

**County Council
Tuesday, 20 February 2024**

ADDENDA

8. Budget and Business Planning 2024/25 - 2026/27 (Pages 1 - 100)

Supplementary Report by the Executive Director of Resources and Section 151 Officer

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COUNCIL – 20 FEBRUARY 2024

BUDGET AND BUSINESS PLANNING 2024/25 – 2026/27

Supplementary Report by the
Executive Director of Resources and Section 151 Officer

RECOMMENDATIONS

2. The Council is RECOMMENDED to:
 - a. have regard to the statutory report of the Executive Director of Resources and Section 151 Officer set out in Amended Section 3.1 in approving recommendations b to d below;
 - b. (in respect of the budget and medium term financial strategy – at Section 4) approve the following:
 - (1) the council tax and precept calculations for 2024/25 [at Cabinet Section 4.3] and in particular:
 - (i) a precept of £498,633,415;
 - (ii) a council tax for band D equivalent properties of £1,820.56;
 - (2) a budget for 2024/25 [at Amended Cabinet Section 4.4 which incorporates the changes set out in Labour & Co-operative Group Section 4.2];
 - (3) a medium term financial strategy for 2024/25 to 2026/27 [at Amended Cabinet Section 4.1 (which incorporates changes to the existing medium term financial strategy as set out in Cabinet Section 4.2 and amended by Labour & Co-operative Group Section 4.2)];
 - (4) the Financial Strategy for 2024/25 [at Cabinet Section 4.5];
 - (5) the Earmarked Reserves and General Balances Policy Statement 2024/25 [at Amended Cabinet Section 4.6 which incorporates Labour & Co-operative Group Section 4.6]. This includes:
 - (i) the Executive Director of Resources and Section 151 Officer's recommended level of General Balances for 2024/25 [at Amended Cabinet Section 4.6], and
 - (ii) the planned level of Earmarked Reserves for 2024/25 to 2026/27 [at Amended Cabinet Section 4.6.1 which incorporates Labour & Co-operative Group Section 4.6].
 - c. (in respect of capital – at Section 5) approve:
 - (1) the Capital & Investment Strategy for 2024/25 to 2033/34 including the Prudential Indicators and Minimum Revenue Provision Methodology Statement [at Amended Cabinet

- Section 5.1 which incorporates Labour & Co-operative Group Section 5.3];**
- (2) **a Capital Programme for 2023/24 to 2033/34 [at Amended Cabinet Section 5.4 which includes new capital proposals set out in Cabinet’s Section 5.3 which incorporates Labour & Co-Operative Group Section 5.3].**
- d. (in respect of treasury management – at Section 5) approve:
- (1) **the Treasury Management Strategy Statement and Annual Investment Strategy for 2024/25 [at Cabinet Section 5.2] including the Treasury Management Prudential Indicators and the Specified Investment and Non-Specified Investment Instruments.**
- (2) **that any further changes required to the 2024/25 Treasury Management Strategy be delegated to the Executive Director of Resources and Section 151 Officer in consultation with the Leader of the Council and the Cabinet Member for Finance.**

Executive Summary

2. This report sets out the changes to the Cabinet’s proposed budget for 2024/25 to 2026/27, medium term financial plan to 2026/27 and capital programme to 2033/34, together with related strategies and policies that the Council is required to approve for the 2024/25 financial year. The changes at each of the following sections incorporate the amendments proposed by the Labour & Co-operative Group.

Section 3 – Amended Statutory Report by the Executive Director of Resources and Section 151 Officer

3. Amended Section 3.1 sets out the Chief Finance Officer’s amended report on the robustness of the estimates made and the adequacy of the proposed financial reserves.

Section 4 – Amended Revenue Budget Strategy

4. This section sets out the amended detailed 2024/25 revenue budget (Amended Section 4.4), the amended 2024/25 – 2026/27 medium term financial strategy (Amended Section 4.1) and the amended Earmarked Reserves and General Balance Policy Statement (Amended Section 4.6 and 4.6.1).

Section 5 – Amended Capital Budget Strategy

5. This section sets out the amended Capital and Investment Strategy (Amended Section 5.1) and the amended ten-year Capital Programme to 2033/34 (Amended Section 5.4).

Lorna Baxter, Executive Director of Resources and Section 151 Officer

20 February 2024

**Local Government Act 2003: Section 25
Amended Report by the Executive Director of Resources &
Section 151 Officer (Chief Finance Officer)**

Background

1. Section 25 of the Local Government Finance Act 2003 requires that when a local authority is agreeing its annual budget and council tax precept, the Chief Finance Officer must report to it on the following matters:
 - The robustness of the estimates made for the purposes of the (council tax requirement) calculations
 - The adequacy of the proposed financial reserves
2. The council is required to have due regard to this report when making decisions on the budget. The law expects councillors to consider this advice and not set it aside lightly.
3. In expressing my opinion, I have considered the financial management arrangements and control frameworks that are in place, the budget assumptions, the adequacy of the Budget & Business Planning process, the financial risks facing the council and the level of total reserves.
4. This report concentrates primarily on the level of uncertainty within the budget year (i.e. 2024/25). However, it also considers key medium term risks and issues faced by the Council, particularly around the delivery of savings and the increasing pressures in demand driven services which also informs the need for reserves and balances across the medium term strategy period.

Financial management arrangements and control framework

5. In building the budget and considering the risks inherent within it, it is important to consider the wider control environment which will help to manage and minimise those risks. This includes:
 - the approach to financial planning and monitoring with budget holders
 - a strong accountability framework which sets out clear roles and responsibilities in terms of financial management
 - regular and accurate reporting to Members and senior officers
 - an effective internal audit function assessing controls and processes.
6. The Code of Practice for Financial Management (the FM Code) clarifies how Chief Finance Officers should satisfy their statutory responsibility for good financial administration as required in section 151 of the Local Government Act 1972. The Financial Strategy set out at Section 4.5 sets out a compliance assessment against the Code's standards. 17 of the 19 Standards have been assessed as

Green and 2 assessed as Amber meaning that compliance can be evidenced. Proposed actions to support continuous improvement and bring the ratings to Green have been included in the assessment for development in 2024/25. The two areas for improvement are:

- A - The leadership team is able to demonstrate that the services provided by the authority provide value for money (VfM).
 - E – The Financial Management Style of the authority supports financial sustainability.
7. It is important for the Council to focus on these areas as weaknesses increase the risk of financial management and governance failures.
 8. The council received an unqualified opinion on both the accounts for the Authority and the Pension Fund for 2021/22. In respect of securing value for money, the conclusions are based on whether the organisation has proper arrangements in place for securing financial resilience and for challenging how it secures economy, efficiency and effectiveness. The council received an unqualified value for money conclusion for 2021/22. The accounts for 2022/23 remain unaudited.¹
 9. The council's governance arrangements require a statement at the year-end from the 'corporate lead officer' for various key control areas. The Director of Finance has responsibility for ensuring that an effective system of internal control is maintained to provide an assessment of the current position across the whole council and identifying areas for improvement where appropriate. Areas for improvement are included in the Annual Governance Statement and monitored in year via the Audit & Governance Committee.

Current Financial Context

10. The Council has been operating in a climate of uncertainty and volatility alongside increased demand and price pressure during the current financial year and this is expected to continue into 2024/25 and over the medium term.
11. Inflation hit a 40 year high in the year to October 2022, with CPI at 11.1%. Whilst it has dropped significantly since then to 4.0% in the year to December 2023, it is not expected to reduce to the Bank of England's 2.0% target until the end of 2025. Additionally, post COVID-19 impacts continue to have an effect on our patterns of spend and activity particularly in adults and children's services where latent demand and the expenditure needed to meet it has in many cases been merely delayed, not removed from the system. The

¹ A letter was received from EY in April 2023 which stated that audits for 2022/23 would not commence until early 2024

cumulative impact of high inflation and high interest rates has been reflected in the costs of services during 2023/24 and continue to impact into 2024/25.

Budget Assumptions

12. The formation of the 2024/25 budget and indicative budgets for the following two years to 2026/27 have allowed for best estimates of the total financial envelope over the medium term taking into account anticipated unavoidable pressures relating to inflation and demand plus other changes to expenditure plans and the savings then required to match the funding available. It is not the role of the S25 assurance statement to comment on the precise mix of these, providing the overall combination results in a balanced budget and the estimates on which the calculation is based are robust.
13. The Budget & Business Planning process is well established. All the estimates within the proposed budget are the product of a comprehensive budget process with Cabinet Members, Executive Directors, Corporate Directors and Directors as well as regular briefings with the Cabinet Member for Finance resulting in agreement on the level of service delivery within the identified financial resources. The process has been enhanced this year through quarterly star chambers which have had a focus on robustness and deliverability of both in-year savings and savings and investments proposed for the new MTFs. In addition, the main financial risks that are taken into account in determining the estimates are set out in paragraph 15 below.
14. In forming the estimates various assumptions have been made, the main assumptions together with an assessment of their risk are set out below:
 - a) Funding assumptions – the Government’s one year provisional local government financial settlement for 2024/25 and linked Policy Statement only provides certainty for the immediate financial year. There is no clarity on the future government funding from 2025/26 onwards, both in terms of specific grants such as the Social Care grant and New Homes Bonus as well as general government support through the Settlement Funding Assessment. The Policy Statement 2024/25 set out that ‘now is not the time for fundamental reform, for instance implementing the Review of Relative Needs and Resources or a reset of accumulated business rates growth’.

This lack of clarity poses risks to the financial stability of the council, especially given the Autumn Statement forecasts for local government funding show spending needing to fall by 2.3% a year in real terms from 2025/26.

A Council Tax increase of 4.99% is proposed for 2024/25; the maximum allowable (without a referendum) as confirmed in the Local Government Finance Policy Statement 2024/25. The rise comprises a general precept increase of 2.99% and a 2.00% increase in the Adult Social Care precept.

Whilst the Local Government departmental limits set out in the Autumn Statement 2023 include funding for an assumed increase in Council Tax of 4.99%, the Government has not clarified any Council Tax rises beyond the base increase of 1.99%. Therefore, the MTFS currently assumes a 1.99% increase.

Given the uncertainty on government funding beyond 2024/25, it is prudent to assume lower council tax increases for 2025/26 and 2026/27 so that income assumptions are not over inflated.

Estimates of income from business rates for 2024/25 have been made based on the Settlement Funding Assessment (SFA) and linked Section 31 grant funding as set out in the provisional local government finance settlement along with an estimate of business rates growth above this baseline. Given there is no date scheduled for a business rates reset, and that any reset is likely to be phased, the MTFS assumes the continuation of the growth achieved up to 2024/25 will continue.

The existing MTFS assumed an increase in the taxbase for Band D equivalent properties in 2024/25 of 1.75% which is a return to pre COVID-19 growth assumptions. The actual increase for 2024/25 is 1.77% and the proposed MTFS continues to assume annual increases of 1.75% to 2026/27 which is a reasonable projection.

Surpluses on Council Tax collection funds for 2024/25 continue to reflect the high collection rates seen prior to the COVID-19 pandemic. The actual position notified by the districts for 2023/24 was a surplus of £15.0m and for 2024/25 it is estimated at £11.7m. With the exception of 2021/22 and 2022/23 when there was an impact related to COVID-19, council tax surpluses have averaged £8.0m each year. Therefore, the proposed MTFS assume the collection fund position for 2025/26 and beyond will be a surplus of £8.0m. Should collection rates dip below this sum in any year, there is a Collection Fund reserve which can be utilized to mitigate any volatility.

- b) Inflation – Having hit a 40 year high in November 2022, inflation has fallen to 4.0% in December 2023. The OBR expects inflation to return to within its 2.0% range by the end of 2025. Whilst inflation has dropped over the last year, given the lagged effect, contracts the impact has been reflected in the cost of services and contracts during 2023/24 and is expected to continue to have a cumulative impact into 2024/25. Increases of 5.85% and 4% are assumed for adults and children’s social care in 2024/25. Budgeted inflation of 6% for pupils with SEND and 12% for mainstream home to school transport has also been built into 2024/25 and 2025/26. Funding for on-going increases of 3% in both 2024/25 and 2025/26 is included for highways maintenance and waste management contracts. From 2025/26 onwards budgeted inflation is generally assumed to fall back to 2%.

The budget proposals reflect the increase in the National Living Wage, which not only has an impact on the Local Government pay award but also on greater demand for rates increases from contractors. The 2023/24 budget assumed a pay award for all staff groups of 4.5%, however the impact of the agreed award was equivalent to 5.5% (£1,925 up to scale point 43 or 3.88% above that) before taking account of vacant posts. The difference was met from the corporate contingency budget, which already included an allowance for a 0.5% increase. £13.2m funding to enable an increase of 6.0% in the rates the council pays for adult social care in 2024/25 is included in the budget as well as further funding of £1.5m for inflation risk.

Whilst government unions have not submitted their 2024/25 pay claim, it will be influenced by the increase in the National Living Wage, which is an increase of 9.8% from April 2024. This could suggest an increase in pay costs similar to 2023/24. Pay inflation has been budgeted for at 5.0% for 2024/25, with a further allowance in corporate contingency of 0.5% or £1.5m.

The budget proposals for 2024/25 include £38.3m for the on-going impact of inflation, including the effect of the increase in the National Living Wage on contracts for social care.

Going forward, with the expectation that the inflation pressure will slowly reduce to 2.0% by the end of 2025, the MTFs has been set in accordance with the inflationary position set out by the Bank of England with a return to levels close to the Bank's target rate of 2% from 2024/25. It is hoped that this will bring some much-needed economic stability.

- c) Demographic/Demand Growth – as set out in the Financial Strategy (Section 4.5), Oxfordshire faces significant demographic growth with an expected increase in its population of 20% by 2030. This results in increased demand for services and, with a faster growing aging population, growing pressure on the health and social care system. Funding for demographic demand growth is built into the budget each year to meet forecast increases for older people, adults with learning disabilities and physical disabilities as well as growth in demand in children's social care, home to school transport and waste disposal.

In relation to adults and children's social care, given the volatility in forecasts, in addition to the demand increases built in to the MTFs, the contingency budget includes funding of up to 1% (£4.5m) of the directorate budgets for adults and children's social care to mitigate the risk of excessive demand.

- d) Treasury Management – all existing debt is under fixed interest rates so is not subject to interest rate variation and the MTFs assumes an extension of the strategy to borrow internally. Internal borrowing has the effect of reducing some

of the 'cost of carry'². The limit of internal borrowing will be combined with the long-term debt lending limit and will not exceed £400m in 2024/25.

Prudent assumptions have been made regarding the bank rate and target in-house rates of return. The proposed MTFS assumes a return of 4.25% in 2024/25 (average for the year) reducing to 3.00% from April 2025 and 2.50% for the remainder of the MTFS period.

As at 31 December 2023, the Council had £97m (original purchase value of £101m) invested in external funds, representing 18% of the Council's total investment portfolio. Whilst market volatility has seen the capital value of the funds fluctuate recently, they are held with a long-term view, and there is no intention to divest from any of the funds at present. An estimated return of 3.75% is assumed for 2024/25 compared with a target return on the funds of between 4.00% - 5.00%. Therefore, there is no optimism bias in the income forecasts.

- e) Capital Programme – the proposed Capital Programme has a balanced funding position over the ten-year period to 2033/34. Proposing a programme for ten years allows for a planned approach to the management of assets, services and needs. The total programme of £1.5bn is funded by capital grants, developer contributions, capital receipts and prudential borrowing. Over 56% of the programme is funded by grants and contributions. 17% of the programme is funded by borrowing, the full costs of which are built into the revenue budget. The proposed budget includes an increase of £1.1m in the annual revenue costs for borrowing to support £19.5m investment over the MTFS period to 2026/27. The costs of borrowing remain within 4-5% the council's net revenue stream throughout the MTFS period and are therefore prudent and affordable. The Capital Programme includes a programme contingency of 3% to meet any unavoidable or unforeseen costs.

The Capital and Investment Strategy (Section 5.1) outlines the council's approach to capital investment and complies with the requirements of the CIPFA Prudential Code for Local Authorities. The capital programme governance arrangements are now embedded and have strengthened the processes for inclusion of schemes in the programme. The capital programme only includes schemes that have been agreed to address identified need. These schemes have an approved initial business case, articulating a clear case for change, a defined scope, an indicative budget/investment and an agreed indicative timeline including a 'go live' date. Pipeline capital schemes are subject to further development and an approved initial business case and have only estimated costs. These schemes may change in both scope and

² the difference between the interest payable on borrowing on debt and the interest receivable from investing surplus cash

value before being agreed through the capital governance process and brought forward into the firm programme.

Financial Risks

15. Given the growing unavoidable pressures and the need to deliver savings, the budget will inevitably contain a degree of financial risk. The key risks are set out in the following paragraphs. However, to help manage the impact of financial risk, a corporate contingency is held. The proposed level of corporate contingency for 2024/25 is £7.3m. The contingency budget is held to cover;
- the risk that demographic pressures are higher than forecast;
 - any unfunded new burdens or unfunded elements of government grant;
 - any potential pay awards beyond budgeted assumptions plus other inflationary risk; and
 - the risk that proposed savings are not achieved in full, based on the performance targets set out in the Financial Strategy.

The need to hold a contingency budget has been demonstrated in 2023/24, when it has been used predominantly to meet the cost of the higher than budgeted pay award on an on-going basis.

- a) Achievement of planned savings – the council has generally had a history of good delivery on its planned savings with an average achievement of 91% per year over the nine years up to 2021/22. However, delivery of planned savings reduced to 43% in 2022/23 and the savings not achieved were a contributory factor in the year end overspend of £13.4m. Progress against delivery of savings during the year is reported to Cabinet as part of the Business Management & Monitoring Report. The report to Cabinet in January 2024 shows that 83% of new savings built into the 2023/24 budget are currently assessed as green or amber. Of the £10.2m savings outstanding from 2022/23, 73% are now assessed as delivered or expected to be delivered. There are further savings in the existing and proposed MTFs which are required to be delivered up to 2026/27 totalling £31.2m, of which £18.3m is planned for 2024/25. These include £10.3m savings anticipated as a result of actions being taken to manage sufficiency and demand for Children's Social Care which are expected to increase to £24.7m by 2026/27. A 40% risk adjustment (£4.1m) relating to the savings required to be delivered in 2024/25 through the Financial Strategy for Children's Services has however been built into the budget to mitigate any risk of non-delivery.

The Council's transformation programme, Delivering the Future Together, includes projects which will enable the delivery of savings in the MTFs. This includes those relating to staffing (£4.0m previously agreed savings plus £1.5m new savings from reducing and delayering staffing structures). The new

governance arrangements including design authority controls will help improve benefits realisation and therefore provide more confidence and assurance in savings delivery, risk management and transformation to reduce demand and costs and therefore less reliance in the use of reserves and balances. In addition, there is £7.7m proposed to be added to the Transformation Reserve to help meet costs of implementing programmes designed to deliver savings. The amount of funding available to deliver transformation will need to be reviewed for 2025/26 to understand if its sufficient over the medium term.

The Financial Strategy (Section 4.5) sets out the performance target of 95% for achievement of planned savings. Given the history for delivery has generally been around 90%, and that non delivery of savings impacts on the forecast outturn position and therefore the financial sustainability of the council, the contingency budget includes provision to cover up to 5% non-delivery of planned savings.

- b) Demand led pressures – There are some budgets where service user numbers for the provision of statutory services are notoriously difficult to control/predict therefore a degree of judgment has to be applied to estimate the level of risk to the budget.

The total number of children we care for (excluding unaccompanied children) rose significantly from September 2021 until August 2022. The service has implemented a number of organisational, governance and business process controls and market management actions to address the underlying pressures. As a result of this action taken during 2023, the total number of children we care for has reduced to a stable c700 from September 2023 to January 2024. However, forecast spend remains £12.8m higher than the 2023/24 budget allows for as a result of activity throughout the year and the high cost of some placements. The proposed budget for 2024/25 includes an on-going increase in funding of £8.2m to reflect the estimated on-going impact in 2024/25. A Children's Social Care Financial Strategy has been developed by the service which sets out actions required to address the key pressures within the service and to reduce the escalated costs seen in 2022/23 and 2023/24. There will need to be on-going focus on the Children's Financial Strategy to ensure that the planned savings are achieved. However, to provide some contingency for risk in delivering these savings, as referred to in paragraph 15a, a 40% risk adjustment relating to £10.3m savings planned in 2024/25 has also been built into the budget.

The number of Education and Health Care Plans (EHCPs) in Oxfordshire has risen from 2,027 in 2015/16 to a forecast 6,506 in 2023/24, an increase of 221%. This has had a direct impact on the home to school transport budget which overspent by £1.7m in 2022/23 and is forecast to overspend by £3.6m in 2023/24. In order to bring about a stable budget, a programme is underway that

will identify and implement a set of interventions to manage demand more effectively. Alongside this, actions in the High Needs Deficit Recovery plan and the Delivering Better Value programme may indirectly impact on the home to school transport costs.

Through the delivery of the Oxfordshire Way, the number of people receiving adult social care services remains broadly in line with forecasted increases. The total number of adults supported in January 2024 was 6550, an increase of 1.3% from April 2023. However, there is a continuing risk that if the combined effect of demand and the level of assessed need starts to rise at a faster rate than assumed this will put pressure on the adult social care budget. Trends following the COVID-19 pandemic are more difficult than ever to predict, with pressures in hospital discharges potentially adding further pressure on the budgets in the early part of the financial year.

The additional Social Care funding of £4.8m announced as part of the Final Local Government Finance Settlement will provide some investment so that action can be taken to address these high-cost demand led services.

- c) High Needs – in recent years there has been a significant increase in demand in services for children with special educational needs and disabilities. The cost of providing education is met from the Dedicated Schools Grant (DSG). Due to significant increases in the number of out of county placements and increasing numbers of Education, Health and Care Plans, the cost of high needs continues to outstrip the funding available. The forecast deficit compared to DSG funding for High Needs is £21.2m in 2023/24. This has increased by £2.9m compared to the deficit of £18.3m agreed by Cabinet in May 2023.

Action to reduce the expenditure is being taken with a High Needs Deficit Recovery Plan in place. In addition, there is ongoing insight and support via intensive engagement with the DfE Delivery Better Value (DBV) programme. The DBV programme has confirmed and provided evidence for areas of change already identified, as well as identifying several other areas to explore further. Savings of £7.9m are planned for 2024/25, despite this the projected in year deficit for next year is £21.3m and is expected to rise to £35.7m by 2026/27.

The High Needs DSG Reserve has been in deficit since 2018/19 and is expected to be in deficit by £62.3m at the end of 2023/24. As set out in the Earmarked Reserves and General Balances Policy Statement (Section 4.6), it is expected that the deficit on the reserve will increase over the medium term and could reach a deficit balance of £114.3m at the end of 2025/26 and £150.0m by the end of 2026/27.

As set out in the Financial Strategy (Section 4.5), regulations require the negative balance on the High Needs DSG Reserve to be held in an unusable

reserve. The regulations were extended for three years until March 2026, but it remains unclear what the long-term arrangements will be. In agreeing an extension to the statutory override, the Department for Levelling Up Housing and Communities stated that this 'short-term financial flexibility is needed for authorities as they implement sustainable change, underpinned and reinforced by the government's longer-term reforms.

Beyond the period of the statutory override, the expectation is that the balance on the DSG Unusable Reserve will transfer back to the Council's total Earmarked Reserves. If this happens, it materially impacts on the overall level of reserves and by 1 April 2026, the total earmarked reserves held by the Council would only be £45.8m putting the financial standing of the council at risk. In this scenario, the council would need to take action to address the position. Whilst there is expectation that a solution from Government will be provided, should this not materialize, one option to ensure there was an adequate level of reserves would be to use the annual £4.0m contribution to the Demographic Risk reserve to fund the revenue costs of borrowing from the PWLB to fund the deficit. £4.0m per year for 25 years could finance £66m. This would increase the level of reserves at 1 April 2026 to £112m. This would require DLUHC and DFE approval and would not solve the issue of on-going annual deficits but would improve short term financial resilience.

- d) Social Care Funding and Reform – the Better Care Fund (BCF) and Improved Better Care Fund (iBCF) have been significant sources of funding for use across the Health and Social Care system since 2015/16. In combination, estimated funding for 2024/25 amounts to £41.8m. The use of the BCF and iBCF funding has to be agreed with health partners through the Better Care Fund plan. Whilst the BCF funding is expected to increase by 5.66% from the level in 2023/24, the iBCF contribution to funding adult social care is expected remain unchanged at 2022/23 levels again in 2024/25. There remains a risk that the level of future funding and the council's access to that may be impacted by national or local changes or changes to the conditions as to how the fund can be spent.

In December 2020, the government launched its Build Back Better Programme, which included significant charging reforms, the introduction of a care cap, and the completion of a cost of care exercise. Reforms were originally planned to be implemented from October 2023. The Autumn Statement in November 2022 set out that the reforms to adult social care would be delayed by two years to October 2025. No further information on implementation or funding for the reforms has been released since that date, resulting in uncertainty on what reforms will be implemented, when, and with what funding. The implementation date is now in a new parliamentary and Spending Review period which creates uncertainty.

- e) Inflation – As set out in paragraph 14b above, higher inflation and the impacts on pay, goods and services as well as construction is still expected over the medium term. Whilst sufficient funding is built into the proposed budget for contract inflation increases based on current OBR and market projections, if inflation does not fall as fast as predicted, this may place pressure on budgets. Similarly, pay increases for 2024/25 are also based on current assumptions linked to the National Living Wage increases. The contingency budget of £7.3m does provide some protection against this risk.
- f) Workforce availability - Recruitment and retention of staff is a challenge in the majority of local authorities and predictions are that shortages in the public sector workforce will continue over the longer term. This is also the case in Oxfordshire with significant shortfalls in the social care sector, teaching and professional services. In the last few years, there has been a significant increase in the use of agency staff where posts cannot be recruited to. Agency staff costs were £30m in 2021/22 and increased to £40m in 2022/23. Through the new People and Culture Strategy, one of the priorities is to ensure the Council attracts, recruits and retains talented people, defining an employer value proposition and developing employer brand to raise the employer profile.

The Children's Services Financial Strategy includes a recruitment and retention strand to support permanent recruitment, including international recruitment and a 'grow our own' Apprenticeship Scheme will reduce dependence on high-cost agency staff progressively over the next three years.

- g) Major Infrastructure Programmes – the Council has been successful in securing significant funding for a number of major infrastructure programmes, most significantly HIF1 and HIF2 which are time limited and paid retrospectively. Combined the HIF programmes total £422m. In addition to the agreed costs and end dates to claiming grant payments, there are also pre-agreed milestones which must be met to claim grant payments. These conditions increase the financial risk in two regards: delivering schemes within the funding available and delivering the schemes within the funding deadline.

In relation to HIF1, primarily due to the delay caused by the planning inquiry which is due to start in February 2024, both the required funding and the time for delivery are beyond the agreement with Homes England. The current funding deadline and associated delivery programme of March 2026 cannot be achieved. Discussions are ongoing with Homes England to address these issues and so ensuring HIF1 is both affordable and deliverable.

In relation to HIF2, it was identified that the scheme had become unaffordable due to inflationary pressures in November 2022. Discussions commenced with Homes England to revise the Grant Determination Agreement (GDA) in respect of changes to the funding window, initial scheme delivery and milestones.

The Council received a Reservation of Rights letter in relation to both HIF1 and HIF2 in August 2023. These set out that as a result of not achieving milestone dates contained in the GDA (for HIF1 relating to planning approval), the Council was in general default. Consequently, the Council was required to submit proposed remediation plans setting out the steps to be taken to remedy or mitigate the effects of the general default.

Discussions are taking place regularly with Homes England to agree the remediation plans. In the interim period, waiver letters are in place for both schemes. This means that Homes England continue to pay for outstanding claims. The waiver letters are only valid for a three-month period, the most recent up to March 2024. There is therefore a financial risk in the interim period for the costs incurred from the end date of the current waiver letter until a new waiver letter or remediation plan is agreed.

There is a risk that Homes England may not agree to the proposed modifications for either scheme and proceed to withhold and cancel any outstanding claims, withdraw further funding and subsequently, terminate the GDAs. In this scenario, the financial risk to the Council is in relation to payment of outstanding claims. The schemes would not progress so further costs would not be incurred.

If the remediation plans are agreed (and subject to the outcome of the planning inquiry in relation to HIF1), the financial risk reverts to the ability for the Council to deliver the schemes within the funding available and within the funding period. Given the most significant costs will be incurred during the construction phase, towards the end of the programmes, it will be imperative to ensure the schemes do not slip given that liability for costs incurred beyond the funding deadline would fall on the Council.

- h) Market Sustainability/Supplier Failure - The issues detailed above around inflation and workforce availability are also reflected in the supplier market. Whilst all suppliers have their financial stability reviewed before a contract is awarded to them, and any fundamental changes to this are flagged to the Council on publication of their latest accounts, there can be a significant period of time without any update on their financial situation meaning that should a supplier fail due to financial pressures, this can be at very short notice to the Council. Suppliers also review their market involvement at regular intervals to ensure that they are making as much profit as predicted; should this not be the case then they may make decisions to withdraw from that area of the supply market entirely, again with relatively little notice to the Council. This may be mitigated through contract management and supplier management activity, so that procurement and the service can be advised of the future supplier direction, however this is not infallible and suppliers may choose to not share all relevant information.

Level of total reserves

16. The Earmarked Reserves and General Balances Policy Statement at Section 4.6 sets out the council's policies underpinning the maintenance of a level of general balances and earmarked reserves. As well as holding a contingency budget, general balances are also held to ensure that a major incident or emergency can be managed without impacting on other services. In reaching the decision on the level of balances I feel are appropriate to be held for 2024/25, I have considered the strategic, operational and financial risks facing the authority including the ability to deliver planned savings, as well as external risks such as the impact of flooding or contract risks. The recommended level of balances for 2024/25, based on the risk assessment is £30.2m.
17. Earmarked reserves are also held for specific planned purposes. In assessing the appropriate level of reserves, a review is undertaken annually to determine if they are both adequate and necessary. In addition, the Financial Resilience index has been used to provide an understanding and comparison of the level of reserves with other county councils (See Financial Strategy Section 4.5). The Earmarked Reserves and General Balances Policy Statement sets out the details of that review.

Assurance Statement of the Chief Finance Officer

18. The proposed budget for 2024/25 and Medium Term Financial Strategy to 2026/27 addresses the inflationary rises, demand pressures and the legacy impacts of COVID-19.
19. Whilst the 2024/25 budget is balanced, there remains a gap between estimated spend and funding streams for 2025/26 onwards. There is uncertainty around the future of general government funding from 2025/26 onwards with the expectation that a real terms cut to local government is probable which presents risk to the financial stability of the Council. Therefore, the council needs to maintain focus producing a balanced budget over the medium term to ensure continued financial sustainability.
20. The risks in the 2024/25 budget are predominantly in relation to demand and inflation. To help mitigate these risks, in addition to £36.8m provided for inflationary pressures, the proposed 2024/25 budget includes a contingency of £7.3m as well as £1.5m funding for inflation risk in Adult Services.
21. There is also risk from the continuing increasing demand in the high needs budget which remains under significant pressure in the current financial year and expected to remain so over the medium term.
22. The system of financial control remains sound, and financial management and financial systems are monitored to ensure they remain effective and relevant.

Where areas for improvement are identified actions are agreed with directorates and support provided to implement them.

23. I believe the level of the council's total reserves is appropriate and sufficient to provide both general balances to manage the impact of unexpected events in line with the risk assessment; and the setting aside of earmarked reserves to meet known or anticipated liabilities. However, if there is no change in government policy, and the High Needs statutory override ends on 1 April 2026, then there will be insufficient reserves from 2026/27.
24. As Section 151 officer, I can formally report that in my view the budget estimates recommended by the Cabinet, incorporating the Labour & Co-operative Group amendments, are robust and the level of reserves adequate, as required by the Local Government Act 2003.

Lorna Baxter FCPFA
Executive Director of Resources and Section 151 Officer

20 February 2024

Medium Term Financial Strategy 2024/25 - 2026/27

Net Operating Budget

	INDICATIVE BUDGET								
	2024/25			2025/26			2026/27		
	Base Budget Rolled Forward from 2023/24	Proposed Allocation	Proposed Budget	Proposed Rolled Forward Base Budget	Proposed Allocation	Proposed Budget	Proposed Rolled Forward Base Budget	Proposed Allocation	Proposed Budget
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Directorate Budgets									
Adult Services	229,459	23,101	252,560	252,560	10,588	263,147	263,147	14,000	277,147
Children's Services	172,753	26,143	198,896	198,896	2,519	201,415	201,415	-6,529	194,886
Environment & Place	73,435	1,717	75,152	75,152	1,796	76,948	76,948	590	77,538
Community Safety & Public Health	31,935	2,088	34,024	34,024	1,064	35,088	35,088	120	35,208
Resources	72,257	834	73,091	73,091	1,110	74,201	74,201	-572	73,629
Pay Inflation				0	800	800	800	7,500	8,300
Directorate Budgets	579,839	53,883	633,722	633,722	17,877	651,599	651,599	15,109	666,708
Strategic Measures									
Capital Financing									
- Principal	13,399	1,534	14,933	14,933	1,484	16,417	16,417		16,417
- Interest	15,003	313	15,316	15,316	-161	15,155	15,155		15,155
Interest on Balances	-16,629	-3,566	-20,195	-20,195	4,134	-16,061	-16,061	3,100	-12,961
Un-Ringfenced Specific Grants	-42,896	-7,418	-50,314	-50,314	6,914	-43,400	-43,400		-43,400
Contingency & Inflation	3,399	3,918	7,317	7,317	100	7,417	7,417		7,417
Insurance Recharge	1,436	302	1,738	1,738		1,738	1,738		1,738
Total Strategic Measures	-26,287	-4,917	-31,204	-31,204	12,471	-18,733	-18,733	3,100	-15,633
Contributions to/from Balances & Reserves									
General Balances	6,800	-6,800	0	0		0	0		0
Prudential Borrowing Costs	10,804	-594	10,210	10,210	-1,920	8,290	8,290		8,290
Budget Equalisation Reserve	4,286	-3,134	1,152	1,152	-1,152	0	0		0
Transformation Reserve		-1,491	-1,491	-1,491	634	-857	-857	857	0
Budget Priorities Reserve	1,823	-3,219	-1,396	-1,396	1,396	0	0		0
COVID - 19 Reserve	-7,380	3,624	-3,756	-3,756	1,438	-2,318	-2,318	2,318	0
Demographic Risk Reserve	4,000.0		4,000	4,000.0		4,000	4,000.0		4,000
Total Contributions to (+)/from (-) reserves	20,333	-11,614	8,719	8,719	396	9,115	9,115	3,175	12,290
Budget Shortfall	0	0	0	0	-13,946	-13,946	-13,946	-133	-14,079
Net Operating Budget	573,884	37,352	611,237	611,237	16,798	628,035	628,035	21,251	649,286

Medium Term Financial Strategy 2024/25 - 2026/27

Financing

	INDICATIVE BUDGET								
	2024/25			2025/26			2026/27		
	Base Budget Rolled Forward from 2023/24 £000	Proposed Budget Change £000	Proposed Budget £000	Proposed Rolled Forward Base Budget £000	Proposed Budget Change £000	Proposed Budget £000	Proposed Rolled Forward Base Budget £000	Proposed Budget Change £000	Proposed Budget £000
Net Operating Budget	573,884	37,352	611,237	611,237	16,798	628,035	628,035	21,251	649,286
Funded by:									
Government Grant									
- Revenue Support Grant		-1,394	-1,394	-1,394		-1,394	-1,394		-1,394
- S31 Business Rate Reliefs	-14,427	-5,518	-19,945	-19,945	3,640	-16,305	-16,305		-16,305
- Business Rates Top-up	-40,000	-2,128	-42,128	-42,128	-843	-42,971	-42,971	-859	-43,830
Total Government Grant	-54,427	-9,040	-63,467	-63,467	2,797	-60,670	-60,670	-859	-61,529
Business Rates									
- Business Rates local share	-38,707	1,255	-37,452	-37,452	-4,476	-41,928	-41,928	-859	-42,787
- Collection Fund Surplus/Deficit	0	0	0	0	0	0	0	0	0
Total Business Rates	-38,707	1,255	-37,452	-37,452	-4,476	-41,928	-41,928	-859	-42,787
Council Tax Surpluses	-14,116	2,411	-11,705	-11,705	3,705	-8,000	-8,000		-8,000
Care Leavers Discount	21	-	21	21		21	21		21
COUNCIL TAX REQUIREMENT	466,655	31,978	498,633	498,633	18,824	517,457	517,457	19,533	536,990
Council Tax Calculation									
Council Tax Base			273,890			278,683			283,560
Council Tax (Band D equivalent)			1,820.56			1,856.79			1,893.74
Increase in Council Tax (precept)			6.9%			3.8%			3.8%
Increase in Band D Council Tax			4.99%			1.99%			1.99%

Revenue Budget 2024/25 Summary

		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
		£000	£000	£000	£000	£000
Adult Services	Expenditure	260,826	21,193	6,041	996	289,056
	Recharge Income	-8,161	500	-69	0	-7,730
	Grant income	-17,572	0	-4,660	0	-22,232
	Income	-5,634	-747	-153	0	-6,534
		229,459	20,946	1,159	996	252,560
Children's Services	Expenditure	480,915	9,144	48,378	4,274	542,711
	Recharge Income	-7,860	100	0	0	-7,760
	DSG income *	-265,320	0	-34,622	0	-299,942
	Grant income	-21,984	0	1,419	0	-20,566
	Income	-12,999	0	-2,550	0	-15,548
	172,752	9,244	12,625	4,274	198,896	
Public Health & Community Safety	Expenditure	69,699	642	2,780	0	73,122
	Recharge Income	-227	0	0	0	-227
	Grant income	-35,336	0	-1,334	0	-36,670
	Income	-2,200	0	0	0	-2,200
		31,935	642	1,446	0	34,024
Enviroment & Place	Expenditure	146,329	5,208	4,428	2,130	158,095
	Recharge Income	-45,988	-1,713	-3,975	0	-51,676
	Grant income	-606	0	0	0	-606
	Income	-26,300	-3,349	-1,012	0	-30,661
		73,435	146	-559	2,130	75,152

**Revenue Budget 2024/25
Summary**

		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
		£000	£000	£000	£000	£000
Resources	Expenditure	94,700	-818	1,205	305	95,391
	Recharge Income	-9,665	0	-716	0	-10,381
	Grant income	-1,715	0	871	0	-844
	Income	-11,062	0	-13	0	-11,075
		72,257	-818	1,347	305	73,091
Total Directorate Budgets		579,838	30,161	16,017	7,705	633,721
Strategic Measures and Contributions to/from Reserves	Expenditure	61,632	-7,900	-1,823	-2,347	49,562
	Recharge Income	-8,302	734	0	0	-7,568
	Grant income	-42,896	-3,300	0	-4,118	-50,314
	Income	-16,389	3,623	0	-1,400	-14,166
		-5,954	-6,843	-1,823	-7,865	-22,485
OxLEP (to be confirmed)	Expenditure	1,217	0	0	0	1,217
	Recharge Income	-314	0	0	0	-314
	Grant income	-820	0	0	0	-820
	Income	-83	0	0	0	-83
		0	0	0	0	0
Net Operating Budget		573,884	23,318	14,194	-160	611,236

Revenue Budget 2024/25 Summary

		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
		£000	£000	£000	£000	£000
General Government Grants	Grant income	-54,427	-853	0	-8,187	-63,467
Business Rates from District Councils	Other Income	-38,707	-721	0	1,976	-37,452
Council Tax Collection Fund Surpluses	Other Income	-14,116	10,116	0	-7,705	-11,705
Council Tax - Funding for Care Leavers Discount	Other Income	21	0	0	0	21
COUNCIL TAX REQUIREMENT		466,655	31,860	14,194	-14,076	498,633
	Expenditure	1,115,319	27,470	61,008	5,358	1,209,155
	Recharge Income	-80,518	-379	-4,760	0	-85,656
	DSG income *	-265,320	0	-34,622	0	-299,942
	Grant income	-175,356	-4,153	-3,704	-12,305	-195,519
	Income	-74,668	-473	-3,728	-1,400	-80,269
	Other Income	-52,802	9,395	0	-5,729	-49,136
COUNCIL TAX REQUIREMENT		466,655	31,860	14,194	-14,076	498,633

(*) Notes

1. DSG = Dedicated Schools Grant.

Revenue Budget 2024/25
Adult Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
SCS1	SCS1	<u>ADULT SOCIAL CARE</u>						
SCS1-1		Social Care Management & Practice	Expenditure	1,708	471	-747	0	1,432
			Recharge Income	0	0	0	0	0
			Grant income	0	0	0	0	0
			Income	0	0	0	0	0
		Subtotal Social Care Management		1,708	471	-747	0	1,432
SCS1-2	SCS1-2	Safeguarding & Mental Health	Expenditure	4,647	0	0	0	4,647
			Recharge Income	0	0	0	0	0
			Grant income	0	0	0	0	0
			Income	-30	0	0	0	-30
		Subtotal Adult Protection & Mental Capacity		4,617	0	0	0	4,617
SCS1-3	SCS1-3	Support Services	Expenditure	4,010	0	600	0	4,610
			Recharge Income	-135	0	0	0	-135
			Grant income	0	0	0	0	0
			Income	-806	0	0	0	-806
		Subtotal Provider & Support Services		3,069	0	600	0	3,669
SCS1-4	SCS1-4	Community Teams	Expenditure	14,489	0	0	0	14,489
			Recharge Income	-144	0	0	0	-144
			Grant income	0	0	0	0	0
			Income	-168	0	0	0	-168
		Subtotal Domestic Violence & Abuse		14,177	0	0	0	14,177

Revenue Budget 2024/25
Adult Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
SCS1-5	SCS1-5	Provider Services	Expenditure	10,219	0	69	0	10,288
			Recharge Income	-6,959	0	-69	0	-7,028
			Income	-1,258	0	0	0	-1,258
		Subtotal Housing Related Support		2,002	0	0	0	2,002
SCS1-8		Grants & Funding	Expenditure	150	150	-150	0	150
			Recharge Income	0	0	0	0	0
			Income	0	0	0	0	0
		Subtotal Adult Social Care Recharges		150	150	-150	0	150
		TOTAL ADULT SOCIAL CARE		25,723	621	-297	0	26,047
SCS2-1	SCS2	Health Ed. & Social Care Commissioning	Expenditure	6,234	0	-99	55	6,190
			Recharge Income	-150	0	0	0	-150
			Grant income	0	0	0	0	0
			Income	-764	0	0	0	-764
		TOTAL Health Ed. & Social Care Commissioning		5,320	0	-99	55	5,276
SCS3-1	*	Housing & Social Care Commissioning	Expenditure	4,259	0	0	0	4,259
			Recharge Income	-273	0	0	0	-273
			Grant income	0	0	0	0	0
			Income	-2,608	0	0	0	-2,608
		TOTAL Housing & Social Care Commissioning		1,378	0	0	0	1,378

Revenue Budget 2024/25
Adult Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
SCS4-1	*	Business Support Service	Expenditure	1,141	0	0	0	1,141
			Recharge Income	0	0	0	0	0
			Grant income	0	0	0	0	0
			Income	0	0	0	0	0
		TOTAL Business Support Service		1,141	0	0	0	1,141
SCS5-1		<u>Pooled Contribution</u>						
SCS5-1A	SCS1-1A	Live Well Pool Contribution	Expenditure	130,519	-1,585	3,170	0	132,104
			Recharge Income	0	0	0	0	0
			Grant income	0	0	0	0	0
			Income	0	0	0	0	0
				130,519	-1,585	3,170	0	132,104
SCS5-1B	SCS1-1B	Age Well Pool Contribution	Expenditure	82,112	-845	4,097	0	85,364
			Recharge Income	0	0	0	0	0
			Grant income	-17,572	0	0	0	-17,572
			Income	0	0	0	0	0
				64,540	-845	4,097	0	67,792
SCS5-1C	SCS1-1C	Pool Funding to Allocate	Expenditure	907	21,669	-1,897	941	21,620
			Recharge Income	-500	500	0	0	0
			Grant income	0	0	-4,660	0	-4,660
			Income	0	-747	-153	0	-900
				407	21,422	-6,710	941	16,060
		Subtotal Pooled Budget Contributions		195,466	18,992	557	941	215,956
		TOTAL COMMISSIONING		229,028	19,613	160	996	249,797

Revenue Budget 2024/25
Adult Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
		2.5% Previously Agreed Pay Inflation available to be allocated to service areas following the agreement of 2024/25 pay award.	Expenditure	431	1,333	999		2,762
		* New services areas in 2023/24						
			Expenditure	260,826	21,193	6,041	996	289,056
			Recharge Income	-8,161	500	-69	0	-7,730
			Grant income	-17,572	0	-4,660	0	-22,232
			Income	-5,634	-747	-153	0	-6,534
		BUDGET CONTROLLABLE BY ADULT SERVICES		229,459	20,946	1,159	996	252,560

Revenue Budget 2024/25
Children's Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
CEF1	CEF1	<u>EDUCATION & LEARNING</u>						
CEF1-1	CEF1-1	Management & Central Costs (including administration)	Expenditure	-1	-140	0	0	-141
			Recharge Income	0	0	0	0	0
			DSG Grant Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				-1	-140	0	0	-141
CEF1-2	CEF1-2	SEND Service	Expenditure	87,451	409	1,280	500	89,639
			Recharge Income	-444	0	0	0	-444
			DSG Grant Income	-77,327	0	-2,246	0	-79,574
			Grant Income	-1,000	0	1,000	0	0
			Income	-1,083	0	0	0	-1,083
				7,597	409	33	500	8,539
CEF1-3	CEF1-3	Learning & School Improvement	Expenditure	6,316	52	334	0	6,703
			Recharge Income	-1,692	0	0	0	-1,692
			DSG Grant Income	-1,408	0	-22	0	-1,430
			Grant Income	-1,738	0	88	0	-1,650
			Income	-143	0	0	0	-143
				1,337	52	400	0	1,789

**Revenue Budget 2024/25
Children's Services**

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Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
CEF1-4	CEF1-4	Access to Learning (Including Home to School Transport Recharge)	Expenditure	34,428	1,713	3,956	800	40,897
			Recharge Income	-351	100	0	0	-251
			DSG Grant Income	-3,691	0	-56	0	-3,747
			Grant Income	0	0	0	0	0
			Income	-8	0	0	0	-8
				30,378	1,813	3,900	800	36,891
CEF1-5	CEF1-5	Learner Engagement Service	Expenditure	2,705	60	35	0	2,800
			Recharge Income	0	0	0	0	0
			DSG Grant Income	-2,142	0	-35	0	-2,178
			Grant Income	0	0	0	0	0
			Income	-276	0	0	0	-276
				287	60	0	0	347
SUBTOTAL EDUCATION & LEARNING				39,597	2,194	4,333	1,300	47,424
CEF2	CEF2	<u>CHILDREN'S SOCIAL CARE</u>						
CEF2-1	CEF2-1	Family Help	Expenditure	9,735	800	0	375	10,910
			Recharge Income	-230	0	0	0	-230
			DSG Grant Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				9,505	800	0	375	10,680

Revenue Budget 2024/25
Children's Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
CEF2-2	CEF2-2	Front Door	Expenditure	4,833	0	0	0	4,833
			Recharge Income	-138	0	0	0	-138
			DSG Grant Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				4,695	0	0	0	4,695
CEF2-3	*	Childrens Social Care	Expenditure	66,091	-63	-100	0	65,928
			Recharge Income	-2,150	0	0	0	-2,150
			DSG Grant Income	0	0	0	0	0
			Grant Income	-4,748	0	0	0	-4,748
			Income	-268	0	0	0	-268
				58,925	-63	-100	0	58,762
CEF2-9	*	Change	Expenditure	1,413	0	-80	1,199	2,532
			Recharge Income	0	0	0	0	0
			DSG Grant Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				1,413	0	-80	1,199	2,532
		SUBTOTAL CHILDREN'S SOCIAL CARE		74,538	737	-180	1,574	76,669

Revenue Budget 2024/25
Children's Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
CEF3	CEF3	<u>CHILDREN'S SOCIAL CARE</u> <u>COUNTYWIDE SERVICES</u>						
CEF3-1	CEF3-1	Provider Services	Expenditure	46,935	91	70	500	47,596
			Recharge Income	-1,589	0	0	0	-1,589
			DSG Grant Income	0	0	0	0	0
			Grant Income	-1,029	0	0	0	-1,029
			Income	-1,690	0	30	0	-1,660
				42,627	91	100	500	43,318
CEF3-2	CEF3-2	QA Safeguarding + Recruit & Retention	Expenditure	3,661	0	1,003	0	4,665
			Recharge Income	-86	0	0	0	-86
			DSG Grant Income	-68	0	-3	0	-71
			Grant Income	0	0	0	0	0
			Income	-177	0	0	0	-177
				3,331	0	1,000	0	4,331
		SUBTOTAL CHILDREN'S SOCIAL CARE COUNTYWIDE SERVICES		45,957	91	1,100	500	47,648

Revenue Budget 2024/25
Children's Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
CEF4	CEF4	<u>SCHOOLS</u>						
CEF4-1	CEF4-1	Maintained Schools Budgets	Expenditure	158,661	0	1,889	0	160,550
			Recharge Income	-822	0	0	0	-822
			DSG Grant Income	-135,013	0	-2,540	0	-137,553
			Grant Income	-13,470	0	331	0	-13,139
			Income	-9,356	0	321	0	-9,035
				0	0	0	0	0
CEF4-2	CEF4-2	Nursery Education Funding (EY)	Expenditure	39,965	0	28,752	0	68,717
			Recharge Income	0	0	0	0	0
			DSG Grant Income	-39,965	0	-28,752	0	-68,717
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				0	0	0	0	0
CEF4-3	CEF4-3	Non-Delegated Schools Costs	Expenditure	1,073	0	894	0	1,967
			Recharge Income	0	0	0	0	0
			DSG Grant Income	-858	0	-894	0	-1,751
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				216	0	0	0	216
CEF4-4	CEF4-4	Schools Support Service Recharges	Expenditure	1,982	0	0	0	1,982
			Recharge Income	0	0	0	0	0
			DSG Grant Income	-1,982	0	0	0	-1,982
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				0	0	0	0	0

Revenue Budget 2024/25
Children's Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
CEF4-5	CEF4-5	Capitalised Repairs & Maintenance	Expenditure	1,567	0	0	0	1,567
			Recharge Income	0	0	0	0	0
			DSG Grant Income	-1,567	0	0	0	-1,567
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				0	0	0	0	0
		SUBTOTAL SCHOOLS		216	0	0	0	216
CEF5	CEF5	<u>CHILDREN'S SERVICES' CENTRAL COSTS</u>						
CEF5-1	CEF5-1	Management, Admin & Central Support	Expenditure	10,327	3,863	8,577	900	23,666
			Recharge Income	-357	0	0	0	-357
			DSG Grant Income	-1,299	0	-73	0	-1,372
			Grant Income	0	0	0	0	0
			Income	0	0	-2,900	0	-2,900
				8,671	3,863	5,604	900	19,038
CEF5-2	CEF5-2	Premature Retirement Compensation	Expenditure	3,211	0	0	0	3,211
			Recharge Income	0	0	0	0	0
			DSG Grant Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				3,211	0	0	0	3,211
		SUBTOTAL CENTRAL COSTS		11,882	3,863	5,604	900	22,249
	*	New services areas in 2023/24						

Revenue Budget 2024/25
Children's Services

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
		2.5% Previously Agreed Pay Inflation available to be allocated to service areas following the agreement of 2024/25 pay award.	Expenditure	563	2,360	1,767		4,690
			Expenditure	480,915	9,144	48,378	4,274	542,711
			Recharge Income	-7,860	100	0	0	-7,760
			DSG Grant Income	-265,320	0	-34,622	0	-299,942
			Grant Income	-21,984	0	1,419	0	-20,566
			Income	-12,999	0	-2,550	0	-15,548
		BUDGET CONTROLLABLE BY CHILDREN'S SERVICES		172,752	9,244	12,625	4,274	198,896

Revenue Budget 2024/25
Public Health & Community Safety

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
PH1 & 2	PH1 & 2	PUBLIC HEALTH FUNCTIONS						
PH1	PH1	PH - Mandatory	Expenditure	16,240	0	3,230	0	19,470
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				16,240	0	3,230	0	19,470
PH2	PH2	PH - Non-Mandatory	Expenditure	21,553	200	-1,872	0	19,881
			Recharge Income	-217	0	0	0	-217
			Grant Income	0	0	-790	0	-790
			Income	-445	0	0	0	-445
				20,891	200	-2,662	0	18,429
PH3	PH3	PH - Recharges	Expenditure	576	0	2	0	577
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				576	0	2	0	577
PH4	PH4	Grant Income	Expenditure	0	0	0	0	0
			Recharge Income	0	0	0	0	0
			Grant Income	-33,632	0	-770	0	-34,401
			Income	0	0	0	0	0
		SUBTOTAL GRANT INCOME		-33,632	0	-770	0	-34,401
		TOTAL PUBLIC HEALTH		4,075	200	-200	0	4,075

Revenue Budget 2024/25
Public Health & Community Safety

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
EE4		FIRE & RESCUE SERVICE & COMMUNITY SAFETY						
COM4-2	COM4-2	Fire & Rescue	Expenditure	28,135	-310	857	0	28,682
			Recharge Income	0	0	0	0	0
			Grant Income	-1,704	0	226	0	-1,479
			Income	-887	0	0	0	-887
				25,544	-310	1,082	0	26,316
COM4-3	COM4-3	Emergency Planning	Expenditure	337	0	0	0	337
			Recharge Income	0	0	0	0	0
			Income	-28	0	0	0	-28
				309	0	0	0	309
COM4-4	COM4-4	Gypsy & Traveller Services	Expenditure	398	0	0	0	398
			Recharge Income	0	0	0	0	0
			Income	-465	0	0	0	-465
				-67	0	0	0	-67
COM4-5	COM4-5	Trading Standards	Expenditure	1,767	0	0	0	1,767
			Recharge Income	-10	0	0	0	-10
			Income	-376	0	0	0	-376
				1,380	0	0	0	1,380
		2.5% Previously Agreed Pay Inflation available to be allocated to service areas following the agreement of 2024/25 pay award.	Expenditure	694	752	564		2,010
		FIRE & RESCUE SERVICE & COMMUNITY SAFETY		27,166	442	1,082	0	29,949

Revenue Budget 2024/25
Public Health & Community Safety

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
			Expenditure	69,699	642	2,780	0	73,122
			Recharge Income	-227	0	0	0	-227
			Grant Income	-35,336	0	-1,334	0	-36,670
			Income	-2,200	0	0	0	-2,200
		BUDGET CONTROLLABLE BY PUBLIC HEALTH & COMMUNITY SAFETY		31,935	642	1,446	0	34,024

Revenue Budget 2024/25
Environment & Place

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
EP1	**	<u>Transport & Infrastructure</u>						
EP1-1		Transport Policy	Expenditure	13,267	303	-85	220	13,704
			Recharge Income	0	0	-75	0	-75
			Grant Income	-309	0	0	0	-309
			Income	-178	0	-50	0	-228
				12,780	303	-210	220	13,092
EP1-2		Place Making	Expenditure	7,289	0	-50	300	7,539
			Recharge Income	-1,593	0	0	0	-1,593
			Grant Income	0	0	0	0	0
			Income	-7,512	-238	-50	0	-7,800
				-1,816	-238	-100	300	-1,854
EP1-3		Infrastructure Delivery	Expenditure	9,528	0	0	0	9,528
			Recharge Income	-8,215	0	0	0	-8,215
			Grant Income	-70	0	0	0	-70
			Income	0	0	0	0	0
				1,243	0	0	0	1,243
EP1-4		Senior Management Team	Expenditure	625	0	0	0	625
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				625	0	0	0	625
		Subtotal Transport & Infrastructure		12,832	65	-310	520	13,107

Revenue Budget 2024/25
Environment & Place

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
EP2	**	Planning, Environment & Climate Change						
EP2-1		Strategic Planning	Expenditure	1,699	0	-300	0	1,399
			Recharge Income	-36	0	0	0	-36
			Grant Income	0	0	0	0	0
			Income	-655	-7	0	0	-662
				1,008	-7	-300	0	701
EP2-2		Climate Change	Expenditure	1,227	-29	0	0	1,198
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	-30	30	-12	0	-12
				1,197	1	-12	0	1,186
EP2-3		Environment & Circular Economy	Expenditure	36,462	1,527	140	40	38,170
			Recharge Income	-137	0	0	0	-137
			Grant Income	-227	0	0	0	-227
			Income	-1,047	-1	0	0	-1,048
				35,052	1,526	140	40	36,758
EP2-4		Service Management Team	Expenditure	499	0	0	0	499
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				499	0	0	0	499
		Subtotal Planning, Environment & Climate Change		37,755	1,520	-172	40	39,144

Revenue Budget 2024/25
Environment & Place

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
EP3	**	<u>Highways Operations</u>						
EP3-1		Highway Maintenance	Expenditure	24,014	-60	650	1,560	26,165
			Recharge Income	-2,618	0	0	0	-2,618
			Grant Income	0	0	0	0	0
			Income	-1,517	0	-700	0	-2,217
				19,879	-60	-50	1,560	21,329
EP3-2		Network Management	Expenditure	10,611	174	-35	10	10,759
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	-14,297	-3,164	-200	0	-17,661
				-3,687	-2,991	-235	10	-6,902
EP3-3		Supported Transport	Expenditure	37,023	2,417	4,150	0	43,590
			Recharge Income	-33,289	-1,713	-3,900	0	-38,902
			Grant Income	0	0	0	0	0
			Income	-772	-6	0	0	-778
				2,961	698	250	0	3,910
EP3-4		Senior Management Team	Expenditure	844	250	0	0	1,094
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				844	250	0	0	1,094
EP3		Subtotal Highways Operations		19,998	-2,102	-35	1,570	19,431

Revenue Budget 2024/25
Environment & Place

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
EP4	**	Directorate Support						
EP4-1		Data Intelligence & Business Support	Expenditure	2,295	-255	-697	0	1,343
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	-293	37	0	0	-256
				2,002	-218	-697	0	1,087
EP4-2		Business Performance & Service Imp	Expenditure	601	0	-5	0	596
			Recharge Income	-100	0	0	0	-100
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				501	0	-5	0	496
EP4-3		Directorate Other	Expenditure	61	0	0	0	61
			Recharge Income	0	0	0	0	0
			Grant Income	0	0	0	0	0
			Income	0	0	0	0	0
				61	0	0	0	61
		Subtotal Directorate Support		2,564	-218	-702	0	1,644

Revenue Budget 2024/25
Environment & Place

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
	**	The Directorate restructured in 2023/24 2.5% Previously Agreed Pay Inflation available to be allocated to service areas following the agreement of 2024/25 pay award.	Expenditure	286	881	660		1,827
			Expenditure	146,329	5,208	4,428	2,130	158,095
			Recharge Income	-45,988	-1,713	-3,975	0	-51,676
			Grant Income	-606	0	0	0	-606
			Income	-26,300	-3,349	-1,012	0	-30,661
		BUDGET CONTROLLABLE BY ENVIRONMENT AND PLACE		73,435	146	-559	2,130	75,152

**Revenue Budget 2024/25
Resources**

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
				£000	£000	£000	£000	£000
COD1	COD1	Corporate Services	Expenditure	3,195	-886	209	8	2,526
			Recharge Income	-337	0	0	0	-337
			Income	0	0	0	0	0
				2,859	-886	209	8	2,190
COD2	COD2	Human Resources & Organisational Development	Expenditure	3,996	-46	30	0	3,980
			Recharge Income	-578	0	0	0	-578
			Income	-93	0	0	0	-93
				3,326	-46	30	0	3,310
COD3	COD3	Communications, Strategy & Insight	Expenditure	4,297	19	68	-63	4,322
			Recharge Income	-962	0	0	0	-962
			Income	-83	0	0	0	-83
				3,253	19	68	-63	3,277
COD4	COD4	IT, Innovation & Digital	Expenditure	14,143	144	-1,228	0	13,059
			Recharge Income	-919	0	0	0	-919
			Grant Income	-871	0	871	0	0
			Income	-1,535	0	0	0	-1,535
				10,818	144	-357	0	10,605
COD5	COD5	Culture & Customer Experience	Expenditure	18,561	-203	38	0	18,396
			Recharge Income	-269	0	0	0	-269
			Grant Income	-844	0	0	0	-844
			Income	-4,832	0	-30	0	-4,862
				12,617	-203	8	0	12,421

**Revenue Budget 2024/25
Resources**

Ref. 2024/25	Ref. 2023/24	Service Area		Budget 2023/24 £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Other Changes £000	Budget 2024/25 £000
COD6	COD6	Finance & Procurement	Expenditure	11,660	66	442	0	12,168
			Recharge Income	-908	0	0	0	-908
			Income	-1,788	0	0	0	-1,788
				8,964	66	442	0	9,472
COD7	CDA1	Property, Investment & FM	Expenditure	26,088	628	297	0	27,012
			Recharge Income	-5,184	0	-716	0	-5,900
			Income	-1,889	0	17	0	-1,872
				19,015	628	-402	0	19,240
COD8	CDA2	Law & Governance	Expenditure	9,228	-176	-101	0	8,952
			Recharge Income	-509	0	0	0	-509
			Income	-843	0	0	0	-843
				7,877	-176	-101	0	7,600
COD9	COD9	Delivery & Partnership	Expenditure	2,963	-2,300	0	360	1,023
			Recharge Income	0	0	0	0	0
			Income	0	0	0	0	0
				2,963	-2,300	0	360	1,023
				44,798	-3,205	400	305	42,298
		2.5% Previously Agreed Pay Inflation available to be allocated to service areas following the agreement of 2024/25 pay award.	Expenditure	568	1,936	1,450		3,953
			Expenditure	94,700	-818	1,205	305	95,391
			Recharge Income	-9,665	0	-716	0	-10,381
			Grant Income	-1,715	0	871	0	-844
			Income	-11,062	0	-13	0	-11,075
		BUDGET CONTROLLABLE BY RESOURCES		72,257	-818	1,347	305	73,091

Revenue Budget 2024/25
Strategic Measures

		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
		£000	£000	£000	£000	£000
<u>CAPITAL FINANCING</u>						
Principal	Expenditure	13,399	2,314		-780	14,933
Interest	Expenditure	15,003	313		0	15,316
Net Interest on Balances (split income and expenditure)	Expenditure	682			-2,900	-2,218
	Recharge Income	-8,302	734			-7,568
	Income	-9,009			-1,400	-10,409
		-16,629	734	0	-4,300	-20,195
SUBTOTAL CAPITAL FINANCING		11,773	3,361	0	-5,080	10,054
Contingency	Expenditure	3,399			3,918	7,317
Insurance	Expenditure	1,436			302	1,738
<u>CONTRIBUTIONS TO/FROM GENERAL BALANCES</u>						
General Balances	Expenditure	6,800	-6,800			0
SUBTOTAL CONTRIBUTIONS TO/FROM BALANCES		6,800	-6,800	0	-6,800	0

Revenue Budget 2024/25
Strategic Measures

		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
		£000	£000	£000	£000	£000
<u>CONTRIBUTIONS TO/FROM RESERVES</u>						
Reserves	Expenditure	10,109	-3,133	-1,823	-2,887	2,266
	Income	-7,380	3,623			-3,757
		2,729	490	-1,823	-2,887	-1,491
Prudential Borrowing costs	Expenditure	10,804	-594			10,210
SUBTOTAL CONTRIBUTIONS TO/FROM RESERVES		13,533	-104	-1,823	-2,887	8,719
<u>UNRINGFENCED SPECIFIC GRANT INCOME</u>						
	Grant income	-42,896	-3,300		-4,118	-50,314
TOTAL UNRINGFENCED SPECIFIC GRANT INCOME		-42,896	-3,300	0	-4,118	-50,314
Strategic Measures	Expenditure	61,632	-7,900	-1,823	-2,347	49,562
	Recharge Income	-8,302	734	0	0	-7,568
	Grant Income	-42,896	-3,300	0	-4,118	-50,314
	Income	-16,389	3,623	0	-1,400	-14,166
STRATEGIC MEASURES TOTAL		-5,954	-6,843	-1,823	-7,865	-22,485
OxLEP (expenditure and offsetting income to be confirmed)	Expenditure	1,217	0	0	0	1,217
	Recharge Income	-314	0	0	0	-314
	Grant Income	-820	0	0	0	-820
	Income	-83	0	0	0	-83
OxLEP TOTAL		0	0	0	0	0

Revenue Budget 2024/25
Strategic Measures

		Budget 2023/24	Previously Agreed Budget Changes	New Pressures & Savings	Other Changes	Budget 2024/25
		£000	£000	£000	£000	£000
COUNCIL TAX COLLECTION FUND SURPLUSES/DEFICITS	Other income	-14,116	10,116		-7,705	-11,705
TOTAL COLLECTION FUND SURPLUSES/DEFICITS		-14,116	10,116	0	-7,705	-11,705
CARE LEAVERS DISCOUNT	Expenditure	21	0			21
TOTAL CARE LEAVERS DISCOUNT		21	0	0	0	21
BUSINESS RATES FROM DISTRICT COUNCILS	Other income	-38,707	-721		1,976	-37,452
BUSINESS RATES COLLECTION FUND SURPLUSES (-)/ DEFICITS (+)	Other income					0
TOTAL BUSINESS RATES FROM DISTRICT COUNCILS		-38,707	-721	0	1,976	-37,452
GENERAL GOVERNMENT GRANT INCOME						
Revenue Support Grant	Grant income	0			-1,394	-1,394
Section 31 Business Rates Reliefs Grants	Grant income	-14,427			-5,518	-19,945
Business Rates Top-Up	Grant income	-40,000	-853		-1,275	-42,128
TOTAL GENERAL GOVERNMENT GRANT INCOME		-54,427	-853	0	-8,187	-63,467

Revenue Government Grants 2024/25

Ringfenced	Directorate	Issued by	Estimate	In year	In year	Actual	Estimate	Estimate	Estimate
			2023/24	Adjustments / New Allocations reported previously reported	Adjustments/ New Allocations reported this time	2023/24	2024/25	2025/26	2026/27
			£000	£000	£000	£000	£000	£000	£000
	Adult Services								
R	Improved Better Care Fund	DHSC	10,705	0	0	10,705	10,705	10,705	10,705
R	Adult Social Care Market Sustainability and Improvement Fund	DHSC	5,366	0	0	5,366	10,026	0	0
R	Adult Social Care Discharge Fund	DHSC	1,501	0	0	1,501	1,501	0	0
R	Adult Social Care MSFI - Workforce Fund	DHSC		3,485		3,485	0	0	0
R	CQC Review and Assessment Grant	DHSC	0		27	27	0	0	0
	TOTAL ADULT SERVICES		17,572	3,485	27	21,084	22,232	10,705	10,705
	Children's Services								
	Dedicated Schools Grant								
R	Dedicated Schools Grant (DSG) - Schools Block	DfE	131,138	31	0	131,169	132,163	132,163	132,163
R	Dedicated Schools Grant (DSG) - Central Block	DfE	4,992	0	0	4,992	5,153	5,153	5,153
R	Dedicated Schools Grant (DSG) - Early Years Block	DfE	44,341	94	0	44,435	73,221	73,221	73,221
R	Dedicated Schools Grant (DSG) - High Needs Block	DfE	85,288	-564	0	84,724	89,405	89,405	89,405
	Subtotal Dedicated Schools Grant		265,759	-439	0	265,320	299,942	299,942	299,942
	School Grants								
R	Pupil Premium	DfE	7,663	531	0	8,194	8,194	8,194	8,194
R	Education Funding Agency - Sixth Form Funding	DfE	280	39	0	319	321	321	321
R	PE and Sport Grant	DfE	2,266	-49	0	2,217	2,217	2,217	2,217
R	Universal Infant Free School Meals	DfE	3,938	109	0	4,047	4,047	4,047	4,047
R	Teacher's Pay Grant	DfE	95	-95	0	0	0	0	0
R	Teacher's Pension Grant	DfE	274	-264	0	10	10	10	10
R	National Professional Qualification Grant	DfE	0	15	0	15	0	0	0
R	Early Career Framework - Mentor	DfE	0	93	0	93	0	0	0
R	Early Career Framework - Off Timetable	DfE	0	161	0	161	0	0	0
R	Coronavirus (COVID-19) Recovery Premium	DfE	0	462	0	462	0	0	0

Revenue Government Grants 2024/25

Ringfenced	Directorate	Issued by	Estimate	In year	In year	Actual	Estimate	Estimate	Estimate
			2023/24	Adjustments / New Allocations reported previously reported	Adjustments/ New Allocations reported this time	2023/24	2024/25	2025/26	2026/27
			£000	£000	£000	£000	£000	£000	£000
R	Coronavirus (COVID-19) School Let Tutoring Grant	DfE	0	408	0	408	0	0	0
R	Teacher's Pay Additional Grant	DfE	0	1,404	0	1,404	0	0	0
R	Early Year Supplement Grant	DfE	0	2,978	0	2,978	0	0	0
R	Mainstream Schools Additional Grant	DfE	0	4,285	0	4,285	0	0	0
	Subtotal School Grants		14,516	10,077	0	24,593	14,789	14,789	14,789
	Other Children's Services Grants								
R	School Improvement Monitoring & Brokering Grant	DfE	0	0	0	0	0	0	0
R	Matching project - Adoption Grt	DfE	0			0			
R	Additional support for schools in financial difficulty	DfE	0	331	0	331			
R	Youth Justice Board	YJB	674	30	0	704	704	704	704
R	Asylum (USAC and Post 18)	HO	3,997	2,580	0	6,577	4,636	4,636	4,636
R	Extension of Virtual School - children with social worker	DfE	0	135	0	135	0	0	0
R	Extension of Virtual School - previously looked after children	DfE	0	66	0	66	0	0	0
R	Pupil Premium Plus Post 16 pilot	DfE	0	45	0	45	0	0	0
R	Extended Personal Adviser Duty Grant	DfE	103	9	0	112	112	112	112
R	Staying Put Implementation Grant	DfE	288	-36	0	288	288	0	0
R	Remand Framework	YJB	72	-36	0	36	37	37	37
R	Reducing Parental Conflict Workforce Development Grant	YJB	0	48	0	48	0	0	0
R	Supported Internships for YP with SEND	DfE	54	0	0	54	0	0	0
R	Holiday Activities and Food Programme	DfE	296	1,203	0	1,499	0	0	0
R	Attach ASF	DfE	0	15	0	15	0	0	0
R	Fam Group Conferences	DfE	0	54	0	54	0	0	0
R	Multiply	DfE	899	0	0	899	0	0	0
R	Turnaround Programme	YJB	64	63	0	127	0	0	0
	Subtotal Other Children's Services Grants		6,447	4,507	0	10,990	5,777	5,489	5,489
	TOTAL CHILDREN'S SERVICES		286,722	14,145	0	300,903	320,508	320,220	320,220

Revenue Government Grants 2024/25

Ringfenced	Directorate	Issued by	Estimate	In year	In year	Actual	Estimate	Estimate	Estimate
			2023/24	Adjustments / New Allocations reported previously reported	Adjustments/ New Allocations reported this time	2023/24	2024/25	2025/26	2026/27
			£000	£000	£000	£000	£000	£000	£000
R	Public Health								
R	Public Health Grant	DHSC	33,632	0	0	33,632	34,401	34,401	34,401
R	Local Stop Smoking Services	DHCS	0	0	0	0	790		
	TOTAL PUBLIC HEALTH		33,632	0	0	33,632	35,191	34,401	34,401
	Community Safety								
R	Fire Fighter's Pension Fund Grant	HO	1,361	0	0	1,361	0	0	0
R	Additional Pensions Grant	HO	0			0	1,061	0	0
R	Pensions Grant	HO	0			0	75	0	0
R	Fire Protection Uplift Grant	HO	0	303	0	303	303	303	303
R	Fire Fighter's New Dimensions Grant	HO	40	0	0	40	40	40	40
	TOTAL FIRE AND RESCUE SERVICE & COMMUNITY SAFETY		1,401	303	0	1,704	1,479	343	343
	Environment & Place								
R	Bus Service Operators Grant	DfT	514	0	0	514	309	309	309
R	Natural England (Thames Path & The Ridgeway)	DEFRA	227	0	0	227	227	227	227
R	PMO	DEFRA	0	0	0	0	70	70	70
R	COVID BSSG	DFT	0	48	0	48	0	0	0
R	Biodiversity Net gain Grant	DEFRA	0	27	0	27	0	0	0
R	Woodland Creation Accelerator Fund (WCAF)	DEFRA	0	75	0	75	0	0	0
R	Air Quality SSCL Grant	DEFRA	0	127	0	127	0	0	0
R	Capability Fund	DFT	0	260	0	260	0	0	0
R	Zero Emission Zone Pilot	DEFRA	0	0	0	0	0	0	0
	TOTAL ENVIRONMENT & PLACE		741	537	0	1,278	606	606	606

Revenue Government Grants 2024/25

Ringfenced	Directorate	Issued by	Estimate 2023/24	In year Adjustments / New Allocations reported previously reported	In year Adjustments/ New Allocations reported this time	Actual 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27
			£000	£000	£000	£000	£000	£000	£000
	Resources								
R	Homes for Ukraine *	DLUHC	6,503	0	0	6,503	0	0	0
R	Music Service	AC	844	0	0	844	844	844	844
R	MaaS:CAV	Innovate UK	313	0	0	313	0	0	0
R	Park & Charge	Innovate UK	206	0	0	206	0	0	0
R	Virgin Park & Charge	Innovate UK	7	0	0	7	0	0	0
R	Data Driven Safety Tool	Innovate UK	91	0	0	91	0	0	0
R	Quantum Gravimeter	Innovate UK	69	0	0	69	0	0	0
R	Resilient CAV	Innovate UK	25	0	0	25	0	0	0
R	Heart Park Project	DfT	90	0	0	90	0	0	0
R	GTC DfT Congestion Tool	DfT	59	0	0	59	0	0	0
R	CAVL4R	DfT	11	0	0	11	0	0	0
	TOTAL RESOURCES		8,219	0	0	8,219	844	844	844
	Strategic Measures								
U	Lead Local Flood Authority	DEFRA	45	123	0	168	45	45	45
U	Extended Rights to Free Travel	DfE	278	531	0	809	278	278	278
U	Firelink	DLUHC	213	-83	0	130	213	213	213
U	Key Stage 2 Moderation & Phonics	DLUHC	0	21	0	21	0	0	0
U	Supporting Families - previously Troubled Families	DLUHC	1,048	204	0	1,252	1,048	1,048	1,048
U	New Homes Bonus	DLUHC	1,700	0	0	1,700	1,700	0	0
U	Local Reform & Community Voices Grant	DfE	515	0	0	515	515	515	515
U	Social Care Support Grant (including Independent Living Fund)	DLUHC	32,669	0	0	32,669	42,443	37,669	37,669
U	Services Grant	DfE	2,800	0	0	2,800	444	0	0
U	Supplementary Substance Misuse Treatment & Recovery Grant	OHID	0	635	0	635	635	635	635
U	Supplementary Substance Misuse Treatment & Recovery Housing Grant	OHID	0	622	0	622	622	622	622
U	Supplementary Substance Misuse Inpatient Detox & Rehabilitation	OHID	0	0	0	0	80	80	80

Revenue Government Grants 2024/25

Ringfenced	Directorate	Issued by	Estimate	In year	In year	Actual	Estimate	Estimate	Estimate
			2023/24	Adjustments / New Allocations reported previously reported	Adjustments/ New Allocations reported this time	2023/24	2024/25	2025/26	2026/27
			£000	£000	£000	£000	£000	£000	£000
U	Domestic Abuse Duty Grant	DLUHC	1,141	26	0	1,167	1,151	1,151	1,151
U	Rough Sleeping Drugs & Alcohol Grant	DLUHC	0	1,220	0	1,220	1,140	1,140	1,140
U	Dual Running & Client Level Data	DHSC	0	20	0	20	0	0	0
	Subtotal Strategic Measures		40,409	3,319	0	43,728	50,314	43,396	43,396
	Business Rates								
U	Section 31 Grant for Business Rate Compensation	DLUHC	14,427		0	14,427	19,945	16,305	16,305
U	Business Rates S31 Grant Top-Up	DLUHC	40,000		0	40,000	42,128	42,971	43,830
U	Revenue Support Grant	DLUHC	0			0	1,394	1,394	1,394
	Subtotal Business Rates		54,427	0	0	54,427	63,467	60,670	61,529
	Grants received on behalf of Local Enterprise Partnership								
R	Oxford Innovation Business Support	BEIS	205	0		205	0		
R	European Regional Development Fund		900	-900		0	0		
R	DLUHC (Local Enterprise Partnership Funding)	DLUHC	500	335		835	0		
R	EZ1 Business Rates Drawdown	DLUHC					1,800		
R	Dept for Business & Trade funding	DLUHC					261		
R	DfE Skills Bootcamp funding	DLUHC					2,696		
	Subtotal Grants held on behalf of Local Enterprise Partnership		1,605	-566	0	1,040	4,757	0	0
	TOTAL STRATEGIC MEASURES		96,441	2,753	0	99,194	118,538	104,066	104,925
	Total All Grants		444,728	21,223	27	466,014	499,398	471,185	472,044
	* Estimated and not included in budget - will be updated through the Business Management & Monitoring Report as retrospective claims are made throughout the year.								
	** Estimated and is based on quarterly retrospective claims								

Earmarked Reserves and General Balances Policy Statement 2024/25

Introduction

1. This paper sets out the Council's policies underpinning the maintenance of a level of general balances and earmarked reserves within the council's accounts.

Statutory Position

2. A local authority is not permitted to allow its spending to exceed its available resources so that overall it would be in deficit. Sections 32 and 43 of the Local Government Finance Act 1992 require authorities to have regard to the level of balances and reserves needed for meeting future estimated future expenditure when calculating the council tax requirement.
3. Balances and reserves can be held for three main purposes:
 - A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing, this forms part of general reserves
 - A contingency to cushion the impact of unexpected events or emergencies, this forms part of general balances;
 - A means of building up funds often referred to as earmarked reserves, to meet known or predicted liabilities
4. This policy statement is concerned with general balances and earmarked reserves as defined above.

Purpose of balances and reserves

5. The Council maintains general balances in order to provide a contingency against unplanned or unexpected events.
6. Although there is no recognised official guidance on the level of general balances to be maintained, the key factor is that the level should be justifiable in the context of local circumstances. The council's external auditor comments on the level of balances and reserves as part of the annual audit of the Council's financial position. Financial regulations require Council to decide on the level of general balances it wishes to maintain before it can decide the level of council tax. This will be done as part of the annual budget setting process.
7. Whilst general balances are unallocated, earmarked reserves are held for a specific purpose and to mitigate against potential future known or predicted liabilities.

Planned use of balances and reserves

8. Any planned use of, or contribution to, earmarked reserves or balances must be included as part of the budget setting process each year.
9. In accordance with the Council's Financial Regulations, any new reserves or a change in the purpose of earmarked reserves requires Cabinet approval. Contributions to or use of earmarked reserves is reported to Cabinet as part of the monthly Business Management & Monitoring Report Those greater than £1m require endorsement by Cabinet.

National Comparison of Level of Earmarked Reserves and Unallocated Reserves (General Balances)

10. The Office for Local Government (Oflog) established in July 2023 has provided data and analysis about performance of local government. Included in the data is information in relation to the level of non-ringfenced reserves (Earmarked Reserves and General Balances).
11. Further information is included in the Financial Strategy (see paragraphs 28 – 31 and Annex 2 of Section 4.5) but the resilience index demonstrates that Oxfordshire is in the middle compared to the level of un-ringfenced reserves held by other councils, and the change in level of reserves is lower than other comparators. The reserves sustainability measures, measuring the change in reserves in each of the last three years, also indicate that Oxfordshire is lower risk compared to others.

Level of General Balances

12. It is considered prudent to maintain a level of balances commensurate with risk, and a risk assessment is undertaken annually by the Executive Director of Resources and Section 151 Officer, as part of the budget setting process. CIPFA's Financial Resilience Index provides information on the level of general balances for all authorities. As a percentage of both service spend and net revenue expenditure, Oxfordshire is within the median range. Further information is included as part of Annex 2 of the Financial Strategy.
13. The risk assessment for 2024/25 has determined that balances should be held at £30.2m, unchanged from 2023/24. This is equivalent to 4.9% of the proposed net operating budget of £611.2m for 2024/25 and equates to between two and three weeks of net expenditure.
14. High inflation and volatility in the wider economy, including supply chain challenges and labour shortages seen in 2022/23 are continuing to impact in 2023/24 and continue the increased risk to the financial position for the council. The financial landscape for all local authorities and especially those with social care responsibilities remains challenging.

Amended Section 4.6

15. The Business Management and Monitoring Report to Cabinet in January 2024 sets out an anticipated overspend of £4.2m. This, along with other one – off calls on balances agreed during the year, will need to be met from balances – and as a consequence, the expected level of balances at 31 March 2024 is currently £25.6m, compared to the risk assessed level for 2023/24 of £30.2m.
16. The expected level of balances at 1 April 2024 is currently forecast to be £4.6m less than the risk assessed level for 2024/25 of £30.2m although action is still being taken to reduce the forecast directorate overspend by year end so that no call on balances is required. Because interest rates have been higher than forecast during 2023/24, it is anticipated that additional interest on cash balances received by the council will be used to top up to the risk assessed level if required.
17. It is recognised that the outturn position for 2023/24 may change from that currently forecast so the actual level of balances at 1 April 2024 may differ from the risk assessed level. Consequently, it is proposed that the performance measure for general balances (as set out in the Financial Strategy at Section 4.5) allows for a variation of 15% below the target risk assessed level.
18. Details of the risk assessment are set out as Annex 1 to this policy statement.

Earmarked Reserves

19. Annex 2 sets out the actual level of earmarked reserves at 31 March 2024 and expected level at 31 March each year to 2027 as well as a description of each reserve. Issues of significance are set out in the paragraphs below.
20. Excluding schools, earmarked reserves are forecast to be £152.3m at 31 March 2024, and £151.3m by 31 March 2027. A significant element of the balance estimated to be held relates to future funding for the capital programme.
21. This position does not take into account an estimated deficit on the DSG Unusable Reserve in relation to High Needs of £144.3m by 31 March 2027. Further detail on this is set out in paragraphs 43-48 below.

Demographic Risk Reserve

22. In light of the significant pressures relating to High Needs and other budgets with demographic volatility a demographic risk reserve was created in 2019/20. The existing MTFS includes an on-going annual contribution to the reserve of £4.0m. The forecast reserve will total £21.0m by the end of 2024/25 and £29.0m by the end of 2026/27. This reserve will in part offset the impact of carrying the negative DSG reserve on the council's cashflow and improve the financial resilience position.

Budget Priorities Reserve

23. This reserve has been used to fund the priorities of the Council. In February 2023 £6.5m was agreed to be allocated to the following:

- Support for climate action (including tree replacement) £3.0m
- Contribution towards match funding for four Children's Homes £1.2m
- Development of community hubs £0.5m.
- Improvements to highways, cycle-paths and pavements (responding to feedback from the consultation) £1.0m
- Further development of school streets to improve road safety around local schools £0.5m
- Further work to develop rail studies £0.1m
- Continuation of funding for the Business and Intellectual Property Centre for a year from 1 April 2023 £0.2m

24. With the exception of £0.4m relating to support for climate action, all of the investments agreed for 2023/24 have been committed.

25. £0.1m funding from the reserve is proposed to be used to fund a further one - off contribution to Children's Centre voluntary and community sector rents in 2024/25 (see 2025PI&FMTBC).

26. It is proposed to use £1.3m of the remaining balance, including the £0.4m uncommitted funding for support for climate action, to fund gully and ditch clearing and repairs in areas recently flooded, to boost capacity to work with landowners and Parishes for them to clear ditches and implement Sustainable Drainage Schemes, for a second cut of urban verges around footways and cycleways and to reclaim footpaths and cycleways through vegetation clearance (see 2025EPTBC2-5).

27. The remaining £0.1m will be used to support new budget investments.

COVID-19 Reserve

28. The balance expected to be held in the reserve at 31 March 2024 is £6.1m with further budgeted planned use of £3.8m in 2024/25 and £2.3m in 2025/26 (see Cabinet Annex 4.2.2) to support directorate pressures and provide a further £0.5m funding for cost of living measures in 2024/25 and 2025/26. All of the reserve is allocated for use by the end of 2025/26.

Business Rates & Council Tax Collection Fund Reserve

29. These reserves have been held to manage fluctuations in Business Rate and Council Tax income that the Council receives. The balance held in the Business Rates Collection Fund reserve is £9.5m. A further £3.0m is held in the Council Tax Collection Fund reserve.

Amended Section 4.6

30. It is proposed that the two reserves are merged into one Collection Fund Risk Reserve.
31. £8.5m will be transferred to the Transformation Reserve, leaving £4.0m to fund future volatility in the collection fund position alongside the potential impact of a business rates reset.

Transformation Reserve

32. The Transformation Reserve has been used to support the costs of the implementation of the council's transformation programme, Delivering the Future Together. The forecast balance at 31 March 2023 is £1.5m with further commitments in 2024/25 expected to utilise all of the existing funding.
33. Through Delivering the Future Together, a successful and sustainable Oxfordshire County Council of the future will be smaller and more focused on delivering key priorities to the best of our ability. To enable the priorities for the next phase of transformation to be delivered and to create a sustainable council for the future (including funding for Artificial Intelligence/technology) it is proposed to transfer funding of £8.5m from the Business Rates Reserve into the Transformation Reserve in 2024/25. A further one – off revenue contribution of £1.5m will be funded by additional interest on balances held by the council.
34. £2.3m of the funding available in the reserve after these contributions will be used to support revenue budget investments, with £1.5m supporting the 2024/25 budget and a further £0.8m in 2025/26. All of the funding in the reserve is anticipated to be spent by the end of 2025/26.

Redundancy Reserve

35. The estimated balance held in the Redundancy Reserve is expected to be £2.4m at 31 March 2024. Reflecting the need to reduce the size of the council to be sustainable in future it is proposed to add £3.8m that is not now required and can be released from the 20 mile per hour speed limits programme¹ to the reserve as well as £1.2m from the Budget Equalisation Reserve to increase the balance available to support future redundancy costs to £7.4m.

Impact of IFRS9

36. IFRS9 (changes in the value of Treasury Management Pooled Funds at year end) may impact on the revenue account in 2025/26 if the statutory override which removes changes in their value from the accounts is removed on 1 April 2025.
37. It is proposed to create a new reserve to manage estimated risk pending confirmation about the statutory override. An initial contribution of £2.2m will be funded by additional interest on balances held by the council.

¹ This was originally agreed to be funded by a mix of funding from the Budget Priority, Budget Equalisation and Council Tax Collection fund reserve as part of the 2022/23 budget.

Investment Pump Priming Reserve

38. This reserve is held to meet the costs of self-financing schemes which require pump priming until the funds are returned. The uncommitted balance in the reserve is expected to be £0.1m at 1 April 2024. Schemes approved as part of the 2023/24 budget setting process and during 2023/24 are:

- Low Carbon Business Travel Project (grey fleet) £0.8m
- Energy Efficiency Recycling Fund for OCC Maintained Schools £0.8m
- Initial funding to develop plans for the workplace charging levy £0.2m
- Investigation and development of solar panel programme £0.1m.

39. £0.1m currently remains available to utilise.

Prudential Borrowing Reserve

40. The Prudential Borrowing Reserve holds revenue contributions needed to meet the cost of planned prudential borrowing.

41. In July 2022, Oxfordshire County Council adopted its new transport plan (LTCP), aiming to deliver a net-zero transport system that enables Oxfordshire to thrive, protects the environment, and makes the county a better place to live for all residents. The plan includes ambitious targets to replace or remove 1 in 4 car trips in Oxfordshire by 2030, deliver a net-zero transport network by 2040, and have zero or as close as possible road fatalities or life-changing injuries by 2050.

42. The transport strategy for central Oxfordshire, the Central Oxfordshire Travel Plan (COTP), developed as part of the county's LTCP, proposes a set of 23 actions to help deliver on the policy objectives and targets and, more specifically, achieve a more sustainable and reliable transport system. The Workplace Parking Levy is one of the actions and a key priority for the county council.

43. It is proposed to use £2.5m funding held in the prudential borrowing reserve to support the revenue cost of the development of the Workplace Parking Levy in Oxford. Subject to the outcome from the public consultation and the Department for Transport approving the proposal there would be further costs of £0.9m related to full implementation. If the scheme is approved the expectation is that the cost of implementation would be met through the on-going operation of the scheme so the funding in the reserve would be replaced.

Dedicated Schools Grant (DSG) Unusable Reserve

44. The School and Early Years Finance (England) Regulations 2020 stipulate that a deficit on the DSG must be carried forward to be funded from future DSG income unless permission is sought from the Secretary of State for Education to fund the deficit from general resources.

45. The accounting treatment for deficit DSG balances was provided by the Local Authorities (Capital Finance and Accounting) (England) (Amendment)

Amended Section 4.6

Regulations 2020. These stipulated that where a local authority has a deficit in respect of its school budget for a financial year beginning on 1st April 2020, 2021 or 2022, the authority—

- (a) must not charge to a revenue account an amount in respect of that deficit; and
- (b) must charge the amount of the deficit to an account established, charged and used solely for the purpose of recognising deficits in respect of its school budget.

46. As a result of this, an unusable reserve was created on the balance sheet to hold the negative balance. Unusable reserves are usually created to hold accounting adjustments that cannot be charged to the general fund and have no cash value. The new DSG unusable reserve is unique in that the deficit balance has a real impact on the council's cash balances.
47. In December 2022 Parliament agreed the extension of the DSG statutory override for a one-off period of three years (up to March 2026)².
48. As at 31 March 2024, the DSG Unusable Reserve is expected to have a negative balance of £62.3m of which a negative balance of £68.0m related to High Needs DSG. Taking account of the deficits for 2024/25 – 2026/27 set out in Annex B it is anticipated that the high need deficit held in the reserve could reach £114.3m at the end of 2025/26 and £150.0m by the end of 2026/27.
49. Beyond the period of the statutory override, the expectation is that the balance on the DSG Unusable Reserve will transfer back to the Council's total Earmarked Reserves. If this happens, it materially impacts on the overall level of reserves and by 1 April 2026, the Council would be in a position where its total reserves (excluding schools' balances) were only £47.6m. This not only has an impact on the level of risk over the medium term (as referred to in the Financial Strategy at Cabinet Section 4.5), but also has an immediate impact on reducing the cash balances and interested earned (as set out in the Treasury Management Strategy at Cabinet Section 5.2).

² The Statutory Instrument (SI): Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No.2) Regulations 2022 approving this was laid before Parliament on 16 December 2022.

Annex 1

2024/25 risk assessment for determining appropriate level of general balances

Area of risk	2024/25 £m	Explanation of risk/justification of balances	2023/24 £m
Emergencies	6.1	An allowance of 1.0% of annual net operating budget for the cost of responding to emergencies that falls outside of eligibility for the Bellwin Scheme	5.4
Directorate overspends	15.8	Risk that directorates will overspend due to unforeseen pressures, demography or demand and no mitigations are available - assumes 2.5% overspend	13.2
Contingent liabilities & insurance risk	3.1	Possible liabilities for which no provision has been made or funding set aside in an earmarked reserve (0.25% of net expenditure or minimum to meet quantified contingent liabilities)	4.6
Major contracts & 3rd party spend	5.2	Risk of contractors failing, mis-specification, or non-delivery plus contract costs increase by more than allowed for in the budget - calculated as 0.75% of estimated spend with suppliers (reduced from 1.0% in 2023/24)	7.0
Total	30.2		30.2
Contingency (on-going funding)	6.6		8.3
Total Balances and Contingency	36.8		38.5
Risk assessed level of Balances as % of net operating budget	4.9%		
Net operating budget - spend per week	11.8		
Weeks of spend	2.6		

Forecast Earmarked Reserves 2023/24 to 2026/27

Reserve	2023/24			2024/25		2025/26		2026/27	
	Balance at 1 April 2023	Forecast Change	Forecast Balance at 31 March 2024	Forecast Change	Forecast Balance at 31 March 2025	Forecast Change	Forecast Balance at 31 March 2026	Forecast Change	Forecast Balance at 31 March 2027
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue Grants Unapplied									
Grants and Contributions Reserve	37.0	-19.0	18.0	-7.0	11.1	-3.7	7.4	-1.0	6.4
COVID-19 Reserve	15.4	-9.3	6.1	-3.8	2.3	-2.3	0.0	0.0	0.0
Government Initiatives Reserve	2.3	-0.5	1.8	-0.6	1.3	-0.2	1.0	0.0	1.0
Subtotal Revenue Grants Unapplied	54.8	-28.8	25.9	-11.3	14.6	-6.2	8.4	-1.0	7.5
Corporate Priorities									
Budget Priorities Reserve	11.4	-9.8	1.6	-1.6	0.0	0.0	0.0	0.0	0.0
Transformation Reserve	1.5	0.0	1.5	1.7	3.2	-3.2	0.0	0.0	0.0
Zero Emissions Zone	0.5	0.0	0.5	0.0	0.5	0.0	0.5	0.0	0.5
Youth Provision Reserve	0.3	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal Corporate Priorities	13.7	-10.1	3.6	0.1	3.7	-3.2	0.5	0.0	0.5
Funding for Risk									
Insurance Reserve	12.9	0.0	12.9	0.0	12.9	0.0	12.9	0.0	12.9
Demographic Risk Reserve	13.0	4.0	17.0	4.0	21.0	4.0	25.0	4.0	29.0
Council Elections	0.4	0.2	0.6	0.2	0.8	-0.8	0.0	0.0	0.0
Redundancy Reserve	2.4	0.0	2.4	1.3	3.7	-3.7	0.0	0.0	0.0
Trading Accounts	0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Council Tax Collection Fund Reserve	3.0	0.0	3.0	-3.0	0.0	0.0	0.0	0.0	0.0
Business Rates Reserve	9.5	0.0	9.5	-9.5	0.0	0.0	0.0	0.0	0.0
Collection Fund Reserve (NEW)	0.0	0.0	0.0	4.0	4.0	0.0	4.0	0.0	4.0
IFRS 9 Risk Reserve (NEW)	0.0	0.0	0.0	2.2	2.2	0.0	2.2	0.0	2.2
Subtotal Funding for Risk	41.3	4.0	45.4	-0.8	44.5	-0.4	44.1	4.0	48.1
Capital & Equipment									
Capital & Prudential Borrowing Reserves	67.8	0.3	68.1	7.8	76.0	9.7	85.7	7.5	93.2
Vehicle and Equipment Reserve	3.4	0.3	3.7	-1.6	2.2	-1.3	0.8	0.0	0.8
Investment Pump Priming Reserve	2.0	-1.9	0.1	0.0	0.1	0.0	0.1	0.0	0.1
Subtotal Capital & Equipment	73.2	-1.3	72.0	6.3	78.3	8.4	86.6	7.5	94.1
Other Reserves									
Schools' Reserves	12.9	0.0	12.9	0.0	12.9	0.0	12.9	0.0	12.9
Partnership Reserves	1.9	-1.6	0.3	-0.2	0.1	-0.1	0.0	0.0	0.0
On Street Car Parking Reserve	4.9	0.2	5.1	-2.2	2.9	-1.3	1.6	-0.5	1.1
Subtotal Other Reserves	19.7	-1.4	18.4	-2.4	16.0	-1.4	14.6	-0.5	14.1
Total Earmarked Reserves	202.7	-37.5	165.2	-8.1	157.1	-2.8	154.3	10.0	164.2
DSG Unusable Reserve *	-41.1	-21.2	-62.3	-21.3	-83.6	-25.0	-108.6	-35.7	-144.3
DSG High Needs deficit within Unusable Reserve *	-46.8	-21.2	-68.0	-21.3	-89.3	-25.0	-114.3	-35.7	-150.0
Total Earmarked Reserves after DSG Unusable Reserve	161.6	-58.7	102.9	-29.4	73.5	-27.8	45.7	-25.7	20.0

Reserve	Description
Revenue Grants Unapplied	
Grants and Contributions Reserve	Holds overspent or underspent grants & contributions committed to be spent or recovered in future years. Excludes balance relating to DSG.
COVID-19 Reserve	Reserve to cover costs associated with and arising from COVID-19
Government Initiatives Reserve	Holds underspends on budgets funded by un-ringfenced specific grants relating Government initiatives or agreed outcomes.
Subtotal Revenue Grants Unapplied	
Corporate Priorities	
Budget Priorities Reserve	This reserve is being used to support the implementation of the Council's priorities and the Medium Term Financial Strategy.
Transformation Reserve	This reserve is needed to fund the implementation costs of the Council's Transformation programme. £10m proposed contribution assumed to be used in 2024/25 and 2025/26.
Zero Emissions Zone	This reserve holds surpluses generated by Network Coordination for the development and expansion of the ZEZ in the future years.
Youth Provision Reserve	Funding will be used in 2023/24 to manage pressures in Children's Services
Subtotal Corporate Priorities	
Funding for Risk	
Insurance Reserve	This reserve covers the County Council for insurance claims that, based on the previous experience of the County Council, are likely to be received, as well as a number of insurance related issues.
Demographic Risk Reserve	Held against High Needs DSG Risk
Council Elections	To meet the cost of the County Council elections every four years.
Redundancy Reserve	This reserve is available to fund redundancy costs arising from Transformational Change. Assumes half of the balance + half of new £10m is used in 2024/25 and half in 2025/26
Trading Accounts	Holds funds relating to traded activities which are carried forward each year (whether surplus or deficit).
Council Tax Collection Fund Reserve	This reserve holds any surplus/ deficit as a result of income from council tax being more or less than originally estimated
Business Rates Reserve	This reserve is to smooth the volatility of Business Rates income and to mitigate risk around future changes to Business Rates.
Collection Fund Reserve (NEW)	Create one new collection fund reserve and remove balances from Business Rates and CT reserves.
IFRS 9 Risk Reserve (NEW)	New reserve to smooth the potential impact of IFRS9 (changes in the value of Treasury Management Pooled Funds at year end) which may impact on the revenue account in 25/26 if the statutory override which removes changes in their value from the accounts ends on 1 April 2025.
Subtotal Funding for Risk	
Capital & Equipment	
Capital & Prudential Borrowing Reserve	These reserves have been established for the purpose of financing capital expenditure in future years.
Vehicle and Equipment Reserve	To fund future replacement of vehicles and equipment
Investment Pump Priming Reserve	Funding held to meet the costs of self-financing schemes which require pump priming until the funds are returned.
Subtotal Capital & Equipment	
Other Reserves	
Schools' Reserves	In accordance with the Education Reform Act 1988, the scheme of Local Management of Schools provides for the carry forward of individual schools surpluses and deficits. These reserves are committed to be spent on schools. Other School Reserves cover a number of miscellaneous education activities, including amounts loaned to individual schools against school reserves, and School Partnership Accounts which are operated in respect of inter-school activities.
Partnership Reserves	This relates to funding for the Growth Deal
On Street Car Parking Reserve	This surplus has arisen under the operation of the Road Traffic Regulation Act 1984 (section 55). The purposes for which these monies can be used are defined by statute.
Subtotal Other Reserves	
Total Earmarked Reserves	
DSG Unusable Reserve *	
DSG High Needs deficit within Unusable Reserve *	* total excluding positive balances (eg. new schools set up fund offset by High Needs Deficit)
Total Earmarked Reserves after DSG Unusable Reserve	

Capital and Investment Strategy 2024/25 to 2033/34

Executive Summary

The Capital and Investment Strategy outlines the council's approach to capital investment over the next ten years and incorporates the requirements of the CIPFA Prudential Code for Local Authorities.

The Prudential Code for Capital Finance in Local Authorities 2021 requires that for each financial year, a local authority should prepare at least one Investment Strategy containing the disclosures and reporting requirements specified in the guidance. The Strategy must be approved by full Council.

The definition of an investment covers all the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios.

The objectives of the Prudential Code are to ensure that the capital expenditure plans of local authorities are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved.

The Prudential Code requires authorities to look at capital plans, investments, and debt in the light of overall organisational strategy and resources and ensure that decisions are made with sufficient regard to the long-term financing implications and potential risks to the authority.

The Prudential Code sets out that in order to demonstrate that the authority takes capital expenditure, investment and borrowing decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability, authorities should have in place a capital strategy. The capital strategy should set out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcome. In line with the Code's requirements the following annexes are also included in this strategy:

Minimum Revenue Provision Policy Statement for 2024/25 (Annex 1)
Prudential Indicators for Capital Finance (Annex 2)

The Capital and Investment Strategy supports the Council's Financial Strategy, which sets out the approach the Council will take to ensure it is financially sustainable over the medium and long term. It also supports the Council's more detailed objectives of service strategies and plans. Integrated and aligned strategies and plans are imperative to financial resilience and stability as the

impact of actions or decisions on one or more of these strategies will have an impact on the others.

Long term context

The Council's Strategic Plan has set out a clear vision for the county, centred around strong local communities, healthy places to live, and a zero-carbon economy that benefits everyone. The strategic plan has nine priorities with a set of objectives for each. This capital and investment strategy articulates how the Council's capital investment will help achieve this vision and the nine priorities.

The Council's capital investment will support the following Strategic Plan objectives:

'Greener' objectives

- Implement together with partners the county's 'pathways to zero carbon' route map, a comprehensive plan for **decarbonising** Oxfordshire.
- **Bring our own buildings, operations** and supply chains to **net zero by 2030**, and support the retrofit of residential homes to improve energy efficiency.
- Support and promote a shift towards **active travel** (walking, cycling and use of public transport), reducing the need for private cars and accelerate the transition to electric vehicles by **expanding charging capacity** across the county.
- Work with partners to continue to **build a greener, more resilient and fairer renewable energy network**.
- Deliver our **LED street lighting replacement programme** to further reduce the energy, visual and environmental impacts of street lighting.
- Deliver the countywide **20mph programme** in line with our agreed policy.
- **Prioritise active travel** and public transport **on the existing and planned highway network** to support healthy lifestyles and address inequalities in transport.
- Develop a countywide nature recovery strategy, including a tree and woodland plan that involves taking part in the Queen's Green Canopy programme, and support the development of a new local nature partnership for Oxfordshire.
- Ensure our **public rights of way network** is safe and effectively maintained.

'Fairer' objectives:

- Implement the delivery plan for Oxfordshire's **digital inclusion** strategy together with partners, including how assistive technology can support vulnerable groups to access services and lead a better quality of life
- **Provide technology to improve processes** around signposting, self-assessment and information about sources of help for local residents

‘Healthier’ objectives:

- Maximise access to the opportunities provided by **libraries, museums, nature and green spaces** and other services to support the health and wellbeing of residents.
- Help people to **live independently** and support themselves through personal and **local facilities**, using the Oxfordshire Way approach
- Deliver our **children’s home programme** to provide more places in Oxfordshire
- Increase activity that supports pupils with special educational needs and disabilities to have their needs met in mainstream school settings and **deliver our special school capacity expansion programme**

The Capital programme also supports statutory functions such as school placements and urgent health and safety capital maintenance works.

A ten-year Capital Programme sets out how the Council will use capital expenditure to deliver these council priorities. The Capital Programme is updated quarterly and fully refreshed annually as part of the Budget and Business Planning Process to ensure that it remains aligned to the latest priorities, reflects the latest cost projections and profile for delivery, and incorporates the current funding position.

Current schemes within the capital programme are challenged at project gateways to ensure the project’s objectives and benefits align with the Council’s current strategic plan.

Capital prioritisation framework

There are a number of external factors increasing the risk to the future deliverability and cost of capital schemes in the council’s capital programme. There are also challenges arising from the availability of workforce – both skilled and unskilled and construction materials. Inflation is impacting on contract values and the ability to maintain an agreed price. These pressures place further demands on council resources and the ability to meet the Council’s ambitions, expected outcomes and benefits.

In response to these pressures, a prioritisation framework has been developed to ensure future capital expenditure and investment decisions not only align to the strategic plan objectives but that they continue to be affordable.

Capital Programme Principles:

- a. For **all** projects, the funding cannot exceed the budget allocation. Where cost increases occur, value engineering and/or de-scoping will be required (or additional external funding secured)
- b. any new inclusion of projects and/or approval of exceptions/change requests will require an equivalent reduction in schemes or funding (one in, one out principle)

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- c. all projects demonstrate benefits realisation, clearly setting out direct and indirect benefits linked to the nine corporate priorities.
- d. where schemes fall outside these categories but are well progressed (ie have approved full business case) and have RAG status of green for deliverability* can be considered for inclusion, where funding is available
- e. schemes with major proportion (80% or more) of the capital from external sources which will be lost if the project fails to go ahead but subject to consideration of future revenue requirements can be considered.
- f. Major Infrastructure schemes align to OXIS prioritisation and the Local Transport and Connectivity plan.
- g. All projects undertake equality and climate impact assessments (and carbon accounting when methodology is available), considering impact on deprivation, health and wellbeing in any given area.
- h. Projects that do not demonstrate alignment to these priorities will be stopped/paused.
- i. All mainstream school expansions/new schools be managed within basic need grant and available S106 contributions supported by the basic need programme and growth contingency provision.

Capital Programme Prioritisation Categories

Category 1 Projects:

That enable compliance with our minimum statutory duties relating to health and safety and schools. For projects in this category, there is still a need to justify the cost level.

Category 2 Projects:

That generate revenue savings (and/or cost avoidance) through the delivery of the new business strategy or service transformation proposals (inc children's homes and supported living). 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.

Category 3 Projects:

That facilitate (*ie majority of the scheme*) the climate action or active travel commitments of the Council, as articulated in the strategic plan

As well as supporting the delivery of the Council's strategic plan, the capital programme is also informed by service strategies and plans (a list of the key strategies are included in Annex 4). These strategies are informed by the latest population forecasts, changes in demography, and changes in service demands.

Infrastructure and Assets

The council owns and manages a range of infrastructure and property assets including maintained schools, offices, roads, bridges, park and ride sites and waste recycling centres.

Effective asset management is one of the key contributing factors to attaining the county's vision to lead positive change by working in partnership to make Oxfordshire a greener, fairer and healthier county.

Approach to Capital Investment

Capital expenditure is defined as spending that creates an asset for the Council (e.g., buildings, vehicles and equipment), and spending which meets the definition in regulations specified under the Local Government Act 2003. This includes spend on non-current assets that are not owned by the Council such as academies and the award of capital grants and funding agreements.

The approach aims to ensure that:

- Capital expenditure contributes to the achievement of the council's priorities set out in the Strategic Plan including commitment to put action to address the climate emergency at the heart of the council's work and to explore opportunities for social value;
- An affordable and sustainable capital programme is agreed;
- Use of resources and value for money is maximised;
- A clear framework for making capital investment decisions is provided;
- A corporate approach to the use of capital resources is maintained;
- Sufficient assets to provide services (as set out in service specific strategies, see annex 4) are acquired, or built, and maintained;
- Invest to save initiatives to make efficiencies within the Council's revenue budget are encouraged;
- Investment in existing assets to enhance their value, including acquisition of land, is supported;
- An appraisal and prioritisation process for new schemes is robust

Capital Financing Principles

The Council's capital programme financing principles are:

- Non ringfenced capital grants are treated as a corporate resource and used flexibly.
- Capital receipts are treated as a corporate resource and used across the capital programme flexibly.
- The Council will continue to be proactive in ensuring, as far as possible, that all additional capital investment needs arising from new developments are funded from developer contributions.
- Ringfenced resources are used for the purposes for which they are issued.
- Prudential borrowing will only be considered where:
 - i. there is a robust invest to save model; or

- ii. the council has a significant unmet capital need.
- Community Infrastructure Levy (CIL) funds be secured and directed to the most appropriate capital schemes to help deliver infrastructure to support the development of their area.
- The Council will hold 3% capital contingency in reserves. This contingency is for unforeseen emergency works. Project and programme level contingency is determined and agreed for each project (by gateway) and is agreed within its budget provision.

The Capital Programme

The council plans for a ten-year capital programme to ensure that schemes and programmes can be developed, delivered and funded over the medium term in line with the supporting strategies.

The **capital programme (the firm programme)** is made up of schemes that have been agreed to address identified need. These schemes have an approved initial business case, articulating a clear case for change, a defined scope, an indicative budget/investment and an agreed indicative timeline including a 'go live' date. The Capital Programme is a ten-year rolling programme.

Pipeline capital schemes support our priorities, have an agreed need, a confirmed alignment with the prioritisation framework and a basic mandate. These are our priority schemes but are subject to further development and an approved initial business case. Schemes in the Pipeline are subject to optioneering and feasibility assessment and have only estimated costs. These schemes may change in both scope and value before being agreed through the capital governance process and brought forward into the firm programme reflecting changes in the underlying need and value for money assessment. Once approved, these schemes will be included within the firm capital programme.

Pre-pipeline schemes have also been identified. These schemes are at a very early stage and in some cases, it is not yet clear if they meet a predicted need and/or align to the prioritisation framework. Others have identified a need and align to the prioritisation framework, but due to budget constraints, are currently unfunded and remain in the pre-pipeline.

Proposed Programme for 2024/25 – 2033/34

The proposed programme is based on the latest capital programme 2024/25 to 2033/34 as reported to Cabinet in the Capital Programme Monitoring Report in December 2023, including recommendations set out in the budget report. Proposed changes to the programme are set out in Section 5.3. Section 5.4 sets out the detailed draft Capital Programme for 2024/25 to 2033/34 by year and programme area. Some of the changes set out below reflect the addition of

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2033/34 to the programme and extend the existing programme into that year. Section 5.4.1 sets out the current allocation of Housing & Growth Deal grant funding.

The table below sets out the proposed programme by strategy and the split between the Firm Programme (£646.8m) and Pipeline Programme (£633.6m).

Strategy / Programme	Current Year 2023/24 £m	Proposed Firm Programme (2 years) £m	Proposed Pipeline* Programme £m	Total Programme £m
Pupil Places Plan	39.2	88.8	120.6	248.6
Major Infrastructure	80.0	347.4	273.9	701.3
Highways Asset Management Plan	56.0	93.6	119.2	268.8
Property Strategy	17.9	61.7	12.4	92.0
IT, Digital & Innovation Strategy	5.8	9.0	1.9	16.7
Passported Funding	8.4	9.0	4.4	21.8
Vehicles and Equipment	2.2	9.3	16.1	27.6
Total Estimated Capital Programme Expenditure	209.5	618.8	548.5	1,376.8
Earmarked Reserves	0.0	28.0	85.0	113.0
Total Estimated Capital Programme	209.5	646.8	633.6	1,489.8

The proposed 'firm programme' for 2024/25 has been established using the agreed prioritisation framework. A full list of schemes proposed to be added to the firm programme can be found in Cabinet Section 5.3 and Labour & Co-operative Group Section 5.3.

Category 1 schemes that enable compliance with the council's minimum statutory duties relating to health and safety, include an investment of £0.7m (in addition to the £0.7m previously agreed in February 2023) to carry out essential repairs at Redbridge Household Waste and Recycling Centre. Condition surveys carried out across our corporate estate have identified some remedial works that must be carried out over the next few years at an estimated cost of £2m. Investing in our Fire Stations to ensure that we are complying with current health and safety legislation, will commence with a proposed investment of £1.3m, which is in addition to the £6.3m to deliver essential works resulting from the development of Rewley Road Fire Station. A further £0.5m is proposed to enable fire fighters to safely decontaminate breathing apparatus.

In line with the Council's ambition to reach Net Zero by 2030, an investment of £2.6m has been proposed to begin a programme of works to decarbonise the council's corporate estate. The investment is to match a grant funding bid

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submitted in late 2023, with a decision due in early 2024. Rationalising buildings and reducing the council's corporate estate including Oxford City Centre accommodation remains a key priority. Additional funding of £2.3m is proposed to be included within the existing Office Rationalisation & Co-location Programme, to address accessibility and energy management issues in the buildings identified as our future workplaces.

Funding has been allocated for the following schemes in Prioritisation Category 3 (Climate Action or Active Travel): Traffic Congestion Improvements (£6.0m), East Oxford Mini – Holland Project (£6.0m) and Phase 4 of the School Streets programme (£0.5m)

In January 2024 Cabinet approved Option 2 of the Oxford City Centre Accommodation Strategy. Subsequent to that decision this has been entered into the Capital Programme so that work on the strategy can progress.

£10.2m has been allocated to continue the rolling programme of works to invest in highways and structures with a further £5.0m for Highways Maintenance added as part of Labour & Co-operative Section 5.3.

A paper was approved at Cabinet in January 2024, for the inclusion of a new 120-place Special Educational Needs and Disabilities (SEND) School and this has been entered into the Capital Programme.

The Capital Programme is fully funded over the ten - year period. The table below sets out the resources expected to be used to deliver the capital programme.

Financing	Total Programme £m
Section 106 and Community Infrastructure Levy	208.0
Grants and contributions	814.2
Prudential Borrowing	272.3
Capital receipts	119.2
Revenue Contribution	36.9
Subtotal	1,450.6
Capital Reserves	39.2
Total Financing	1,489.8

When necessary and where funding is available, the Capital Programme can fund schemes in advance of receiving specific funding by utilising other resources within the wider programme on an interim basis.

There are a number of schemes already in the capital programme that require forward funding to progress. £1.55m investment is proposed to progress the Traffic Filters scheme and £4m funding for the further development of the Zero

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Emissions Zone in Oxford. Forward funding of £4m is also proposed to develop the NW Bicester A4095 scheme and £0.8m to progress the feasibility phase of the A40 Underpass. Both of the latter schemes are expected to unlock future Section 106 funding from developers.

Any further requests for forward funding would need to be considered and agreed by the s151 officer.

Property Investment Strategy

The Council's property investment objective is to support growth, regeneration and help deliver the Council's strategic priorities.

The council uses the following two broad investment categories:

- a) Maximise use of and value (both financial and social) of Council owned assets (land and buildings) linked to the council's Property Strategy, and
- b) Investments for service delivery are taken or held primarily and directly for the delivery of public services (including regeneration and local infrastructure.
 - i. Service investments may or may not involve financial returns; however, obtaining those returns will not be the primary purpose of the investment.

In addition, property investments are made in accordance with Treasury Management Strategy, including cash, money market funds, property funds, bond funds and equities.

In accordance with the prudential code, the Council does not make investments for commercial purposes.

Capital Governance Arrangements

The Prudential Code sets out that the responsibility for decision making and on-going monitoring in respect of capital expenditure, investment and borrowing, including prudential indicators, sits with full council. However, detailed implementation and monitoring may be delegated to a committee.

Council and the Cabinet are 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.

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Delegations to officers are set out in full in Section 5 of the Council's Financial Regulations and all officers are bound by the scheme of delegation.

The capital programme is supported by robust governance arrangements that are in place to effectively manage and monitor the Council's expenditure, review and manage any operational risks across the programme and to enable a strong decision-making framework and structure. Processes to support the management of the Capital Programme are under continuous review to identify areas for improvement.

There are five capital programme boards: Environment & Climate, Major Infrastructure, Innovation, Digital & Customer, Property and Highways which report into the Strategic Capital Board (SCB). SCB meets monthly and is chaired by the Chief Executive, supported by the Executive Director of Resources and Section 151 Officer, the Executive Director of People and the Corporate Director for Environment & Place. Issues and pressures escalated from the capital programme boards and wider strategic risks are managed through this board, escalating to Cabinet if necessary.

A comprehensive capital investment handbook has been published for staff guidance and support. This handbook sets out the governance, roles and responsibilities including an overview of the governance structure, terms of reference for each governance level, and a description of key roles and responsibilities. It also includes a reporting framework, set of KPIs, and aggregation method for how reporting will be established by exception. The handbook includes a high-level and detailed approval process and description of each stage of capital project delivery, from Stage 0 to Stage 4. It sets out key meetings and documentation required for each step, including specific guidance around capital expenditure, and how key aspects, such as Council strategic outcomes, and the capital and investment strategy, can inform the prioritisation process.

Measuring the delivery of this Strategy

The overall performance of the Council-wide Capital Programme will be reported to the Cabinet on a quarterly basis.

This will include an overview of the performance across each of the capital programmes with a specific focus on:

- The most significant variances (in terms of timeline, scope, and budget);
- The most significant risks and issues (e.g. those with the largest potential impact etc.);
- The most significant successes; and,
- Overall benefit realisation and strategic alignment to Council outcomes

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In line with the Council's financial regulation, the Cabinet will also take decisions on any changes to the existing programme on any proposed variation that meets the following thresholds:

- *Any new scheme not already in the firm programme, including grant funded schemes*
- *Any cost variation over £1m*
- *Any material scope variation that impacts the projects ability to achieve its overall objective/benefits/savings*
- *Any time variation that impacts the 'go live' date*

Minimum Revenue Provision Policy Statement for 2024/25

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 taxpayers.
2. Legislation¹ 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.
3. The implementation of the International Financial Reporting Standards (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.
4. The Council is recommended therefore to approve the following statement:

For capital expenditure incurred before 1 April 2008, the MRP policy for 2017/18 onwards will be a straight-line charge of the outstanding pre-2008 expenditure as at 1 April 2017 calculated over a 50-year period.

For all unsupported (prudential) 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).

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).

¹ Statutory Instrument 2008 no. 414 s4

Prudential Indicators for Capital Finance

1. The Prudential Code for Capital Finance in Local Authorities 2021 requires the Council to set and monitor against Prudential Indicators in the following categories:
 - Prudence – Capital Expenditure and External Debt
 - Affordability
 - Treasury Management
2. The indicators have been based on the February 2024 capital programme which will be approved by Council on 20 February 2024 as part of the Business and Budget Planning Report.
3. The capital expenditure figures for beyond 2024/25 will be able to be revised in twelve months' time.

Prudence

Estimates of Capital Expenditure

4. The Council is required to make reasonable estimates of the total of capital expenditure (including earmarked reserves) that it plans to incur during 2024/25 and the following two financial years. The Council must also approve the actual expenditure for 2022/23 and revised forecast expenditure for 2023/24. The table shows the actual capital expenditure for 2022/23 and how that was financed. It also shows the estimated capital expenditure and financing from 2023/24 to 2027/28.

Capital Programme Estimates	2022/23 Actual £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Capital Expenditure	172.2	209.5	320.0	326.8	254.1	157.5
Financed by:						
Prudential Borrowing	41.7	72.4	82.4	50.4	47.8	18.3
Grants and Contributions	127.9	123.6	231.5	235.2	160.5	103.8
Capital Receipts	0	0	0	36.1	21.5	31.0
Revenue	2.6	13.5	5.7	5.1	3.5	4.4
Reserves	0	0	0	0	20.8	0.0
Total Capital Investment	172.2	209.5	320.0	326.8	254.1	157.5

The Capital Financing Requirement

5. Estimates of the end of year Capital Financing Requirement (CFR) for the Authority for the current and future years and the actual Capital Financing Requirement at 31 March 2023 that are recommended for approval are set out in the table below. The actual CFR for 2022/23 was £402.727m. The estimate for 2023/24 is £463.256m and 2024/25 for £530.989m.

Year	Actual/Estimate	£m
2022/23	Actual	402.727
2023/24	Estimate	463.256
2024/25	Estimate	530.989
2025/26	Estimate	563.061
2026/27	Estimate	590.567
2027/28	Estimate	586.826

6. The Capital Financing Requirement measures the authority's underlying need to borrow for a capital purpose. In accordance with best professional practice the County Council does not associate borrowing with particular items or types of expenditure. The authority has an integrated Treasury Management Strategy and has adopted the CIPFA Code of Practice for Treasury Management in the Public Services. The Council has, at any point in time, a number of cashflows both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved treasury management strategy and practices. In day-to-day cash management, no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the authority's underlying need to borrow for a capital purpose.

Authorised Limit and Operational Boundary for External Debt

7. The Authority has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Authority and not just those arising from capital spending reflected in the CFR.
8. The Authorised Limit sets the maximum level of external debt on a gross basis (i.e. excluding investments) for the Authority. It is measured on a daily basis against all external debt items on the Balance Sheet (i.e. long and short-term borrowing, overdrawn bank balances and long-term liabilities). This Prudential Indicator separately identifies borrowing from other long-term liabilities such as finance leases. It is consistent with the Authority's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.

Amended Section 5.1

9. The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).
10. The Operational Boundary has been set on the estimate of the most likely, i.e. prudent but not worst-case scenario with sufficient headroom over and above this to allow for unusual cash movements. The Operational Boundary links directly to the Authority's estimates of the CFR and estimates of other cashflow requirements. The table shows the operational boundary for external debt remains within the authorised limit for external debt throughout the period 2024/25 to 2027/28.

	2023/24 Probable outturn £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m
Operational Boundary for External Debt					
Borrowing	440.000	530.000	560.000	580.000	590.000
Other long-term liabilities	25.000	25.000	25.000	25.000	25.000
TOTAL	465.000	555.000	585.000	605.000	615.000
Authorised Limit for External Debt					
Borrowing	450.000	540.000	570.000	590.000	600.000
Other long-term liabilities	30.000	30.000	30.000	30.000	30.000
TOTAL	480.000	570.000	600.000	620.000	630.000

Actual External Debt

11. This indicator enables the comparison of Actual External Debt at year end to the Operational Boundary and Authorised Limit. Total external debt as at 31 March 2023 was £321.380m.

Total External Debt as at 31.03.23	£m
External Borrowing	306.383
Other Long-term Liabilities	14.997
Total	321.380

Gross Debt and the Capital Financing Requirement

12. This is a key indicator of prudence. In order to ensure that the medium-term debt will only be for a capital purpose, the local authority should ensure that the gross debt does not, except in the short term, exceed the total of the capital financing requirement (CFR) in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.
13. From 2021/22 onwards the CFR has been higher than the level of external borrowing, the balance of which has been funded through internal borrowing. This is forecasted to continue over the medium term, consistent with the approach set out in the Treasury Management Strategy, taking into account current commitments, existing plans and the proposals in the approved budget.

Debt	31.03.23 Actual £m	31.03.24 Revised £m	31.03.25 Estimate £m	31.03.26 Estimate £m	31.03.27 Estimate £m	31.03.28 Estimate £m
External Borrowing	306.383	284.383	281.383	329.383	363.383	360.383
Long Term Liabilities	14.997	14.161	13.217	12.153	10.955	9.607
Total Debt	321.380	298.544	294.600	341.536	374.338	369.990

Affordability

The Ratio of Financing Costs to the Net Revenue Stream

14. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code. The ratio of financing costs to the net revenue stream is estimated to remain within 4-6% in each year going forward and was 2.6% in 2022/23.

Year	Actual/ Estimate	Financing Cost £m	Net Revenue Stream £m	Ratio %
2022/23	Actual	15.2	576.4	2.6
2023/24	Estimate	24.7	622.5	4.0
2024/25	Estimate	27.1	661.5	4.1
2025/26	Estimate	30.8	671.4	4.7
2026/27	Estimate	34.0	692.7	5.0

Amended Section 5.1

15. Financing costs include interest payable on borrowing, interest and investment income and the amount required for the minimum revenue provision (MRP).

The Ratio of Net Income from Commercial and Service Investments to the Net Revenue Stream

16. This is an indicator of affordability and is intended to show the financial exposure of the authority to the loss of income from commercial and service investments. The definition of commercial and service income is set out in the Prudential Code. Based on current activity the ratio of service income compared to the net revenue stream remains at a maximum of 0.05% from 2023/24 to 2025/26.

Year	Actual/ Estimate	Commercial & Service Income (*) £m	Net Revenue Stream £m	Ratio %
2023/24	Estimate	0.000	622.5	0.00
2024/25	Estimate	0.109	661.6	0.02
2025/26	Estimate	0.197	671.4	0.03
2026/27	Estimate	0.280	692.7	0.04

(*) Estimated annual cash yield from the council's £5m Service Investment in the Resonance Supported Homes Fund.

Governance framework and decision making overview

Capital Programme – approval process

Ten year capital programme (annual budget setting)	Initial Business Case	Outline Business Case	Full Business Case
<p>Strategy & development of Capital Programme</p> <ul style="list-style-type: none"> On an annual basis, the ten-year Capital Programme is amended. It should include: <ul style="list-style-type: none"> Firm projects (including those currently being delivered), with agreed budgets High level proposal of the annual programme of work with indicative budgets for each project. This should include an initial business case for each proposed project, with the exception of Major Infrastructure, Pupil Places, and Highways and Structural Maintenance. Pipeline of projects for future years 	<p>Stage 0: Establishing the case for change</p> <ul style="list-style-type: none"> The strategic case for change and the anticipated outcomes of the investment. This should include a data-driven evidence base that demonstrates the need to invest. A long list of options and high level options appraisal based on a SWOT and cost benefit analysis. This should include BAU ('Do nothing') as an option. A short list of options to progress to OBC, identifying the preferred option. A high level implementation plan and indicative budget for the preferred option. 	<p>Stage 1: Options appraisal and feasibility</p> <ul style="list-style-type: none"> A detailed options appraisal based on a detailed cost benefit analysis of each short listed option An agreed procurement strategy (including procurement route, risk allocation and charging mechanism) An implementation plan and final budget for the preferred option This budget is the baseline, according to the financial procedure rules 	<p>Stage 2: Detailed design and procurement</p> <ul style="list-style-type: none"> A summary of the procurement process and evaluation of each shortlisted service provider, presenting the most economically advantageous tender Contract management arrangements and terms and conditions, and confirmation of readiness to enter into the contract and begin delivery Detailed design of the solution, a refined and final project plan and revised budget No separate change request form is required for variations
Indicative budget	Provisional budget	Final budget	Revised budget (a variation)

For projects / programmes that are part of the ten year Capital Programme, they have already been approved by the Strategic Capital Board and Cabinet.

As they progress across the stages, they are managed by the Capital Programme Board and do need to go back to the Strategic Capital Board or Cabinet, unless there is a variation against the previous approved budget.

For new in year projects / programmes, the IBC needs to be initially approved by the relevant governance board, as per the schemes of delegation. From Stage 1, they are managed by the Capital Programme Board and do need to go back to the Strategic Capital Board or Cabinet, unless there is a variation against the previous approved budget.

Strategies that have informed and help us deliver our Capital Strategy

The Capital Programme is informed by, and supports the achievement of, the following county council strategies and plans:

- [Highway Infrastructure Asset Management Strategy 2022](#)
- [Property and Assets Strategy 2022](#)
- [Local Transport and Connectivity Plan 2022](#)
- [Pupil Place Plan 2022/23-2026/27](#)
- [Special Educational Needs and Disability \(SEND\) Sufficiency Plan 2022/23-2026/27](#)
- [Household Waste Recycling Strategy \(2023-2043\)](#)
- [Libraries and Heritage Strategy \(2022\)](#)
- [Climate Action Framework \(2021\)](#)
- [IT & Digital Strategy \(2019-2024\)](#)

It also supports the delivery of the following Oxfordshire wide partnership strategies:

- [Infrastructure Strategy \(OxIS\) | OxLEP \(oxfordshirelep.com\)](#)
- [Local Industrial Strategy | OxLEP \(oxfordshirelep.com\)](#)

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Capital Programme 2023/24 to 2033/34

Strategy/Programme	Capital Investment Programme (latest forecast)						CAPITAL INVESTMENT TOTAL £'000s
	Current Year	Firm Programme		Provisional Programme			
	2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s	
Pupil Place Plan	39,178	26,405	62,344	20,469	15,301	84,790	248,487
Major Infrastructure	79,975	176,443	170,992	170,038	93,517	10,336	701,301
Highways Asset Management Plan	55,954	64,167	29,457	18,289	16,058	84,882	268,807
Property Strategy	17,975	29,900	31,824	11,159	500	722	92,080
IT Digital & Innovation Strategy	5,842	6,600	2,344	850	847	227	16,710
Passport Funding	8,389	8,008	1,000	1,000	950	2,450	21,797
Vehicles & Equipment	2,242	2,500	6,824	5,950	5,300	4,800	27,616
TOTAL ESTIMATED CAPITAL PROGRAMME EXPENDITURE	209,555	314,023	304,785	227,755	132,473	188,207	1,376,798
Pipeline Schemes (Indicative funding subject to initial business case)	0	5,950	22,000	23,900	19,049	3,000	73,899
Earmarked Reserves	0	0	0	2,500	6,000	30,630	39,130
TOTAL ESTIMATED CAPITAL PROGRAMME	209,555	319,973	326,785	254,155	157,522	221,837	1,489,827
TOTAL ESTIMATED PROGRAMME IN-YEAR RESOURCES	212,705	270,150	229,534	226,153	157,704	203,273	1,299,519
In-Year Shortfall (-) / Surplus (+)	3,150	-49,823	-97,251	-28,002	182	-18,564	-190,308
Cumulative Shortfall (-) / Surplus (+)	190,308	193,458	143,635	46,384	18,382	18,564	0

Capital Investment Total: Approved budget, development budget, financial contribution or available funding

SOURCES OF FUNDING	2023 / 24	2024 / 25	2025 / 26	2026 / 27	2027 / 28	up to 2033 / 34	CAPITAL RESOURCES TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Formulaic Capital Allocations	31,843	118,487	92,614	23,800	23,500	116,800	407,044
Devolved Formula Capital- Grant	1,100	1,000	650	650	650	650	4,700
Prudential Borrowing	72,364	82,761	50,393	47,842	18,308	625	272,293
Grants	49,222	92,827	62,270	121,444	70,388	5,173	401,324
Developer Contributions	41,452	18,851	78,999	14,648	9,284	44,771	208,005
Other External Funding Contributions	48	350	720	0	0	0	1,118
Revenue Contributions	13,526	5,697	5,062	3,449	4,372	4,800	36,906
Use of Capital Receipts	0	0	36,077	21,507	31,020	30,636	119,240
Use of Capital Reserves	0	0	0	20,815	0	18,382	39,197
TOTAL ESTIMATED PROGRAMME RESOURCES UTILISED	209,555	319,973	326,785	254,155	157,522	221,837	1,489,827
TOTAL ESTIMATED IN YEAR RESOURCES AVAILABLE	212,705	270,150	229,534	226,153	157,704	203,273	1,299,519
Capital Grants Reserve C/Fwd	115,169	119,709	62,614	0	0	0	0
Usable Capital Receipts C/Fwd	31,672	34,552	41,824	7,187	0	182	0
Capital Reserve C/Fwd	43,467	39,197	39,197	39,197	18,382	18,382	0

PUPIL PLACES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s	
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s				Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24	2024 / 25	2025 / 26	2026 / 27	2027 / 28	up to 2033 / 34						
		£'000s	£'000s	£'000s	£'000s	£'000s	£'000s						
Provision of School Places (Basic Need)													
Existing Demographic Pupil Provision (Basic Needs Programme)	1,326	813	3,873	9,460	7,219	10,039	75,301	108,031	106,705	105,892			
Basic Need Programme Completions	12,682	1,012	126	0	0	0	431	14,251	1,569	557			
BGN - 2FE Expansion (ED933)	4,689	3,200	825	540	0	0	0	9,254	4,565	1,365			
Radley - Expansion to 1FE (ED936)	3,837	0	74	0	0	0	0	3,911	74	74			
Lord Williams, Thame - 1FE (ED954)	3,841	2,200	5	0	0	0	143	6,189	2,348	148			
Woodstock - Expansion to 2FE (ED956)	716	2,800	375	0	0	0	15	3,906	3,190	390			
Gagle Brook - P2 Internal Alterations (ED989)	0	50	0	0	0	0	0	50	50	0			
North Leigh Phase 2 (ED967)	20	550	5	0	0	0	31	606	586	36			
Oxford Hospital School (ED892) - Cuddesdon Corner	135	900	342	0	0	0	0	1,377	1,242	342			
Bloxham - Improvements to Hall (ED964)	151	75	2,500	140	0	0	0	2,866	2,715	2,640			
Provision of School Places Total	27,397	11,600	8,125	10,140	7,219	10,039	75,921	150,441	123,044	111,444			

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme				Total Budget £'000s			
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s				
Growth Portfolio - New Schools											
Orion (formerly Northfield) Special School - Replacement & Expansion (ED940)	13,451	350	0	0	0	0	296	14,097	646	296	
Faringdon, Folly View - 2FE Primary School (ED943)	8,921	600	300	303	0	0	0	10,124	1,203	603	
Bicester, Graven Hill - 2FE Primary School (ED919)	215	350	40	110	0	0	0	715	500	150	
Didcot, Sires Hill - 2FE Primary School (ED929)	5,974	4,200	950	1,528	0	0	0	12,652	6,678	2,478	
Shrivenham - 1.5FE Primary School (ED945)	3,931	5,500	1,275	277	0	0	0	10,983	7,052	1,552	
Grove Airfield, St John's - 2FE Primary School No. 1 (ED963)	1,232	900	40	128	0	0	0	2,300	1,068	168	
Wallingford - 2FE Primary School (ED930)	277	500	2,600	10,582	0	0	0	13,959	13,682	13,182	
Wallingford - Fir Tree Works	0	0	0	720	0	0	0	720	720	720	
St Edburg's Primary School - Expansion to 3FE (ED955)	650	9,250	3,000	356	0	0	0	13,256	12,606	3,356	

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24	2024 / 25	2025 / 26	2026 / 27	2027 / 28	up to 2033 / 34			
		£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Grove Airfield - Secondary School (ED965)	10	25	75	23,013	0	0	0	23,123	23,113	23,088
SEND Free School - Faringdon (ED985)	0	100	950	150	0	0	0	1,200	1,200	1,100
Bloxham Grove SEND Free School (ED986)	0	553	0	0	0	0	0	553	553	0
Heyford New Primary School (ED988)	16	50	250	3,687	0	0	0	4,003	3,987	3,937
New SEND School, Great Western Park, Didcot	0	50	850	3,600	8,700	1,226	0	14,426	14,426	14,376
New School Programme Completions	0	0	0	0	0	0	91	91	91	91
Growth Portfolio Total	34,677	22,428	10,330	44,454	8,700	1,226	387	122,202	87,525	65,097
Annual Programmes										
Schools Access Initiative	0	200	200	200	200	200	232	1,232	1,232	1,032
Temporary Classrooms - Replacement & Removal	0	200	0	0	0	0	0	200	200	0
School Structural Maintenance (inc Health & Safety)	0	4,700	7,500	6,800	3,600	3,300	6,969	32,869	32,869	28,169
Annual Programme Total	0	5,100	7,700	7,000	3,800	3,500	7,201	34,301	34,301	29,201

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
Early Years Programmes Capacity Building - Early Yrs Entitlement	0	50	250	750	750	536	764	3,100	3,100	3,050
Early Years Programme Total	0	50	250	750	750	536	764	3,100	3,100	3,050
Retentions Total	1,408	0	0	0	0	0	517	1,925	517	517
PUPIL PLACES CAPITAL PROGRAMME EXPENDITURE TOTAL	63,482	39,178	26,405	62,344	20,469	15,301	84,790	311,969	248,487	209,309

MAJOR INFRASTRUCTURE CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme				Total Budget £'000s			
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s				
HIF1 HIF1 A4130 Dualing	3,984	0	0	0	0	0	0	3,984	0	0	
HIF1 Didcot Science Bridge	3,919	1,400	6,900	17,000	37,750	17,250	1,381	85,600	81,681	80,281	
HIF1 Culham river crossing	7,434	3,000	5,500	20,700	84,000	37,750	2,116	160,500	153,066	150,066	
HIF1 Clifton Hampden bypass	3,874	1,300	6,200	8,000	10,000	15,000	492	44,866	40,992	39,692	
HIF1 DGT OBC development	1,196	0	0	0	0	0	9	1,205	9	9	
HIF1 PROGRAMME TOTAL	20,407	5,700	18,600	45,700	131,750	70,000	3,998	296,155	275,748	270,048	
A40 CORRIDOR (Incl HIF2) HIF2 West Oxon A40 Smart Corridor	24,985	2,875	33,800	63,500	1,032	0	0	126,192	101,207	98,332	
A40 Science Transit Phase 2 - Eynsham Park & Ride	17,100	13,160	1,600	85	0	0	0	31,945	14,845	1,685	
A40 Access to Witney - Shores Green	3,046	2,000	12,000	7,500	304	0	0	24,850	21,804	19,804	
B4044 Strategic Cycle Improvement (Development Budget)	88	0	0	282	0	0	0	370	282	282	
A40 Salt Cross to Eynhsam Underpass (Development Budget)	78	0	0	172	0	0	0	250	172	172	

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme								
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s					
A40 Oxford North (N G'way)	10,170	490	0	0	0	0	2	10,662	492	2		
A40 CORRIDOR (incl HIF2) PROGRAMME TOTAL	55,467	18,525	47,400	71,539	1,336	0	2	194,269	138,802	120,277		
A423 IMPROVEMENT PROGRAMME												
A423 Improvements Programme (including Kennington Bridge)	5,905	3,000	7,000	23,000	28,500	22,780	0	90,185	84,280	81,280		
A423 IMPROVEMENT PROGRAMME TOTAL	5,905	3,000	7,000	23,000	28,500	22,780	0	90,185	84,280	81,280		
ACTIVE TRAVEL P3 PROGRAMME												
Active Travel Phase 3 Programme	166	1,350	4,750	5,280	0	0	0	11,546	11,380	10,030		
ACTIVE TRAVEL P3 PROGRAMME TOTAL	166	1,350	4,750	5,280	0	0	0	11,546	11,380	10,030		
HOUSING & GROWTH DEAL (Incl Other Schemes) BANBURY & BICESTER												
NW Bicester A4095 Road Roundabout Improvements	1,627	1,000	8,500	273	0	0	0	11,400	9,773	8,773		
M40 J10 Improvements	981	570	7,000	149	0	0	0	8,700	7,719	7,149		
Ploughley Rd / A41 Junction Improvements, Bicester	4,855	539	20	0	0	0	0	5,414	559	20		
Tramway Rd, Accessibility Improvements	1,240	750	8,400	107	0	0	0	10,497	9,257	8,507		
(BSIP) Cherwell Street Corridor, Banbury	0	100	1,900	300	0	0	0	2,300	2,300	2,200		

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
Other Completed / Development schemes	12,956	36	0	0	0	0	495	13,487	531	495
OXFORD Oxpens to Osney Mead Cycle	5,935	0	2,865	0	0	0	0	8,800	2,865	2,865
Oxford Citywide Cycle & Pedestrian Routes	1,471	0	795	0	0	0	0	2,266	795	795
Central Oxfordshire Movement & Place Framework (COMPF)	0	340	635	0	0	0	0	975	975	635
Woodstock Rd Improvements (Woodstock Rd Corridor)	778	230	2,992	0	0	0	0	4,000	3,222	2,992
Oxford - Traffic Filters	885	1,400	2,800	1,300	182	0	0	6,567	5,682	4,282
A44 Corridor Improvements (Peartree & Cassington Roundabouts)	13,492	9,500	528	0	0	0	0	23,520	10,028	528
North Oxford Corridors - Kidlington	1,271	1,800	1,429	0	0	0	0	4,500	3,229	1,429
Active Travel Phase 2	4,932	593	600	0	0	0	0	6,125	1,193	600
Walton Street	0	100	50	0	0	0	0	150	150	50
Oxford Zero Emission Zone	630	861	800	1,800	1,721	0	0	5,812	5,182	4,321
Broad Street	427	100	58	0	0	0	0	585	158	58
Westbury Crescent	0	30	195	0	0	0	0	225	225	195

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
School Street P2	0	24	400	0	0	0	0	424	424	400
Safer Road Schemes	0	100	1,400	175	0	0	0	1,675	1,675	1,575
Other Completed / Development schemes	32,276	978	12	0	0	0	159	33,425	1,149	171
<u>SOUTH, VALE & OTHER</u>										
Watlington Relief Rd	1,306	1,600	4,500	2,578	0	0	0	9,984	8,678	7,078
Wansington Relief Rd	1,228	900	4,500	362	0	0	0	6,990	5,762	4,862
Wantage Eastern Link Rd (Phase 1-2 Contribution, P3)	2,861	4,000	4,200	114	0	0	0	11,175	8,314	4,314
Frilford Junction & Relief to Marcham (Development Budget)	444	150	156	0	0	0	0	750	306	156
A4130 Steventon Lights	672	950	9,000	278	0	0	0	10,900	10,228	9,278
Didcot Northern Perimeter Road 3 (Development Budget)	808	221	0	0	0	0	0	1,029	221	0
A34 Lodge Hill Slips	2,648	650	10,500	16,000	4,862	0	0	34,660	32,012	31,362
Golden Balls Roundabout A4074/B4015 (Development Budget)	119	50	431	0	0	0	0	600	481	431
Didcot Garden Town: Corridor & Jubilee Way (Development Budget)	614	251	20	0	0	0	0	885	271	20
A420 Coxwell Road Junction	0	0	0	800	950	0	0	1,750	1,750	1,750

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme				up to 2033 / 34 £'000s				
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s						
Other Completed / Development schemes	295	23	0	0	0	0	0	48	366	71	48	
Growth Deal Programme (Overprogramme)	0	0	0	0	0	0	0	-1,594	-1,594	-1,594	-1,594	
HOUSING & GROWTH DEAL (Incl Other Schemes) PROGRAMME TOTAL	94,751	27,846	74,686	24,236	7,715	0	-892	228,342	133,591	105,745		
MAJOR INFRASTRUCTURE TOTAL	176,696	56,421	152,436	169,755	169,301	92,780	3,108	820,497	643,801	587,380		
<u>COUNTYWIDE AND OTHER TRANSPORT</u>												
East-West Rail (contribution)	1,430	737	737	737	737	737	5,940	11,055	9,625	8,888		
Zero Emission Bus Regional Areas (ZEBRA)	2,445	21,600	14,770	0	0	0	0	38,815	36,370	14,770		
Oxford Station (Contribution)	0	1,000	8,500	500	0	0	0	10,000	10,000	9,000		
City Deal, Pinch Point, Local Growth Programmes - Completed Schemes	813	170	0	0	0	0	1,253	2,236	1,423	1,253		
Other Completed schemes	0	47	0	0	0	0	35	82	82	35		
COUNTYWIDE AND OTHER TRANSPORT TOTAL	4,688	23,554	24,007	1,237	737	737	7,228	62,188	57,500	33,946		
MAJOR INFRASTRUCTURE CAPITAL PROGRAMME EXPENDITURE TOTAL	181,384	79,975	176,443	170,992	170,038	93,517	10,336	882,685	701,301	621,326		

HIGHWAYS ASSET MANAGEMNT PLAN CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme				up to 2033 / 34 £'000s				
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s						
STRUCTURAL MAINTENANCE PROGRAMME												
Carriageways	0	11,100	5,150	4,129	4,225	4,258	20,670	49,532	49,532	38,432		
Surface Treatments	0	7,100	10,800	3,000	3,024	3,000	16,227	43,151	43,151	36,051		
Structural Highway Improvements	0	5,950	6,850	3,500	3,836	4,000	12,659	36,795	36,795	30,845		
Footways & Cycleways	0	2,450	4,310	2,490	449	450	2,614	12,763	12,763	10,313		
Drainage	0	2,250	2,390	1,010	1,091	1,075	3,592	11,408	11,408	9,158		
Bridges	0	4,700	5,000	4,000	1,500	1,500	6,705	23,405	23,405	18,705		
Public Rights of Way	0	450	525	125	125	125	636	1,986	1,986	1,536		
Electrical	0	1,220	1,030	1,050	650	650	3,086	7,686	7,686	6,466		
Safety Fences	0	650	100	100	100	100	665	1,715	1,715	1,065		
Minor Works: Traffic Schemes	0	430	400	306	200	200	963	2,499	2,499	2,069		
Operations: Scheduled Maintenance	0	0	1,500	600	0	0	0	2,100	2,100	2,100		
Highways & Associated Infrastructure	0	0	5,000	0	0	0	15,300	20,300	20,300	20,300		
STRUCTURAL MAINTENANCE ANNUAL PROGRAMMES TOTAL	0	36,300	43,055	20,310	15,200	15,358	83,117	213,340	213,340	177,040		

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast							Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme							
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s				
<u>IMPROVEMENT PROGRAMMES</u>											
Accessibility & Road Safety Schemes	0	1,300	2,000	292	0	0	0	3,592	3,592	2,292	
Bus Journey Time Reliability	0	1,000	1,000	77	0	0	0	2,077	2,077	1,077	
BSIP (Countywide Traffic Signals)	0	150	1,093	0	0	0	0	1,243	1,243	1,093	
BSIP (Real Time Passenger Information)	0	900	900	0	0	0	0	1,800	1,800	900	
IMPROVEMENT PROGRAMMES TOTAL	0	3,350	4,993	369	0	0	0	8,712	8,712	5,362	
<u>Major schemes and other programme</u>											
Street Lighting LED replacement	19,180	12,000	7,700	1,933	0	0	0	40,813	21,633	9,633	
Drayton Depot	580	50	120	0	0	0	0	750	170	120	
Part 6 Moving Vehicles Violations Cameras	150	480	800	200	1,070	0	0	2,700	2,550	2,070	
Highways Bridges Recovery Programme	74	200	500	1,976	0	0	0	2,750	2,676	2,476	
20mph Speed Limit	701	2,000	1,499	0	0	0	0	4,200	3,499	1,499	
Vision Zero (Road Safety)	0	200	2,000	1,800	0	0	0	4,000	4,000	3,800	
Controlled Parking Zones	0	250	350	785	1,000	0	0	2,385	2,385	2,135	
Upgrade of CCTV camera's	0	0	200	200	200	0	0	600	600	600	
ANPR moving Traffic Camera's	0	200	0	0	0	0	0	200	200	0	

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast						Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme						
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
USVF Road Safety: RAF Barford St John	0	0	1,750	984	0	0	0	2,734	2,734	2,734
A423 Kennington Bridge (Maintenance)	4,817	114	0	0	0	0	0	4,931	114	0
STRUCTURAL MAINTENANCE MAJOR SCHEMES TOTAL	25,502	15,494	14,919	7,878	2,270	0	0	66,063	40,561	25,067
<u>OTHER MAINTENANCE PROGRAMMES/PROJECTS</u>										
Public Rights of Way (developer and other funded)	71	210	200	200	119	0	0	800	729	519
Small schemes (developer and other funded)	727	800	800	700	700	700	1,765	6,192	5,465	4,665
OTHER MAINTENANCE PROGRAMMES/PROJECTS TOTAL	843	1,010	1,000	900	819	700	1,765	7,037	6,194	5,184
HIGHWAYS ASSET MANAGEMENT PLAN CAPITAL PROGRAMME EXPENDITURE TOTAL	26,345	56,154	63,967	29,457	18,289	16,058	84,882	295,152	268,807	212,653

PROPERTY & ESTATES, AND INVESTMENT STRATEGY CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
<u>CORPORATE ESTATE DEVELOPMENT PROGRAMME</u>										
Carterton Community Safety Centre	287	300	3,500	3,213	0	0	0	7,300	7,013	6,713
Oxfordshire Fire & Rescue Service Phase 1 Programme	0	200	850	1,700	350	0	0	3,100	3,100	2,900
Aston Children's Home (ED932)	986	1,750	194	0	0	0	0	2,930	1,944	194
Children's Homes	0	4,000	5,250	1,200	0	0	0	10,450	10,450	6,450
Provision of Banbury Library (PE39)	162	0	0	1,000	2,038	0	0	3,200	3,038	3,038
Faringdon Library Improvements	187	18	0	0	0	0	0	205	18	0
Chinnor Library Refurbishment	0	200	26	0	0	0	0	226	226	26
New Salt Store & Accommodation (R20)	47	390	2,000	330	0	0	0	2,767	2,720	2,330
Collaborative Asset Management Programme	0	0	0	2,000	2,500	0	0	4,500	4,500	4,500
Oxford Accommodation Strategy - Speedwell	0	250	2,000	16,000	4,350	0	0	22,600	22,600	22,350
CORPORATE ESTATE DEVELOPMENT PROGRAMME TOTAL	1,669	7,108	13,820	25,443	9,238	0	0	57,278	55,609	48,501

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
<u>CORPORATE ESTATE CONDITION (Non-School) PROGRAMMES</u>										
Health & Safety (Non-Schools)	0	400	800	700	200	200	450	2,750	2,750	2,350
Minor Works Programme	0	200	270	0	0	0	0	470	470	270
Defect Liability Programme	9,085	1,000	500	1,515	0	0	0	12,100	3,015	2,015
Public Sector De-Carbonisation Grant Programme	2,418	232	0	0	0	0	0	2,650	232	0
Estate Decarbonisation / Condition Programme	66	1,500	2,235	0	0	0	0	3,801	3,735	2,235
GLIX Energy Programme	0	200	500	30	0	0	0	730	730	530
Gypsy & Travellers Sites	0	0	1,000	0	0	0	0	1,000	1,000	1,000
CORPORATE ESTATE CONDITION PROGRAMMES TOTAL	11,569	3,532	5,305	2,245	200	200	450	23,501	11,932	8,400
<u>INVESTMENT STRATEGY</u>										
Office Rationalisation & Co-location Programme	487	1,000	3,000	2,513	0	0	0	7,000	6,513	5,513
Planning Consents Programme	0	400	750	400	308	0	0	1,858	1,858	1,458
Resonance Fund	3,006	1,000	994	0	0	0	0	5,000	1,994	994
INVESTMENT STRATEGY PROGRAMME TOTAL	3,493	2,400	4,744	2,913	308	0	0	13,858	10,365	7,965

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
<u>ENVIRONMENT & CLIMATE CHANGE PROGRAMME</u>										
Green Homes Grant / Sustainable Warmth Fund	2,295	4,532	3,200	0	0	0	0	10,027	7,732	3,200
Schools Energy Efficiency Recycling Fund	0	300	500	0	0	0	0	800	800	500
LEVI (Local Electric Vehicle Infrastructure)	0	0	250	448	0	0	0	698	698	698
LEVI Parks - Electrical Vehicle Charging Points	1,094	0	0	0	0	0	105	1,199	105	105
Tree Policy	87	0	450	475	1,013	0	0	2,025	1,938	1,938
Thames Path Bank Repairs	0	0	500	300	400	300	0	1,500	1,500	1,500
Waste Recycling Centre Infrastructure Programme	0	103	1,131	0	0	0	10	1,244	1,244	1,141
ENVIRONMENT & CLIMATE CHANGE PROGRAMME TOTAL	3,476	4,935	6,031	1,223	1,413	300	115	17,493	14,017	9,082
Retentions (completed schemes)	0	0	0	0	0	0	157	157	157	157
PROPERTY & ESTATES, AND INVESTMENT STRATEGY CAPITAL PROGRAMME EXPENDITURE TOTAL	20,207	17,975	29,900	31,824	11,159	500	722	112,287	92,080	74,105

ICT STRATEGY CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
ICT STRATEGY PROGRAMME										
Rural Gigabit Hub Site	3,760	2,100	1,600	540	0	0	0	8,000	4,240	2,140
5G Innovation Region: Connected Heartland	0	0	3,100	700	0	0	0	3,800	3,800	3,800
Digital Infrastructure	2,373	3,392	1,777	1,104	850	847	227	10,570	8,197	4,805
Children Services - ICT (Phase 1&2)	2,927	350	123	0	0	0	0	3,400	473	123
ICT STRATEGY PROGRAMME EXPENDITURE TOTAL	9,060	5,842	6,600	2,344	850	847	227	25,770	16,710	10,868

PASSPORTED FUNDING CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		Firm Programme		Provisional Programme				up to 2033 / 34 £'000s				
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	2028 / 29 £'000s					
<u>PASSPORTED FUNDING</u>												
Disabled Facilities Grant	0	7,239	6,658	0	0	0	0	13,897	13,897	6,658		
Devolved Formula Capital	0	1,100	1,000	650	650	650	650	4,700	4,700	3,600		
PASSPORTED FUNDING TOTAL	0	8,339	7,658	650	650	650	650	18,597	18,597	10,258		
<u>SPECIALIST HOUSING & FINANCIAL ASSISTANCE</u>												
SECH - New Schemes & Adaptations to Existing Properties	0	550	250	250	250	250	1,750	3,300	3,300	2,750		
Deferred Interest Loans (CSDP)	0	50	50	50	50	50	50	300	300	250		
Loans to Foster/Adoptive Parents	0	50	50	50	50	0	0	200	200	150		
SPECIALIST HOUSING & FINANCIAL ASSISTANCE TOTAL	0	650	350	350	350	300	1,800	3,800	3,800	3,150		
<u>Local Growth Fund</u>												
LGF - Remaining Projects	0	-600	0	0	0	0	0	-600	-600	0		
THIRD PARTY GROWTH & HOUSING DEAL TOTAL	0	-600	0	0	0	0	0	-600	-600	0		
PASSPORT FUNDING PROGRAMME EXPENDITURE TOTAL	0	8,389	8,008	1,000	1,000	950	2,450	21,797	21,797	13,408		

VEHICLES & EQUIPMENT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Latest Forecast								
		Firm Programme		Provisional Programme				Total Budget £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2023 / 24 £'000s	2024 / 25 £'000s	2025 / 26 £'000s	2026 / 27 £'000s	2027 / 28 £'000s	up to 2033 / 34 £'000s			
Vehicles & Equipment										
Fleet Replacement Programme	0	850	1,500	6,000	5,150	4,500	0	18,000	18,000	17,150
One-Fleet EV Charging Point	36	150	200	24	0	0	0	410	374	224
RS Vehicles replacement	0	800	800	800	800	800	4,800	8,800	8,800	8,000
Fire Protective Equipment	660	94	0	0	0	0	0	754	94	0
RFID Kiosk Replacement (PE43)	367	40	0	0	0	0	0	407	40	0
Library Furnishing Enhancement Programme (PE41)	0	308	0	0	0	0	0	308	308	0
VEHICLES & EQUIPMENT PROGRAMME TOTAL	1,063	2,242	2,500	6,824	5,950	5,300	4,800	28,679	27,616	25,374
VEHICLES & EQUIPMENT CAPITAL PROGRAMME EXPENDITURE TOTAL	1,063	2,242	2,500	6,824	5,950	5,300	4,800	28,679	27,616	25,374