

CABINET – 21 JULY 2015

2015/16 FINANCIAL MONITORING & BUSINESS STRATEGY DELIVERY REPORT

Report by the Chief Finance Officer

Introduction

1. This report focuses on the delivery of the Directorate Business Strategies that were agreed as part of the Service and Resource Planning Process for 2015/16 – 2017/18. Parts 1 and 2 include projections for revenue, reserves and balances as at the end of May 2015. Capital Programme monitoring and update is included at Part 3 and Part 4 sets out a changes to Fees and Charges.

Summary Position

2. The forecast directorate variation at this early stage in the year is an anticipated overspend of +£5.630m or +1.37% against a net budget of £411.171m as shown in the table below. This compares to an anticipated overspend of +£9.099m or +2.2% reported to Cabinet in July 2014. In previous years overspends reported at this stage have been reduced by management action or the use of one – off funding during the year.

Directorate	Latest Budget 2015/16 £m	Forecast Outturn 2015/16 £m	Forecast Outturn Variance 2015/16 £m	Forecast Outturn Variance 2015/16 %
Children, Education & Families (CE&F)	106.966	109.386	+2.420	+2.3
Social & Community Services (S&CS)	208.748	209.248	+0.500	+0.2
Environment & Economy (E&E)	76.445	79.092	+2.647	+3.5
Chief Executive's Office (CEO)	19.012	19.075	+0.063	+0.3
Public Health (*)	0.000	0.000	0.000	0.0
Total	411.171	416.801	+5.630	+1.37

Public Health (*)				
Expenditure	31.023	30.819	-0.204	-0.65
Grant and Other Income & Transfer to Reserves	-31.023	-30.819	+0.204	+0.65
Total ¹	0.000	0.000	0.000	0.0

3. The 2015/16 revenue budget was approved by Council on 17 February 2015. The Latest Budget for 2015/16 includes virements approved by Cabinet on 21 April 2015.
4. The use of carry forwards from 2014/15 will be considered by Council on 14 July 2015 alongside the proposal to make additional contributions totalling £4.7m to the Efficiency Reserve and Budget Reserve from

¹ In 2015/16 Public Health is funded by a ring-fenced grant of £30.419m from the Department of Health. The forecast underspend of -£0.204m would be placed in reserves at year end for use in 2016/17 so the overall forecast variation is nil.

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General Balances. Given the on-going pressures in both Children's and Adult Social Care, it is proposed that the underspends in Environment & Economy and Chief Executive's Office will be used to offset the overspends in Children, Education & Families and Social & Community Services so there will be no impact on directorate budgets in 2015/16. The remaining balance of -£0.196m is proposed to be transferred to the Budget Reserve and be used to support the Medium Term Financial Plan. Because some of the virements required to offset over and underspends within CE&F, S&CS, CEO and E&E are larger than £1m they required approval by Council under the council's Financial Procedure Rules.

5. The following annexes are attached:

Annex 1	Original and Latest Estimates for 2015/16
Annex 2	2015/16 Virements & Supplementary Estimates
Annex 3	Treasury Management Lending List
Annex 4	Forecast Earmarked Reserves
Annex 5	Forecast General Balances
Annex 6	Ring-fenced Government Grants 2015/16
Annex 7	2015/16 Fees and Charges
Annex 8	Capital Programme Monitoring
Annex 9	Updated Capital Programme

6. Directorate reports setting out the detail behind this report are available from the contact officers named at the end of this report or in the Members' Resource Centre.

Part 1 - Revenue Budget

Children, Education & Families (CE&F)

7. The directorate is forecasting an overspend of +£2.420m. There is also a +£0.190m forecast overspend on services funded by Dedicated Schools Grant (DSG).

CEF1 Education and Early Intervention

8. The Education & Early Intervention service is forecasting to overspend by +£0.602m.
9. Service Management and Central Costs are forecast to overspend by +£0.418m. This relates to savings for reducing spend on agency and contracted staff, and the introduction of a vacancy factor, not yet being identified.
10. Home to School Transport is reporting a forecast overspend of +£0.421m. This mainly relates to new routes that have commenced since 1 April 2015, most of which are for special educational needs (SEN) pupils. The principal means of addressing the over spend in the short term is through the Route Efficiency programme. In the longer term the 'nearest school' policy is expected to generate savings.
11. The overspends set out above along with an overspend of +£0.294m on Children Centres, are partly offset by predicted underspends on Early Intervention Hubs (-£0.226m), SEN Support Services (-£0.060m),

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Foundation Years (-£0.051m), Thriving Families (-£0.047m), and Schools and Learning (-£0.090m).

CEF2 Children's Social Care

12. Children's Social Care is forecast to overspend by +£1.890m.
13. Service Management and Central Costs are forecast to overspend by +£0.648m. This is due to employee savings relating to service administration not yet identified (+£0.166m), consultant costs (+£0.187m) and an overspend on admin costs of the Multi Agency Safeguarding Hubs and Child Protection Conferences (+£0.295m).
14. An overspend of +£0.309m is forecast on Corporate Parenting. This mainly relates to overspends on in-house fostering service (+£0.141m), supervised contact (+£0.116m) and the inter-agency budget (+£0.086m).
15. Placements are forecasting a small overspend of +£0.051m which relates to transport. The external placement budget is currently forecasting a breakeven position. The forecast includes projected spend for existing clients and an estimate of £2.641m for new placements that could arise during the rest of the year. Demand has remained high during the first two months of the year. If it remains at this level it will result in the service overspending.
16. There are also forecast overspends in Referral and Assessment (+£0.239m), Safeguarding (+£0.336m), Services for Disabled Children (+£0.275m) and Youth Offending Service (+£0.117m) due to increased staffing costs due to high workloads and increased placements. This is partly offset by an underspend of -£0.105m on Family Support.

Dedicated Schools Grant (DSG)

17. Services funded from DSG are forecast to underspend by -£0.190m compared to the 2015/16 DSG funding of £262.644m. The Special Educational Needs Support Service is forecasting an overspend of +£0.216m which is offset by an underspend of -£0.365m on Early Years Single Funding Formula due to low take up in the current academic year.
18. The use of one – off unspent DSG funding of £11.136m held in reserves at the end of 2014/15 will be considered by Schools Forum. Any funding not already committed is likely to be needed to aid pupil growth and basic needs revenue funding for the creation of new schools and academies.

Social & Community Services (S&CS)

19. The directorate is forecasting an overspend of +£0.500m. This includes the Council's risk based share of the joint Council and Oxfordshire Clinical Commissioning Group (OCCG) variation on the Older People and Equipment Pooled budget.

S&CS1 Adult Social Care

20. The majority of the variation for the directorate relates to Adult Social Care which is forecast to overspend by +£0.792m. The largest element of this is a forecast overspend of +£0.698m on the Learning Disability Pooled budget. Under the risk share agreement there are underspends

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of -£0.180m on the Older People and Equipment Pooled Budget and -£0.306m on the Physical Disabilities Pooled Budget. There is also a forecast overspend of +£0.580m on non-Pool services.

Older People and Equipment Pooled Budgets

21. The Older People and Equipment Pool is forecast to underspend by -£0.344m. Under the risk share agreement the County Council's share of this is -£0.180m.
22. Within this position Home Support is forecast to overspend by +£0.534m after the application of fairer charging client income. The number of clients supported to live at home, either with a managed service or direct payment has increased from 2,229 at the end of March to 2,278 at the end of May 2015. The forecast assumes a steady growth in client numbers during the year.
23. Care Homes are forecast to overspend by +£0.024m. As with Home Support, this position is now reported net of client income. The number of clients in Council funded placements has reduced from 1,689 at the end of March to 1,615 at the end of May 2015.
24. An overspend of +£0.190m is forecast for the Equipment Pool based on the outturn position from 2014/15. A new equipment contract with a new provider has been in place since 1 April 2015, so the impact of the new contract will be closely monitored. The forecast is based on the assumption that efficiencies generated by the contract will be sufficient to offset the cost of increased demand.
25. These predicted overspends are offset by estimated underspends on Prevention and Early Support of -£0.757m and -£0.175m on Staffing and Infrastructure costs. These relate primarily to the Reablement contract, the Crisis service, and the Urgent Care Working Group budget.
26. Under the risk share agreement the Clinical Commissioning Group is currently forecast to underspend by -£0.164m.

Physical Disabilities Pooled Budget

27. The Physical Disabilities Pool is now risk shared between the Council and the Clinical Commissioning Group. In addition client income budgets have been moved into the pool for 2015/16.
28. The overall position for the pool is a forecast underspend of -£0.492m. Under the risk share agreement the Council's share of the underspend is -£0.306m.
29. The Care Homes budget is forecast to break even at year end. This is based on a forward forecast that assumes that number of placements remains at the current level throughout the year. If the overall downward trend in client numbers continues from 2014/15 into 2015/16 there will be a decrease in the forecast spend, partially offset by lower client income. However, at the end of March 2015 there were 68 clients in Council funded spot placements which is above the average of 66 clients funded during 2014/15.

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30. The Home Support budget is forecast to underspend by -£0.335m at year end. This is due to a forecast overachievement of client income of -£0.367m. There were 593 clients supported by this budget at the end of May. This compares to an average of 595 during 2014/15.
31. The Clinical Commissioning Group services are forecast to underspend by -£0.186m under the risk share agreement.

Learning Disabilities Pooled Budget

32. The Pool is forecast to overspend by +£0.821m. The County Council's share of this under the risk share arrangements is +£0.698m.
33. Client income has been moved into the pool in 2015/16. After client income there is a net overspend of +£1.194m for personal budgets which is partially offset by underspends in other areas of the pool.
34. A twelve month rolling average of agreed panel applications has been used to forecast the in year growth. This includes some of the months prior to October 2014 when the new panel was introduced. If panel continues to hold down spend it is possible that the forecast overspend will reduce. At the end of May there were 1,682 clients with personal budgets. There has been an increase of five clients since March 2015.
35. The payment of Independent Living Fund to clients transfers to the Council from July 2015. On 2 July 2015 the Council received notification from the Department of Communities and Local Government (DCLG) that the Council's 2015/16 allocation is £3.004m. This allocation has been calculated using the Independent Living Fund Trust's financial model and DCLG believe this should be sufficient to cover Independent Living Fund payments for the remainder of the year. Assessments for people in receipt of the Independent Living Fund are underway and are expected to be completed in the next few months. An update on whether the grant is sufficient to meet the 2015/16 liabilities will be included in the October 2015 report to Cabinet. There may be an on-going pressure in future years if additional funding provided in 2015/16 is not maintained in the Government's Spending Review. Any impact will be considered as part of the 2016/17 Service & Resource Planning Process.

Adult Social Care: Non – Pool Services

36. There is a forecast overspend of +£0.580m for services outside of the Pools. This includes a forecast overspend of +£0.201m on Adult Protection and Mental Capacity service which has seen a significant increase in the number of requests for Deprivation of Liberty Safeguards assessments following the Cheshire West Judgement.
37. There is also an estimated overspend on Money Management of +£0.239m which relates to the non-achievement of an income target. This will be considered as part of the 2016/17 Service & Resource Planning Process.

SCS4 Fire & Rescue and Emergency Planning

38. There is an underspend of -£0.225m forecast of which -£0.212m relates to Fire & Rescue. The main reason for the underspend is due to

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vacancies for whole time firefighters. Plans are place to increase recruitment.

Environment & Economy (E&E)

39. The directorate is forecasting an overspend of +£2.647m.

EE2 Commercial Services

40. Commercial Services is forecasting to overspend by +£1.934m.
41. Waste Management is forecasting an overspend of +£1.577m which relates to higher than expected business rates (£0.700m), additional Food Waste tonnage (£0.200m) and tonnage being 7,000 tonnes higher than expected (£0.700m). The forecast on tonnage is based on one month of data and will be updated in the report to Cabinet in October once data for the first quarter is available.
42. A forecast overspend of +£0.400m on the Delivery budget reflects the continual increased demand on the defects budget.

EE3 Oxfordshire Customer Services

43. Oxfordshire Customer Services is forecasting to overspend by +£0.702m. This relates to one-off costs associated with the transfer of services to Hampshire County Council (£0.500m) and forecast income from Schools being lower than expected (+£0.200).

Chief Executive's Office

44. The forecast variation of +£0.063m. This mainly reflects overspends on Cultural Services (+£0.149m) and Music Service (+£0.056m) being partly offset by underspends on Human Resources (-£0.058m) and Policy (-£0.096m).

Public Health

45. In 2015/16 the majority of Public Health expenditure is funded by a ring-fenced grant of £31.419m from the Department of Health. The service is forecasting a revenue under spend of -£0.204m against the grant primarily due to an underspend on Substance Misuse (-£0.137m). Under the grant guidelines any underspend will be placed in reserves at the end of the financial year to be used to meet Public Health expenditure in future years.

Virements and Supplementary Estimates

46. Virements larger than £0.500m or relate to un-ringfenced grants requiring Cabinet approval under the Virement Rules agreed by Council on 17 February 2015 are included at Annex 2a. These include the transfer of the housing pathway funding from Social Care to Corporate Parenting within Children's Social Care, the increase in the income and expenditure budgets relating to the Thriving Families Grant, the transfer of £0.530m from the contribution to the Older People and Equipment Pooled Budget to Corporate Contingency and a review of the Highways Maintenance budgets. None of these virements represent a change in policy as the service is unchanged.
47. Annex 2d shows virements Cabinet need to note.

48. A supplementary estimate request to release the remaining £2.050m of Severe Weather Recovery Grant from balances is included in Annex 2e.

Ringfenced Grants

49. As set out in Annex 6, ring-fenced grants totalling £325.155m are included in Directorate budgets and will be used for the specified purpose. Since the budget was agreed by Council in February 2015, there has been an additional £0.377m of Bus Operators Grant received and several new small grants including Foodwise Project, Arts Council and Find your Voice. There has also been an increase in the Regional Growth Fund of £0.148m and a reduction in the Department of Business, Information and Skills Grant of £0.197m which is held on behalf of the Local Enterprise Partnership. Any grants unspent at year end will be held in the Grants & Contributions Reserve for use in 2016/17, or returned to the funding body.

Business Strategy Savings

50. The forecasts shown in this report incorporate Business Strategy savings that were agreed by Council in February 2015 and previous years. All CE&F savings are expected to be achieved other than £0.629m of the savings for reducing agency and contracted staff and introducing a vacancy factor which have yet to be identified, and are reflected in the overspend for CE&F.
51. Within Social & Community Services £6.805m of the £8.816m of net savings to be achieved are forecast to be delivered during the year. Of the outstanding savings £1.6m relate to the Learning Disabilities Pool. The service is monitoring the delivery of these savings and the further £8.485m required in future years.
52. 93% of the savings within E&E and 86% of the CEO savings are expected to be achieved. Services are working hard to identify alternative savings were possible.
53. Any on-going pressures will be considered as part of the 2016/17 Service & Resource Planning process.

Bad Debt Write Offs

54. There were seven general write - offs in the financial year to the end of May 2015 and these totalled £33,650. In addition Client Finance has written off 31 debts totalling £56,940.

Treasury Management

55. The latest treasury management approved lending list (as at 16 April 2015) is shown in Annex 3. This includes increases to cash and duration limits for Santander UK Plc. to £15m and 100 days respectively. The Council has no deposits with any of the Greek banks.
56. The table on the next page displays average in-house cash balances and average rates of return for April and May 2015. Interest receivable for 2015/16 is currently forecast to be in line with the budgeted figure of

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£2.060m. Interest payable is currently forecast to be in line with the budgeted figure of £18.136m.

Month	Average cash balance	Average rate of return
April	£332.729m	0.74%
May	£329.232m	0.74%

Part 2 – Balance Sheet

57. Annex 4 sets out earmarked reserves brought forward from 2014/15 and the forecast position as at 31 March 2016. These reserves are held for specified one – off projects, contractual commitments and to support the Medium Term Financial Plan.
58. As set out in the Provisional Outturn Report to Cabinet on 23 June, revenue reserves were £63.570m at the end of 2014/15. These are forecast to reduce to £55.576m by 31 March 2016.

Grants and Contributions

59. £10.576m unspent DSG is likely to be needed to address expected budget pressures in future years in funding for pupil growth, or basic needs revenue funding for the creation of new schools and academies.
60. Other ring fenced grant underspends held in the Grants and Contributions Reserve for use in 2015/16 in line with the grant criteria include £0.912m for revenue Section 106 contributions and £0.322m for the Social Work Improvement Fund.
61. The balance of Public Health grant funding is forecast to be £3.474m by 31 March 2016.

Children, Education & Families

62. School balances were £21.919m at 1 April 2015. The reasons for schools holding large balances continue to be explored and there will be particular focus on those schools that have held high balances for a number of years. The continued uncertainty around future funding mechanisms and levels and known future cost increases such as with pension contributions will probably have contributed.
63. Other reserves held by CE&F are forecast to reduce from £4.156m to £1.898m by 31 March 2016. Many of the key projects and pressures supported by reserves in 2014/15 are continuing in 2015/16. As at 1 April 2015 funding held in reserves included £0.450m for School Improvement, £1.761m for the Thriving Families Project, £0.726m for Children's Social Care and £0.470m for Academies Conversion Support.
64. £0.501m accumulated balances on self-financing services will be used as required in 2015/16 and future years.

Social & Community Services

65. Social & Community Services reserves are forecast to reduce from £3.830m to £3.569m by 31 March 2016.

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66. £2.866m held in the Older People Pooled Budget Reserve will be used to help meet expected pressures relating to Delayed Transfers of Care work in 2015/16 and future years and the trial rehabilitation at home project which has been delayed.

Environment & Economy

67. Reserves held by E&E are forecast to reduce from £7.197m to £6.287m by 31 March 2016.
68. £0.366m of the remaining £0.380m held in the Waste Management Reserve will be used in 2015/16 to fund financial liabilities due to the contract deficit mechanism payments as part of the Energy from Waste contract.
69. The Catering Investment Fund will continue to be used to invest in the business and provide a contingency against unforeseen costs. The balance at the start of 2015/16 was £1.118m and this is expected to be used in 2015/16 and beyond.
70. An additional £0.350m contribution will be made to the Oxford Western Conveyance Reserve during 2015/16. The total of £0.700m will be used on Oxford Western Conveyance flood relief scheme.

Corporate Reserves

71. The Efficiency Reserve totalled £1.748m at 1 April 2015. Of this £0.913m is committed to be used for one-off projects during 2015/16. The remaining £0.835m, along with the additional contribution of £2.000m (if agreed by Council on 14 July 2015) will be used for one – off projects supporting the Medium Term Financial Plan.

Other Reserves

72. Other Reserves, which include Insurance, Capital and Cash flow reserves, are forecast to total £44.452m at 31 March 2016. This includes £6.956m in the Budget Reserve which includes the additional £2.896m to be considered by Council on 14 July 2015.

Balances

73. As set out in Annex 6 general balances were £22.247m as at 31 March 2015. This compares to £17.517m as set out in the Medium Term Financial Plan (MTFP) approved by Council in February 2015. Anticipated balances were based on the forecast outturn at end December 2014 as reported to Cabinet in February 2015. On 14 July 2015 Council is recommended to agree the proposal set out in the Provisional Outturn report to make contributions of £2.0m to the Efficiency Reserve and £2.7m to the Budget Reserve in 2015/16 to support the Council's MTFP as balances are £4.7m higher than expected.
74. It is proposed that the remaining £2.050m revenue element of Severe Weather Recovery Grant is transferred from balances for use in 2015/16.

Part 3 – Capital Programme

Capital Monitoring

75. The capital monitoring position set out in Annex 8a, shows the forecast expenditure for 2015/16 is £130.9m (excluding schools local capital). This has increased by £5.7m compared to the latest approved capital programme. The table below summarises the variations by directorate.

Directorate	Last Approved Programme *	Latest Forecast Expenditure	Variation
	£m	£m	£m
Children, Education & Families	43.4	50.0	+6.6
Social & Community Services	3.3	2.5	- 0.8
Environment & Economy - Transport	61.6	63.6	+2.0
Environment & Economy - Other	13.7	11.0	- 2.7
Chief Executive's Office	3.2	3.8	+0.6
Total Directorate Programmes	125.2	130.9	+5.7
Schools Local Capital	2.2	2.0	- 0.2
Earmarked Reserves	0.0	0.6	+0.6
Total Capital Programme	127.4	133.5	+6.1

* Approved by Council 17 February 2015

76. The variations in 2015/16 take into account the impact of the 2014/15 outturn position and schemes that have been re-profiled accordingly. Significant in-year variations for each directorate are listed in Annex 8b. New schemes and total programme/project budget changes are listed in Annex 8c.
77. In the Children, Education & Families programme the in-year increase is mainly due to confirmation of the September 2015 Basic Need programme, which for the year is profiled at £21.5m. The in-year basic need programme has increased by £7.5m which includes £1.5m carry forward from the 2014/15 outturn position and a further £6m from a combination of external funding sources (Specific grant & developer contributions) and approval of the stage 2 contract sums & delivery dates. A further £0.3m has been included within the Henley Badgemore Primary School Phase 2 project to address cost pressures since the commencement of the project.
78. Additional grant has been allocated to the Universal Infant Free School Meals Programme following the successful bid for several school projects and the additional allocation distributed to local authorities with the lowest infant meal take up rates below 80%.
79. £0.6m has been re-profiled to 2015/16 for the primary school at South West Bicester from 2014/15 with a re-profile of £3.6m on other growth portfolio schemes that are now expected to commence later than originally planned.
80. In the Social & Community Services programme there is a decrease of £0.757m, consisting of re-profiling of the Fire Equipment budget (£0.053m added from the 2014/15 programme), re-profiling of the Fire Review Development Budget (£0.045m added from the 2014/15 programme), re-profiling of the Extra-Care Housing budget (£0.975m

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moved into later years), re-profiling of the Adult Social Care Management System budget (£0.006m added from the 2014/15 programme) and re-profiling of the Retentions and Minor Works budgets (£0.114m added from the 2014/15 programme).

81. In the Transport programme, £2.2m has been re-profiled to 2016/17 on the Harwell Link Road project due to delays in land acquisition.
82. £1.8m has been re-profiled to 2016/17 on the Network Rail Electrification Betterment programme to reflect delays in Network Rail's delivery programme and likely timing of contributions required for potential betterment works. Some works have been accommodated without requiring a contribution.
83. The Council has successfully bid for £12.95m of funding through the Department for Transport's (DfT) Local Highways Maintenance Challenge Fund to deliver a three year programme of long-term, sustainable improvements to drainage, carriageway and street lighting maintenance. The programme will identify the cause of flooding/ drainage problems and improve resilience to water and traffic damage using sustainable techniques. Drainage work and structural repairs will focus on the classified road network and at sites where poor drainage is the main cause of extensive carriageway failure. Work will be coordinated with a countywide programme of street lighting column & LED lantern review and replacement.
84. £1.59m of local match contribution is required, which can be accommodated within the existing provisional highways structural maintenance allocation for 2017/18 and 2018/19. This requires the acceleration of £1m funding from this period into 2015/16 and 2016/17.
85. Cabinet is recommended to approve the inclusion of this scheme into the capital programme with a total budget of £14.540m. The profile of the expenditure is £3.600m in 2015/16, £5.200m in 2016/17 and £5.740m in 2017/18.
86. Feasibility and preliminary design works for the City Deal project to deliver a roundabout junction at the A4185/Thompson Avenue access to Harwell Oxford Campus have been completed. The total budget required for the project remains in line with the original estimate of £2m. Construction is planned to commence in January 2016. Cabinet are recommended to approve that the project proceeds to detailed design and procurement. An outline business case is available as a background paper.
87. Design work for the City Deal project to improve the road layout at Hagbourne Hill has been completed, and construction is scheduled to start in September 2015. The total budget remains within the £6.015m approved at Stage 2a. Cabinet are recommended to approve contractually committing to the construction of the project. A full business case is available as a background paper.

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88. In the Chief Executive's Office programme, the Bicester Library scheme has been re-profiled, increasing the 2015/16 expenditure forecast by £0.486m.

Five Year Capital Programme Update

89. The total forecast 5-year capital programme (2015/16 to 2018/19) is now £461.0m, an increase of £50.1m compared to the last capital programme for this period approved by Council in February 2015. The full updated capital programme is set out in annex 9. Taking into account the outturn position for 2014/15, the overall size of the capital programme has increased by £37.0m. The table on the next page summarises the variations by directorate and the main reasons for these variations are explained in the following paragraphs.

Directorate	Last Approved Total Programme (2015/16 to 2018/19) * £m	Latest Updated Total Programme (2015/16 to 2018/19) £m	Variation £m	Variation in the size of the overall programme (including 2014/15) £m
Children, Education & Families	126.7	135.1	+8.4	+5.3
CEF Reductions to be identified	-5.8	-5.8	0.0	0.0
Social & Community Services	34.1	34.9	+0.7	-0.5
Environment & Economy - Transport	131.5	165.6	+34.1	+27.2
Environment & Economy – Other	24.1	30.1	+6.0	+4.2
Chief Executive's Office	4.8	5.4	+0.7	0.0
Total Directorate Programmes	315.4	365.3	+49.9	+36.3
Schools Local Capital	4.9	4.4	-0.5	+0.1
Earmarked Reserves	45.6	46.3	+0.7	+0.7
Total Capital Programme	365.9	416.0	+50.1	+37.0

* Approved by Council 17 February 2015

90. The overall size of Transport programme has increased by £27.2m compared to the programme approved by Council in February 2015 due to the following:
- i. Inclusion of £12.95m additional DfT Highways Maintenance Challenge Fund grant as outlined in paragraph 86.
 - ii. Inclusion of £3.359m Cycle City Ambition grant to fund cycle improvement project connecting Oxpens, Osney Mead and Westgate approved by Cabinet in June 2015.
 - iii. Increased budget of £1.6m for City Deal Cutteslowe and Wolvercote roundabouts approved by Cabinet in June 2015.
 - iv. Inclusion of £2.45m contribution to Wantage Eastern Link Road approved by Cabinet in April 15.

v. Inclusion of £7.3m for the City Deal Loop Farm Link Road project approved by Cabinet in February 2015.

91. A further £5.3m has been included within the CEF programme. This includes the additional grants of £2m towards the Universal Infant Free Schools Meals programme and the additional resources within the Basic Need Programme. A number of projects within the Growth Portfolio required for September 2016 are approaching contract let and these will be reported once confirmed.

Part 4 – Fees and Charges

92. Proposals for fees and charges for registration service which come in to force from 1 September 2015 and traffic regulation orders which would come into force from 1 August 2015 are set out in Annexes 7a and 7b.

RECOMMENDATIONS

93. **The Cabinet is RECOMMENDED to:**
- (a) note the report;**
 - (b) approve the virement requests set out in Annex 2a;**
 - (c) approve the supplementary estimate request in Annex 2e;**
 - (d) note the Treasury Management lending list at Annex 3;**
 - (e) approve the updated Capital Programme at Annex 8 and the associated changes to the programme in Annex 7c;**
 - (f) approve the fees and charges as set out in Part 4 and Annex 7a and Annex 7b;**
 - (g) approve the updated capital programme in Annex 9 (changes to the Capital Programme set out in Annex 8c);**
 - (h) approve the inclusion of a £14.54m budget for the Local Highways Maintenance Challenge Fund programme over three years 2015/16 to 2017/18;**
 - (i) approve the Harwell Oxford Entrance City Deal project to proceed to detailed design and procurement with a total budget of £2m; and**
 - (j) approve the Hagbourne Hill City Deal project to contractually commit to letting the contract, with a total budget of £6.015m.**

LORNA BAXTER

Chief Finance Officer

Background papers: Directorate Financial Monitoring Reports to the end of May 2015
Harwell Oxford Entrance Business Case
Hagbourne Hill City Deal Business Case

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