



**County Council
Tuesday, 11 February 2020**

ADDENDA

**8. Corporate Plan and Service & Resource Planning 2020/21 -
2023/24 (Pages 1 - 6)**

This addendum sets out:

- (a) the changes to the Cabinet's proposed revenue budget for 2020/21 and Medium Term Financial Plan for (MTFP) 2021/22 to 2023/24 arising from information received after the publication of Council papers on 3 February.
- (b) The Labour and Liberal Democrat Groups Budget Amendment.

This page is intentionally left blank

COUNCIL – 11 FEBRUARY 2020

CORPORATE PLAN AND SERVICE & RESOURCE PLANNING 2020/21 – 2023/24

Addendum

Report by the Director of Finance

Executive Summary

1. This addendum sets out the changes to the Cabinet's proposed revenue budget for 2020/21 and Medium Term Financial Plan for (MTFP) 2021/22 to 2023/24 arising from information received after the publication of Council papers on 3 February.

Updated Financial Information

Final Local Government Settlement 2020/21

2. The Final Local Government Settlement 2020/21 was published on 6 February 2020. As expected, there are no changes to the Provisional Settlement published in January.

Flood Defence Levy

3. The Flood Defence Levy has increased by £0.014m to £0.585m.

Business Rates

4. The Section 31 Grant for Business Rate Compensation is expected to be £5.114m in 2020/21, £0.016m lower than expected. The provisional amount for 2021/22 has also been revised down to £3.621m, £0.123m lower.
5. Business Rates Local Allocation has been updated for the information provided by District Councils. The indexation has also been updated over the MTFP for the latest CPI (Consumer Price Index) forecasts.
6. Business Rates Top Up has been updated to reflect the updated information including the latest CPI forecasts and assumptions about the baseline reset for business rate growth.
7. The District Councils' Business Rate Collection Fund Accounts have a net surplus. The County Council's share, to be received in 2020/21 is £0.701m.

Changes to budget proposals

8. The net impact of these changes is an additional £0.566m in 2020/21. It is proposed to add this to balances, taking the total one off contribution to balances in 2020/21 to £3.591m.
9. The shortfall for 2021/22 has also reduced by £0.763m to £24.360m.
10. The changes to the 2020/21 budget and medium-term plan arising from the additional information are summarised in the following table:

	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Overall Position per Section 4	0.000	25.123	0.000	0.000	25.123
Flood defence levy	0.014				0.014
Business Rates:	-0.580	-0.197	-0.180	-0.190	-1.147
Contribution to General Balances	0.566	-0.566	0.180	0.190	0.370
Revised Overall Position (shortfall +/surplus -)	0.000	24.360	0.000	0.000	24.360

11. Annex 1 sets out the revised detailed Medium Term Financial Plan (MTFP).

LORNA BAXTER
Director of Finance

Background papers:

- 1) Service & Resource Planning Report to Cabinet 17 September 2020
- 2) Service & Resource Planning Report to Performance Scrutiny Committee 9 January 2020
- 3) Service & Resource Planning Report to Cabinet 21 January 2020

Contact Officers: Lorna Baxter – Director of Finance
Tel. 07393 001218

February 2020

**Medium Term Financial Plan 2020/21 - 2023/24
Summary**

	INDICATIVE POSITION											
	2020/21			2021/22			2022/23			2023/24		
	Agreed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Directorate Budgets												
Children's Services	113,745	16,929	130,674	130,674	3,727	134,401	134,401	3,345	137,746	137,746	3,076	140,822
Adult Services	184,027	10,020	194,047	194,047	6,268	200,315	200,315	8,086	208,401	208,401	8,782	217,183
Public Health	0		0	0		0	0		0	0		0
Communities	86,846	2,160	89,006	89,006	1,834	90,840	90,840	-2,045	88,795	88,795	-750	88,045
Customers & Organisational Development	29,152	-2,564	26,588	26,588	-905	25,683	25,683	50	25,733	25,733		25,733
Commercial Development, Assets and Investment	26,120	6,529	32,649	32,649	844	33,493	33,493	-850	32,643	32,643	-660	31,983
Inflation and Other Adjustments ⁽¹⁾	-1,500	-3,964	-5,464	-5,464	-3,643	-9,107	-9,107	4,085	-5,022	-5,022	6,500	1,478
Directorate Budgets	438,390	29,110	467,500	467,500	8,125	475,625	475,625	12,671	488,296	488,296	16,948	505,244
Strategic Measures												
Capital Financing												
Principal	8,474	575	9,049	9,049	2,233	11,282	11,282	1,635	12,917	12,917		12,917
Interest	15,217	-189	15,028	15,028	90	15,118	15,118	75	15,193	15,193		15,193
Interest on Balances	-8,418	-2,031	-10,449	-10,449	-3,098	-13,547	-13,547	-2,150	-15,697	-15,697		-15,697
Un-Ringfenced Specific Grants	-18,743	-8,287	-27,030	-27,030	15,947	-11,083	-11,083	686	-10,397	-10,397	1,056	-9,341
Contingency	7,629	-2,771	4,858	4,858	10,190	15,048	15,048		15,048	15,048		15,048
Insurance Recharge	2,896	46	2,942	2,942	100	3,042	3,042	100	3,142	3,142		3,142
OxLEP	192	-192	0	0		0	0		0	0		0
Public Health Saving	-250	-175	-425	-425		-425	-425	425	0	0		0
Total Strategic Measures	6,997	-13,024	-6,027	-6,027	25,462	19,435	19,435	771	20,206	20,206	1,056	21,262
Contributions to/from reserves												
General Balances	-6,000	10,591	4,591	4,591	-3,591	1,000	1,000	180	1,180	1,180	190	1,370
Prudential Borrowing Costs	2,200		2,200	2,200		2,200	2,200		2,200	2,200		2,200
Budget Equalisation Reserve	-280	280	0	0		0	0	2,754	2,754	2,754	-313	2,441
Budget Prioritisation Reserve	245	4,196	4,441	4,441	-2,618	1,823	1,823		1,823	1,823		1,823
Transformation Reserve	6,000	-6,000	0	0		0	0		0	0		0
Business Rates Reserve	494	-494	0	0		0	0		0	0		0
Demographic Risk Reserve	3,000		3,000	3,000		3,000	3,000	1,000	4,000	4,000		4,000
Youth Provision Fund	500	-500	0	0		0	0		0	0		0
Insurance Reserve	-1,000	1,000	0	0		0	0		0	0		0
Total Contributions to/from reserves	5,159	9,073	14,232	14,232	-6,209	8,023	8,023	3,934	11,957	11,957	-123	11,834
Budget Shortfall	0	0	0	0	-24,360	-24,360	-24,360		-24,360	-24,360		-24,360
Net Operating Budget	450,546	25,159	475,705	475,705	3,018	478,723	478,723	17,376	496,099	496,099	17,881	513,980

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

Medium Term Financial Plan 2020/21 - 2023/24

Financing

	INDICATIVE POSITION											
	2020/21			2021/22			2022/23			2023/24		
	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net Operating Budget	450,546	25,159	475,705	475,705	3,018	478,723	478,723	17,376	496,099	496,099	17,881	513,980
Funded by:												
Government Grant												
Revenue Support Grant		0	0			0			0			0
Business Rates Top-up	-39,896	-650	-40,546	-40,546	5,722	-34,824	-34,824	-695	-35,519	-35,519	-710	-36,229
Total Government Grant	-39,896	-650	-40,546	-40,546	5,722	-34,824	-34,824	-695	-35,519	-35,519	-710	-36,229
Business Rates												
Business Rates local share	-34,015	-409	-34,424	-34,424	2,529	-31,895	-31,895	-637	-32,532	-32,532	-650	-33,182
Collection Fund Surplus/Deficit	-264	-437	-701	-701	701	0	0	0	0	0	0	0
Total Business Rates	-34,279	-846	-35,125	-35,125	3,230	-31,895	-31,895	-637	-32,532	-32,532	-650	-33,182
Council Tax Surpluses	-7,306	-1,304	-8,610	-8,610	3,610	-5,000	-5,000		-5,000	-5,000		-5,000
Care Leavers Discount	0	21	21	21		21	21		21	21		21
COUNCIL TAX REQUIREMENT	369,065	22,380	391,445	391,445	15,580	407,025	407,025	16,044	423,069	423,069	16,521	439,590
Council Tax Calculation												
Council Tax Base			256,276			261,276			266,276			271,275
Council Tax (Band D equivalent)			£1,527.44			£1,557.84			£1,588.84			£1,620.46
Increase in Council Tax (precept)			6.1%			4.0%			3.9%			3.9%
Increase in Band D Council Tax			3.99%			1.99%			1.99%			1.99%

Labour and Liberal Democrat Groups Budget Amendments 2020/21

RECOMMENDATION

The Council is **RECOMMENDED** (in respect of revenue) to approve a budget for 2020/21 and a medium term financial plan for 2020/21 – 2023/24 including the amendment as proposed by the Labour Group & Liberal Democrat Group to approve the allocation of £200k in 2020/21 to develop an up to date assessment of the services young people in Oxfordshire want and need. To identify whether these services are currently being delivered and to investigate future service delivery options to meet that need. This funding will be met from the Budget Priorities Reserve.

Liz Brighthouse
Leader of the Labour Group and the Opposition
Oxfordshire County Council

Richard Webber
Leader of the Liberal
Democrat Group
Oxfordshire County Council

This page is intentionally left blank