistics and disruption/roadwork information, via a simple map interface – see the following link: http://voyager.oxfordshire.gov.uk/map.aspx

10. The existing RTPI contract was extended in December 2008, but expires in March 2012. Officers have consequently investigated options for the continued provision of RTPI services beyond this date.

System Performance

11. The Council carries out surveys and daily monitoring of individual displays and other RTPI assets across the County. This enables the Council and bus operator partners to identify potential equipment faults for escalation and rectification by the RTPI supplier.

12. The Council meets regularly with its supplier and partners to agree actions to improve system reliability; this has led to performance improvements over time. The bus operators also help to ensure RTPI remains accurate following timetable changes and during bank holiday periods.

Future RTPI Provision

13. In 2010 the Council reviewed its options on expiry of the existing contract arrangements. It was agreed to maintain the RTPI system whilst recognising that some limited expansion might still be required, particularly where a condition of, and funded through, developer agreements. This approach would ensure no loss in benefit to the public whilst allowing the Council to secure additional infrastructure to complement housing growth.

14. Oxford Bus Company, Stagecoach in Oxfordshire and Thames Travel Ltd remain committed to the provision of RTPI in the County, support the Council's approach of renewing existing RTPI contract arrangements, and would continue to meet their share of future system costs.

15. The Council's resulting Technical Specification reflects the public expectation that RTPI (including regional traffic and congestion information) should be made more widely available through a range of different media including smart phone technologies and third party websites via nationally recognised standards for data exchange. Stringent Service Level Agreements have also been specified to promote further enhancements to system reliability.

Procurement Process

16. The County Council's Procurement Team has recommended the award of an initial four year contract to commence on 31st March 2012, with rights to extend by two years in aggregate, if required. The Council's Tender Evaluation assumes a five-year contract and the outcome which is shown in **Annex 2** reflects this.

17. Contract Procedure Rules 12-18 apply to this procurement, which has been advertised as a Service contract under the restricted procedure of the Official Journal of the European Union (OJEU). Following advertisement and a pre-qualification stage, a total of three tender submissions were received, including that of the incumbent – Vix Technology Ltd (formerly ACIS Ltd).

18. The quality and pricing elements of the contract evaluation have both been allocated a 50% weighting to reflect the Council's intention to focus on cost as highly as quality. Following submission of tenders the scores from both elements for all suppliers were added together to calculate the Most Economically Advantageous Tender. The Contract Award Recommendation is detailed in **Annex 3**.

Public Response

19. The Oxfordshire RTPI system provides a valued service to the public as has been evidenced through survey. A study undertaken by the Oxford Research Agency in late 2008 found that '*the live information displayed is considered reassuring to those waiting for a bus and due to its 'real time nature', is generally trusted by residents as being accurate and reliable'*.

20. The Council's www.oxontime.com text messaging and web services receive around 25,000 'hits' per month (300,000 per annum), covering bus routes throughout Oxfordshire.

21. The Public Transport Development team has received over 150 items of e-mail correspondence in 2010/11 concerning the operation of the RTPI system. The reliability and widespread availability of RTPI are considered key priorities. This service also allows officers to resolve any faults promptly.

Financial and Staff Implications

22. The maintenance cost submitted by Cloud Amber for the initial 4 year contract term is £1,223,000 in total. Other lease and communication costs totalling £149,000 bring the overall revenue requirement to £1,372,000, to be met from within Highways & Transport budgets and through supporting contributions from partner bus operators - which would represent £491,000. The County Council and bus operators will make the same percentage contributions towards the costs of maintaining the system under the new contract as now – the split being 64% (OCC) and 36% (operators).

23. The net cost to the County Council would therefore be £881,000 over the new contract term (approximately £220,000 per annum) albeit with higher figures in years 1 and 2 of the contract, reflecting the initial mobilisation costs of the new supplier (see **Annex 4**) This level of funding is already contained in the Highways & Transport budget.

24. The County Council commits a resource of 2 F.T.E. to the task of managing the RTPI contract. This work entails:

(a) Managing supplier and bus operator relationships, including all technical and performance aspects;
(b) Configuration of bus timetable data and;
(c) Provision of customer services to system users.

This level of resource is considered essential to afford effective project management of the contract, funded from within existing Highways & Transport staffing budgets.

RECOMMENDATION

25. **The Cabinet is RECOMMENDED to**

(a) authorise the Deputy Director (Highways & Transport), in consultation with the Cabinet Member for Transport, to award the contract for RTPI based on the recommendations contained in this report to Cloud Amber Ltd;

(b) authorise the use of Highways & Transport budgets for the continued maintenance of RTPI services as detailed in section 22 of this report until 30th March 2016; and

(c) authorise the Deputy Director, Highways & Transport in consultation with the Cabinet Member for Transport to approve up to two years contract extension with suitable budgetary provision, subject to the contractor achieving appropriate standards of service delivery.

STEVE HOWELL
Deputy Director (Highways & Transport)
Environment & Economy

Background papers: Nil
Contact Officer: Chris Spry, Senior Transport Planner
Tel: 01865 815711

December 2011

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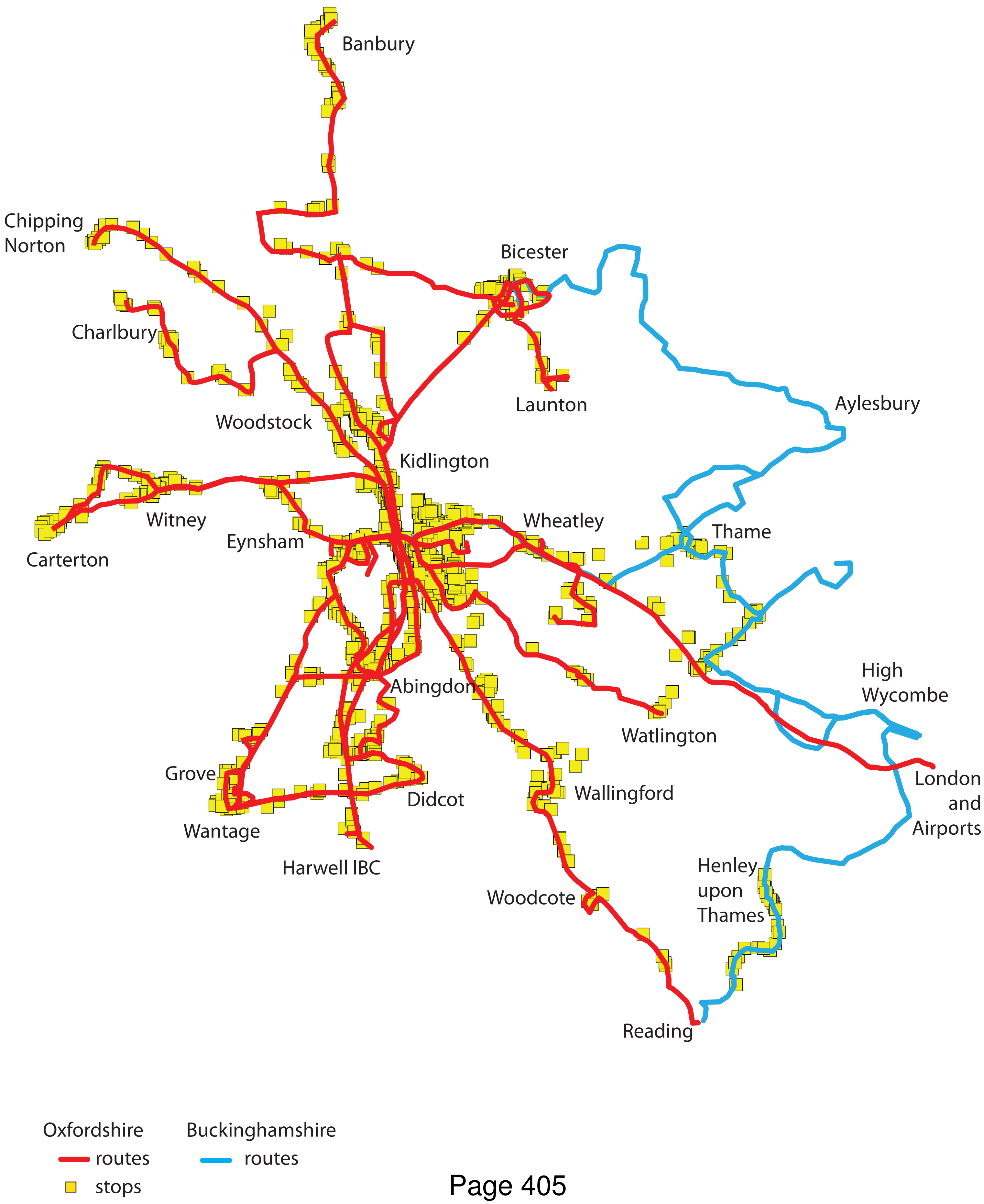
Annex 1

Oxontime RTPI Inter-Urban Route network map



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Annex 2 - Tender Evaluation Summary

For the Service & Maintenance of the Oxfordshire Real Time Information System (CPU 608) - SUMMARY SCORING MATRIX

Overall Tender Evaluation (100%)	Cloud Amber Ltd	VIX Technology Ltd	Trapeze Group Ltd
Quality Evaluation (50%)	49%	50%	50%
Price Evaluation (50%)	50%	32%	46%
Final Evaluation (100%)	99%	82%	96%
Ranking	**1**	3	2

On the basis of the above evaluation, the County Council's Procurement Team recommends award of the RTPI contract to Cloud Amber Ltd

Contract term: 4 years with Council rights to extend by another 2 years in aggregate.

Commencing: 31st March 2012

COUNTY PROCUREMENT TEAM:
Date 18th November 2011

CONTRACT AWARD RECOMMENDATION REPORT

CONTRACT REF: CPU608

Report for: Recommendation for Preferred Bidder Acceptance

Contract for
The Service & Maintenance of the Oxfordshire Real Time Information System

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Background

Oxfordshire's RTI system has been fully operational since April 2006. A capital investment exceeding £3 million has been made by the 'Oxontime' project partners: Oxfordshire County Council, Stagecoach in Oxfordshire, Oxford Bus Company and Thames Travel Ltd. The existing maintenance contract expires on 30th March 2012.

The approach adopted for the re-tendering of Oxfordshire's RTI requirements reflects the Council's current funding position – i.e. to maintain the existing system at current or higher performance levels, allowing for some limited expansion. A specific focus is being placed upon making RTI more accessible via open RTIG/SIRI data standards and through mobile phone technologies.

The contract specification therefore provides for both ongoing maintenance of all system assets, and scope for limited enhancements to include additional hardware and software. Stringent Service Level Agreements will apply to the maintenance and fault rectification of system assets on a 24/7 basis, 365 days a year.

The Council's intention is to award a four year contract to commence in April 2012, with the option for a two-year extension if required, with an estimated overall value of £1.56 million over five years, assuming a one year extension.

Contract Procedure Rules and Legislation

Contract Procedure Rules 12-18 apply to this procurement, which has been advertised as a Service contract under the restricted procedure of the Official Journal of the European Union (OJEU).

The Council possesses powers under the Local Government (Miscellaneous Provision) Act 1953 Section 4 to delivery public transport infrastructure improvements.

Process

1. Advert calling for expressions of interest was placed in OJEU, on 11th June 2011.

2. Nine expressions of interest were received and all companies sent Pre-Qualification Questionnaires

3. Nine questionnaires were received back and scored against pre-determined criteria.

4. As a result six companies were invited to tender

5. A total of three tender submissions were duly received.

6. All three organisations, after an initial evaluation period which allowed the Project Group to study the bids in detail, were invited to present their service delivery solution to the evaluation panel.

7. The project lead and the Procurement Manager provided the evaluation panel with score sheets detailing the evaluation criteria and the scores scope to aid the tender evaluation process.

8. This allowed the Project Group's evaluation panel to consider the strength of each of the answers provided in relation to the quality criteria, detailed on the Appendix 1 spreadsheet, facilitating an evaluation of the overall strength of the bids.

9. The Pricing elements of the contract had been given a 50% weighting whilst the quality criteria was also given a weighting of 50% to reflect the Project Groups intention to focus on quality as highly as cost.

10. The scores from both elements were added together to calculate the Most Economically Advantageous Tender award recommendation and are detailed on Appendix 1.

Recommendation

1. As a result of this process and evaluation it is recommended that the submission from **Cloud Amber Ltd** should be taken forward to preferred bidder status.

Procurement Manager
.... Name
...HUGH GALLIERS Print
PROCUREMENT MANAGER Position
PROCUREMENT....... Team
.2/12/11........... Date

Service Area Representative
.... Signature
.CHRIS SPRY.... Print
SENIOR TRANSPORT PLANNER Position
P.T. DEVELOPMENT Team
...2/12/11.......... Date

Budget Holder on behalf of S151 Officer
.... Signature
...JOHN DISLEY.. Print
STRATEGIC MANAGER Position
...POLICY & STRATEGY Team
......6/12/2011....... Date

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Annex 4 - RTPI System Maintenance Costs
2012/13-2015/16

Future Costs	2012/13	2013/14	2014/15	2015/16	**Totals**
OCC	£ 262,980.17	£ 223,392.09	£ 196,110.01	£ 198,035.81	**£ 880,518.08**
Bus Operators	£ 146,690.10	£ 124,607.91	£ 109,389.99	£ 110,464.19	**£ 491,152.18**
Totals	£ 409,670.26	£ 348,000.00	£ 305,500.00	£ 308,500.00	**£ 1,371,670.26**

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Division(s):

CABINET – 17 JANUARY 2011
MEMBER CHAMPIONS – APPOINTMENT OF MILITARY CHAMPIONS
Report by County Solicitor and Monitoring Officer

Introduction

1. Under the Council's Constitution the Cabinet may designate member champions and appoint councillors to, and remove them from these roles. The current member champions are:

Buses:	Councillor Stewart Lilly
Cycling:	Councillor Arash Fatemian (as Cabinet Member for Growth & Infrastructure)
Efficiencies:	Councillor Charles Shouler
Heritage:	Councillor Lorraine Lindsay-Gale
Older People:	Councillor David Sexon
Olympics:	Councillor Bill Service
Risk Management:	Councillor David Wilmshurst (as Chairman of the Audit Committee)
Military (overarching):	Councillor Keith Mitchell

2. Member Champions provide quarterly reports of their activities to other Members and these are posted on the 'Elected Members' part of the Council's intranet.

3. Councillor Mitchell fulfils the role of Military Champion for the County as a whole. The Cabinet is now asked to consider formally creating 5 additional Military Champions focusing on each of the military bases in Oxfordshire and confirming appointments. Annex 1 sets out the proposed role, the purpose of which is to strengthen the relationship the armed forces have with local authorities in Oxfordshire.

Financial and Staff Implications

4. Support for this role is provided by the Strategy and Communications team.

Equality and Inclusion Implications

5. The member champions will support the work the Council has done and will continue to undertake in support of Service personnel, their families and Veterans.

RECOMMENDATION

6. **The Cabinet is RECOMMENDED to appoint the following Councillors as Military Champions:**

    1. **Bicester Garrison : Cllr Kieron Mallon**
    2. **RAF Brize Norton: Cllr Donald Robert Seale**
    3. **Abingdon Station: Cllr Sandy Lovatt**
    4. **Vauxhall Barracks: Cllr Tony Harbour**
    5. **RAF Benson:**
    6. **Defence Academy Shrivenham: Cllr Keith Mitchell (as Leader of the Council)**

PETER CLARK
County Solicitor & Monitoring Officer

Annex : Role of Military Champion

Contact Officers: Claire Moore, Senior Policy and Performance Officer, tel (01865) 323966 /Sue Whitehead, Committee Services Manager tel: (01865) 810262

December 2011

Annex

Role of Military Champions

Context:

We are immensely proud of the relationship our armed forces have with the local authorities throughout Oxfordshire, the work we have done and will continue to undertake in support of Service personnel, their families and Veterans. Oxfordshire has a large military presence; the total number of Service personnel based in the County will be in the order of 11,000 with the expansion of RAF Brize Norton.

To strengthen the relationship, six elected members will be appointed as Military Champions – one for each military base in Oxfordshire to supplement the 'overarching' military champion role.

Member Champions – Job Description – Military

Roles and Responsibilities:

The purpose of this role is to help forge better communication between Oxfordshire County Council and our Military bases. In particular, this role will:

- Form effective links with the respective local military base in order to increase awareness of key issues and help OCC officers to understand the key issues faced by members of the Armed Forces Community. This will include keeping abreast of key changes at local military establishments

- Act as a strategic link between the County Council and the Armed Forces Community. This means that you will be the main point of contact for the Armed Forces/Base Commander to tackle issues or problems e.g education – school

- Cooperate with local members, making sure local members are informed of relevant activities they need to be involved in or aware of

- Liaise with the relevant County Council officers including the bi-lateral lead (Director) and the locality lead officers on any issues they need to be involved in or aware of

- Champion the Oxfordshire Armed Forces Community Covenant and encourage organisations to sign up and support this

- Require you to use your relevant military background and/or links to help establish an effective working relationship with the Base Commander

- Work with the Leader of the Council (as the overarching military champion) and the Chairman of the Strategy and Partnerships Committee to find the best way of tackling the key issues.

This role is an opportunity to:

- act as a crucial link between members, base commanders as well as officers
- help break down any barriers that exist
- ensure members and officers understand some of the issues the armed forces face
- raise the profile of the Armed Forces Community Covenant within the County Council and externally.

Support available:

- support from the Strategy and Communications Unit
- regular liaison meetings with the Strategy and Communications lead officer (Claire Moore) and the Military Liaison Officer (Major Jonathan Huxley)

- A meeting can be arranged with the relevant base commander and other key personnel if required
- briefing on the work of the Armed Forces Community Covenant to date

Reporting

- You are required to formally report back on your activities and important developments on the topic four times a year.

- Reports should be submitted to councillor.reports@oxfordshire.gov.uk on or before 30 June, 30 September, 31 December and 31 March each year.

- This report will then be published on the 'Elected Members' section of the intranet.

Further Information

- Further details on the person specification can be found in the Member Champion Role – Guidance Notes section of the constitution ((Part 2, Article 2 – Appendix 1).

Division(s): N/A

CABINET – 17 JANUARY 2011

SCHOOL ADMISSION AND EXCLUSION APPEAL PANELS

Report by County Solicitor and Monitoring Officer

Introduction

1. Under Part 3.4 of the Constitution the Cabinet is responsible for local arrangements for the school admission and exclusion appeals function, but Regulations made under the Local Government Act 2000 make the full Council responsible for the determination of any financial loss, travelling and subsistence allowances payable to appeal panel members. (This is the same as for allowances paid to councillors, but without any requirement to make reference to an independent remuneration panel.) This report reviews the present panel members' allowances and asks the Cabinet to make recommendations to the full Council to determine rates and arrangements for their payment.

Background

2. Under the School Standards and Framework Act (as amended) the Council is under a duty to make arrangements to enable parents to appeal against school admission and exclusion decisions. The requirements include the arrangements for the panels to hear the appeals, the appointment of panel members and the payment of allowances to any member of a panel As the service provided by the Panel members is a statutory one the preference would be to remunerate them for the work undertaken but this is not allowed. Under current legislation, members of panels are entitled to claim financial loss allowance and travel and subsistence allowances for attendance at a meeting of an appeal panel and training but not to receive payment for being a Panel member.

3. The admission appeal panels are drawn from a pool of (currently) 17 Lay Members and 15 "Persons of Experience of Provision of Education". The Panels met on No.160 occasions in 2010/11, which was an exceptional year.

4. The exclusion appeal panels are drawn from a pool of (currently) 7 Lay Members, 7 School Governors and 12 Headteachers. The Panels met on 4 occasions in 2010.

5. Involvement in the appeals process therefore involves a considerable potential commitment on the part of individual panellists, and although many choose not to claim some or all of the available allowances, it is clearly one factor for

anyone to consider before deciding whether to give his or her time up to perform this function.

6. The current allowances were last reviewed in July 2004 when it was recommended to Council and agreed:

   (a) to approve, for school admission and exclusion appeal panel members, the same travel and subsistence allowances as are payable to members of the Council, subject to the same requirements as to the submission of claims and the supply of evidence;

   (b) to approve an increase to £100 per day in the maximum amount payable to a school admission or exclusion appeal panel member for financial loss necessarily incurred as a result of attendance at an appeal panel hearing, subject to sufficient documentary evidence being produced to identify actual loss.

Travelling and Subsistence Allowances

7. Members will be aware that from 1 April 2011 for travel by car members of the Council and officers are paid 35p per mile for the first 10,000 miles and 25p per mile thereafter. This is a reduction on last year of 5p/mile for the first 10,000 miles.

8. The current subsistence allowance for panel members (as for members and officers) is shown in Annex 1. Appeal hearings normally take place between 9.45 am and 5.00 pm but occasionally over a longer time – sometimes extending to as late as 8.30 pm for an exclusion appeal.

9. Payments are subject to the same conditions as apply to Council members for the provision of receipts and/or other evidence of expenditure and the submission of claims within two months of the expenditure being incurred. Currently the requirement to provide VAT receipts is not applied to panel members

10. Panel members have made strong representations to the County Solicitor to retain a mileage rate of 40p per mile for the first 10,000 miles (no panel member has ever recorded mileage in excess of 10,000 miles). They point to the fact that they are an entirely volunteer force but perform a statutory duty on behalf of the Council. The Council is totally reliant on their good will to meet its responsibilities. They point out that the proposed reduction comes at a time of escalating fuel costs. Some panel members have indicated that the reduced rate will make them consider their position as a volunteer. This at a time when central Government and the Council are seeking to make best use of volunteers as part of the Big Society.

11. The Voluntary Sector Development Team provide the following general advice on the payment of volunteers:

Where financially possible, the council will repay reasonable out of pocket expenses against proof of expenditure (e.g. receipts, tickets, itemised phone bills etc), which should be agreed in writing with the service concerned before the volunteering arrangement commences. Reasonable expenses may include:

- *travel while volunteering;*
- *postage, phone calls, stationery, etc.*
- *meals taken while volunteering;*
- *travel to and from the place of volunteering;*

Managers will not pay a fixed 'daily rate' for expenses, but may develop guidelines regarding maximum claims eg £4 maximum for lunch, or funding travel expenses within Oxfordshire boundaries only. Mileage rates should be paid in line with existing county council employee rates.

12. It is recommended that given the very particular circumstances in relation to the specialist nature of the work carried out by the panel members Cabinet agree to retain the car mileage rate at 40p per mile for the first 10,000 miles. It is further recommended that VAT receipts be provided in line with the conditions for Council members and officers.

Financial Loss Allowance

13. Some other tribunal systems pay their members a set fee for their services and, in some instances, non-payment of such a fee has stopped candidates from taking their expression of interest in being appointed to these panels any further. However, the Regulations do not allow for payment of a set fee for school admission and exclusion appeal panel members. They do not get a basic allowance of any sort.

14. Regulations do allow for the payment of financial loss which is currently set at a maximum of £100/day. The majority of this authority's panel members are retired while a few either work part time or are self-employed. Council Members cannot claim for financial loss relating to their employment but can claim for childminding expenses and carer expenses for a dependent. In some circumstances the co-opted members of the Standards Committee could also apply for financial loss.

15. To ensure that claims for actual financial loss are accountable and audit trails sufficiently established, a certificate supplied by the employer, or supporting evidence from a self-employed panel member's accountant, or such other evidence as deemed appropriate, should support any claims for loss of earnings. Claims for any other type of eligible actual financial loss, such as

childminding expenses, should also be supported by receipts and/or other evidence.

16. The Cabinet is asked to consider whether the current financial loss payment should continue and whether the ceiling is set at an appropriate level.

Financial Implications

17. The SAP system does not currently differentiate between mileage and subsistence claims. In 2010/11 the total came to £24,604. Applying the change to 35p per mile to the whole of the figure gives a difference of £2,952. This gives an indication of what the Council would be forgoing as a saving if they retained a rate of £40 per mile.

18. Currently, only 4 panel members in total claim financial loss for either loss of earnings or childminding costs. As appeal panels meet during working hours it is not envisaged that there will be a significant increase in the number of panel members who are appointed and who will make a claim for financial loss in respect of loss of earnings, even though for those individuals who would be inhibited from participating it is hoped that the current payment represents the removal of a significant barrier.

RECOMMENDATIONS

19. **The Cabinet is RECOMMENDED to RECOMMEND the Council:**

(a) to approve, for school admission and exclusion appeal panel members, the same travel and subsistence allowances as are payable to members of the Council, subject to the same requirements as to the submission of claims and the supply of evidence except that the rate for the first 10,000 miles claimed for car travel be set at 40p per mile and not 35p per mile

(b) to continue to pay £100 per day as the maximum amount payable to a school admission or exclusion appeal panel member for financial loss necessarily incurred as a result of attendance at an appeal panel hearing, subject to sufficient documentary evidence being produced to identify actual loss; and

(c) that the revised allowances and rates be effective from 1 April 2011

PETER CLARK

Background Papers:	Nil
Contact Officer:	Sheila Sturgeon, Senior Education Officer, Tel: (01865) 810180

December 2011

ANNEX 1

SUBSISTENCE ALLOWANCES
FOR SCHOOL ADMISSION AND EXCLUSION APPEAL PANEL MEMBERS

Table 2
Proposed Allowances

Allowance	Time away from normal place of residence	Rate
Breakfast	Between 6.00 am and 9.00 am	Up to £6.88
Lunch	Between 12 noon and 2.00 pm	Up to £9.50
Tea	Between 3.00 pm and 5.00 pm	Up to £3.76
Evening meal	Between 6.00 pm and 8.00 pm	Up to £11.76

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Division(s): N/A

CABINET – 17 JANUARY 2012

FORWARD PLAN AND FUTURE BUSINESS

Items identified from the Forward Plan for Forthcoming Decision

Topic/Decision	Portfolio/Ref
Cabinet, 6 February 2012	
• **Food with Thought and Quest Cleaning & Facilities Services** To decide upon the inclusion of these services in the new Property & Facilities single service provider contract.	Cabinet 2012/002
• **Dial-a-Ride Provision in Oxfordshire** To report the outcome of the tender process to reach a decision as to who will replace the current dial-a-ride services	Cabinet , 2011/189
Cabinet, 14 February 2012	
• **Establishment Review - February 2012** Quarterly staffing report, with analysis of main changes since the previous report and including a progress report on the Establishment Review. .	Cabinet, 2011/174
▪ **Delegated Powers of the Chief Executive - February2012** To report on a quarterly basis any executive decision taken by the Chief Executive under the specific powers and functions delegated to her under the terms of Part 7.4 of the Council's Constitution – Paragraph 1(A)(c)(i). Item not for scrutiny call in.	Cabinet, 2011/157
• **Big Society Fund - February 2012** To consider bids to the Big Society Fund from the third wave of applications and agree which bids to award funding. Bids may also include applications for asset transfer. .	Cabinet, 2011/176
▪ **Amendments Required in Fair Funding Formula for Schools from 1 April 2012** To seek approval of the proposed changes to the Fair Funding Formula for Oxfordshire's schools from 1 April 2012. **Joint Responsibility:** Cabinet Members for Children, Education & Families and Schools Improvement.	Cabinet, 2011/166

▪ **2011/12 Financial Monitoring & Business Strategy Delivery Report - December 2011** Monthly financial report on revenue and capital spending against budget allocations, including virements between budget heads.	Cabinet, 2011/173
• **Expansion of Orchard Meadow Primary School** If objections to the public consultation are received, to decide whether to expand Orchard Meadow Primary School.	Cabinet, 2011/164
▪ **Developer Contributions to Service Infrastructure** To consider a summary of developer contributions secured to County service infrastructure through the planning process for 2010/11 and the amounts negotiated, received and spent throughout the year.	Cabinet, 2011/048
• **Proposed Extension of The Warriner School, Bloxham, by Establishing a Sixth Form** If objections received, to decide whether to support the school's wish to publish a Statutory Notice.	Cabinet, 2011/211

Cabinet Member for Adult Services, 14 February 2012

• **Ridgeway Partnership Merger/Acquisition** To approve the recommendation of preferred provider. .	Cabinet Member for Adult Services, 2011/213

Cabinet Member for Growth &Infrastructure, 15 February 2012

• **Oxfordshire Minerals and Waste Development Framework - Annual Monitoring Report 2011** To consider the Minerals and Waste Annual Monitoring Report 2010 for publication and submission to the Secretary of State.	Cabinet Member for Growth & Infrastructure 2011/132

Cabinet Member for Safer & Stronger Communities, 13 February 2012

- **Oxfordshire Museums Strategy**

To approve the Oxfordshire Museums Strategy as devised by Oxford University, Oxfordshire County Council, Oxford City Council and Cherwell District Council to create a shared vision for the future of Oxfordshire's museum collections.

Cabinet Member for Safer & Stronger Communities, 2011/195

- **Future Arrangements for Call Receipt, Mobilising & Incident Management for Oxfordshire County Council Fire & Rescue Service**

To seek approval for further collaborative working with Royal Berkshire Fire & Rescue Authority for call receipt, mobilising & incident management for Oxfordshire County Council Fire & Rescue Service.

Cabinet Member for Safer & Stronger Communities, 2012/003

- **Integrated Risk Management Plan (IRMP) Fire & Rescue - Project**

To approve the project to be delivered in the 2012-13 IRMP action plan.

Cabinet Member for Safer & Stronger Communities, 2011/175

Cabinet Member for Schools Improvement, 8 February 2012

Basic Need for Pupil Places - Eynsham Primary School

If no objections are received, to consider whether to publish a statutory notice on the proposed expansion of Eynsham Primary School.

Cabinet member for Schools Improvement, 2011/179

Cabinet Member for Transport, 5 January 2012

- **Oxford City Centre Low Emission Zone**

To authorise an application to the Traffic Commissioner for a Traffic Regulation Condition establishing a low emission zone in Oxford City Centre.

Cabinet Member for Transport, 2011/177

• **Minor Speed Limit Amendments Arising from Speed Limit Review** To seek approval for amendments to speed limits in Cherwell, Oxford, South Oxfordshire and West Oxfordshire Districts.	Cabinet Member for Transport, 2011/198
• **Revised Speed Limit - A44 Yarnton/Begbroke** To seek approval for amendments to speed limit.	Cabinet Member for Transport, 2011/199
• **Proposed Changes to Various Parking Restrictions in West Oxfordshire** To seek amendments to parking, waiting and loading restrictions.	Cabinet Member for Transport, 2011/199
• **Funding for Oxfordshire Rural Community Council Transport Team** To seek agreement for interim funding arrangements for, and expected outputs from, ORCC transport team, pending adoption of new Oxfordshire County Council Community Transport Strategy.	Cabinet Member for Transport, 2011/205
• **Higham Way Traffic Regulation Order (TRO)** To seek permission to implement double yellow lines along the length of Higham Way, Banbury.	Cabinet Member for Transport, 2011/214
• **Highfield and Old Road Transport Improvements - Minor Amendment to Scheme to Relocate Proposed Cycle By-Pass** To seek approval for revised location of proposed cycle by-ass involving the removal of length of footway under the powers in Section 66(4) of the Highways Act 1980 and construction of a cycle track under Section 65(1).	Cabinet Member for Transport, 2012/001