



County Council

16 February 2016

Agenda

Declarations of Interest

The duty to declare.....

Under the Localism Act 2011 it is a criminal offence to

- (a) fail to register a disclosable pecuniary interest within 28 days of election or co-option (or re-election or re-appointment), or
- (b) provide false or misleading information on registration, or
- (c) participate in discussion or voting in a meeting on a matter in which the member or co-opted member has a disclosable pecuniary interest.

Whose Interests must be included?

The Act provides that the interests which must be notified are those of a member or co-opted member of the authority, or

- those of a spouse or civil partner of the member or co-opted member;
- those of a person with whom the member or co-opted member is living as husband/wife
- those of a person with whom the member or co-opted member is living as if they were civil partners.

(in each case where the member or co-opted member is aware that the other person has the interest).

What if I remember that I have a Disclosable Pecuniary Interest during the Meeting?.

The Code requires that, at a meeting, where a member or co-opted member has a disclosable interest (of which they are aware) in any matter being considered, they disclose that interest to the meeting. The Council will continue to include an appropriate item on agendas for all meetings, to facilitate this.

Although not explicitly required by the legislation or by the code, it is recommended that in the interests of transparency and for the benefit of all in attendance at the meeting (including members of the public) the nature as well as the existence of the interest is disclosed.

A member or co-opted member who has disclosed a pecuniary interest at a meeting must not participate (or participate further) in any discussion of the matter; and must not participate in any vote or further vote taken; and must withdraw from the room.

Members are asked to continue to pay regard to the following provisions in the code that *“You must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself”* or *“You must not place yourself in situations where your honesty and integrity may be questioned.....”*.

Please seek advice from the Monitoring Officer prior to the meeting should you have any doubt about your approach.

List of Disclosable Pecuniary Interests:

Employment (includes *“any employment, office, trade, profession or vocation carried on for profit or gain”*.), **Sponsorship, Contracts, Land, Licences, Corporate Tenancies, Securities.**

For a full list of Disclosable Pecuniary Interests and further Guidance on this matter please see the Guide to the New Code of Conduct and Register of Interests at Members’ conduct guidelines. <http://intranet.oxfordshire.gov.uk/wps/wcm/connect/occ/Insite/Elected+members/> or contact Glenn Watson on (01865) 815270 or glenn.watson@oxfordshire.gov.uk for a hard copy of the document.

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

To: **Members of the County Council**

Notice of a Meeting of the County Council

Tuesday, 16 February 2016 at 10.00 am

County Hall, Oxford OX1 1ND



P.G. Clark
Head of Paid Service

February 2016

Contact Officer: **Deborah Miller**
Tel: (01865) 815384; E-Mail: deborah.miller@oxfordshire.gov.uk

In order to comply with the Data Protection Act 1998, notice is given that Items 3, 7 and 12 will be recorded. The purpose of recording proceedings is to provide an *aide-memoire* to assist the clerk of the meeting in the drafting of minutes.

Members are asked to sign the attendance book which will be available in the corridor outside the Council Chamber. A list of members present at the meeting will be compiled from this book.

A buffet luncheon will be provided

AGENDA

1. Minutes (Pages 1 - 26)

To approve the minutes of the meeting held on 8 December 2015 (**CC1**) and to receive information arising from them.

2. Apologies for Absence

3. Declarations of Interest - see guidance note

Members are reminded that they must declare their interests orally at the meeting and specify (a) the nature of the interest and (b) which items on the agenda are the relevant items. This applies also to items where members have interests by virtue of their membership of a district council in Oxfordshire.

4. Official Communications

5. Appointments

To make any changes to the membership of the Cabinet, scrutiny and other committees on the nomination of political groups.

6. Petitions and Public Address

7. Questions with Notice from Members of the Public

8. Pay Policy Statement - Remuneration Committee Report to Council on 16 February 2016 (Pages 27 - 50)

Report by the Chief Human Resources Officer (**CC8**)

The Remuneration Committee is required to report annually to Council on the Pay Policy Statement. The report updates the pay policy statement and indicates the future proposals of the Remuneration Committee

The Council is RECOMMENDED to:

(a) receive the report of the Remuneration Committee;

(b) approve the revised Pay Policy Statement at Annex 2 to this report.

9. Service & Resource Planning 2016/17 (Pages 51 - 226)

Report by the Chief Finance Officer (**CC9**).

This report is the culmination of the service & resource planning process for 2016/17 to 2019/20. It sets out the Cabinet's proposed budget for 2016/17, medium term financial plan and capital programme, together with a number of statements/policies that the Council is required to approve for the 2016/17 financial year. The report also includes the Corporate Plan to 2020.

The report is divided into four main sections which are outlined below:

Section 1 – Leader of the Council's overview

Section 2 – Corporate Plan
Section 3 – Chief Finance Officer’s statutory report
Section 4 – Budget Strategy and Capital Programme

The Council is RECOMMENDED to:

- (a) **approve the Corporate Plan 2016/17 – 2019/20 as set out in section 2.0;**
- (b) **have regard to the Chief Finance Officer’s report (at Section 3) in approving recommendations c to f below;**
- (c) **(in respect of revenue) approve:**
 - (1) **the council tax and precept calculations for 2016/17 set out in section 4.3 and in particular:**
 - (i) **a precept of £305,896,875;**
 - (ii) **a council tax for band D equivalent properties of £1,281.64;**
 - (2) **a budget for 2016/17 as set out in section 4.4;**
 - (3) **a medium term plan for 2016/17 to 2019/20 as set out in section 4.1 (which incorporates changes to the existing medium term financial plan as set out in section 4.2);**
 - (4) **the use of Dedicated Schools Grant (provisional allocation) for 2016/17 as set out in section 4.7;**
 - (5) **virement arrangements to operate within the approved budget for 2016/17 as set out in section 4.8;**
- (d) **(in respect of treasury management) approve:**
 - (1) **the Treasury Management Strategy Statement and Annual Investment Strategy for 2016/17 as set out in section 4.5;**
 - (2) **the continued delegation of authority to withdraw or advance additional funds to/from external fund managers to the Treasury Management Strategy Team;**
 - (3) **that any further changes required to the 2016/17 strategy be delegated to the Chief Finance Officer in consultation with the Leader of the Council and the Cabinet Member for Finance;**
 - (4) **the Prudential Indicators as set out in Appendix A of section 4.5**
 - (5) **the Minimum Revenue Provision Methodology Statement as set out in Appendix B of section 4.5;**
 - (6) **the Specified Investment and Non Specified Investment Instruments as set out in Appendix C and D of section 4.5;**
 - (7) **the Treasury Management Policy Statement as set out at Appendix E of section 4.5;**
- (e) **(in respect of balances and reserves) approve:**
 - (1) **the Chief Finance Officer’s recommended level of balances for 2016/17 as set out in section 4.6.1**
 - (2) **the planned level of reserves for 2016/17 to 2019/20 as set out in section 4.6.2;**
- (f) **(in respect of capital) approve:**
 - (1) **a Capital Programme for 2015/16 to 2019/20 as set out in section 4.9 including the Highways Structural Maintenance Programme 2016/17 and 2017/18 in section 4.9.1;**

Pre-Meeting Briefing

There will be a pre-meeting briefing at County Hall on **Monday 15 February at 10.15 am** for the Chairman, Vice-Chairman, Group Leaders and Deputy Group Leaders

OXFORDSHIRE COUNTY COUNCIL

MINUTES of the meeting held on Tuesday, 8 December 2015 commencing at 10.00 am and finishing at 2.15 pm.

Present:

Councillor John Sanders – in the Chair

Councillors:

Lynda Atkins	Janet Godden	Charles Mathew
Jamila Azad	Mark Gray	James Mills
David Bartholomew	Patrick Greene	David Nimmo Smith
Mike Beal	Tim Hallchurch MBE	Zoé Patrick
Maurice Billington	Pete Handley	Glynis Phillips
Liz Brighthouse OBE	Jenny Hannaby	Laura Price
Kevin Bulmer	Nick Hards	G.A. Reynolds
Nick Carter	Neville F. Harris	Alison Rooke
Louise Chapman	Steve Harrod	Rodney Rose
Mark Cherry	Mrs Judith Heathcoat	Gillian Sanders
John Christie	Hilary Hibbert-Biles	Les Sibley
Sam Coates	John Howson	Roz Smith
Yvonne Constance OBE	Ian Hudspeth	Lawrie Stratford
Steve Curran	Bob Johnston	John Tanner
Surinder Dhesi	Richard Langridge	Melinda Tilley
Arash Fatemian	Stewart Lilly	Michael Waine
Neil Fawcett	Lorraine Lindsay-Gale	Richard Webber
Jean Fooks	Sandy Lovatt	David Williams
Mrs C. Fulljames	Mark Lygo	David Wilmshurst
Anthony Gearing	Kieron Mallon	

The Council considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and decided as set out below. Except insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports, copies of which are attached to the signed Minutes.

79/15 MINUTES

(Agenda Item 1)

The Minutes of the Meeting held on 3 November 2015 were approved and signed.

80/15 APOLOGIES FOR ABSENCE

(Agenda Item 2)

Apologies for absence were received from Councillors Neil Owen, Laura Price and Anne Purse.

81/15 OFFICIAL COMMUNICATIONS

(Agenda Item 4)

The Chairman reported as follows:

Council sent its condolences to the family of Leonard White, former County Librarian from 1976 – 1990. The Chairman reported that the funeral would take place at St Peter's Church in Wolvercote on 10 December.

Following on from the Motion by Councillor Harris, the Chairman informed Council that a meeting with MP's took place on 27th November and that a note of the outcome would be circulated to all members of the Council.

The Chairman clarified the process on voting. Members were asked to wait until it was announced that the vote had started before voting (any votes prior to that would not be recorded) and that a 5 second warning would be given before the vote finished, with the Chairman asking members to indicate whether they were happy with their vote before closing the vote. Once the vote had closed, the result would stand and no further amendment could be made.

The Chairman drew member's attention to the note on the front of the schedule of business inviting all members to the briefing on Oxfordshire Safeguarding Children's Board directly after Council.

The Chairman also invited members to view the exhibition in the Council Rooms corridor of a local artist's maps.

82/15 APPOINTMENTS

(Agenda Item 5)

RESOLVED: to note the Leader's changes to portfolio responsibilities effective from Thursday 12 November 2015 as follows:

Councillor Nimmo Smith has responsibility for waste management and environment management with Councillor Rose retaining responsibility for Strategic waste;

Councillor Rose takes on the Voluntary Sector from Councillor Hibbert Biles who will focus on Public Health;

Councillor Hudspeth will take on Districts Liaison across Oxfordshire with this removed from all other portfolios.

83/15 PETITIONS AND PUBLIC ADDRESS

(Agenda Item 6)

The Council received the following Petitions and Public address:

Ms Pratima Mitchell and Mr James Young presented a Petition requesting that Oxfordshire County Council re-design the crossing facility for bikes at Hythe Bridge Street and George Street as the current arrangements were dangerous.

Mr Charles Young presented a Petition urging the County Council to take all possible steps to promote the growth of car clubs, in particular by granting them dedicated parking spaces on public highway. As many other councils had recognised, cars clubs played an important role in easing congestion and reducing competition for parking spaces. The Council was asked to reverse a previous decision to request a car club operator to seek private spaces before reapplying for spaces on the public highway.

Miss Jessica Hall addressed the Council in support of the Motion by Councillor Jean Fooks seeking the Cabinet to amend procurement procedures to require all companies bidding for council contracts to self-certify to ensure that they were fully tax-compliant in line with central government practice, using the standards in PPN 03/14, rather than the lower standards in the recently published regulations, on the basis that it would release much needed funds for local authorities.

84/15 QUESTIONS WITH NOTICE FROM MEMBERS OF THE PUBLIC

(Agenda Item 7)

Mr Clive Hill to Councillor Judith Heathcoat

Following the Chipping Norton Hospital Action Group's survey, the results of which we would like to hand over to OCC for its own evaluation, will OCC now take the views expressed by over 1300 people in the community into account and give consideration to including Chipping Norton War Memorial Community Hospital in the countywide review to be conducted in 2016?

Answer

As with all consultations the Council undertakes, the views of all those in the community who respond will be conscientiously considered.

85/15 QUESTIONS WITH NOTICE FROM MEMBERS OF THE COUNCIL

(Agenda Item 8)

13 questions with notice were asked. Details of the questions and answers and the supplementary questions and answers (where asked) are set out in Annex 1 to the Minutes.

In relation to Question 3 (Question from Councillor Sam Coates) Councillor Nimmo Smith undertook to provide Councillor Coates with a written response to the question "given that the spending review did not in fact scrap the bus service operators' grant does that change the situation at all?"

86/15 REPORT OF THE CABINET

(Agenda Item 9)

The Council received the report of the Cabinet.

87/15 CONSTITUTION REVIEW

(Agenda Item 10)

The Council had before them a report (CC10) which updated Council on amendments to the Constitution that had been made consequential on previous decisions of the Council and sought approval of two minor changes, both of which effectively clarified and updated existing provisions within the Council Procedure Rules and the Protocol for Member-Officer Relations.

During debate, Council indicated that it would have liked Audit & Governance to have been given the opportunity to comment on the report prior to Council's consideration.

RESOLVED: (on a motion by Councillor Mathew, seconded by Councillor Lovatt and carried by 53 votes to 2, with 1 abstention) to refer the report to the Audit & Governance Committee for consideration.

88/15 APPOINTMENT OF INDEPENDENT PERSON

(Agenda Item 11)

In law the County Council must appoint one or more Independent Persons whose views are to be sought, and taken into account, by the authority before it makes its decision on an allegation that a councillor had breached the Members' Code of Conduct.

As such, Independent Persons performed a key role in the Council's procedures for investigating any such complaints. Their role also included forming part of a Panel of persons, established under statutory procedures, to advise or make recommendations to Council on the potential dismissal of a senior officer.

The Council currently had one such Independent Person but it was prudent for more than one to be appointed. This report (CC11) therefore recommended Council to make a specific appointment to this role.

Councillor John Sanders moved and Councillor Waine seconded the recommendations as set out in the report and on the face of the Agenda.

Following debate, the motion was put to the vote and was carried by 48 votes to 3, with 8 abstentions.

RESOLVED: (48 votes to 3, with 8 abstentions) to appoint Dr Sadie Reynolds to the role of Independent Person under Section 28 of the Localism Act 2011.

89/15 TREASURY MANAGEMENT MID TERM REVIEW

(Agenda Item 12)

The Council had before it a report (CC12) which set out the Treasury Management Activity undertaken in the first half of the financial year 2015/16, including Debt and Investment activity, Prudential Indicator monitoring, changes in Strategy and forecast interest receivable and payable for the financial year.

Councillor Stratford moved and Councillor Hudspeth seconded the recommendations as set out in the report and on the face of the Agenda.

Following debate the motion was put to the vote and it was:

RESOLVED: (nem con) to note the report.

90/15 MOTION FROM COUNCILLOR YVONNE CONSTANCE

(Agenda Item 13)

With the agreement of Council, Councillor Constance withdrew her Motion.

91/15 MOTION FROM COUNCILLOR RICHARD WEBBER

(Agenda Item 14)

Councillor Webber moved and Councillor Smith seconded the following motion:

“Oxfordshire is one of the wealthiest counties in the UK. Unemployment is amongst the lowest; business growth, incomes and house prices are amongst the highest. Housing demand and future housing growth ensures that Oxfordshire will be a leader in driving the future of the UK economy.

The need for infrastructure to support this growth becomes ever more important. Much of the cost of that infrastructure falls to the County Council, and yet the Council finds itself increasingly cash-strapped with the lack of infrastructure ever more acute.

So if there is so much money flowing in the County’s economy and little of it is in the hands of the Council, in whose hands or pockets is it?

This Council has a great team of officers – experts in social care, in education, in roads and transport, in planning and so on, but it has few expert officers whose specific skills are in commerce.

In order to join and benefit from the thriving economy on its doorstep, Council requests that Cabinet, as part of the budget process, urgently considers investing in a small team of experts to oversee all the commercial activities of the Council. A team:

- (i) to help departments draw up, ensure best value and monitor contracts;
- (ii) to develop a trading arm of the Council;
- (iii) to sell the skills and services it already provides on the open market; and to seek out all opportunities for income generation.”

Following debate, the motion was put to the vote and was lost by 47 votes to 8, with 4 abstentions.

92/15 MOTION FROM COUNCILLOR NICK HARDS

(Agenda Item 15)

With the agreement of Council, Councillor Hards moved and Councillor Bartholomew seconded his motion as amended by Councillor Bartholomew below in bold italics and strikethrough:

“Council recognises that, with the severe financial pressures which Council faces over the next five years, it is important that we make best use of our property assets. To assist in making timely and appropriate changes to our office accommodation particularly in Oxford, ~~Council calls on the Cabinet Member with responsibility for Property to appoint a Cabinet Advisory Group to~~ ***Council calls on the Cabinet Advisory Group for Income Generation in conjunction with the Cabinet Member for Property to set up a task & finish group to produce an interim report by June 2016 which:***

- (a) review the buildings which the council currently owns or leases in Oxford;
- (b) consider the present and future requirements of our office based staff;
- (c) explore the options for making the most cost effective way of using these buildings which we own or lease; and
- (d) make recommendations to Cabinet as to savings which could be made and income which could be generated from our property.”

Following debate, the motion as amended was put to the vote and was carried unanimously.

RESOLVED: (unanimously)

“Council recognises that, with the severe financial pressures which Council faces over the next five years, it is important that we make best use of our property assets. To assist in making timely and appropriate changes to our office accommodation particularly in Oxford, Council calls on the Cabinet Advisory Group for Income Generation in conjunction with the Cabinet Member for Property to set up a task & finish group to produce an interim report by June 2016 which:

- (a) review the buildings which the council currently owns or leases in Oxford;
- (b) consider the present and future requirements of our office based staff;

- (c) explore the options for making the most cost effective way of using these buildings which we own or lease; and
- (d) make recommendations to Cabinet as to savings which could be made and income which could be generated from our property.”

93/15 MOTION FROM COUNCILLOR JEAN FOOKS

(Agenda Item 16)

With the agreement of Council, Councillor Fooks moved and Councillor Smith seconded her motion as amended in strikethrough and bold italics as follows:

“Council notes that:

- corporate tax evasion and avoidance are having a damaging impact on the world’s poorest countries, to such a level that it is costing them far more than they receive in aid;
- this is costing the UK as much as £30bn a year;
- this practice also has a negative effect on small and medium-sized companies who pay more tax proportionately.

Council further notes:

- that the UK Government has taken steps to tackle the issue of tax avoidance and evasion by issuing Procurement Policy Note 03/14, applying to all central government contracts worth more than £5m;
- the availability of independent means of verifying tax compliance, such as the Fair Tax Mark.

In early 2015 new regulations required public bodies, including councils, to ask procurement qualification questions of all companies for tenders over £173,000 for service contracts and £4m for works contracts. However, these questions are not as detailed as the PPN 03/14.

~~Oxfordshire County Council~~ ***This Council*** believes that bidders for Council contracts should be asked to account for their past tax record, using the standards in PPN 03/14, rather than the lower standards in the recent regulations.

Council therefore calls upon Cabinet to amend procurement procedures to require all companies bidding for council contracts to self-certify that they are fully tax-compliant in line with central government practice, using the standards in PPN 03/14, for service contracts over £173,000 and works contracts over £4m.

Cabinet to publicise this policy and to report on its implementation annually for the next three years.”

Following debate the motion was put to the vote and was lost by 30 votes to 28, with 1 abstention.

RESOLVED: accordingly.

94/15 MOTION FROM COUNCILLOR DAVID WILLIAMS

(Agenda Item 17)

With the agreement of Council, Councillor Williams withdrew his Motion.

95/15 MOTION FROM COUNCILLOR SAM COATES

(Agenda Item 18)

With the agreement of Council, Councillor Sam Coates moved and Councillor Williams amended his own motion in strikethrough and bold italics as follows:

“Oxfordshire County Council is concerned that in order to recruit and retain staff with the range of skills and experience required to maintain the quality of service that is expected there is a need to recognise that with the escalating cost of living in Oxfordshire, especially housing, it will be necessary to pay as a minimum wage the London Allowance accepted now as a minimum of £9.40 per hour.

The County Council with its Living Wage policy has established a basic rate per hour, but now is the time to accept that costs have been increasing at such a rate and public sector wage rises held down for so long that a London weighting is required if we are ***to retain the quality of our workforce staff and take their welfare seriously.*** Although affecting only a small number of staff, taking the London Living wage minimum will be recognition that living in the County is on a par with living costs in the capital and will illustrate to Government that public services in Oxfordshire, economic powerhouse that it is, must be funded at wage levels that reflect ~~London salaries~~ ***the cost of living.***

The Council asks the Cabinet that the small additional costs of this symbolic policy being adopted to be incorporated into the calculations at present being configured for the proposed budget for 2016 -2017.”

The Council also asks the Cabinet to investigate an Oxfordshire Living Wage Commission to encourage local businesses and Council contractors to pay at the London Living Wage level.

Following debate, the motion as amended was put to the vote and was lost by 33 votes to 2, with 24 abstentions.

RESOLVED: accordingly.

96/15 MOTION FROM COUNCILLOR DAVID WILLIAMS

(Agenda Item 19)

With the agreement of Council, Councillor Williams moved and Councillor Howson seconded his motion as amended by Councillor Howson in strikethrough and bold italics as follows:

“This Council is concerned that full weight is not being given during School Admission procedure and especially during Appeal Panels to the medical evidence presented at the hearing related to the physical and mental condition of the parents of the child who is the subject of the appeal. Clearly the present ~~guidance~~ ***admission arrangements are*** is focused on the direct wellbeing of the child but domestic circumstances such as a registered disabled parents put under stress or unable to cope by the decision to refuse a place must be taken into account for that too can have an influence on the child’s future happiness.

~~The Cabinet Member for Children, Education and Families is requested to write on behalf of the Council to the Secretary of State for Education to seek a review of the Code of Practice on School Admissions considered by the Admission Authorities and Independent School Admission Appeal Panels and to make changes to the Code which addresses the Council’s concern to ensure more emphasis is placed on parental disability”~~

Council Calls on the Cabinet to ensure that within the criteria listed in any admission arrangements that are the responsibility of Oxfordshire, any disability of one or both parents be added as a new admissions criteria, to be considered before any distance related criteria are considered.”

Following debate, the Motion as amended was put to the vote and was lost by 37 votes to 1, with 19 abstentions.

RESOLVED: accordingly.

..... in the Chair

Date of signing

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QUESTIONS WITH NOTICE FROM MEMBERS OF THE COUNCIL

Questions are listed in the order in which they were received. The time allowed for this agenda item will not exceed 30 minutes. Should any questioner not have received an answer in that time, a written answer will be provided.

Questions	Answers
<p>1. COUNCILLOR NICK HARDS</p> <p>Following on from Councillor Dhesi's question in September about persistent potholes and the explanation that repairs are guaranteed for 2 years, please would the Cabinet Member for Environment explain what the position is when a badly worn section of road is patched and the adjacent section then deteriorates so much that a patch is required next to the previous patch. Would enquiries be made to establish whether the second fault had occurred as a result of the first repair?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>County inspectors work hard to identify the most effective repairs for failed sections of road taking account of the budget constraints that we have. Inevitably any repair will always leave a joint with adjoining surfacing and this is a point of weakness in the overall carriageway surface. We monitor the quality of repairs through a combination of random site visits and photographic evidence and should we become aware of a repair that is not completed to a satisfactory standard we would have this redone at the expense of our contractor. If an adjacent section of road subsequently fails then there could be a range of causes for this ranging from the extent of the area initially identified for repair through to subsequent foundation failure caused by ongoing traffic loads. Whilst the council would prefer to do more preventative pavement repair schemes to eliminate this problem it has to manage its programme within the available budget and so professional choices regarding the amount and type of repair have to be made.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>When it is apparent that the failure is due to the fact that the area initially identified for repair was inadequate and that more should have been repaired the first time, who is that dealt with? both by us and by the contractor please?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Thank you, it is a bit of a grey area because it is actually on case by case basis and you can't be prescriptive about every single circumstance. If it is clear that it is part of the initial works that were identified at that time and were instructed to the contractor, it is the contractor again who should be doing it. But as I say it is a grey area and it is on a case by case basis and I can't be prescriptive about it.</p>

Questions	Answers
<p>2. COUNCILLOR SAM COATES</p> <p>Will the Cabinet Member recommend the recently published upgraded 'London Cycling Standards' for future planning purposes with regard to the future provision of cycle ways?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>As you may be aware, the Council has recently approved an ambitious new cycle strategy as an element of Connecting Oxfordshire – Local Transport Plan 2015-2031 (LTP4). Our ambition within the lifetime of this Plan is to take cycling from its current levels (of around 3% of all trips) to 10% of all journeys across Oxfordshire. A crucial element in the Strategy is to develop a high quality cycle network.</p> <p>As part of LTP Adoption by Full Council, an amendment was passed proposing that LTP4 should be strengthened in its aims to reduce air pollution, including by more positively encouraging walking and cycling. As a result, we are proposing to include our updated approach to cycling as part of an 'Active & Healthy Travel Strategy', which will be drafted in early 2016. As part of this process, we will be reviewing the London Cycling Design Standards and the Design Guidance for Cyclists as an outcome of the Active Travel (Wales) Act 2013 and consider whether to adopt all or part of these Standards.</p> <p>Given the current financial climate, it is important to add that Transport for London and the Welsh Assembly have access to more funding than is available to OCC for cycling. For example, the Mayor of London undertook to double spending on cycling to £400 million (The Mayor's Vision for Cycling in London, 2013). However, we are committed to achieving our ambition of 10% mode share across Oxfordshire over the Plan period, and will give this proposal full and detailed consideration. With this in mind, we see it as essential to take up opportunities to achieve this through the planning process for new developments to ensure they are spatially well-integrated and connected in cycling terms.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Can I ask when he expects the strategy to be drafted in early 2016 when does he expect it</p>	<p>SUPPLEMENTARY ANSWER</p> <p>It will be concluded as quickly as we can get it done after it has been drafted is all I can say at the moment.</p>

Questions	Answers
to be concluded?	
<p>3. COUNCILLOR SAM COATES</p> <p>When the decision was taken earlier this month by Cabinet to end support for all subsidised bus services, it was expressed that the decision may be reviewed during the budget preparation process. What further developments have there been, and are all these expected cuts still expected to go ahead?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>The decision as to whether to withdraw all bus subsidies is a council decision and will be made in February 2016 as part of the budget setting process.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Can I thank Councillor Nimmo Smith for he very factual answer. Given that the spending review did not in fact scrap the bus service operators' grants does that change the situation at all?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I will provide you with a written answer to that question.</p>
<p>4. COUNCILLOR DAVID WILLIAMS</p> <p>Much was said in October about how the County Council was willing to actually help the current wave of genuine refugees from Syria desperately trying to escape from incessant bombing by over a dozen countries and despotic treatment on the ground by terrorist organisations such as ISIS but what has actually been done? Is it any clearer what the Government intend to fund and by how much?</p>	<p>COUNCILLOR IAN HUDSPETH, LEADER OF THE COUNCIL</p> <p>The County Council has convened and led the statutory agencies ie all local housing authorities (district councils) and health organisations, working in cooperation with Roy Millard of the South East Strategic Partnership for Migration. We have co-operated closely with the City Council which has acted as the co-ordinator for the voluntary and faith sectors in the county.</p> <p>At the start of the process it was unclear from the Home Office what would be most helpful and what the government's arrangements would be for receiving and funding support to refugees from Syria. The County Council has been prepared to develop emergency accommodation from which to receive and</p>

Questions	Answers
	<p>disperse arrivals, to provide foster homes or supported lodgings to young people arriving alone and to offer social care to children and adults and support parents in getting children into nurseries, schools and colleges.</p> <p>Gradually, it has become clear that there would be no need for emergency reception centres after all as the Syrian Vulnerable People's Resettlement Scheme (SVPRS) ensures people are screened, given 5-year refugee status before arriving in the UK, and matched to identified housing once here. The plan is to transfer families directly from the airport to permanent accommodation.</p> <p>The County Council has the statutory responsibility to look after children under 18 years who present in our area without parents and carers. Indeed, in the last year, we have more than doubled the number of unaccompanied asylum-seeking children we look after and their numbers continue to rise. We place and support these children in foster homes, hostels and supported lodgings and help them with their induction, education, training and employment. The council has been working with Home For Good, a fostering recruitment and support charity, to attract more carers. Recently our two information evenings attracted 100 attendees and we are following up expressions of interest and assessments.</p> <p>In regard to extending these responsibilities under the SVPRS, we were advised that it would be highly exceptional for children to be brought here without their families as there is an emphasis on reunification work in the camps. Once children have been taken such a long distance away, any practical possibility of placing them with their extended families or communities is lost and is not considered to be in their best interests. So far, the SVPRS has made no request to us to accept any unaccompanied children.</p> <p>We have maintained close working with the Districts and City Council, supporting their officers who are developing housing options for families. This has proved to be challenging due to the high cost of rented accommodation in the county and the limited availability of suitable properties, especially in the City. The Home</p>

Questions	Answers
	<p>Office has offered to pay local areas a per capita amount (see the enclosed guidance) to cover the costs of all services. This includes a single amount for local authorities, which has to cover the costs of top-up rent and any additional social care. However, the Home Office is open to considering specific individuals' high cost-needs in addition.</p> <p>The City Council has made a commitment to housing 10 families over the next year, starting with two families of 4 and 5 members, respectively, starting in January. The County Council is willing and able to provide social care, should it be needed, for any of the families, and have appointed an officer to be in direct contact to meet parents and address the children's educational needs as soon as they arrive. I enclose the City's scheme, which you will see also has proposals for providing the welcome and induction arrangements families will need.</p> <p>West Oxfordshire District Council is also working to identify suitable housing and we have just learned that they will be receiving two families on Wednesday 2nd December. We shall offer to support to these refugee families in the ways outlined above.</p> <p>We remain in touch with the other district councils, in similar vein.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>It is clear from the reply that the County Council is doing its bit in terms of contributing to finding places for refugees. I accept that there are relatively low numbers that are being presented to the Council for support, but would he accept that now Briton has decided to bomb Syria there may well be far more pressure for more refugees trying to escape from far more bombs?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>No I do not accept that. I think that the Government has a clear policy in making sure that the refugees they are taking are actually coming from the refugee camps which is very good because then it means everybody can prepare in this country for receiving those refugees. Of course, the action that had cross party support taken by parliament last week means that it should actually reduce the number of refugees because it is most important that we actually help Syria get over the issue of the civil war that is going on there so that people can stay in Syria and that is the key thing that actually bring people over here isn't such a good thing as actually the people to have the ability to live a good life within Syria.</p>

Questions	Answers
<p>5. COUNCILLOR DAVID WILLIAMS</p> <p>In view of recent research indicating that more than half of schools in England are cutting staff, what steps will the County Council be taking to ensure teaching and support staff in the County's schools are retained? In what way will passing on the full costs of local authority support services to schools budget help them retain staff? <i>Note Article: Half the schools in England set to cut staff to balance books - Richard Adams Guardian 20/11/2015.</i></p>	<p>COUNCILLOR MELINDA TILLEY, CABINET MEMBER FOR CHILDREN, EDUCATION & FAMILIES</p> <p>Schools are of course aware of the importance of securing and retaining sufficient teachers and support staff; it is for them to deploy the resources available to them to best effect. This is not something in relation to which the Local Authority can (or has the capacity to) become involved.</p> <p>The local authority has increased delegation of funding to schools in recent years consistent with the principles of school funding reforms. This has reduced funding available centrally so provision of traded central services to schools cannot be subsidised, and the expectation is that where schools are purchasing services the charges include recovery of the full costs, as would be the case with other providers.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Will having full costs of all the services provided by the County Council actually put greater pressure on each school's budget? If that is the case, does she accept that in fact that will mean reductions in the numbers of teachers who are actually in each particular school?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>No.</p>
<p>6. COUNCILLOR SAM COATES</p> <p>I note that Oxfordshire is ranked as the third worst area in the country for the proportion of nursing homes and care homes not meeting standards, according to the Care Quality Commission. Could I ask the Cabinet</p>	<p>COUNCILLOR JUDITH HEATHCOAT, CABINET MEMBER FOR ADULT SOCIAL CARE</p> <p>We are aware that the TrustedCare online directory reported that Oxfordshire is the third worst area in the country for the proportion of nursing homes and care homes not meeting standards according to the care quality commission.</p> <p>However I would like to make it clear that in my view the above statement does</p>

Questions	Answers
<p>Member to outline what steps the Council will be taking to address this problem?</p>	<p>not tie in with the data published by the Care Quality Commission on their website. Recent analysis of the Care Quality Commissions ratings by officers from the council indicates that 45% of care homes in Oxfordshire require improvement, compared with 37% nationally and 76% for the third worst ranked authority. No home in Oxfordshire is rated as inadequate, compared to 4% nationally. Over two thirds of authorities nationally contain inadequate homes.</p> <p>These ratings are based on a relatively new inspection regime that came in last year, which included new lines of enquiries with both inspectors and service users reviewing services. We are aware that the Care Quality Commission has adopted a risk base approach for its inspection programme so it is perhaps inevitable that some of the earlier results will include a number of services rated as Requires Improvement. In Oxfordshire, as elsewhere, we would hope to see the ratings improve as the Commission completes its first full round of inspections.</p> <p>Within the council we receive a weekly update from the Care Quality Commission - usually on a Monday - identifying the reports that they have published in the previous week. Each report relevant to Oxfordshire is reviewed to identify if specific action is needed by the council.</p> <p>Outside of this regular update there is good information sharing between the Council and the Care Quality Commission. Where there are significant concerns about a care home the Care Quality Commission will contact us immediately to share its concerns and seek our views.</p> <p>The Council has a good track record of working with providers to improve services, and it monitors care homes in Oxfordshire through its Quality and Contracts Team. They undertake annual reviews, put in place action plans, and use a traffic light system to provide intelligence on all providers.</p> <p>Furthermore and since the beginning of this year officers have taken steps to</p>

Questions	Answers
	<p>improve the overall market intelligence available to us. We have developed and now hold a multi-agency Care Governance Group that meets monthly to share intelligence on areas of concern and areas of increasing risk. This multi-agency group involves representatives from the County Council (Safeguarding, Contracts, Complaints and operational teams) together with Oxfordshire Clinical Commissioning Group, Oxford Health's Continuing Health Care Team and the Care Quality Commission; these are the key partners we work with when issues arise. These meetings provide intelligence that helps the council to co-ordinate actions including where we should undertake a contract review and if necessary institute safeguarding procedures; it also acts as an early warning system for themes and trends that may be emerging.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Given in terms of the league tables Oxfordshire is still quite close to the bottom in terms of care homes deemed in need of improvement, are there any specific actions that she is considering to look into the cause for that?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I could of course just give a very short answer and say no, but what I would like to do is to refer the whole of this chamber to parts of the reply that I have given because I believe that the response actually answers your question for you. It is in paragraph 2; I would like to make it clear that the statement that I issued in the first paragraph of my answer does not tie in with the data published by the Care Quality Commission on their website. I think that is a very important fact. If you then read on it gives the statistics of where we are and later in my reply I have mentioned that we receive a weekly update from the Quality Care Commission. The update identifies reports that have been published the previous week and each report relevant in Oxfordshire is reviewed which means we are not complacent, we are making sure that we look at these figures as they come down to us.</p>

Questions	Answers
<p>7. COUNCILLOR DAVID WILLIAMS</p> <p>Now that the Chancellor of the Exchequer has reversed his previous decisions on Police cuts, tax credits and the level of Council tax rises allowed could the Leader of the Council now confirm that with the extra money this may produce and the slight easing of pressure on Council services provision that may result, the planned closure of the Children's Centres will not now go ahead?</p>	<p>COUNCILLOR IAN HUDSPETH, LEADER OF THE COUNCIL</p> <p>I welcome the additional funding opportunities that the Chancellor announced in the Comprehensive Spending Review however the ability to raise the council tax was related to providing additional funding for Social care and more importantly it was linked to delivering the Living Wage by 2020. In Oxfordshire this could be an added pressure that has to be taken into consideration before we can set the budget. With regard to Children's Centres there is an ongoing consultation until 10th January that has to take into account the £6 million reduction in funding that council voted through as part of the budget 17th February 2015.</p> <p>I am sure that Cllr Williams is aware that the council is required by law to produce a balanced budget on 16th February 2016 that has to be signed off by the section 151 officer. I look forward to viewing his budget proposals that find the additional funding to reverse the £6million of savings for Children's Centres/Early Intervention along with all the other savings that are required following the Comprehensive Spending review.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Would he accept that the Greens have always put forward a balanced budget we have never shirked from that responsibility?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I have seen on occasions you have got a balanced budget. Of course what you have to take into account to balance this particular budget and to remove all £50m potential savings we have got to make in the budget and add in £6m as well which will bring the total up to edging £60m that you would be looking a referendum limit of round about 19% in a one off. I don't think that residents of Oxfordshire or the voters of Oxfordshire would be voting in favour of 19% increase in Council Tax because we do have to remember that people haven't had their increase in wages. So even when we are considering the budget we have got to be very careful around the additional 2% that is coming in because that obviously could mean a 4% increase and have people's wages gone up by 4%. So I think that it is interesting to see what will be coming forward, but as I say if there is a 19% increase in the Council Tax I don't think that is suitable for the residents of Oxfordshire.</p>

Questions	Answers
<p>8. COUNCILLOR JOHN TANNER</p> <p>What preparations and planned response does the County Council have for dealing with a possible nuclear incident taking place in Oxfordshire, such as a petrol tanker crashing into a lorry carrying a nuclear warhead and causing a fire on the A34?</p>	<p>COUNCILLOR RODNEY ROSE, DEPUTY LEADER OF THE COUNCIL</p> <p>As part of our role as a category one responder within the Thames Valley Local Resilience Forum we have ensured that the risks associated with this type of incident have been identified and there are sufficient preparations and planned responses to deal with an accidental or deliberate release of a radiological substance as the result of any incident within Oxfordshire.</p> <p>These include:</p> <ul style="list-style-type: none"> • Multi-Agency Procedures-Emergencies • Evacuation and Shelter Protocol • Mass Fatalities Management Plan • Mass Casualties Framework • Humanitarian Assistance Framework & OCC Supporting People Plan • Recovery Plan • CBRN and Hazmat Plan • Site Clearance Plan • Communications Plan - Warning and Informing • Strategic Roads Plan <p>In addition to these plans we have National Operational Guidance available for Fire and Rescue Services when attending incidents relating to the release of chemical, radiological and biological and nuclear substances through an accidental release. OCC also provides off-site plans for key fixed sites within the county which include planning, training and exercising.</p> <p>There is also national guidance from the Ministry of Defence (MoD) for dealing with the transportation of nuclear weapons which set out the levels of protection and the MoD response to an incident that has occurred whilst being transported by road. It lays out the specialisms with the convoy team which includes firefighting and radiological monitoring as well as the MoD response and assistance to the local emergency services and local authorities.</p>

Questions	Answers
	<p>Whilst there has never been an accident involving defence nuclear material which has led, or come anywhere near leading to a release of radiological material to the environment, the County Council, Thames Valley LRF and the emergency services within Oxfordshire have ensured that they are fully prepared and have resilient and exercised plans to deal with any such event. These plans have been exercised across the Thames Valley with the National Ambulance Resilience Unit on the last two regional exercises and the next planned exercise in Oxfordshire is in September 2016.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Does Councillor Rose share the concern of a growing number of people in Oxfordshire about the regular nuclear weapon convoys that travel up and down the A34 between Burghfield the factor and Scotland?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Through you Chairman, I think I care more about the security of this nation rather than worrying about one lorry load on British highways.</p>
<p>9. COUNCILLOR JOHN TANNER</p> <p>I'm grateful that the County Council has been drilling investigative holes into Folly Bridge in Oxford. Will the Cabinet member tell us the state of the bridge and when the public can expect the road on the bridge to be resurfaced?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>The drilling mentioned was in fact trial holes dug to determine the depth of the existing surfacing material over Folly Bridge. The intention is to resurface approximately 80 linear metres of carriageway over this bridge. The main three span section of the bridge to the north is in reasonable condition but the single span section 30 metres further south requires some stonework repairs to its arch barrel. As some of these stonework repairs need to be done from above it is intended that these repairs will be undertaken immediately prior to the resurfacing works as effectively one coordinated scheme.</p> <p>Given the complexities of undertaking work over navigable water on a bridge that is both listed and a scheduled ancient monument it is anticipated that the work is unlikely to be able to commence before mid or late summer next financial year.</p>

Questions	Answers
	Until then the surfacing over Folly Bridge will be inspected monthly as part of the St Aldates inspection route. Any surfacing safety defects identified during these inspections will be remedied as per our inspection policy.
<p>SUPPLEMENTARY QUESTION</p> <p>Could Councillor Nimmo Smith explain the meaning of the last sentence “any surfacing safety defects identified during these inspections, we are talking about Folly Bridge in Oxford, would be remedied as per our inspection policy”, because my observation are in the County Council’s Inspection Policy is that when holes are found in the roads they are no repaired.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I find it hard to believe that if holes in the road are identified they are not repaired. I am not quite sure whether you have got the up to date copy of our inspection policy and I will make sure a copy is made available to you.</p>
<p>10. COUNCILLOR JOHN TANNER</p> <p>Before work began on Frideswide Square the Cabinet member for Transport told assured me that there would be two east-west cycle paths, for cyclists only, on either side of the square. Can he explain the absence of the cycle path?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>As part of the design there is a 4.5m off-carriageway (or off-road) shared footway/cycleway i.e. in-between both lines of planters created on both sides of the square. Cyclists can get onto the shared pedestrian/ cycling area accessible by lengths of dropped kerbing, marked by timber bollards with signs and highlighted by slabs with the shared use symbols etched into them. These are at the north and sides of the square. The decision to do this was included in the report presented before Cabinet Members in 2012. This is a deliberate decision as incorporating cycle lanes would mean that the road would be wider and motorists would also have the opportunity to use that space and the design is</p>

Questions	Answers
	focused on keeping vehicle speeds through the square down which would have been compromised by a wider carriageway.
<p>SUPPLEMENTARY QUESTION</p> <p>I wonder if Councillor Nimmo Smith could explain to me why I think under questions to Cabinet about a year ago before the Frideswide work started, he assured me that there would be separate clearly delineated cycle routes on either side of the Square separated from pedestrian areas, shared use areas and traffic areas when in fact those pathways don't exist and was that because he misunderstood the situation or because he deliberately misled me.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Far be it for me to deliberately mislead anybody in this Chamber. But we are where we are with the scheme opening up on, all the barriers have been taken away now and it is more or less available for the official opening next week. I can't remember the exact wording or the exact circumstances that Councillor Tanner is referring to but we have a shared space there. We will be looking at it regularly as it is being used as will we be looking at the traffic lights in Worcester Street, George Street and that sort of area as well to make sure that we have a free flow of traffic that the safety of the pedestrians, cyclists, bus users, lorry users, taxis and everything else is maintained for the benefit of all.</p>
<p>11. COUNCILLOR LIZ BRIGHOUSE</p> <p>As a result of your exchange of letters with the Prime Minister the LGA were commissioned to carry out a review of Oxfordshire's finance in order to help the Council set the budget in February. As all members of this Council will be involved in setting the budget can you please give them a copy of the report written as the result of that review?</p>	<p>COUNCILLOR IAN HUDSPETH, LEADER OF THE COUNCIL</p> <p>The LGA review report will be published as part of the papers for Performance Scrutiny Committee on 17 December.</p>

Questions	Answers
<p>SUPPLEMENTARY QUESTION</p> <p>Do you think that when the report is published tomorrow that the Prime Minister and MP for West Oxfordshire will begin to start understanding that cuts in public expenditure actually do me cuts in public service even in his back yard?</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I am sure that my local MP will be looking forward to the report being published, but obviously I can't speak for his interpretation of the report and would be unwise of me to do so, but I am sure he will take it into due consideration and all the points that have been made and made in other words he will be doing it but I don't think he will be communicating his thoughts in letters to me.</p>
<p>12. COUNCILLOR JOHN HOWSON</p> <p>What safety measures are in place for cyclists accessing the shared space outside the Said Business School when travelling from the Hythe Bridge Street direction?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>As part of the design there is a 4.5m off-carriageway (or off-road) shared footway/cycleway i.e. in-between both lines of planters created on both sides of the square. Cyclists can get onto the shared pedestrian/cycling area accessible by lengths of dropped kerbing, marked by timber bollards with signs and highlighted by slabs with the shared use symbols etched into them. These are at the north and sides of the square. The decision to do this was included in the report presented before Cabinet Members in 2012. This is a deliberate decision as incorporating cycle lanes would mean that the road would be wider and motorists would also have the opportunity to use that space and the design is focused on keeping vehicle speeds through the square down which would have been compromised by a wider carriageway.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>I am particularly concerned that in the plans that were presented and passed at Cabinet in the 2012, there was a medium strip in Hythe Bridge Street which was clearly to allow the cyclist to access that shared space that medium strip has not been constructed and at present there are still in Hythe Bridge Street</p>	<p>SUPPLEMENTARY ANSWER</p> <p>I haven't actually looked at it in that much detail and I will make a point of doing so in the next few days.</p>

Questions	Answers
<p>prior to the opening next week two lanes marking on the road could he tell me what is going to be done about this?</p>	
<p>13. COUNCILLOR JOHN HOWSON</p> <p>When will the consultation on possible bus gates in the Worcester Street & Longwall Street vicinities be undertaken in view of the adoption of the Local Transport plan by this Council in September?</p>	<p>COUNCILLOR DAVID NIMMO SMITH, CABINET MEMBER FOR ENVIRONMENT</p> <p>Further traffic access controls in the city centre and other parts of the city are included in the long term transport strategy for the city as part of the Oxford Transport Strategy (OTS). The OTS does not specify that these access controls will be bus gates (such as the High Street bus gate). The access restrictions could be full or part-time closures, or could be road user charging points.</p> <p>No specific timetable has been set for their introduction, or, therefore, for consultation. However, the OTS suggests the earliest they would be introduced is 2020.</p>
<p>SUPPLEMENTARY QUESTION</p> <p>Will the consultation in the first stage relate to the alternative methods or the mixture of methods whether it is work based charging, road user charging or the use of bus gates rather than as suggesting in LTP4 which we passed in September that bus gates were likely to come in by 2020.</p>	<p>SUPPLEMENTARY ANSWER</p> <p>Nothing formal has been put forward for consultation yet and we will see what the consultation document actually proposes in due course so I can't be specific at this time.</p>

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Division(s): N/A

COUNTY COUNCIL – 16 FEBRUARY 2016**ANNUAL REPORT OF THE REMUNERATION COMMITTEE TO
OXFORDSHIRE COUNTY COUNCIL ON THE COUNCIL'S PAY
POLICY STATEMENT****Report by the Chief Human Resources Officer****Introduction**

1. In 2012 a stand-alone Remuneration Committee was set up to report each year directly to full Council and to make recommendations regarding the Council's Pay Policy Statement. This is the updated report of the Remuneration Committee for 2016-17.

Context

2. The Localism Act 2011 required all councils to agree and publish a pay policy statement every financial year. The Act lays down requirements on the content of the statement. This requirement is supplemented by detailed guidance from the Department for Communities and Local Government entitled 'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act'.
3. In addition, the Code of Recommended Practice for Local Authorities on Data Transparency (updated in 2014) requires that Councils publish prescribed information on senior pay, jobs and organisational structures. The definition of senior pay under the Code is wider than the top management team and includes senior managers earning more than £50,000 per annum. Employees whose salary exceeds £150,000 p.a. must be named. Some of this information is already published each year in the Council's Statement of Accounts.
4. Full details, as required by the Act and Code of Practice, will be published on the Council's web site and will be available on request.
5. The Council has for many years managed its pay by adopting balanced terms and conditions of employment and by exercising a range of effective managerial rules and processes which have allowed services to operate efficiently within the budgetary constraints which apply. Bench-marking information is available at Annex 1. The Council welcomes this opportunity to be open and accountable about the management of pay and seeks to publish a Pay Policy Statement which embraces the spirit and the letter of the legislation and guidance.
6. In summary the pay policy statement must as a minimum include details of the Council's policy on:

- The remuneration of its Chief Officers
- The remuneration of its lowest paid employees
- The relationship between the remuneration of its Chief Officers and other officers

Revised Pay Policy Statement

7. The Pay Policy Statement at Annex 2 fulfils the requirements set down by the relevant legislation, codes etc. This Pay Policy Statement will be reviewed by the Council annually. All general changes to pay will be subject to agreement by Remuneration Committee. Changes to grades of senior officers are approved by Remuneration Committee.
8. Local Government (Green Book) staff received a national cost of living pay rise of 1% in 2013 which was their first rise since 2009. A three year local agreement, known as the 'Oxfordshire Local Agreement', has been negotiated with Unison effective from 2014-15 to 2016-17. This agreement introduced local negotiations for pay and terms and conditions for Green Book employees. The agreement included a guarantee to match the NJC pay award in 2014-15 and 2015-16 should this be more beneficial. Consequently, the Council has brought pay in line with the national agreement which covered both of these years and has awarded 2.2% to most relevant employees, plus limited more detailed arrangements in line with the NJC agreement. The Council has agreed with Unison to match the national agreement again in 2016-17.
9. Senior managers are paid on four point grades using appropriate job evaluation systems. A similar three year local agreement was introduced in April 2014 for senior employees, known as the Oxfordshire Senior Staff Local Agreement. Employees covered by this agreement have received a 1% pay rise in 2014-15 and in 2015-16 and will receive the same again in 2016-17.
10. In 2013 the Chief Executive and Director's and related pay was increased by 1% through a local settlement. This was the first increase for this group since 2008. Their pay was reviewed locally in 2009 but a decision was taken by Senior Officers not to accept any increase due to the budgetary situation. Pay was not reviewed in 2011 as the council had adopted a freeze for other staff. In September 2014 the Remuneration Committee approved incremental pay rises for the Chief Executive and the Directors for Children, Education and Families and Social and Community Services in line with the agreed arrangements following their performance reviews in 2014.. No incremental pay rises were made to the Chief Executive or Directors following their performance reviews in 2015.
11. Although Oxfordshire is subject to the difficult national economic situation it remains a relatively prosperous employment market and the Council must remain competitive in the levels of pay and terms and

conditions of employment it offers in order to recruit and retain good quality staff.

12. Benchmarking data on pay and severance is attached at Annex 1. Further benchmarking data will be reported to the Remuneration Committee at the conclusion of the Senior Management Review currently underway. Oxfordshire's severance arrangements are shown to be in line with other Councils and relatively modest in terms of redundancy payment calculator.

Future Pay Policies

13. The implementation of the National Living Wage was incorporated into the national pay negotiations and will be adopted by the Council.
14. The pay policy statement must be reviewed and re-published every year. Information published in accordance with the Data Transparency Code will be updated and improved regularly.
15. Relevant trade unions will be consulted fully on changes to the Pay Policy Statement.

RECOMMENDATIONS:

16. **The Council is RECOMMENDED to:**
 - (a) receive the report of the Remuneration Committee;
 - (b) approve the revised Pay Policy Statement at Annex 2 to this report.

STEVE MUNN,
Chief HR Officer

February 2016

Contact: Sue Corrigan 01865 810280

Background Papers: None

Benchmark Information**Senior Pay**

Post	Oxfordshire County Council Salary £	Median for County Councils £
Chief Executive	194,066	207,372
Director for Children, Education & Families	146,269	142,000
Director for Environment & Economy	132,078	128,194
Director for Social & Community Services	136,334	143,520
Deputy Directors	90,704-100,125	98,152

Source: Published pay of nine county council's in the South East (2014).

**Early Retirement and Redundancy Compensation 2013 [Latest information available from LGE]
How redundancy pay is calculated**

Method of calculation	Oxfordshire County Council	% of authorities
Using actual salary	Yes	89%
Using statutory maximum figure	No	4%
Other	No	6%

Lump sum compensation for redundancy

Method of calculation	Oxfordshire County Council	% of authorities
X 1.5	1.5	28%
X 2		23%
X 2.5		4%
X 3		1%
Using other formula		43%

Augmented membership under the Local Government Pension Scheme for redundancy

Method of calculation	Oxfordshire County Council	% of authorities
No	No	89%
Yes in some cases		8%
Yes in all cases		2%

Augmented membership under the Local Government Pension Scheme for efficiency of the service retirements

Method of calculation	Oxfordshire County Council	% of authorities
No	No	88%
Yes in some cases		10%
Yes in all cases		2%

Source: Local Government Group Report of the Early Retirement and Redundancy Compensation Survey 2013

Footnote: Figures are for non-schools staff

Oxfordshire County Council Pay Policy Statement.

Preamble.

1. This Pay Policy Statement fulfils Oxfordshire County Council's legal obligations under The Localism Act 2011. It incorporates current guidance. The Council will also publish details of its senior pay, salary and organisational structure information as required by the Code of Recommended Practice for Local Authorities on Data Transparency, as amended.
2. This Statement will be published on the Council's public website and will be available in other formats upon request.
3. Procedural and approval requirements set down in the Council's Constitution will be applied as required.
4. This Policy Statement does not cover school employees.

Reward Policy.

5. Oxfordshire County Council aims to develop and implement reward systems and structures which meet the following requirements:
 - Allow the Council to recruit and retain high calibre employees in order to provide high quality services.
 - Maintain levels of pay which are in line with the Council's financial policies and provide value for money.
 - Are open, transparent and accountable.
 - Are fair and consistent.
6. High levels of performance are expected from employees and where standards are not satisfactory prompt managerial action will be taken to improve performance. This may include with-holding incremental rises or disciplinary/capability action in accordance with agreed procedures.

Pay Design.

7. A three year local agreement has been introduced from April 2014 for the posts of Chief Executive, Head of Paid Service Chief Officers¹, Deputy Chief Officers and related staff, known as the Oxfordshire Senior Staff Local Agreement. Where the Council varies terms and conditions this will be subject to approval by the Remuneration Committee.
8. A grading structure is in place for the Chief Executive, Chief Officers, Deputy Chief Officers and related staff with the option of a review at performance appraisal.

¹ For the purposes of this Statement the Chief Fire Officers are treated as Chief Officers.

9. Grading of Deputy Chief Officers and related staff, other than in Fire and Rescue and the three Corporate Advisers, is subject to an appropriate job evaluation process.
10. Where the Chief Executive or other officer receives election fees these will be shown separately to salary. These fees are set annually by the Council's Audit and Governance Committee. In addition, a comprehensive review of election fees is undertaken by the Audit and Governance Committee every four years in readiness for the County quadrennial elections.
11. Grading structures and changes to salaries and remuneration for the Chief Executive, Chief Officers and Deputy Chief Officers will be considered by the Remuneration Committee. Salary packages for a new post in excess of £100,000 p.a. will be subject to formal approval by full Council.
12. In accordance with publication requirements, a table showing information on the current pay of the Chief Executive, Chief Officers, Deputy Chief Officers and other officers earning over £50,000 pa, will be published on the Council's web site. All allowances and other payments will be shown. Bonuses and performance related pay are not currently paid. Expenses are based on nationally agreed levels except car mileage which is based on the Inland Revenue All Car rate, currently 45 pence per mile, falling to 25 pence for miles travelled in excess of 10,000 per annum.
13. The schemes of terms and conditions of employment and grading structures which apply to all groups of employees other than the Chief Executive, Chief Officers and Deputy Chief Officers are identified in Appendix 1. From 1 April 2014 a new three year local agreement covering Green Book employees came into effect, known as the Oxfordshire Local Agreement.
14. The highest paid officer in the Council currently receives £179,973 p.a. including all elements of pay other than election fees. The current lowest full time salary paid by the Council is £13,614 per annum². The Council's median annual salary is £29,345 per annum. This multiplies 6.13 times into the annual salary of the highest paid.
15. Changes to the grades of all groups of employees other than Chief Executive Chief Officers, Corporate Advisers, staff in Fire and Rescue, and teachers will be subject to Job Evaluation Schemes in accordance with the Constitution and national and local terms and conditions as applicable. Market supplements may be paid in circumstances where they are required to attract or retain appropriate staff where a case has been agreed by the Grading Moderation Panel which is responsible for the local determination of job grades.

² The lowest paid salary is based on the bottom point of the Oxfordshire Local Scales which is the lowest normal pay point – currently payable to some cleaning staff. It does not include apprentices due to their trainee status or staff who have transferred in to the Council under TUPE protected rates.

16. Grading structures for all groups of employees will be implemented in line with agreed published pay scales and agreed relevant national and local terms and conditions of employment listed in Appendix 1.
17. Annual pay awards will be implemented in line with local or national negotiations for all employee groups.

Pensions and Severance Payments

18. Severance payments for all employees will comply with the Council's Pensions and Retirement Policy. The Oxfordshire County Council Redundancy Scheme, which is currently one and a half times statutory entitlement based on actual pay, will apply where redundancy payments are due.
19. All employees who have received a redundancy payment in relation to the termination of their contracts of employment will be subject to the provisions of the Redundancy Modification Order and will be subject to Local Government Pension Scheme (LGPS) Regulations or other pension scheme regulations where applicable. Information on severance payments paid is available at Appendix 1.
20. Where other severance payments are appropriate such payments will be approved by the Chief HR Officer, Chief Legal Officer and the Chief Financial Officer, and will be the subject of a Settlement Agreement for the purpose of compromising any compensation for which the council may otherwise be legally liable.
21. The current employer's pension contribution rates are set down in Appendix 2.
22. The Council's Pensions and Retirement Policy Statement sets down its policy on payment of pensions. This policy Statement is reproduced as Appendix 3 of the Pay Policy Statement.

Review of the Policy.

23. This policy Statement will be reviewed by the Remuneration Committee who will make recommendations for the approval of full Council annually.

Steve Munn
Chief HR Officer
Reviewed February 2016

Terms and Conditions of Employment and Grading Structures.

Joint Negotiating Committee for Chief Executives * (Currently vacant and under review as part of the Senior Management Review)

Effective from 1 April 2015 Pay Scale/Salary: £194,066 pa

Joint Negotiating Committee for Chief Officers *

Effective from 1 April 2015 except in respect of Head of Paid Service and Monitoring Officer where the arrangements were put in place from 1 October 2015, are of a temporary nature and will be reviewed as part of the outcome of the Senior Management Review.

Grade	Pay Scale
Head of Paid Service	£151,200
Director Children, Education & Families	£146,269
Director for Social & Community Services	£136,334
Director for Environment & Economy	£132,078
Corporate Advisers	£110,000- £116,150- £121,200
Monitoring Officer	£100,125

HAY Grades Effective from 1 April 2015

Grade	Pay Scale
Grade A	£90,704-£93,842-£96,983-£100,125
Grade B	£77,748-£81,281-£84,811-£88,348
Grade C	£64,787-£68,713-£72,636-£76,569
Grade D	£57,224-£58,149-£59,092-£60,052-£62,434

Public Health

Effective from 1 April 2015

Grade	Pay Scale
Director Public Health	Basic salary £101,451 On Call allowance £5,072.52 pa Clinical Excellence Award £35,484.00 pa Director of Public Health allowance £10,578.96 pa Additional Programme Activity allowance £27,386.04 pa Total pay : £179,992.52
PH YC72	£75,249-£77,605-£79,961-£82,318-£84,667-£90,263-£95,860-£101,451
PH BD9	£77,850-£81,618-£85,535-£89,640-£93,944-£98,453
PH B8RC	£55,548-£57,069-£59,016-£61,779-£65,922-£67,805
PH B8RB	£46,164-£47,559-£49,968-£52,757-£55,548-£57,069
BD7	£31,072-£32,086-£33,227-£34,876-£35,891-£37,032-£38,300-£39,632-£40,964
BD5	£21,692-£22,236-£23,132-£24,063-£25,047-£26,041-£27,090-£28,180

Oxfordshire Local Agreement
Effective 1 April 2015

Grade	G1	G2	G3	G4
SCP - £	5 - £13,500	7 - £13,715	9 - £14,075	11 - £15,207
	6 - £13,614	8 - £13,871	10 - £14,338	12 - £15,523
			11 - £15,207	13 - £15,941
Grade	G5	G6	G7	G8
SCP - £	14 - £16,231	18 - £17,714	22 - £20,253	26 - £22,937
	15 - £16,572	19 - £18,376	23 - £20,849	27 - £23,698
	16 - £16,969	20 - £19,048	24 - £21,530	28 - £24,472
	17 - £17,372	21 - £19,742	25 - £22,212	29 - £25,440
Grade	G9	G10	G11	G12
SCP - £	29 - £25,440	33 - £28,746	37 - £31,846	41 - £35,662
	30 - £26,293	34 - £29,558	38 - £32,778	42 - £36,571
	31 - £27,123	35 - £30,178	39 - £33,857	43 - £37,483
	32 - £27,924	36 - £30,978	40 - £34,746	44 - £38,405
Grade	G13	G14	G15	G16
SCP - £	45 - £39,267	49 - £42,957	53 - £46,575	57 - £50,316
	46 - £40,217	50 - £43,793	54 - £47,508	58 - £51,245
	47 - £41,140	51 - £44,711	55 - £48,438	59 - £52,182
	48 - £42,053	52 - £45,638	56 - £49,368	60 - £53,118
Grade	G17	G18		
SCP - £	61 - £54,051	65 - £57,797		
	62 - £54,991	66 - £58,730		
	63 - £55,925	67 - £59,683		
	64 - £56,861	68 - £60,653		

Consolidated Pay Spine

Salary points at 1 April 2015						
Spinal point	Salary £	Grade		Spinal point	Salary £	Grade
5	13,500	G1		51	44,711	G14
6	13,614	G1		52	45,638	G14
7	13,715	G2		53	46,575	G15
8	13,871	G2		54	47,508	G15
9	14,075	G3		55	44,438	G15
10	14,338	G3		56	49,368	G15
11	15,207	G3/G4		57	50,316	G16
12	15,523	G4		58	51,245	G16
13	15,941	G4		59	52,182	G16
14	16,231	G5		60	53,118	G16
15	16,572	G5		61	54,051	G17
16	16,969	G5		62	54,991	G17
17	17,372	G5		63	55,925	G17
18	17,714	G6		64	56,861	G17
19	18,376	G6		64H	57,224	HAY D
20	19,048	G6		65	57,797	G18
21	19,742	G6		65H	58,149	HAY D
22	20,253	G7		66	58,730	G18
23	20,849	G7		66H	59,092	HAY D
24	21,530	G7		67	59,683	G18
25	22,212	G7		67H	60,052	HAY D
26	22,937	G8		68	60,653	G18
27	23,698	G8		69H	62,434	HAY D
28	24,472	G8		70H	64,787	HAY C
29	25,440	G8/G9		71H	68,713	HAY C
30	26,293	G9		72H	72,636	HAY C
31	27,123	G9		73H	76,569	HAY C
32	27,924	G9		74H	77,748	HAY B
33	28,746	G10		75H	81,281	HAY B
34	29,558	G10		76H	84,811	HAY B
35	30,178	G10		77H	88,348	HAY B
36	30,978	G10		78H	90,704	HAY A
37	31,846	G11		79H	93,842	HAY A
38	32,778	G11		80H	96,983	HAY A
39	33,857	G11		81H	100,125	HAY A
40	34,746	G11		82A	£111,100	CORPAD
41	35,662	G12		82B	£116,150	CORPAD
42	36,571	G12		82C	£121,200	CORPAD
43	37,483	G12		83A	£132,078	Director
44	38,405	G12		83B	£136,334	Director
45	39,267	G13		83C	£141,666	Director
46	40,217	G13		83D	£146,269	Director
47	41,140	G13		83E	£151,023	Director
48	42,053	G13		84A	£187,958	CH Exec
49	42,957	G14		84B	£194,066	CH Exec
50	43,793	G14		84C	£200,374	CH Exec

National Joint Council for Chief and Assistant Chief Fire Officers (Gold Book)
Effective 1 January 2015

Grade	Pay Scale
Chief Fire Officer	£132,078
Deputy Chief Fire Officer	£103,795
Assistant Chief Fire Officer	£96,983

National Joint Council for Fire Brigades (Grey Book)
Effective 1 July 2015

Firefighting Roles

	Basic annual £	Basic hourly rate £	Overtime rate £
Firefighter			
Trainee	22,017	10.05	15.08
Development	22,933	10.47	15.71
Competent	29,345	13.40	20.10
Crew Manager			
Development	31,189	14.24	21.36
Competent	32,533	14.86	22.28
Watch Manager			
Development	33,237	15.18	22.77
Competent A	34,160	15.60	23.40
Competent B	36,381	16.61	24.92
Station Manager			
Development	37,842	17.28	25.92
Competent A	38,977	17.80	26.70
Competent B	41,737	19.06	28.59
Group Manager			
Development	43,582	19.90	Not Applicable
Competent A	44,889	20.50	“
Competent B	48,313	22.06	“
Area Manager			
Development	51,165	23.36	Not applicable
Competent A	52,699	24.06	“
Competent B	56,124	25.63	“

Retained Duty System

	(1) £ per annum	(2) £ per annum	(3) £ per Hour	(4) £ per occasion
Firefighter				
Trainee	2,202	1,101	10.05	3.86
Development	2,293	1,147	10.47	3.86
Competent	2,935	1,467	13.40	3.86
Crew Manager				
Development	3,119	1,559	14.24	3.86
Competent	3,253	1,627	14.86	3.86
Watch Manager				
Development	3,324	1,662	15.18	3.86
Competent A	3,416	1,708	15.60	3.86
Competent B	3,638	1,819	16.61	3.86
Station Manager				3.86
Development	3,784	1,892	17.28	3.86
Competent A	3,898	1,949	17.80	3.86
Competent B	4,174	2,087	19.06	3.86
Group Manager				3.86
Development	4,358	2,179	19.90	3.86
Competent A	4,489	2,244	20.50	3.86
Competent B	4,831	2,416	22.06	3.86
Area Manager				
Development	5,117	2,558	23.36	3.86
Competent A	5,270	2,635	24.06	3.86
Competent B	5,612	2,806	25.63	3.86

Soulbury Committee (Blue Book)*Effective 1 March 2015*Educational Psychologists – Scale A

Spine Point	Salary
1	£35,027
2	£36,805
3	£38,583
4	£40,360
5	£42,137
6	£43,914
7	£45,588
8	£47,261
9	£47,261
10	£48,829*
11	£50,398*
12	£51,861*

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Notes: Salary scales to consist of six consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

* Extension to scale to accommodate structured professional assessment points.

Senior & Principal Educational Psychologists – Scale B

Spine Point	Salary
1	£43,914
2	£45,588
3	£47,261*
Spine Point	Salary
4	£48,829
5	£50,398
6	£51,861
7	£52,462
8	£53,584
9	£54,696
10	£54,696
11	£55,828
12	£56,937
13	£58,068
14	£59,219
15	£60,330**
16	£61,495**
17	£62,649**
18	£63,810**
19	£64,970**

Notes: Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff. * Normal minimum point for the Principle Educational Psychologist undertaking the full range of duties at this level. ** Extension to range to accommodate discretionary scale points and structured professional assessments.

Trainee Educational Psychologists

Spine point	Salary
1	£22,503
2	£24,151
3	£25,796
4	£27,444
5	£29,090
6	£30,737

Assistant Educational Psychologists

Spine point	Salary
1	£27,662
2	£28,792
3	£29,922
4	£31,045

Educational Improvement Professionals (EIPs)

Spine Point	Salary	Spine Point	Salary
1	£33,396	26	61,674
2	£34,592	27	62,740
3	£35,721	28	63,819
4	£36,865	29	64,902
5	£38,003	30	65,983
6	£39,142	31	67,054
7	£40,338	32	68,143
8	£41,487*	33	69,232
9	£42,828	34	70,347
10	£44,023	35	71,458
11	£45,203	36	72,603
12	£46,346	37	73,728
13	£47,640**	38	74,866
14	£48,792	39	75,988
15	£50,066	40	77,109
16	£51,219	41	78,237
17	£52,373	42	79,362
18	£53,507	43	80,488
19	£54,676	44	81,619
20	£55,280***	45	82,747
21	56,441	46	83,876
22	57,452	47	85,010
23	58,566	48	86,134****
24	59,564	49	87,262****
25	60,633	50	88,391****

Notes: Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff. * Normal minimum point for EIP undertaking the full range of duties at this level. ** Normal minimum point for senior EIP undertaking the full range of duties at this level. *** Normal minimum point for leading EIP undertaking the full range of duties at this level. **** Extension to range to accommodate structured professional assessments.

Teachers (Burgundy Book)

Effective 1 September 2015

Main Pay Range	TPA Code	Per Annum	Per Day
M1	WOO	£22,244	£114.07
M2	WOO	£24,002	£123.09
M3	WOO	£25,932	£132.98
M4	WOO	£27,927	£143.22
M5	WOO	£30,128	£154.50
M6	WOO	£32,831	£168.36
Upper Pay Range	TPA Code	Per Annum	Per Day
U1	POO	£35,218	£180.61
U2	POO	£36,523	£187.30
U3	POO	£37,871	£194.21

Unqualified Teacher Pay Range	TPA Code	Per Annum	Per Day
UQ1	U04	£16,298	£83.58
UQ2	U04	£18,194	£93.30
UQ3	U04	£20,088	£103.02
UQ4	U04	£21,984	£112.74
UQ5	U04	£23,881	£122.47
UQ6	U04	£25,776	£132.18

Leading Practitioner Pay Range	£38,598 to £58,677
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Teaching and Learning Responsibility allowances

TLR1 minimum £7,546	TLR1 maximum £12,770
TLR2 minimum £2,613	TLR2 maximum £6,386
TLR3* minimum £517	TLR3* maximum £2,577

* TLR3's are temporary

The School / Service sets the actual pay points within these ranges. Most schools use the standard OCC rates for allowances which are as follows: TLR2 (1) £2,613, TLR2 (2) £4,353, TLR2 (3a) £6,093 or TLR2 (3b) £6,386, TLR1 (1) £7,546, TLR1 (2) £9,285, TLR1 (3) £11,026, TLR1 (4) £12,770.

Special Educational Needs (SEN) Allowance

Minimum	£2,064	Maximum	£4,075
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Leadership Pay Spine	Per Annum	Leadership Pay Spine	Per Annum
L1*	£38,598	L23	£66,318
L2*	£39,564	L24	£67,290**/£67,963
L3*	£40,552	L25	£69,652
L4*	£41,562	L26	£71,375
L5*	£42,597	L27	£72,419**/£73,144
L6*	£43,665	L28	£74,958
L7*	£44,841	L29	£76,814
L8*	£45,876	L30	£78,726
L9*	£47,021	L31	£79,872**/£80,671
L10*	£48,228	L32	£82,676
L11*	£49,481	L33	£84,731
L12*	£50,620	L34	£86,825
L13*	£51,886	L35	£88,102**/£88,984
L14*	£53,180	L36	£91,187
L15*	£54,503	L37	£93,454
L16*	£55,951	L38	£95,766
L17*	£57,237	L39	£97,128**/£98,100
L18*	£58,096**/£58,677	L40	£100,548
L19	£60,131	L41	£103,060
L20	£61,623	L42	£105,642
L21	£62,521**/£63,147	L43	£107,210
L22	£64,715		

* Means that this is also the pay point for a Leading Practitioner in the Oxfordshire Model Pay Policy

** Means that this is the salary where the point is the maximum of the Headteacher's individual pay range.

National Joint Council for Workshops for the Blind

Effective 1 January 2015

Probationary Grade: £13,500 pa

Substantive Grade: £13,557 pa

Apprentices

Effective 1 April 2015

Age	Intermediate (GCCSE Grades D-G)			Advance Apprentice (GCCSE Grades A*-C)	
	16-18	19+	21+		Grade 3
Up to 6 months	£7,292	£7,292	£7,292		£13,862
6-12 months	£7,800	£7,800	£7,800	Progression through grade	
After 12 months	£10,197	£10,197	£12,890	Determined via job evaluation	

Pension Contribution RatesLocal Government Pension Scheme

From 1st April 2015 contribution rates are calculated on the bands indicated below based on actual salary and pensionable allowances in accordance with the following table:

Band	Range (based on pensionable earnings)	Contribution Rate - Employee	Provisional Contribution Rate – Employer (to be confirmed)
1	Up to £13,600	5.5%	20%
2	£13,601 - £21,200	5.8%	20%
3	£21,201 - £34,400	6.5%	20%
4	£34,401 - £43,500	6.8%	20%
5	£43,501 - £ 60,700	8.5%	20%
6	£60,701 - £86,000	9.9%	20%
7	£86,001 - £101,200	10.5%	20%
8	£100,201 - £151,800	11.4%	20%
9	£150,801 and above	12.5%	20%

Fire Brigades Pension Scheme 2015-16

All Fire Brigade Pension Scheme members apart from retained in 1992 scheme		
Band	Contribution Rate - Employee	Contribution Rate - Employer
Up to £15,150	11.0%	21.3%
£15,150 - £21,210	12.2%	21.3%
£21,210 - £30,300	14.2%	21.3%
£30,300 - £40,400	14.7%	21.3%
£40,400 - £50,500	15.2%	21.3%
£50,500 - £60,600	15.5%	21.3%
£60,600 - £101,000	16.0%	21.3%
£101,000 - £120,200	16.5%	21.3%
Over £120,000	17.0%	21.3%
Retained and whole-time after April 2006		
Up to £15,150	8.5%	11.0%
£15,150 - £21,210	9.4%	11.0%
£21,210 - £30,300	10.4%	11.0%
£30, 300 - £40,400	10.9%	11.0%
£40, 400 - £50,500	11.2%	11.0%
£50,500 - £60,600	11.3%	11.0%
£60,600 - £101,000	11.7%	11.0%
£101,000 - £121,200	12.1%	11.0%
Over £121,200	12.5%	11.0%

Teachers' Pension Scheme wef 1 April 2015

Contribution rates are calculated on the bands indicated below based on actual salary and pensionable allowances in accordance with the following table:

Band	Contribution Rate - Employee	Contribution Rate - Employer
Up to £25,999.99	7.4%	14.1%, 16.48% from 01/09/2015
£26,000 - £34,999.99	8.6%	14.1% 16.48% from 01/09/2015
£35,000-£41,499.99	9.6%	14.1% 16.48% from 01/09/2015
£41,500- £54,999.99	10.2%	14.1% 16.48% from 01/09/2015
£55,000- £74,999.99	11.3%	14.1% 16.48% from 01/09/2015
£75,000 and above	11.7%	14.1% 16.48% from 01/09/2015

Pensions and Retirement Policy Statement

Preamble

This policy sets out Oxfordshire County Council's approach to the administration and management of pensions and retirement for employees who are members of the Local Government Pension Scheme (LGPS) or are eligible to join. It incorporates the requirements of the LGPS regulations 2014. Separate versions of this policy apply to teachers and uniformed fire-fighters.

The provision of a contributory pension scheme is an important employee benefit which is valued by both employees and the Council as an employer. Employees are encouraged to join a pension scheme in order to make adequate provision for themselves and their dependents in their retirement or the event of misfortune such as permanent injury or illness or death³.

Employees are no longer subject to a general retirement date. Employment will therefore continue until it is ended by either the employee giving notice or action by the employer for a specified reason such as redundancy or dismissal for conduct or capability reasons.

The Council acknowledges the importance for employees who are planning to retire to achieve a balance between work and other interests. Managers are encouraged to seriously consider requests for flexible working arrangements which are desired as a variation to the existing contract of employment. However, managers reserve the right to refuse requests where there are sound business reasons which require that the job under consideration can only be carried out effectively on its present basis.

Pensions

1. This policy applies to all employees who are members of the LGPS or are eligible to join.
2. Employees with a contract for at least three months, and aged between 16 and 75 will be brought into the LGPS automatically from their first day of employment. Those with a contract of less than three months, and casual employees, have a right to join and will need to opt in (also see para 4 below).
3. From the first day of employment employees will be able to elect not to be a member of the LGPS. It is not permitted to complete and return an opt-out form until after commencing employment.
4. Oxfordshire County Council is legally required to auto-enrol certain employees into a pension scheme once every three years starting 1 February 2013 or when they meet certain criteria. This will take place again in 2016 and those affected will be informed in writing on enrolment. Casual employees will be postponed auto-enrolment into the pension scheme for three months. From this point on they will be auto-enrolled if eligible and will need to opt out if they wish to do so.

³ To assist with the costs of making pension provision, from April 2014 employees can choose to pay half rate contributions to build up half the standard benefits which may be a more affordable option for some.

5. The pension contribution rates applied are published at Appendix 2 of the Pay Policy Statement. From 1 April 2014 a continual assessment will be made each pay period using the annual rate of pensionable pay together with any pensionable allowances.
6. If an employee feels that their contribution rate has not been assessed correctly and not in accordance with this policy statement, they must contact the Pensions Administration Team in in the IBC (via an enquiry form) to ask for a breakdown of the assessment no later than three months following any change. Where it is confirmed that the assessment has been made in accordance with this policy statement and appropriate LGPS Regulations but the employee is challenging the assessment, then the complaint will be referred to the County HR Manager. If a complaint cannot be resolved satisfactorily then employees can use the Adjudicator as in paragraph 21 below.
7. Employees with more than one job with the Council will be assessed separately for each individual contract of employment.
8. An employee who has chosen not to contribute to the Local Government Pension Scheme will receive no pension benefits from the Fund under this scheme upon retirement. Redundancy compensation will be paid where appropriate as set out in Paragraph 18 below.
9. The Council will not at any time augment the pension or membership of employees nor award or fund additional pension to employees unless required to do so by the LGPS Regulations.

Retirement

10. An employee who is aged 55 or older may choose to leave and draw their pension by giving the appropriate notice. Those employees who have a sufficient period of membership in the pension scheme may choose to receive immediate payment of pension, in accordance with Pension regulations.
11. From April 2014 members choosing to leave aged between 55 and under age 60 may request immediate payment of their pension. In these circumstances all pension payable (whether built up in the scheme before or after April 2014) will be subject to a full reduction. The county will not, in any circumstance use its option to waive any or part reduction that may apply in the early payment of a pension under this section. Employees are advised to contact Pension Services for information about any pension entitlement and the arrangements for payment options.
12. An employee who is aged between 55 and 75 may request “flexible retirement” under the LGPS Regulations. This involves continuing to work and either reducing his/her hours of work or accepting a lower paid job within the Council while receiving an immediate payment of pension benefits. These benefits may be reduced or unreduced depending on entitlement. The council will not, in any circumstance use its option to waive

any reduction that may apply in the early payment of a pension under this section. Requests for payment of part benefits will not be agreed. This flexible retirement arrangement will only be available where all of the following apply:

- Approval is obtained from Pensions Benefits Sub-Committee, see Paragraph 18 below. Each case will be considered on its merits, although an application is unlikely to succeed where there are costs to the Council and the benefits to the service are not explicit.
 - Where the costs of the flexible retirement are below £5,000, approval has been delegated to the Chief HR Officer through the County HR Manager.
 - There is a mutual agreement between the employee and management that the change in hours or grade can be accommodated and the arrangement is expected to continue for a period of no less than one year.
 - The changes to employment result in a reduction in income of 25 per cent or more of the normal pay of the current contracted employment, either by a reduction in hours or a reduction in grade or a combination of both.
13. Retirement with an immediate payment of pension before normal pension age may also arise for the reasons set down in paragraphs 17 and 18 below and is subject to the conditions stated.
14. An ex-employee who has retired and is receiving a Local Government Pension will not normally be re-employed by the County Council unless he/she has been selected by a full recruitment process. However, retired employees may register for short-term casual work without further process. All re-employed pensioners and employees who commence employment are required to advise the Authority who pays his/her pension of any new employment as his/her pension may be reduced in accordance with Pension Scheme Regulations and Compensation Regulations.
15. Employees are advised to seek guidance about the financial implications of continuing to work and starting to draw a LGPS or personal pension.

Special Retirements

16. In the case of the retirements referred to in paragraphs 17 and 18 below re-deployment to other appropriate employment will be considered and offered as an alternative to retirement where appropriate and available.

Ill Health Retirements

17. Where an employee with at least two years membership of the LGPS has been certified by an independent Occupational Health Advisor as being permanently incapable of discharging his/her duties or other comparable duties due to ill health or infirmity of body or mind, the Council will consider awarding early retirement with immediate payment of a pension in accordance with Pension regulations. Ill health retirement may occur at any

age.

Where the ill-health pension is for a limited period and is subsequently suspended, the ex-employee may request early payment of benefits before age 60 in accordance with paragraph 18 (b) below.

Other Retirements requiring the Approval of the Pensions Benefits Sub-Committee

18. Early retirement may be granted for employees aged 55 years and over with at least two years membership in the LGPS in the circumstances set out in a) to (c) below, taking into consideration the full cost of the retirement and the best interest of the Council.
 - (a) Redundancy, after the Council's Redundancy Procedure has been followed.
In this case employees will receive immediate payment of their pension entitlement and redundancy compensation will be paid where appropriate in accordance with the Oxfordshire County Council Redundancy Payments Scheme (effective 1 April 2011) which is one and a half times the statutory calculation based on actual pay.
 - (b) Where an employee has continuing health problems and it is in the interests of the efficiency of the Council's operations.
In this case immediate payment of pension will be granted to an employee who does not satisfy the Local Government Pension Scheme criteria for retirement on the grounds of ill health, but who is suffering from a substantial medical or psychiatric condition and whose retirement is recommended by the Council's Occupational Health physician because he/she is likely to be significantly less efficient for the foreseeable future due to health reasons.
 - (c) Where an employee has requested flexible retirement and satisfies the criteria in Paragraph 12 above.
19. The Council will not normally agree to early payment of benefits or early retirement on other grounds, or deferred benefits from ex-employees where there is a cost to the Council. This does not prevent an employee aged 55 to 59 years who wishes to, from leaving the employment of the authority and accessing their pension early under the terms of paragraph 11 above or from making a written request to the Sub-Committee to consider the waiving of any or all the reduction on compassionate grounds of an early payment of pension. However, such applications will not normally be supported by management and are unlikely to succeed due to the associated costs. Furthermore, benefits will be reduced in any cases which might be agreed, unless compassionate grounds apply.
20. The Council reserves its power to agree early retirement in exceptional cases which are commensurate with the efficient and effective running of the service as part of a Settlement Agreement.

Redundancy with no Entitlement to Immediate Payment of Pension Benefits

Where a redundant employee has contributed to the LGPS but has no entitlement to immediate payment of pension, which from April 2014 will include over age 55 with under two years membership, he/she will receive redundancy compensation, where appropriate, in accordance with the Oxfordshire County Council Redundancy Payments Scheme (effective from 1 April 2011) which is one and a half times the statutory calculation based on actual pay and is not subject to age restrictions.

Disputes Procedure

21. Where a member of the LGPS has a dispute regarding his/her pension he/she may refer this as appropriate through the County's agreed Raising Concerns at Work Procedure or through the process laid down in the Pension Regulations to the Adjudicator

a. Revision of this Policy

22. This policy will be reviewed within three years of its implementation or earlier if deemed necessary.

Chief HR Officer

Reviewed February 2016 (incorporates LGPS regulations from 1 April 2014)

Division(s): N/A

COUNCIL – 16 FEBRUARY 2016

CORPORATE PLAN AND SERVICE & RESOURCE PLANNING 2016/17 – 2019/20

Report by the Chief Finance Officer

Introduction

1. This report is the culmination of the service & resource planning process for 2016/17 to 2019/20. It sets out the Cabinet's proposed budget for 2016/17, medium term financial plan and capital programme, together with a number of statements/policies that the Council is required to approve for the 2016/17 financial year. The report also includes the Corporate Plan to 2020.

2. The report is divided into four main sections which are outlined below:

Section 1 – Leader of the Council's overview

Section 2 – Corporate Plan

Section 3 – Chief Finance Officer's statutory report

Section 4 – Budget Strategy and Capital Programme

Section 1 – Leader of the Council's overview

3. Section 1 will set out the Leader's speech on the proposed budget and will be published on 16 February 2016. This section will also include the response to the Council Tax survey that closed on 8 February 2016.

Section 2 – Corporate Plan

4. As part of a range of documents which set out objectives and activities ahead, the Council produces a Corporate Plan that is refreshed on an annual basis. The update for 2016/17 has a fundamental review of priorities, with the intention that it should be a significantly shorter strategic-level document. The three key areas of focus in the Council's strategy are:

- A thriving economy
- Efficient services
- Protecting vulnerable people

5. The plan also sets out how the Council is run, the values according to which it operates, the key thematic partnerships in which the Council is involved, some recent successes, and how the Council involves the public in planning for the future.

Section 3 – Chief Finance Officer’s statutory report

6. Under Section 25 of the Local Government Act 2003, the Chief Finance Officer is required to report on the robustness of the estimates made in determining the council tax requirement and on the adequacy of the proposed financial reserves. This assessment is set out in section 3 of the report. Council is required to have regard to this report in making their decisions on the budget.

Section 4 – Budget Strategy and Capital Programme

7. This section sets out the detailed 2016/17 budget and the 2016/17 – 2019/20 medium term financial plan and capital programme, together with the strategies which underpin these such as the treasury management strategy. It includes those matters that the Council must approve as part of the budget setting process, including the council tax requirement and council tax amount for a band D property.
8. The Final Local Government Finance Settlement is not expected until the week commencing 8 February 2016. Therefore, with important information still outstanding, the proposed budget approved by Cabinet on 26 January 2016 for recommendation to Council remains unchanged. The papers can be found on the Council’s website using the following link:
<http://mycouncil.oxfordshire.gov.uk/mgAi.aspx?ID=14128#mgDocuments>
9. In January, Cabinet agreed to delegate to the Leader of the Council, following consultation with the Chief Finance Officer, to make appropriate changes to the proposed budget.
10. Once the final information is available, all of the papers listed in Annex 1 will be published alongside a report setting out the changes from the 26 January position and, if necessary, a further report from the Chief Finance Officer.

Financial and Legal Implications

11. This report is mostly concerned with finance and the implications are set out in the main body of the report.

Equality and Inclusion Implications

12. The Equality Act 2010 imposes a duty on local authorities that when making decisions of a strategic nature, decision makers must exercise ‘due regard to the need to eliminate unlawful discrimination... advance equality of opportunity... and foster good relations.’
13. The overarching service and community impact assessment (SCIA) setting out a general assessment of the broad impact of the budget proposals was included in section 4.12 of the report presented to Cabinet in January 2016. This is supported by initial service-level assessments for the new proposals published on the Council’s website.

RECOMMENDATIONS

14. The Council is **RECOMMENDED** to:
- (a) approve the Corporate Plan 2016/17 – 2019/20 as set out in section 2.0;
 - (b) have regard to the Chief Finance Officer's report (at Section 3) in approving recommendations c to f below;
 - (c) (in respect of revenue) approve:
 - (1) the council tax and precept calculations for 2016/17 set out in section 4.3 and in particular:
 - (i) a precept of £305,896,875;
 - (ii) a council tax for band D equivalent properties of £1,281.64;
 - (2) a budget for 2016/17 as set out in section 4.4;
 - (3) a medium term plan for 2016/17 to 2019/20 as set out in section 4.1 (which incorporates changes to the existing medium term financial plan as set out in section 4.2);
 - (4) the use of Dedicated Schools Grant (provisional allocation) for 2016/17 as set out in section 4.7;
 - (5) virement arrangements to operate within the approved budget for 2016/17 as set out in section 4.8;
 - (d) (in respect of treasury management) approve:
 - (1) the Treasury Management Strategy Statement and Annual Investment Strategy for 2016/17 as set out in section 4.5;
 - (2) the continued delegation of authority to withdraw or advance additional funds to/from external fund managers to the Treasury Management Strategy Team;
 - (3) that any further changes required to the 2016/17 strategy be delegated to the Chief Finance Officer in consultation with the Leader of the Council and the Cabinet Member for Finance;
 - (4) the Prudential Indicators as set out in Appendix A of section 4.5
 - (5) the Minimum Revenue Provision Methodology Statement as set out in Appendix B of section 4.5;
 - (6) the Specified Investment and Non Specified Investment Instruments as set out in Appendix C and D of section 4.5;
 - (7) the Treasury Management Policy Statement as set out at Appendix E of section 4.5;
 - (e) (in respect of balances and reserves) approve:
 - (1) the Chief Finance Officer's recommended level of balances for 2016/17 as set out in section 4.6.1
 - (2) the planned level of reserves for 2016/17 to 2019/20 as set out in section 4.6.2;
 - (f) (in respect of capital) approve:
 - (1) a Capital Programme for 2015/16 to 2019/20 as set out in section 4.9 including the Highways Structural Maintenance Programme 2016/17 and 2017/18 in section 4.9.1;

LORNA BAXTER

Chief Finance Officer

Background papers: Nil

Contact Officers:

Section 2 – Maggie Scott – Head of Policy

Tel: 01865 816081

Section 4 – Katy Jurczynszyn – Strategic Finance Manager

Tel. 01865 323995

February 2016

Budget Strategy and Capital Programme

1. Section 4 of the report sets out the financial plans, strategies and policies that the Council is required to approve as part of the budget setting process. The content of this section is as follows:

Section	Title
4.1	Medium Term Financial Plan (MTFP) 2016/17 – 2019/20
4.2	Variations to the MTFP
	4.2.1 Changes to the budget proposals since 26 January 2016
4.3	Council tax and precepts 2016/17
4.4	Detailed Revenue budget 2016/17
4.5	Treasury management strategy statement and annual investment strategy for 2016/17 (including prudential indicators and minimum revenue provision policy statement)
4.6	Balances and reserves
	4.6.1 2016/17 risk assessment for level of balances
	4.6.2 Summary of balances and reserves
4.7	Dedicated Schools Grant provisional allocation 2016/17
4.8	Virement rules for 2016/17
4.9	Capital programme 2015/16 – 2019/20
	4.9.1 Highways Structural Maintenance Programme 2016/17 and 2017/18

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COUNCIL – 16 FEBRUARY 2016

CORPORATE PLAN AND SERVICE & RESOURCE PLANNING 2016/17 – 2019/20

ADDENDA

Report by the Chief Finance Officer

Introduction

1. This report provides an update to the report published on 8 February 2016 following the announcement of the Final Local Government Settlement (subject to House of Commons approval) and other outstanding information.
2. The budget proposals set out in section 4 have been updated in the light of this information. Changes since the report published on 8 February 2016 (unchanged from the report to Cabinet in January 2016) are set out in section 4.2.1.

Updated Financial Information

Final Local Government Finance Settlement

3. The final local government finance settlement was announced on 8 February 2016 for approval by the House of Commons on 10 February 2016.
4. Revenue Support Grant allocations remain unchanged from those published at the time of the provisional settlement.
5. £150m of transitional funding has been made available in both 2016/17 and 2017/18 for “the Council’s with the sharpest reductions in revenue support grant”. The Council will receive £4.5m transitional funding in both 2016/17 and 2017/18.
6. The provisional settlement showed a number of authorities seeing negative adjustments to Business Rates Top-Up payments from 2017/18 onwards. The final settlement has provided additional funding to cancel these adjustments for 2017/18 and 2018/219. The indicative allocations for 2019/20 still include the adjustment, and for Oxfordshire this is a £6.2m reduction.
7. The Rural Services Delivery Grant has been increased to £80.5m for 2016/17 from £20.0m in the provisional settlement. This funding is distributed to the top-quartile of authorities ranked by super sparsity. Oxfordshire does not receive any of this funding.

8. The government announced a review of the Needs Assessment Formula to calculate what this should be when all local government spending is funded by local resources (council tax and business rates) not central grant. This will be used to determine the transition to 100% business rates retention and the process will be set out in the next few weeks.
9. A consultation on funding for former Independent Living Fund recipients was launched on 10 February 2016. Draft allocations have been provided as part of the consultation. The 2016/17 allocation for Oxfordshire is £3.8m, £0.8m higher than 2015/196. It is proposed that the additional £0.8m is held in the corporate contingency pending the outcome of the consultation which closes on 22 March 2016.
10. The Special Educational Needs & Disabilities Grant has been announced at £0.4m for the Council, this is £0.1m higher than the estimated figure.
11. Allocations for the Better Care Fund at Clinical Commissioning Group level have now been announced. For Oxfordshire the overall allocation in 2016/17 is £40.6m. Of this £4.5m is Disabled Facilities Grant which is pass ported to district councils. The revenue allocation has increased by £2.2m to £36.1m in 2016/17. The amount of this fund to be used to support social care will need to be agreed by the Health & Wellbeing Board. It is currently assumed that this will be in line with the allocations for 2015/16.

Collection Fund Surplus

12. Final estimates of the County Council's share of the council tax collection fund surplus were received by the end of January 2016. The amounts have now been confirmed and the Council will receive £7.0m in 2016/17, £0.1m more than the forecast position reported in January 2016.

Business Rates

13. Final estimates of the County Council's local share of business rates were received on 8 February 2016. The forecast provided by district councils for 2016/17 is £29.9m of business rates income plus £1.0m grant to compensate for the various business rate reductions announced in the 2013 and 2014 Autumn Statement. In total this is £0.1m less than the previous forecast position. In addition, the Council is expected to meet a share of the estimated deficit on business rates collection for 2015/16 of £2.1m; this is £0.3m higher than the forecast position of £1.8m. A £0.4m contribution from the business rates reserve in 2016/17 will offset these reductions.

Flood Defence Levy

14. The Flood Defence Levy for 2016/17 has been confirmed as £541,000. This is a £6,000 increase from the 2015/16 amount.

Budget proposals

15. The extra transitional funding announced as part of the final settlement is temporary for two years; therefore it has no impact on the total level of savings

required over the medium term. The Cabinet propose to use £4.0m on a one-off basis in 2016/17 to create a fund to help local areas manage the impact of the savings. The further £4.5m of funding in 2017/18 reduces the level of savings to be identified in that year from £10.0m to £6.3m and then increases the 2018/19 amount from £1.7m to £6.2m.

16. The changes to the 2016/17 budget and medium term plan are summarised in the following table.

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	Total £m
JANUARY REPORT SURPLUS/SHORTFALL	0.7	10.0	1.7	-1.2	11.2
Council Tax Surplus	-0.1	0.1			0.0
Business Rates from District Councils	0.4	-0.3			0.1
Contribution from Business Rates Reserve	-0.4	0.4			0.0
Additional SEND Grant	-0.1	0.1			0.0
Independent Living Fund	-0.8	0.1	0.1	0.1	-0.5
Contribution to Contingency	0.8	-0.1	-0.1	-0.1	0.5
Transitional Grant Funding	-4.5		4.5		0.0
Transition Fund	4.0	-4.0			0.0
REVISED SURPLUS/SHORTFALL	0.0	6.3	6.2	-1.2	11.3

17. The report to Cabinet in January proposed that the shortfall of £0.7m in 2016/17 would be met from the budget reserve. The changes in funding as a result of the final settlement and the proposed creation of a transition fund mean that only a £60,000 contribution from the reserve will now be required.¹

Capital Programme

18. The capital programme presented to Cabinet in January 2016 included a proposed loan of £5.5m to the King Alfred's Academy to support their strategy to move from three sites to two. The Education Funding Agency has not approved the proposal and will instead put in place arrangement to offer loan facilities to Academy Schools for this type of work. Consequently, the £5.5m funding has been removed from the capital programme at Section 4.9.

Conclusion

19. This report reflects a number of changes in funding available to the Council in 2016/17 and the medium term and needs to be considered alongside the Corporate Plan and Service & Resource Planning report already published at Item 9. Section 4 of the report has been updated and reflects all of the changes described in this report.

¹ Not shown in the table at paragraph 16 due to rounding

LORNA BAXTER

Chief Finance Officer

Background papers: Nil

Contact Officers: Katy Jurczynszyn – Strategic Finance Manager
Tel. 01865 323995

10 February 2016

Section 1

Leader of the Council's Overview



**CORPORATE PLAN AND SERVICE & RESOURCE PLANNING 2016/17
to 2019/20**

Budget speech 2016

To be published on Tuesday 16th February 2016

Outcome of Council Tax Survey

The response to the Council Tax Survey which closed on Monday 8th February 2016 is attached in Section 1.1.

Oxfordshire Voice Citizens' Panel Council Tax levels and Council Tax Referendum Mini Poll 2016

Introduction

This report presents the data from the Council Tax mini-poll, which sought public views on Council Tax levels and the possibility of a Council Tax referendum to raise more income locally.

Methodology

- This survey took place between Wednesday 27 January and Monday 8 February 2016
- Recipients were members of the Oxfordshire Citizens' Panel who had stated a preference for surveys to be sent via email (1096 people in total)
- Prior to sending, the demographic composition of this sub-set of the panel was checked. This showed it to be broadly representative of the population of Oxfordshire, albeit with a slightly younger age profile
- Two reminder emails have been sent to encourage people to respond. These were on Thursday 3 February and Saturday 6 February
- The council's financial situation and the government limit on council tax increases with a referendum were explained.
- We received responses from 230 panel members (21% response rate). Due to the speed of turn-around for the survey data, the figures in this report have not been weighted to provide a more representative result

Results

The headlines from the survey were:

- 80% said they were aware of the council's financial position before the survey
- 19% said they did not want a Council Tax increase, and a 3.99% increase was the most popular level among people who were prepared to accept an increase
- 34% said they thought the county council should hold a council tax referendum and 84% said they would vote in a referendum.

Below are the results from the survey.

Awareness of the council's financial situation

Q1. Before the survey, did you know about significant financial challenges facing Oxfordshire County Council?

Number of responses: 230

	%
Yes	80
No	17
Not sure	3

Council Tax levels

Oxfordshire County Council is proposing a 3.99 per cent rise in its share of the Council Tax for 2016/17. The council could look to reduce the savings it needs to make and protect some frontline services by increasing Council Tax levels further.

This would be in addition to the short-term measures already proposed including:

- drawing from reserves on a one-off basis
- bringing some savings proposals originally proposed for future years forward to 2016/17
- reducing spending in certain areas on a one-off basis (training budgets, Book Fund in the library service)
- recalculating various financial assumptions on things such as inflation, Council Tax income and the overall tax-base

Q2. Taking this into account, tell us what level of Council Tax rise you would accept if it helped protect frontline services?

The table below shows options for increasing Council Tax, the impact each of these would have on the average band D Council Tax bill and the amount of saving the council would still have to find. Please indicate the highest level of rate rise you think would be acceptable.

Number of responses: 230

%	Option for increase	This would be an increased cost per year of... (on an average Band D Council Tax bill)	This would mean the council would have to make savings of...
30	Increase Council Tax by 3.99%	£49.18	£69 million
28	Increase Council Tax by 5%	£61.62	£66 million
16	Increase Council Tax by 10%	£123.25	£51 million
5	Increase Council Tax by 15%	£184.87	£37 million
19	Do not increase Council Tax	£0.00	£81 million
3		Don't know	

(NB: The total does not add up to 100% due to rounding of results.)

Attitudes towards Council Tax referendum

Q3. Do you think Oxfordshire County Council should hold a Council Tax referendum to increase Council Tax to help protect frontline services?

Number of responses: 230

	%
Yes	34
No	53
Not sure	13

Q4. If there was a Council Tax referendum, would you vote?

Number of responses: 230

	%
Yes	84
No	7
Not sure	9

Report by: Eddie Gibb, Head of Communications

Contact officer: Carole Stow, Marketing & Consultation Manager

Date: 8 February 2016

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Section 2

Corporate Plan



AMBITION FOR OXFORDSHIRE

Oxfordshire County Council's role in delivering a Thriving Oxfordshire

**Oxfordshire County Council
Corporate Plan 2016-2020**

1. My Ambition for Oxfordshire

Reductions in central funding to councils combined and rising demand for our care services mean that our new corporate plan must focus on targeting resources at vulnerable people while becoming more efficient.

However Oxfordshire County Council remains a substantial organisation, providing a range of services used by all residents, including some of the most vulnerable people in our society.

Government plans to change the way councils are funded also provide an opportunity to reshape the nature of local government. So let me set out clear priorities for the council in the coming years.

First, we will work to support Oxfordshire's thriving economy. That means helping the private sector create high quality new jobs and securing government and developer funding for key infrastructure.

We are rolling out superfast broadband across the county to meet the needs of a digital economy, and supporting the local enterprise partnership and education providers create a skilled workforce. As more funding for local services is raised locally, this growth in jobs is needed so we can meet our responsibilities towards those who cannot support themselves.

Second, we will protect vulnerable people - in particular vulnerable children at risk of abuse and neglect and adults who can't look after themselves. We will always look after those people with eligible care needs.

Where we can intervene early to help people avoid or delay life's problems we will, because prevention is better than cure. It is also cheaper in the long run.

Third, while doing all this we will be efficient. We have already stripped out layers of management, and rooted out duplication and inefficiency. This next step will require us to be even leaner, modernising the way the council runs and provides services.

More transactions will be digital. We will dispose of properties we do not need or generate an income from them. Our own staff will work more flexibly so we need less office space, and where possible we will share buildings with other organisations. We will also work with partners and central government to join up local services so that more decisions about Oxfordshire are made in Oxfordshire.

That said, I want to ensure we don't forget Oxfordshire's strengths. Most notably we are the fastest growing part of the country since the recession - outpacing even Greater London in economic growth. For this reason we have the lowest unemployment on record in the county, with only one person in every 200 claiming unemployment benefit.

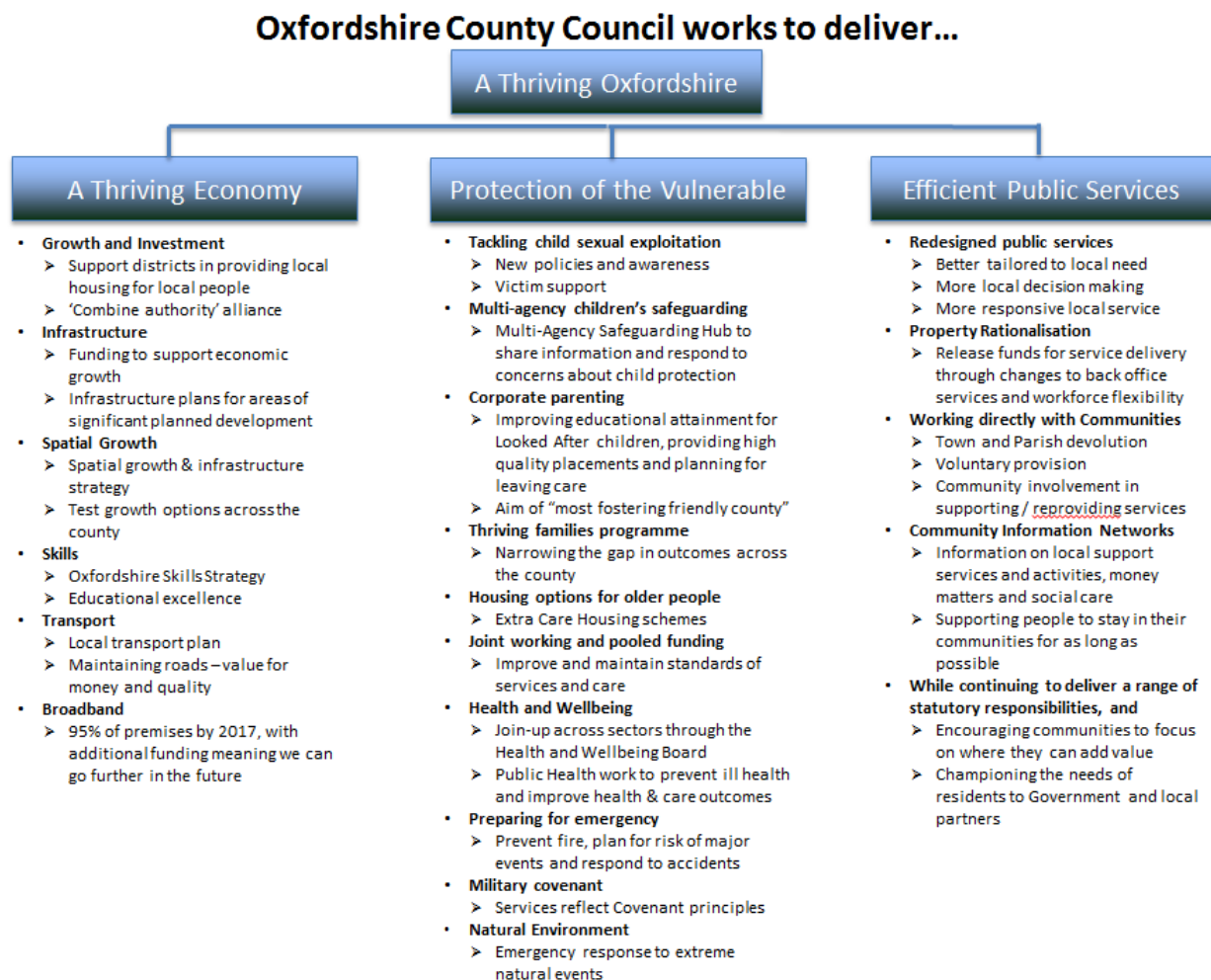
Another of our greatest strengths is the resilience of our people and communities. While helping vulnerable people is the priority for many of our services, it is my hope

that we can enable other services to continue and indeed deliver better outcomes by working in new ways, in partnership with local people, other parts of the public sector, and with private companies - and all at less cost to the taxpayer.

This is my ambition for Oxfordshire.

Cllr Ian Hudspeth
Leader, Oxfordshire County Council

2. Your Council



Tighter budgets in a shrinking public sector

In contrast to the rapid growth in Oxfordshire's private sector economy, the public sector is required to make savings year on year - nowhere more so than in local government. As central government reduces funding to local government, the county council has to continue to bear down on spending. While we work to make our services as efficient as possible, this will also result in cuts to services.

At the same time the demand for services, and therefore the cost, is increasing. This is partly due to our ageing and growing population, and increasing demand for children's social care services. The most intensive users of our services make up around 2% of the population, but account for around half our spending, and this proportion is growing. The council has also taken on functions from other parts of the public sector, such as public health.

The financial challenge public services face in meeting the needs of a growing number of old people is well known. However we are also having to spend more on adults with learning and physical disabilities, and protecting vulnerable children. In less than five years we have seen a 42% increase in looked after children, and an 84% increase in child protection cases. At the end of March 2015 there were 6,494 adults in Oxfordshire receiving long-term social care funded by the county council. There were 515 looked after children, and 569 children who were the subject of a child protection plan

We also have to maintain a range of other services we are required by law to provide.

We have made significant savings without affecting frontline services, through efficiencies including management reductions, pay freezes, smarter contracting, better use of our property, working with the voluntary sector, and shrinking/sharing our back office services.

However these will not be sufficient to meet the scale of the ongoing financial challenge we face, which will require radical new thinking about how we raise income and how we spend it.

Targeting resources at the most vulnerable

As a result the council now has to make some tough decisions. Some county council services will be reduced and others may stop altogether.

While we will continue to meet our statutory responsibilities, increasingly we will not be able to provide universal services beyond that core. Instead we will target services at those who really depend on them – particularly children at risk of abuse and neglect, and adults who cannot look after themselves.

In 2015/6 we spent around £575m, and around half of this is being raised from council tax. The council has already saved – or has plans to save – a total of £292 million between 2010/11 and 2017/18. In many cases those savings have been required to meet rising demand for our provision to the most vulnerable, as well as addressing our falling funding.

We now expect that we will need to save up to £72 million more in the four years between 2016/17 and 2019/20. These savings are long-term; even when the government meets its target on deficit reduction, we do not expect significant increases in council funding from central government, and indeed believe that Oxfordshire may effectively be 'fiscally independent' by the end of the plan period.

Therefore in addition to managing our cost base as efficiently as possible, and reducing some of the services we provide, we need to support growth in our local economy to maximise the council's income from local taxpayers, devolved business rates, and central government growth incentives.

3. Our priorities

Given the financial challenge set out above, we must be clear about our priorities, and what we can and cannot afford to do in the future. Less money means that we must use our influence as effectively and efficiently as possible in order to deliver our priorities.

1. A strong and thriving economy

We will support a strong and thriving economy, working with the local enterprise partnership, local universities, businesses and the five district councils in Oxfordshire, to:

- Help enable the private sector create new high quality jobs, particularly those which make the most of the county's world-famous expertise in science, technology, and innovation
- Secure government and developer funding towards the costs of the infrastructure which enables and supports that growth, including transport infrastructure, superfast broadband, and other infrastructure such as new schools for growing communities
- Support the LEP in working to ensure a skilled workforce, including the right staff for the public sector, in the context of a growing private sector which generates more, and better paid, jobs, and
- Maximise the funding to public services from a growing local economy, ensuring that developers pay their fair share towards infrastructure, and making the most of business rate devolution. As government withdraws central funding the only way to sustain vital public services in Oxfordshire will be for a thriving economy to generate local resources.

2. Protection for vulnerable people

We will safeguard vulnerable children and adults and meet their eligible care needs, including through:

- Stopping abuse and neglect, and giving children in our care a good start in life
- Backing evidence-based early interventions which prevent more challenging problems arising in the future
- Helping and empowering troubled families, including supporting them to move off benefits and into work
- Supporting people with significant needs, including older people with substantial care needs, and meeting the eligible care needs of people with physical disabilities, learning disabilities, or mental health problems
- Offering information and advice so people can look after themselves
- Supporting informal carers

3. Efficient public services

There are two aspects to this:

Firstly to enable the council to target services at those in greatest need, the Council needs a more efficient business operating model, which will involve consolidation across the council, leaner processes, modernisation and rationalisation of our functions, and other innovation to drive a cross-cutting approach to ensure services are as efficient and effective as possible. As part of this we will be:

- Making transactions and processes digital wherever possible, simplifying customer interaction with the council, making best use of the internet, helping people access online services, and joining up our back office processes more efficiently.
- Stepping up the pace of work on reviewing our asset management, disposing of properties where appropriate, and reducing our need for office space by requiring and supporting our staff to work in an 'agile' way, with fewer office staff having permanent fixed desks, and working with local partners to share property.
- Supporting people and communities to help themselves including by making it as easy as possible for people to volunteer in their communities, and ensuring that their work is valued.
- Taking a more commercial approach to managing our business. This will include generating income where this can be done in a way which makes a net contribution to the savings required - not least from using our remaining property assets in more efficient and innovative ways.

Secondly we recognise that we are part of the broader landscape in the county and that we must work effectively with our local partners to deliver the best possible outcomes for our communities and ensure that residents receive joined up and value for money services. This work includes:

- Working with partners to ensure decisions about services and spending in Oxfordshire are as far as possible made in Oxfordshire, based on local evidence and local accountability. At the time of publication of this plan we, with other local partners, are in discussion with government to seek significant devolution of powers and funding to the county. Current areas of focus for our devolution deal include:
 - Building on the strength of our local economy and the opportunity to drive further economic growth through seeking greater local freedoms in infrastructure provision, housing delivery, skills and business support;
 - Developing a single approach for health and social care in Oxfordshire, bringing together organisations and budgets to create a system that will deliver the care that our residents need as well as better value for money for tax payers.
- Where we are no longer able to fund services we will discuss with communities and other partners (for example local councils, the voluntary sector and community support organisations) how they might be able to develop new and financially sustainable models of service provision, where

the council no longer provides services directly but supports the a community solution.

We will work closely with district councils to support planning for the growth in our economy and in housing, to plan ahead to meet our infrastructure needs, and to ensure growth is delivered in a way which supports Oxfordshire's heritage and quality of life.

Our statutory responsibilities

We will retain a range of other statutory responsibilities which we will work to deliver efficiently and effectively, including:

- Providing fire and rescue services and preventative advice
- Maintaining local roads to a safe standard
- Disposing of household waste and recycling, and
- Supporting library services in our communities.
- Helping people live healthier lives
- Targeting rogue traders

Examples of what we will not do include:

- Providing universal services without clear evidence for their cost-effectiveness - this will mean some services stopping, and others being provided in a different way, e.g. being taken on by the local community or volunteers where this can be done in a financially sustainable way.
- Spending money on roads and other highway assets where it does not contribute to our objective of maintaining them safely and cost-effectively.
- Making judgements about who should provide a service other than on grounds of effectiveness and efficiency.

4. How the Council is run

The Council is a locally elected, democratically accountable organisation with 63 councillors. This plan, alongside other key strategic documents such as the Medium-Term Financial Plan, has to be agreed by a majority of councillors at its council meeting.

The last set of elections to Oxfordshire County Council took place in May 2013, and the next elections will be in May 2017. The Council operates a Cabinet and Scrutiny model. This means that some decisions are taken by the Cabinet (a group of councillors from the majority group), which are subject to scrutiny by cross-party panels on particular issues.

We will also apply a number of tests in our business planning to maximise the effectiveness and efficiency of our work:

- Is what we are doing joined up with others trying to achieve the same things?
- Do we need to intervene - to help our most vulnerable residents, or because of legislation?
- Does what we are doing reward people who are doing the right thing?
- Are our decisions being made on the basis of the best available evidence?
- Are we signposting the full range of help available from all sources?

How we work

In making changes to tackle the financial challenge we face, we will ask key questions about each change, including whether it

- Contributes to our legal duties, e.g. to keep children and vulnerable adults safe
- Can be achieved without significantly increasing health and safety risks
- Makes a clear contribution to a thriving Oxfordshire
- Presents opportunities for communities to take over services themselves, or maintain services which we can no longer provide
- Reduces costs or demand for services by improving prevention
- Is an opportunity to become more efficient, e.g. through use of new technology

We will also monitor our impact on inequality, including undertaking impact assessments of service change on groups with protected characteristics required by the Equality Act 2010, as well as considering deprivation and geographic factors affecting rural or urban communities.

As an organisation we will continue to work to a set of organisational values in our work with partners, the public, and colleagues.

- Customer focus
- Honesty
- One team

- Innovation
- Commercial
- Enthusiasm

Managing Performance

The priorities set out in this Corporate Plan shape all activities and services conducted across the Council. The Directorates will use these to develop their Directorate Business Strategies.

Directorate Business Strategies set out the strategic priorities for their service areas, including making budget savings. They ensure all areas of their business are managed (not solely focused on savings and pressures) and areas of underperformance/concern are escalated when appropriate.

The priorities and activities set out in the Directorate Business Strategies will cascade right down to individuals so that everyone is clear about what their priorities are to ensure we collectively deliver our agreed Plan.

We will measure our success through performance information and benchmarking (how we are performing against other similar authorities, value for money/financial information, customer survey results) and a set of outcome performance measures.

We will report these back to our Performance Scrutiny Committee and Cabinet throughout the year. In addition, we will publish a range of transparency data, available here: <https://www.oxfordshire.gov.uk/cms/content/open-information>

Alongside this Corporate Plan we will develop a corporate Business Strategy, setting out how the Council will deliver change to services and our own ways of working.

5. Working in partnership

The Council already works in partnership with a range of organisations and significant business is undertaken through the Council's role on formal partnership bodies including:

Oxfordshire Growth Board and Local Enterprise Partnership: Provide strategic co-ordination for our growing economy and the expected growth in housing, and support work to get the funding for the infrastructure which that growth requires - particularly transport improvements.

Health and Wellbeing Board: Brings together local government, the NHS, and other key partners, to ensure we are looking in the round at Oxfordshire residents' needs for health and social care, so that we can plan and deliver these in a joined-up and coherent way.

Oxfordshire Safeguarding Children Board and the Safeguarding Adults' board: Enable organisations come together to agree on how they will cooperate with one another to safeguard and promote the welfare of children, or adults, at risk of harm. Both boards are independently chaired and membership includes all relevant statutory agencies.

Children's Trust: Reporting to the Health and Wellbeing Board and involving local government, the NHS, schools, the police, the voluntary sector, and parents and young people, to recommend where resources for children and young people should be focused and holding agencies to account for delivering the priorities for children, young people and families.

Safer Communities Partnerships (at countywide and district level): Involves the county and district councils, police, and others, in providing strategic oversight and direction for the prevention of crime and anti-social behaviour across Oxfordshire.

Stronger Communities Alliance: Brings together 23 members from voluntary sector support providers, faith groups, representatives of local councils, the NHS, military and police, to help build and maintain stronger communities and a thriving voluntary, community and faith sector in Oxfordshire to improve the quality of life for local people.

Oxfordshire Environment Partnership: A local government partnership which helps to coordinate shared action against broader Oxfordshire 2030 pledges relating to waste, energy, climate change, biodiversity and flooding.

The key countywide partnerships report to Council on at least an annual basis, and more information about their recent achievements and future plans can be found in this annual report, available [online](http://mycouncil.oxfordshire.gov.uk/documents/s30720/CC_SEP0815R03.pdf).
[http://mycouncil.oxfordshire.gov.uk/documents/s30720/CC_SEP0815R03.pdf]

We also work directly with a range of local and national partners. Many of the ambitions set out in this plan can only be achieved with others – ranging from local

people and communities, through local public and private sector partners, to national government.

Some of our key partners are shown below. We are also involved in partnerships beyond our borders where relevant. These include;

- England’s Economic Heartland, which will join up delivery of infrastructure improvements across eight council areas from Oxfordshire to Cambridgeshire
- Shared back office services (finance, HR) with Hampshire
- Collaboration with Oxford City Council to support counter-fraud measures.
- Aspects of Fire protection with Buckinghamshire and Berkshire.

To get the best outcomes for Oxfordshire, we will:

- Work with local and regional partners and national government to attract new investment and new powers to help support economic growth and deliver better services.
- Develop new models of joint working with better outcomes for local residents
- Facilitate and encourage communities to help themselves
- Help parishes and town councils respond to local needs including by allowing them to take on some council functions that we can no longer afford to provide ourselves.



6. Our Track Record

While we face significant challenges around the demand for our services and the funding available to provide them, we have much about which we can be positive. Here are some recent examples.

Helping troubled families thrive

The county council is helping transform the lives of more than 400 new families in the second phase of its Thriving Families project.

The scheme helps vulnerable families overcome problems such as antisocial behaviour, poor school attendance and unemployment. All 810 families identified in the first phase made real-terms improvements in their lives.

Oxfordshire is part of England's Economic Heartland

As a founder member of England's Economic Heartland strategic alliance, the county council is working with other councils including Buckinghamshire, Northamptonshire and Cambridgeshire to boost prosperity in the county by co-ordinating investment in transport infrastructure.

Already home to over 173,000 businesses, investment in England's Economic Heartland generates 40% higher return than anywhere else outside of London.

Pooled care and health budgets bring benefits

Oxfordshire County Council and the Oxfordshire Clinical Commissioning Group continue to pool budgets in excess of £330m to ensure that spending on health and social care makes best use of available resources and achieves the best possible outcomes for patients / service users.

The money funds community health and social care services and recent examples of the benefits of the pooled budget arrangements include the jointly-commissioned dementia support service, and our shared ongoing commitment to supporting carers in the county.

Joining up fire control services

Oxfordshire Fire and Rescue Service has joined forces with two neighbouring services to create a state of the art emergency call handling centre.

OFRS had joined Royal Berkshire Fire and Rescue Service and Buckinghamshire & Milton Keynes Fire and Rescue Service to set a new joint control centre in Reading.

Frideswide Square – improving traffic flow and better public space

After nearly 45,000 working hours, over 400 tonnes of granite and nearly 4000m² of York Stone the new look Frideswide Square near Oxford station is complete with its shared space for pedestrians, cyclists and public transport.

Other enhancements such as the free flow arrangement for traffic, trees, planters with uplighters and decluttered space means the square is now a fitting gateway into a city which is looking forward to the Westgate shopping centre redevelopment and train station.

Firefighters watch out for vulnerable residents

The service returned 88 safeguarding alerts to Oxfordshire County Council's adults and children's social care teams for further investigation following attendance at fires or other incidents during 2014-15.

If Oxfordshire firefighters see a family or older person in need in the course of their work, they refer concerns to other parts of the council responsible for children and adult social care.

Ring road improvements to ease congestion

In the last twelve months the county council has completed major improvements on the A423 at Kennington, A420 London Road and the Plain roundabout.

These schemes are part of the Connecting Oxfordshire programme and have helped improved traffic flows, provided new road surfaces and improved safety for all road users.

Each day around 16,000 vehicles, including up to 900 buses and coaches, use London Road. It is also a key road for residents and businesses of Headington.

7. Innovation and Challenges

To support its ambition for a thriving Oxfordshire in the context for rising demand for public services and reduced public spending, the county council will have to find new ways to meet the needs of the people of Oxfordshire.

Some of the challenges and innovative solutions we will be working in the coming year include:

A40 – work underway and thinking for a long-term solution continues

£100m improvement works to alleviate congestion in the short to medium term along the A40 corridor within Oxfordshire has started. Longer-term solutions for the A40 were considered as part of a public consultation held by the council in Autumn 2015 which will inform a long-term strategy for the A40.

Plans to boost adult social care workforce

The council is developing plans to grow its adult social care workforce and meet the challenges of an ageing population and the increasing number of people with complex health and social care needs in the County.

The council is working closely with providers of social care services to develop the skills and knowledge of staff, and promote the use of values in recruitment, to help ensure they feel valued and view their work as a vocation. There are also plans to boost apprenticeships in social and healthcare by funding placements with providers.

Ensuring children in care stay close to home

The council is building four new centres to look after children in care and those at risk of coming into care. This will enable more vulnerable young people to stay closer to home and help keep them safe.

Assessment Centres in Thame and Eynsham will help younger teenagers and homes in Didcot and Witney will cater for those preparing to leave care.

Growing Bicester – supporting major growth plans

Oxfordshire County Council in partnership with Cherwell District Council, Bicester Town Council and Bicester Vision, has developed a joint campaign called 'Growing Bicester'. The purpose of which is to explain how a number of transport, housing and regeneration schemes are part of a coherent, long-term development plan for the town.

Children and Family Centres for targeted early intervention

Oxfordshire County Council is developing proposals for a new integrated model of children's services. Under the proposals there would be up to eight Children and Family Centres located in areas of greatest need across Oxfordshire and an outreach service to support vulnerable children and families close to where they live.

It is also developing an offer to communities and voluntary groups to continue delivering universal services through existing children's centres.

The 'agile' county council

For Oxfordshire County Council becoming an 'agile' organisation means working in a more flexible way that makes best use of staff time, buildings and resources. We will maximise our performance by supporting teams to be more responsive, flexible and efficient.

Agile working is part of a bigger programme where the council is rationalising the use of properties to achieve savings.

Science Transit – connecting growth areas

Science Transit is a fresh approach to planning and delivering local transport is needed if the council is to successfully, and sustainably, connect the places in Oxfordshire where the majority of people will live and work over the coming 20 years. Science Transit is designed to improve connectivity within, to and from the Oxfordshire Knowledge Spine (Bicester – Oxford - Science Vale UK).

8. Having Your Say

When the Council makes significant decisions about services and funding, we are committed to making local consultation an important part of that decision-making process. This is so that local people and organisations are able to have their say about the policies which affect them.

Examples of our work on delivering this commitment include:

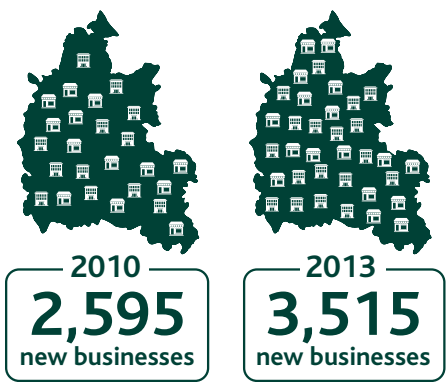
- Talking Oxfordshire – a six-week consultation explaining need to make further savings and setting out the options we were considering; 3,631 responses online with 348 people attending three public meeting, followed by a meeting for parish representatives to talk about impact of council cuts on rural communities
- Full consultation ahead of any significant service changes, including household waste recycling centres and children’s centres
- The Big Plan – consulting service users and their loved ones on services for people with learning disabilities
- Delivering a consultation on supported transport in partnership with a respected third party to ensure a fair and balanced approach
- Annual 'Hearsay' events, currently delivered on our behalf by Healthwatch Oxfordshire

You can view our current and most recent consultations online at <https://www.oxfordshire.gov.uk/cms/public-site/consultation>

Managing growth, protecting vulnerable people



Fastest economic growth outside London*

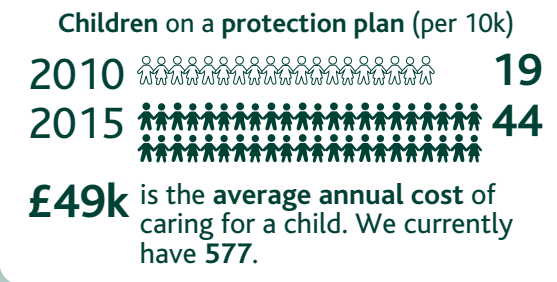


*between 1997-2013
ONS GVA figures

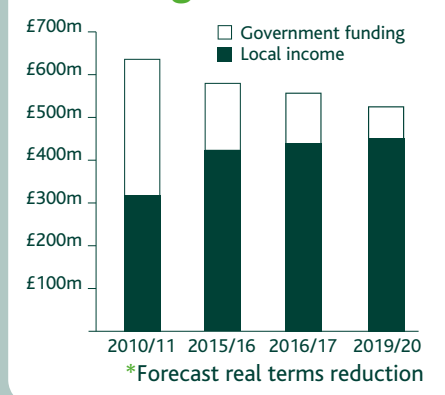
Housing growth



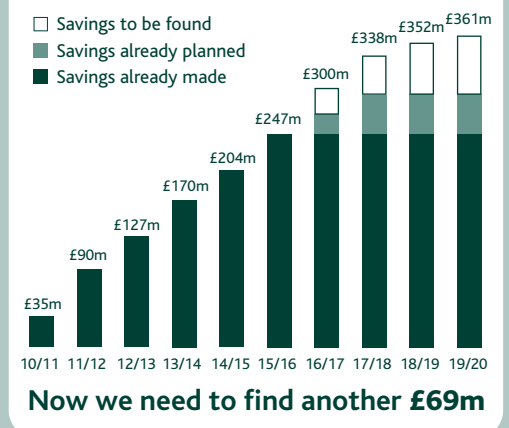
More children need protection



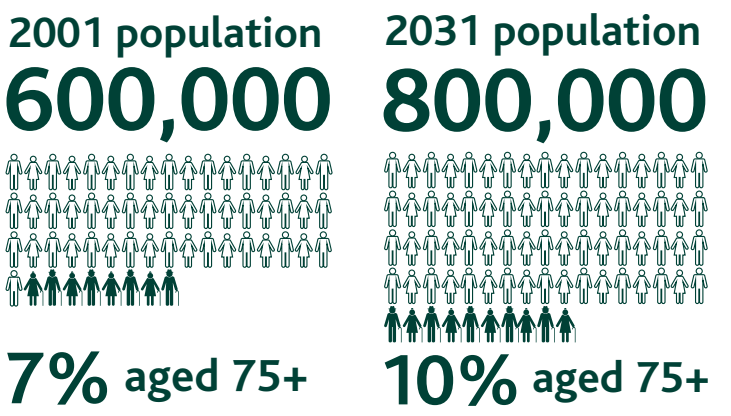
Government funding and overall council budget reduce*



Ten years of council savings

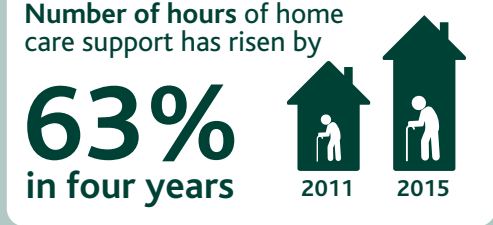


Growing and aging population



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Rising demand for adult care



Health and care

£330m is spent jointly with the NHS

Infrastructure

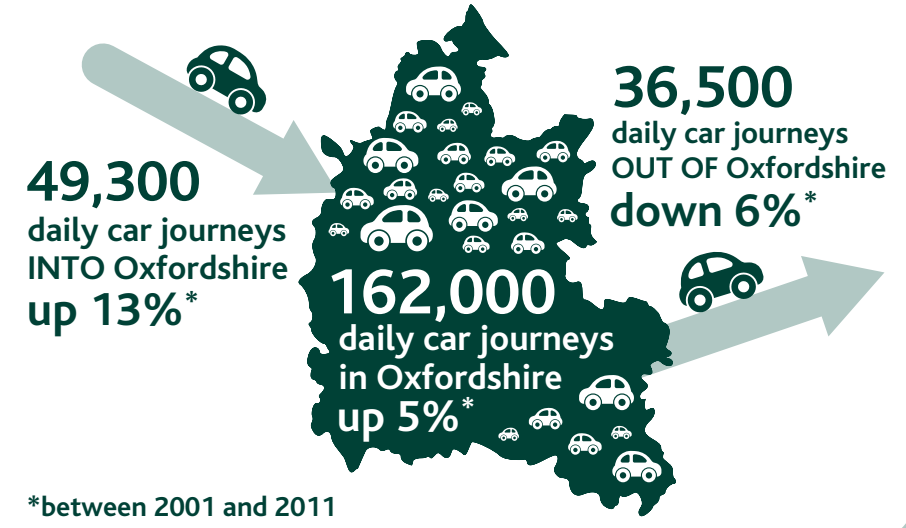
Highway maintenance



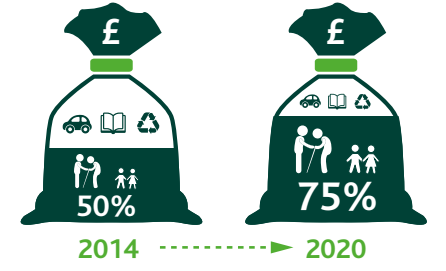
Connecting Oxfordshire



Traffic growth



Rising demand for care



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Section 3

Chief Finance Officer's Statutory Report



Local Government Act 2003: Section 25 Report by the Chief Finance Officer

Introduction

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 (budget 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 Service & Resource Planning process, the financial risks facing the Council and the level of total reserves.
4. The report is the culmination of the Service & Resource Planning process, which commenced in April 2015 following the national budget in March 2015. Through this process, detailed work has taken place with Councillors, the County Council Management Team (CCMT) and Deputy Directors.
5. Section 25 of the Local Government Act 2003 concentrates primarily on the uncertainty within the budget year (i.e. 2016/17) rather than the greater uncertainties in future years. However, future uncertainties, particularly around the continuing reductions in funding beyond 2016/17 and the increasing pressures in demand driven services also inform the need for reserves and balances in the medium term.

Financial management arrangements and control frameworks

6. The Council received an unqualified opinion on both the accounts for the Authority and the Pension Fund for 2014/15. 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 2014/15. However, a significant risk was identified in relation to arrangements for securing financial resilience. The annual audit letter stated 'We have reviewed the process that the Council has in place for preparing and monitoring budgets and the action taken by the

Council during 2014/15. Our conclusion is that the Council has taken steps to close the gap in the current year and has clear plans for the coming year or two, however there are continuing financial pressures and the Council needs to take action to ensure that the financial position is manageable in the coming years’.

7. The Council has strong governance arrangements in place and a robust assurance process that requires a statement at the year-end from the ‘corporate lead officer’ for various key control areas. The Chief Finance Officer 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 reported to Audit & Governance Committee and monitored in year through the Corporate Governance Assurance Group.
8. All Officers and Members are required to work within an embedded framework of pre-existing financial management arrangements and structures. The Council has a robust system of budget monitoring and control and the Council’s track record for budget management over recent years has been good. The delivery of SAP, operational finance and HR transferred to Hampshire County Council in July 2015. This has led to a period of transition and stabilisation as the new processes become embedded.

Budget Assumptions

9. The formation of the 2016/17 budget and indicative budgets for the following three years to 2019/20 have allowed for best estimates of the total financial envelope over the medium term taking into account anticipated unavoidable pressures and the savings then required to match the funding available. In forming the estimates various assumptions have been made. The main assumptions together with an assessment of their risk are set out below:
 - a) Government grant – provisional levels of revenue support grant and business rates top-up grant up to 2019/20 were published alongside the draft Local Government Finance Settlement on 17 December 2015. The provisional figures reduce revenue support grant to zero by 2019/20 and reduce the top-up grant by £6.2m in 2019/20. In accepting the government’s offer of a four-year settlement, authorities are required to publish an efficiency plan details of which are still to be announced. At the time of writing this report, the final Local Government Finance Settlement had not been published. If there is a significant change to funding compared to the draft, I will issue a further Section 25 report ahead of the Council meeting on 16 February 2016.
 - b) Council Tax – an increase in Council Tax of 3.99% is proposed for 2016/17 through to 2019/20 within the referendum limits confirmed by the Local Government Minister as part of the provisional Local Government Finance

Settlement announced in December 2015. This increase comprises a 1.99% general increase and 2.00% for social care.

- c) Non-Domestic Rates – business rates income for 2016/17 is based on the forecasts provided by the District Councils, with future years assuming growth in line with RPI. This is a cautious assumption given the expected growth in Oxfordshire, particularly when the Westgate redevelopment opens in autumn 2017. The 2016/17 budget takes account of a £1.8m deficit on collection for 2015/16. This is the third year of the operation of the business rates retention scheme and each year has seen a deficit on collection particularly linked to the impact of appeals. A new reserve with an annual contribution of £0.5m was created in 2015/16 to cushion the impact of collection fund deficits. This will contribute to the shortfall in 2016/17, lessening the one-off impact on the budget. However, based on experience to date and the current risk that NHS Trusts could be eligible for mandatory business rates relief, the level of reserves held to manage the volatility of business rates will need to be reviewed next year.
- d) Council Tax base & surpluses/deficit on collection – the new core spending definition set out as part of the provisional Local Government Finance Settlement includes assumptions for the four years to 2019/20 on both council tax rate increases and also increases in the taxbase. The assumptions include an annual increase in taxbase of 1.63%. Whilst this is higher than the 1.0% in the existing MTFP, it is in line with the average increase over the last three years and substantial house growth is expected to continue over the medium term. Surpluses on Council Tax collection have been high in recent years and have not been less than £4m since 2011/12. The existing MTFP assumes £3.0m per year from collection fund surpluses and it is proposed to increase this to £4.0m per year. The actual figure for 2016/17 is £7.0m.
- e) Inflation – pay inflation for 2016/17 has been agreed locally and reflects the national pay offer of 1%. In line with the Chancellor's announcement in the Spending Review in November 2015 that average public sector, pay increase up to 2019/20 would be 1%, a 1% increase is assumed across the MTFP. Additional funding has also been built into the MTFP for the impact on pay for council employees of the national living wage (also see Paragraph 15(d)). Inflation on income from fees and charges is assumed at 2% in each year of the MTFP. General inflation on non-pay budgets has been assumed as zero in each year of the MTFP continuing with the approach introduced in 2013/14. Inflation has remained low over the past year and is not expected to rise quickly. In December 2015, RPI and CPI were at 1.2% and 0.2% respectively. CPI inflation is not expected to hit the government's target of 2% until early 2018. Given this forecast, there is limited risk of inflationary pressures in the 2016/17 budget. Contract inflation is provided for, dependent on the index applied to the contract up to a maximum of 3%. As inflation is expected to be

lower over the medium term, the maximum increases in 2016/17 and 2017/18 have been reduced.

- f) Interest Rates – all existing debt is under fixed interest rates so is not subject to interest rate variation and the MTFP assumes an extension of the strategy to borrow internally for prudential borrowing schemes. Prudent returns of 0.3% above the Bank Rate are assumed for 2016/17 beyond which returns diminish to 0.2% in 2017/18 and 0.1% in 2018/19 and 2019/20. This reflects the consequence that as longer term deposits with higher rates mature, the average rate of return will reduce. With the expectation of a slow increase in the Bank Rate from some time towards the end of 2016 or early 2017, new deposits will be for a shorter duration.
- g) Capital Programme – the four-year capital programme has been developed based on estimates of future capital funding allocations from government grants in addition to use of reserves, capital receipts and S106 funding. At the time of writing this report, we were still waiting for confirmation of the School Condition allocations for 2016/17. The remaining funding gap in the capital programme arising from lower than expected basic need allocations for 2017/18 has been met as the allocation for 2017/18 announced by the Department for Education in February 2015 was significantly higher than forecast.

Service & Resource Planning Process

- 10. The Service & Resource planning process is well established. Due to the announcements made in the national budget in March 2015, the outcome of the General Election in May 2015 and the subsequent national budget in July 2015, followed by the Spending Review in November 2015, the process this year started earlier and has been longer than usual. However, it was not until the provisional Local Government Finance Settlement was announced on 17 December 2015, did the Council have any firm government grant figures, only eight weeks ahead of setting the budget. This would not usually be a significant issue, however the methodology used to distribute Revenue Support Grant and Business Rates Top-Up Grant was changed without prior warning leading to an additional reduction in funding of £22m over the medium term to 2019/20 on top of the worst case planning assumption of £47m¹ over the same period.
- 11. Given the need to make significant additional savings only became apparent in late December 2015, my advice has been to balance the budget in 2016/17 predominantly using one-off funding (including reserves) and bringing forward savings or delaying pressures. Savings of £11.2m still need to be identified in 2017/18 and 2018/19 to present a balanced position over the medium term. However, it would not have been prudent to propose further significant

¹ Total additional savings of £69m as per report to Cabinet in January 2016

savings without proper financial planning and consultation, therefore, recommendations for meeting the £11.2m will be brought forward to Cabinet in late spring and amendments to the MTFP will then be proposed to Council in the early summer 2016.

12. As it was anticipated that the Spending Review and provisional Local Government Finance Settlement would be late in the planning round, the decision was taken to consult on savings options totalling just over £50m before knowing the total savings that would need to be made. The consultation was launched in October 2015 and was supported by a series of public meetings, Talking Oxfordshire. There was also a stakeholder event to focus on rural issues.
13. There were a number of opportunities for councillors to engage and challenge the savings through a series of Challenge Sessions in October, all member presentations on the budget and savings options in September and November, and in December ahead of a full day consideration of the savings options at Performance Scrutiny Committee on 17 December. Regular updates were also provided to the Political Group Leaders meetings. These opportunities have provided an increased level of challenge on the savings proposals providing a reasonable assurance of their robustness.
14. Examination of the budget proposals through the Service & Resource Planning process has led to a number of refinements and either business cases or supporting information provide assurance about the robustness of the estimates. Scrutiny of the budget savings has also been considered from an equalities perspective.

Financial Risks

15. Given the reductions in government grant funding, the limitation on the level of Council Tax increases, the growing unavoidable pressures and the scale of savings required, the budget will inevitably contain a degree of risk. The key risks include:
 - a) Achievement of savings plan – the Council has a good track record of successfully delivering significant savings, having achieved £204m savings by the end of 2014/15. Further savings of £43m planned to be delivered in 2015/16 taking the total savings achieved to £247m. Of the £43m savings required in 2015/16, as at the end of December 2015, 95% or £40.7m had been achieved or were on track to be achieved. However, with additional savings of £45m already in the MTFP to be achieved over the next two years to 2017/18, along with new savings of £58m and a further £11m still to be identified, delivering the savings will become more challenging. There is only £2.7m in the Efficiency Reserve to pay for redundancies and for the costs of transformation. There is a risk, if these costs cannot be met from within

existing budgets that they will need to be the first call against the savings, pushing back the timing of achieving the savings. The Delivery Board, chaired by the Cabinet Member for Finance, which was established towards the end of 2015, has responsibility for driving the delivery of savings in the MTFP and tracks progress on a monthly basis.

- b) Demand led pressures – There are some budgets where client numbers for statutory services are notoriously difficult to control and where a degree of judgment has to be applied to estimate the level of risk to the budget. We have seen a significant increase in demand in both children’s and adults’ social care over the last few years. An additional £7.4m was built into the children’s social care budget from 2015/16 and appears to be sufficient to meet current demand. However, if demand rises further, there may not be sufficient resources. At the end of March 2015, there were 527 looked after children, an increase of 111 (27%) from April 2013. At 31 December 2015, the number had increased to an all-time high of 606. Whilst additional funding for agency placements was built into the budget from 2015/16, no extra funding was allocated to reflect the increase in workloads associated with general rise in the number children requiring services from children’s social care. In particular, there has been a need for more support around child protection conferences, the multi-agency safeguarding hub the referral and assessment service and family support. £2.0m of additional funding for staffing has been built into the budget from 2016/17 to reflect the additional workloads.

In relation to adult social care, client numbers increased significantly over the period 2011 to 2015, with an increase of 94% in the number of people receiving home care. Demographic increases are built into the budget each year and client numbers during 2015/16 appear to be in line with expectations. There is the risk that demand starts to rise at a faster rate than assumed again and this will put pressure on the adult social care budget.

Recently there has also been a significant increase in demand in services for children with special educational needs and disabilities. The cost of most services is met from the Dedicated Schools Grant, which is forecasting to overspend by £0.9m due to significant increases in the number of out of county placements and statementing requirements. In relation to special educational needs home to school transport, there is also a combination of growth in the demand for services and the net increase in the number of contracts and more single passenger journeys, which have increased on average the cost per passenger. Whilst additional funding of £1.4m has been built into the budget for 2016/17, savings of £2.1m are required in 2016/17 from the supported transport project, which will include savings on home to school transport. There is a risk therefore, that the budget could overspend despite the additional funding.

- c) Specific grants for 2016/17 not yet confirmed – at the time of writing this report, £34.5m of specific grants for 2016/17 had not been confirmed. These include Public Health, the Independent Living Fund and Special Educational Needs & Disabilities. There is a risk that once confirmed; they are less than currently expected. In addition as set out in paragraph 9(g), the School Condition allocation has not been confirmed either.
- d) National Living Wage – There is a significant risk on contract cost increases linked to the implementation of the national living wage. It is difficult to forecast what the impact will be on the price of contracts particularly those that are predominantly staff based such as social care. Modelling suggests that the costs in 2016/17 alone will be in the range of £4.5m to £13.0m. Some account of the risk is reflected in the level of balances held for 2016/17. Over the medium term, assuming the government continues to increase the national living wage to its target of £9.20 by 2020, the range of costs is estimated to be between £18.0m and £52.0m. There is also likely to be an impact in terms of pay differentials. As the national living wage increases, the pay rates just above this will need to increase to keep them in proportion. This will then affect the pay rates further up the scale. Furthermore, an indirect impact could be seen as employees across Oxfordshire push up wages to secure employees in an economy with almost no unemployment. This means that for adult social care providers (and other relevant providers to local government) they will have to match at least the pay rate offered in other sectors, irrespective of the national living wage, to secure staff. It is not possible to quantify what this might mean in terms of additional cost, but there is a real risk of spiraling pay increases.
- e) Implications of proposed Health and Social Care devolution – Oxfordshire submitted an expression of interest to government on a devolution proposal in September 2015. A more detailed proposal is due to be submitted imminently. In terms of risk (and potential reward), the integration of Health and Social Care is the most complex strand. The proposal for the first phase is to pool all adults' social care commissioning budgets with the clinical commissioning group's commissioning budgets via an expanded section 75 arrangement under the guidance of the Health & Wellbeing Board. This will require a risk share agreement and covering funding sources, duration of funding agreements, guarantees, arbitration and dispute resolution amongst other things. Linked to this, there remains a possible risk about the Better Care Fund as the CCG contribute £8m to adult social care (as well as £1.4m for the Care Act) and at the time of writing this report neither the guidance or the 2016/17 allocation to the CCG had been announced.
- f) EU Referendum - a referendum on whether the UK should remain in the EU is planned before the end of 2017, current suggestions are that it will be as soon as June 2016. The economic impact of Britain exiting the EU is difficult to

determine, as it will depend on a number of decisions being made in the UK and Europe. This includes whether the EU itself will embrace reform and whether UK politicians and voters are willing to push Britain into the deregulated, free trading economy it would need to become outside the EU. In addition to impacts on growth and trade, there are also implications for immigration and jobs. The impact currently being seen is uncertainty in the financial markets and businesses, which will become increasingly acute as we move towards the date of the referendum.

- g) Capacity to deliver – since April 2010 the number of staff employed by the council (excluding schools) has reduced by 42%. Delivering the savings required will be difficult in terms of capacity particularly as the plans are more complex and ambitious.
- h) Increased cost of delivering capital schemes – due to increased house growth and significant infrastructure schemes being delivered across the country, such as the Local Growth Fund, there is a risk that prices for capital schemes could increase linked to the supply of materials and labour and the number of contractors available to deliver schemes.
- i) Market Failure –with an increasing amount of work being undertaken either in partnership or through contracts, the financial resilience of providers becomes increasingly important, as does business continuity planning. The economic uncertainty in Europe, the low inflation outlook in the UK and the impact of the national living wage could put increasing pressure on companies remaining viable.
- j) Borrowing undertaken on behalf of Oxfordshire Local Enterprise Partnership (OxLEP) – part of the City Deal agreement with central government is to deliver £36.5m of infrastructure schemes using growth in business rate yield from the Science Vale Enterprise Zone. As the accountable body for OxLEP, the council will need to borrow from the PWLB², (probably in 2017/18) when the majority of capital expenditure is incurred and repay the loan (principal and interest) from annual business rate income³. However, there is a risk that income from business rate growth is not sufficient to meet the cost of the loan repayments and if this happens, the council will need to bear the cost until business rate income is sufficient to meet the cost of the repayments.

Level of total reserves

- 16. As well as holding a contingency budget to enable those more volatile budgets to be managed, general balances are also held to ensure that a major incident or emergency can be managed without impacting on other services. In reaching a decision on the level of balances I feel are appropriate

² Public Works Loan Board (or its replacement body)

³ above the baseline at the date of creation of the enterprise zone in 2011

to be held for 2016/17, 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. The recommended level of balances for 2016/17, based on the risk assessment included in Section 4.6.1 of this report, is £17.6m.

17. A further consideration in setting a prudent level of balances and setting a robust budget is the underlying trend of under/over spending against the budget each year. As budgets are reduced more and more, the flexibility to manage pressures arising in one area against underspends elsewhere becomes increasingly more difficult. Although there was an overall underspend of £0.2m in 2014/15, contained within that were underlying overspends in children's social care and learning disabilities met by supplementary estimates, corporate contingency and use of reserves. The underlying pressures were addressed as part of the 2015/16 budget, and appear to be sufficient to meet the rising demand (see paragraph 15(b)).
18. The Financial Monitoring report for Cabinet in February 2016 sets out a forecast overspend, based on nine months of actual expenditure of £4.1m, after £0.8m use of unrequired one-off income in adult social care. The underlying overspend therefore is £4.9m, reduced from a high back in July of £6.1m. The overspend reflects increased workloads associated with the growth in the number of children requiring services from Children's Social Care and both an increase in demand and an increase in cost of special educational needs home to school transport. It is expected that further action, including the impact of the vacancy freeze from December 2015 will reduce the forecast overspend further by the end of the 2015/16 financial year. However, it will not mitigate the position in full and use of the corporate contingency as well as further requests for supplementary estimates are likely to be needed to meet the remaining pressures.
19. Earmarked reserves are also held for specific planned purposes. They fall into several categories; those retained for departmental or service use; reserves for unspent grants; insurance and capital reserves and schools balances.
20. In assessing the appropriate level of reserves, a review is undertaken annually to determine if they are both adequate and necessary. With the late announcement of further significant funding reductions, £3.5m of earmarked reserves are being used to balance the budget in 2016/17. At the end of 2014/15, earmarked reserves were £90m (excluding school reserves). By the end of 2015/16, they are estimated to reduce to £74m; to £46m by the end of 2016/17; and to reduce steadily to £26m by 2019/20.
21. School reserves are expected to be marginally lower at the end of 2015/16 than they were at the end of 2014/15. At the point of conversion from a

maintained school to an academy, any balances also transfer reducing further the amount held by the council. Schools balances are projected to fall from £22m at the end of 2014/15 to £21m by the end of 2015/16, then reduce steadily to £10m by 2019/20. The expected level of reserves remaining by 2019/20 is adequate for the purposes intended although there is little funding set aside to manage some of the significant change programmes required to meet the savings over the medium term.

22. The Budget Reserve enables cash flow movements to be managed over the medium term and ensure the Council can set a balanced budget each year. This need arises as the pressures and savings profile is different over the medium term. The existing MTFP assumed a deficit on the reserve of £6.0m for 2016/17, which needed to be addressed as part of the Service & Resource Planning process. Due to the better than expected outturn position for 2014/15, additional funding was added to the reserve so the deficit at the beginning of 2016/17 would be £2.3m. My report to Cabinet in January 2016 set out that any balance remaining from corporate contingency in 2015/16 would be added to the budget reserve in order to return it to a surplus position. In January, it was estimated that £3.1m of the corporate contingency would be available and £0.7m from a planned contribution to the insurance reserve that is no longer required. The budget proposals require a contribution from the reserve of £0.7m in 2016/17. Taking these into account, the reserve is expected to be in surplus by £0.8m for 2016/17. There will be £7.9m available in the reserve in 2017/18, but this will need to be reviewed in light of the further savings of £11.2m required in 2017/18 and 2018/19.

Robustness of the budget

23. The proposed budget and Medium Term Financial Plan addresses the demand pressures that are expected to continue into the medium term. It includes estimated reductions in funding to 2019/20 and sets out a plan to ensure that the Council can deliver the 2016/17 budget within estimated available resources.
24. The delay in the publication of the final Local Government Finance Settlement means that over £110m of government funding for 2016/17 is still to be confirmed. The settlement is expected early in the week commencing 8 February, only a week before Council meets to set the budget and after the date required by law to publish the papers. My commentary on the robustness of the estimates is therefore based on the provisional Local Government Finance Settlement and estimates of specific grants where they have not been confirmed.
25. As set out in paragraph 11, savings of £11.2m still need to be identified in 2017/18 and 2018/19 to present a balanced position over the medium term. Recommendations for meeting these need to be brought forward as soon as

possible so they can be considered by Cabinet ahead of an amended MTFP being proposed to Council. Any service changes that follow from meeting these further savings will need to be followed by a period of consultation, and an assessment of their impact, before Cabinet's final approval.

26. There is limited funding set aside to manage some of the significant change programmes required to meet the savings over the medium term and this could delay the achievement of some savings. The savings plan will therefore require close monitoring to ensure it is delivered on time. Overall, the budget and MTFP set a clear direction for the future and places the Council in a sensible position to meet the challenges ahead.
27. There are risks in the budget largely in relation to certain demand led budgets such as children's social care and home to school transport, both of which are under significant pressure in the current financial year. There is also a range of pressures and uncertainties in adult social care, particularly in relation to the impact of the national living wage. To help mitigate these risks, a contingency budget of £3.3m (0.6% of the gross budget excluding schools), has been built into 2016/17, which will provide some degree of a safety net. With ever tightening resources, there is more risk in the budget for 2017/18 and beyond and this will need to be reviewed as part of the next Service & Resource Planning process.
28. The level of the Council's total reserves is 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.
29. Therefore, subject to any changes to funding as part of the Final Local Government Finance Settlement, I am satisfied that the budget proposals for 2016/17 recommended by the Cabinet are substantively robust.

Lorna Baxter
Chief Finance Officer

5 February 2015

Local Government Act 2003: Section 25 Supplementary Report by Chief Finance Officer

Introduction

1. My report on the robustness of the budget proposals for 2016/17 recommended by the Cabinet was written prior to the publication of the Final Local Government Finance Settlement. My report stated that if there was a significant change to funding compared to the draft, I would issue a supplementary report.
2. In making decisions on the budget, Councillors should take into consideration both my initial report and this supplementary report.

Final Local Government Finance Settlement

3. The Final Local Government Finance Settlement was published at 6pm on Tuesday 8 February 2016, following the announcement by the Secretary of State for Communities and Local Government in the House of Commons.
4. No changes have been made to Revenue Support Grant (RSG) allocations from those published at the time of the provisional settlement. However, £150m Transitional Funding in both 2016/17 and 2017/18 has been made available "for councils with the sharpest reductions in Revenue Support Grant". Oxfordshire will receive £4.5m in both 2016/17 and 2017/18 from this transitional funding.
5. As the funding is only temporary, it has no impact on the total level of on-going savings required over the medium term. The savings proposed by Cabinet are still required to be made in full and there remains £11.3m of savings still to be identified over the Medium Term Financial Plan period. However, it does provide some one-off funding to help with delivering the savings and the Cabinet is proposing a Community Fund of £4.0m in 2016/17 to help local areas manage the impact of savings.
6. The additional one-off funding in 2016/17 also means that the £0.7m proposed contribution from the Budget Reserve to balance the budget will no longer be needed. This will result in the reserve being in surplus by £1.5m in 2016/17 and provides more flexibility in managing the cash flow movements (due to the timing of pressures and savings) in future years.
7. The further £4.5m of funding in 2017/18 enables some of the savings still to be identified to be deferred by a year. This gives more time to plan for and implement new savings proposals. The savings still to be identified will reduce from £10.0m to £6.3m in 2017/18 and then increase from £1.7m to £6.2m in 2018/19 with a surplus of £1.2m remaining unchanged in 2019/20. Over the medium term, the total savings still to be identified therefore remains at £11.3m.

8. At the time of writing this supplementary report, specific grant allocations for Public Health, Local Reform & Community Voices, Extended Rights to Free Travel and School Condition Allocations (capital) had still not been announced.

Robustness of the budget

9. The transitional funding announced as part of the Final Local Government Finance Settlement will reduce some of the risk in delivering both the savings which are proposed and those which still need to be identified.
10. I am still satisfied that the budget proposals for 2016/17 recommended by the Cabinet are substantively robust.

Lorna Baxter
Chief Finance Officer

10 February 2016

Section 4

Budget Strategy and Capital Programme



Section 4.0 Budget Strategy and Capital Programme

1. Section 4 of the report sets out the financial plans, strategies and policies that the Council is required to approve as part of the budget setting process. The content of this section is as follows:

Section		Title
4.1		Medium Term Financial Plan (MTFP) 2016/17 – 2019/20
4.2		Variations to the MTFP
	4.2.1	Changes to the budget proposals since 26 January 2016
4.3		Council tax and precepts 2016/17
4.4		Detailed Revenue budget 2016/17
4.5		Treasury management strategy statement and annual investment strategy for 2016/17 (including prudential indicators and minimum revenue provision policy statement)
4.6		Balances and reserves
	4.6.1	2016/17 risk assessment for level of balances
	4.6.2	Summary of balances and reserves
4.7		Dedicated Schools Grant provisional allocation 2016/17
4.8		Virement rules for 2016/17
4.9		Capital programme 2015/16 – 2019/20
	4.9.1	Highways Structural Maintenance Programme 2016/17 and 2017/18

Medium Term Financial Plan 2016/17 - 2019/20

Summary

	INDICATIVE POSITION											
	2016/17			2017/18			2018/19			2019/20		
	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
Directorate Budgets												
Children, Education & Families	107,048	-453	106,596	106,596	-5,944	100,652	100,652		100,652	100,652	-400	100,252
Social & Community Services	208,748	3,845	212,593	212,593	846	213,439	213,439	2,845	216,284	216,284	2,524	218,808
Environment & Economy	76,581	6,631	83,212	83,212	-9,728	73,484	73,484	238	73,722	73,722	-692	73,030
Corporate Services	18,793	-11,456	7,337	7,337	-298	7,039	7,039	-150	6,889	6,889		6,889
Public Health												
Inflation and Other Adjustments ⁽¹⁾					4,800	4,800	4,800	5,650	10,450	10,450	5,700	16,150
Directorate Budgets	411,171	-1,432	409,738	409,738	-10,324	399,414	399,414	8,583	407,997	407,997	7,132	415,129
Strategic Measures												
Capital Financing												
Principal	15,597	-64	15,534	15,534	85	15,619	15,619	652	16,271	16,271		16,271
Interest	18,171	-610	17,561	17,561	-157	17,404	17,404	-722	16,682	16,682		16,682
Interest on Balances	-4,199	-1,618	-5,818	-5,818	-1,096	-6,914	-6,914	-879	-7,792	-7,792		-7,792
Un-Ringfenced Specific Grants	-15,777	-4,372	-20,149	-20,149	2,029	-18,120	-18,120	6,156	-11,964	-11,964	1,202	-10,762
Contingency	4,029	596	4,625	4,625	-119	4,506	4,506	-116	4,390	4,390	-108	4,282
Pensions - Past Service Deficit Funding	830	-830			830	830	830		830	830		830
Public Health Saving		-1,250	-1,250	-1,250	-1,250	-2,500	-2,500		-2,500	-2,500		-2,500
Total Strategic Measures	18,651	-8,149	10,502	10,502	322	10,824	10,824	5,092	15,916	15,916	1,094	17,010
Contributions to/from reserves												
General Balances	2,000		2,000	2,000		2,000	2,000		2,000	2,000		2,000
Prudential Borrowing Costs	950	-950			950	950	950		950	950		950
Capital Rolling Fund Reserve	-2,541	2,541										
Budget Reserve	-4,746	-2,430	-7,176	-7,176	14,322	7,146	7,146		7,146	7,146		7,146
Directorate Earmarked Reserves	-2,180	951	-1,229	-1,229	1,229							
Business Rates Reserve	494	-871	-377	-377	871	494	494		494	494		494
Insurance Reserve	781	-781			100	100	100	100	200	200	100	300
Transitional Fund		4,000	4,000	4,000	-4,000							
Total Contributions to/from reserves	-5,241	2,460	-2,781	-6,781	17,472	10,691	10,691	100	10,791	10,791	100	10,891
Savings to be Identified					-6,374	-6,374	-6,374	-6,169	-12,543	-12,543	1,250	-11,293
Net Operating Budget	424,581	-7,121	417,460	413,460	1,096	414,556	414,556	7,606	422,162	422,162	9,576	431,738

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

Medium Term Financial Plan 2016/17 - 2019/20

Financing

	INDICATIVE POSITION											
	2016/17			2017/18			2018/19			2019/20		
	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	424,581	-7,121	417,460	413,460	1,096	414,556	414,556	7,606	422,162	422,162	9,576	431,738
Funded by:												
Government Grant												
Revenue Support Grant	-62,305	22,975	-39,331	-39,331	20,666	-18,665	-18,665	12,797	-5,868	-5,868	5,868	0
Business Rates Top-up	-37,085	-309	-37,394	-37,394	-735	-38,129	-38,129	-1,125	-39,254	-39,254	4,984	-34,270
Total Government Grant	-99,390	22,665	-76,725	-76,725	19,930	-56,794	-56,794	11,672	-45,123	-45,123	10,853	-34,270
Business Rates												
Business Rates local share	-30,334	448	-29,886	-29,886	-589	-30,475	-30,475	-899	-31,374	-31,374	-1,004	-32,378
Collection Fund Surplus/Deficit	868	1,194	2,062	2,062	-2,062	0	0	0	0	0	0	0
Total Business Rates	-29,466	1,642	-27,823	-27,823	-2,651	-30,475	-30,475	-899	-31,374	-31,374	-1,004	-32,378
Council Tax Surpluses	-7,472	457	-7,015	-7,015	3,015	-4,000	-4,000	0	-4,000	-4,000	0	-4,000
COUNCIL TAX REQUIREMENT	288,253	17,644	305,897	301,897	21,390	323,287	323,287	18,379	341,665	341,665	19,425	361,090
Council Tax Calculation												
Council Tax Base			238,676			242,567			246,520			250,539
Council Tax (Band D equivalent)			£1,281.64			£1,332.78			£1,385.95			£1,441.25
Increase in Council Tax (precept)			6.1%			5.7%			5.7%			5.7%
Increase in Band D Council Tax			3.99%			3.99%			3.99%			3.99%

Summary of Proposed Budget Changes 2016/17 - 2019/20

Total Pressures					
	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Children, Education & Families	4,190	0	0	0	4,190
Adult Social Care	2,480	-385	3,940	1,183	7,218
Fire & Rescue Service, Trading Standards and Community Safety	0	0	0	0	0
Environment & Economy	4,233	-2,009	650	500	3,374
Cultural Services	0	0	0	0	0
Corporate Services	0	0	0	0	0
Corporate Measures	20,812	16,925	9,381	7,090	54,208
Total	31,715	14,531	13,971	8,773	68,990

Total Savings or Cuts in Services					
	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Children, Education & Families	-265	-4,344	0	-400	-5,009
Adult Social Care	3,975	6,686	-1,065	1,431	11,027
Fire & Rescue Service, Trading Standards and Community Safety	-680	-48	-30	-90	-848
Environment & Economy	-8,078	-195	-320	-1,192	-9,785
Cultural Services	-1,002	-120	-92	0	-1,214
Corporate Services	-1,142	-20	-150	0	-1,312
Corporate Measures	-24,523	-10,116	-6,145	-9,772	-50,931
Total	-31,715	-8,157	-7,802	-10,023	-58,072

Total Proposed Budget Changes					
	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Children, Education & Families	3,925	-4,344	0	-400	-819
Adult Social Care	6,455	6,301	2,875	2,614	18,245
Fire & Rescue Service, Trading Standards and Community Safety	-680	-48	-30	-90	-848
Environment & Economy	-3,845	-2,204	330	-692	-6,411
Cultural Services	-1,002	-120	-92	0	-1,214
Corporate Services	-1,142	-20	-150	0	-1,312
Corporate Measures	-3,711	6,809	3,236	-2,682	3,652
Total Savings to be Identified	0	6,374	6,169	-1,250	11,293

Children, Education & Families - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings & Cuts to Services								
CEF1	Management & Central costs	Reductions could be made to management and administrative staffing. Detailed savings will be identified as part of the new directorate organisational arrangements.	S				-400	-400
CEF2	Non-delegated schools costs	With increasing numbers of schools becoming academies, it is felt this proportion of the budget will no longer be required.	S	-24				-24
CEF3	Schools, education and learning	The council could establish a new traded arm within the council. There would be a reduction in staff numbers (estimated at 17 FTE) but an opportunity to refocus priorities and generate a trading surplus. Maximising income would allow the financing of work beyond schools requiring improvement. This would be financed by use of an agreed proportion of income to be returned to the council from the ring-fenced trading arm or other potential future trading vehicle. It is acknowledged that more market research is required on this option.	S	-422	-984			-1,406
CEF4	Youth offending service	Reduction in contribution to the multi-agency Youth Offending Service (YOS). The council could achieve this saving by targeting resources that align with the Youth Offending Service's statutory functions and the demand on children's social care services.	C	-100				-100
CEF5	School organisation and planning team	The council provides a free-of-charge service to assist schools that are converting to become academies. Schools do receive a Government grant to assist them to convert. Could be accumulated by charging instead of providing a free service.	S	-100				-100
CEF6	Early years SEN inclusion teachers	Review service delivery for the service that supports families, early years settings, children's centres and childminders in relation to children with special educational needs. With the aim to provide an effective service with less money.	C		-100			-100
CEF7	Special educational needs (SEN)	The council could seek to challenge and drive down the cost of placements and educational provision for post-16 students with high-level needs. This would include reducing the costs of out-of-county residential colleges, and high-cost placements in further education colleges and post-16 training providers.	S		-100			-100
CEF8	SEN support services (SENS)	The council would reduce its management costs by transferring centrally employed staff to direct employment by schools. It is not anticipated this would involve any redundancies given the gradual changes.	S		-50			-50
CEF9	School organisation and planning – early years sufficiency and access	The council has a team for place planning for schools and other settings. It aims to ensure a sufficient supply of early years places. The grant used to create new provision could be decreased by £45,000.	C	-45				-45

Children, Education & Families - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
CEF10	School organisation and planning team	A budget which is used to assist schools with very minor internal modifications to buildings could be discontinued. Alternatively, staffing could be reduced – with one potential method being not replacing on a like-for-like basis a member of staff when they retire.	S	-24	-10			-34
CEF11	School organisation and planning – admissions and transport	Cease printing admissions brochures for parents. Information would remain on the public website. Only 10 per cent of applications are currently made on paper. Schools would be encouraged to support parents in making online applications.	S	-25				-25
CEF12	Early Intervention Hubs/Children's Centres.	By combining the current early intervention hubs with the current network of children's centres to create a new 0-19 service based around eight Children and Family Resource Centres. A public consultation is currently underway on this issue. The council agreed to save £6m in this area in its last budget process. The proposal out to consultation would save £2m in addition to this.	C		-2,000			-2,000
CEF13	Services for disabled children and families	Contracts for a range of day and overnight short-break care services commissioned for disabled children with parents, young people and other partners are due to finish in March 2017. The council would review these services during 2016, in consultation with families and other key partners. The council wishes to make sure the funding available is used to achieve the best possible outcomes. The review would include the residential short break services, which are jointly funded by the Council and the Clinical Commissioning Group with a contribution from Barnardos.	C		-250			-250
CEF21	Education	Contribution from Special Educational Needs & Disabilities (SEND) Reform grant which was expected to cease in 2016/17.	S	-375				-375
CEF22	Early Intervention Service	One-off Contribution from the Thriving Families Reserve	S	-600	600			0
TOTAL SAVINGS & CUTS TO SERVICES				-1,715	-2,894	0	-400	-5,009
CHANGES TO EXISTING MTFP								
CEF14		15CEF12 - Joint Commissioning	RES	500	-500			0
CEF15		15CEF2 & 16CEF4 - integration of Children's Social Care and Early Intervention	RES	1,200	-1,200			0
CEF20		Reverse part of the reprofile of saving 15CEF12 CEF - Joint Commissioning (linked to CEF14 above)		-250	250			0
TOTAL CHANGES TO EXISTING MTFP				1,450	-1,450	0	0	0

Children, Education & Families - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
PRESSURES								
CEF16		Academies Team - unfunded posts	NP	470				470
CEF17		Pressure arising from Adoption Reform Grant ceasing which is used to fund approximately £0.300m of posts.	NP	300				300
CEF18		Pressure in staffing of Children's Social Care teams in both Administration and front line staff to address increased numbers of children requiring intervention	NP	2,000				2,000
CEF19		Additional pressure in Home to School Transport for SEN pupils arising from increased numbers and routes	NP	1,420				1,420
TOTAL PRESSURES				4,190	0	0	0	4,190
TOTAL PROPOSED BUDGET CHANGES				3,925	-4,344	0	-400	-819

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	-1,570	-544	0	-400	-2,139
Cuts	-145	-2,350	0	0	-2,495
	-1,715	-2,894	0	-400	-4,634

Adult Social Care - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings & Cuts to Services								
SCS1	Prediction of demand for service	In line with national and local trends, the council is predicting a continuing increase in demand for social care and is budgeting accordingly. Due to other work to proposals and the ongoing work on prevention and meeting needs more effectively, this increase in demand may not be as high as currently predicted. If this is the case, the council could make savings against current predictions.	S			-1,700	-1,700	-3,400
SCS2	Land and Property	The Council could undertake a number of actions to utilise council-owned land to increase the availability of extra care housing and specialist residential care (eg for dementia). The use of Council owned land will increase the supply of extra care housing, thus reducing costly placements in care homes. The development of specialist residential care on Council owned land should reduce development costs and the care fees paid by the Council	S		-165	-400	-935	-1,500
SCS3	Care Homes	The Council could review and renegotiate the contracts to provide residential care placements, including the council's contract with the Oxfordshire Care Partnership, to reduce the rates for existing placements and lower the rates for future placements. This would include forming strategic partnerships with providers and developers, and introducing a dynamic purchasing system whereby all care homes on an overall contract are guaranteed council business but not the level of placements that will be made. Placements would be made on a case by case basis determined by a persons need, and the availability and cost of a placement to meet this need.	S		-870	-400		-1,270
SCS4	Prescription/retail model for equipment	Providing a prescription and information about options to source equipment that helps to meet people's eligible care and support needs rather than just providing the equipment itself. Research suggests that up to 50% of people given a prescription for equipment do not use it and choose to meet their needs in other ways.	S		-500			-500
SCS5	Intervention and preventative services - Falls Service	As it is not a statutory responsibility, council funding for the Falls Service contract with Oxford Health could be stopped. It is jointly funded by the council and the Oxford Clinical Commissioning Group. Assessments will be offered to anyone with eligible needs for care and support providing tailored information and advice to help people identify other sources of support, including working closely with NHS partners to link to other services.	C	-273				-273
SCS6	Adult social care support for prisoners	Reduce the amount of money allocated to how we assess and support prisoners requiring social care. This was a new responsibility from April 2015 and demand has not been as high as originally anticipated, so the budget can be reduced.	S	-207				-207

Adult Social Care - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
SCS7	Emergency response - redesign emergency response services	Reduce duplication and overheads by redesigning emergency response and crisis services by combining the Crisis Response Service, the Emergency Carers Support Service and Telecare monitoring and response services. This will lead to more cost effective and responsive services.	S	-200				-200
SCS8	Carers - Carers Oxfordshire	A reduction in the contract with Carers Oxfordshire could be made by reducing expenditure on marketing, information, advice and support, training, and the carers partnership board. This would focus resources on continuing to meet statutory responsibilities. The remaining funds would be focused on areas of greatest need such as face to face support and volunteer befriending.	C	-60	-100			-160
SCS9	Information and advice	Consolidating existing contracts information and advice services whilst maintaining statutory requirements under the Care Act, focusing on specialist advice e.g. accessing benefits, managing debt and finding your own care and support.	C			-120		-120
SCS10	Carers – respite	Review the way respite is provided to focus more on alternatives to bed based respite i.e. increased care at home could provide more effective ways of ensuring carers get the breaks they need.	C		-100			-100
SCS11	Extra care housing staffing and strategy - revised model of care	Ensure that large extra care housing schemes have two staff at night time rather than just one, allowing them to provide planned night care as well as reactive response for those people that require it. This would enable people with higher level needs to be placed in extra care housing rather than more expensive residential placements.	S			-93		-93
SCS12	Extra care housing staffing and strategy – change in admission criteria	A reduction in care home admissions and better targeting of services to those who need them most could result from reviewing the placement strategy in extra care housing.	S	-50	-43			-93
SCS13	Intervention and preventative services - HIV	As it is not a statutory responsibility, funding for the HIV day services contract could be stopped.	C	-50				-50
SCS14	Land and property – print unit buildings	Reducing the number of buildings the council's print unit uses from two to one would lead to savings. The council print unit provides employment opportunities to vulnerable people, including people with learning disabilities, to support their independence.	S	-30				-30
SCS15	Intervention and preventative services - aphasia	We would work closely with NHS partners to review funding for the aphasia communication support service, for people with specific communication difficulties most commonly caused by a stroke or severe head injury. The review would focus on removing duplication and streamlining services.	C	-17				-17

Adult Social Care - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
SCS16	Review of funding allocations to meet eligible care needs	A review of the funding allocated to meeting individuals' care and support needs. This would be through reviewing the costs of meeting care needs used in the Resource Allocation System and introducing panels to review assessment and support planning decisions for mental health, physical disability and older people including continuing healthcare clients. Panels operating in learning disabilities have shown that eligible social care and support needs can be met effectively at lower cost.	S	-1,600	-750	-750		-3,100
SCS17	New models of delivering care – social impact bond	Developing a payment by results contract financed through a Social Impact Bond for learning disability services to deliver reduced costs in individual care packages over time.	S			-1,000		-1,000
SCS18	Planned support (known as warden schemes)	Removing the funding for planned support schemes (peripatetic warden schemes). People in these schemes do not generally have eligible care needs and the wardens do not provide statutory eligible care.	C	-500				-500
SCS19	Oxfordshire Support Fund	Stopping grants to people through the Oxfordshire Support Fund. People eligible for care and support could still receive support from the council, which could signpost other sources of support such as charities and the voluntary sector.	C	-381				-381
SCS20	Review of contracts - Healthwatch	Reducing funding for Healthwatch Oxfordshire by 30%.	C	-100				-100
SCS21a	Tier 2 Day Services (Voluntary Sector provided day services)	Stopping funding day services provided by voluntary and community sector organisations. The majority of users (95%) of these services are not eligible for care and support from the council. Ending the funding could also mean transport savings. The council would assist current services to become financially independent where it is possible to do so; commission a new older peoples' community prevention service; ensure people using these services are aware of the information and advice options, which can inform and advise about what else is available in Oxfordshire, and work with the voluntary sector to look at options for increasing their role in delivering day opportunities.	C	-300	-450			-750

Adult Social Care - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
SCS21b	Tier 3 Day Services (Health and Wellbeing Centres)	A saving of £2,050,000 could be achieved by stopping funding the seven Health and Wellbeing centres provided by the Council, and one provided by the Leonard Cheshire Trust. Stopping the funding would release capital and revenue savings and possibly savings in transport costs. The council would assist current services to become financially independent where it is possible to do so; commission a new older peoples' community prevention service; ensure people using these services are aware of the information and advice options, which can inform and advise about what else is available in Oxfordshire, and work with the voluntary sector to look at options for increasing their role in delivering day opportunities.	C		-2,050			-2,050
SCS21c	Transport to day services	Savings of £200,000 may result from stopping funding of Tier 2 and Tier 3 day services as outlined above. This is because the council provides transport to and from these services for a number of people.	C		-200			-200
SCS22	Housing related support	Funding homelessness services through Housing Related support is not a statutory requirement and would be further reduced. The council has continued to subsidise housing support and maintained investment in housing related activity for the past 5 years (even though it is not a county council responsibility) following the government decision to significantly reduce central funding.	C		-500	-500	-500	-1,500
SCS23	Intermediate care beds	Replacing intermediate care beds with home based intermediate care in the community. A study of people using intermediate care beds compared to those receiving support at home showed that short-term rehabilitative care in a home setting leads to a greater proportion of people needing no on-going care and regaining their independence.	S			-1,000		-1,000
SCS24	Intermediate care - Discharge Pathway	Reviewing and redesigning hospital discharge services to combine a number of existing services into a more streamlined pathway to get people out of hospital as soon as they are ready for discharge.	S	-440				-440
SCS25	Intervention and preventative services - Dementia	Savings could be achieved by a reduction in funding for the Dementia Support Service once the current contracts expire in 2019/20.	C				-400	-400
SCS26	Adult Social Care Money management	A review into other options for delivering money management services for social care clients. Other councils use different approaches which we could learn from. Income generating opportunities such as charging for the service or delivering the service for other councils could be explored. There may be options to merge staff within locality teams and reduce management staff.	S					0

Adult Social Care - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
SCS27	Intermediate care - Reablement	A review and redesign of the reablement service to deliver more effective, lower cost community-based support to help people regain and maintain independence.	S	-300				-300
SCS28	Carers – Carers charging	Introducing charging for carers' services. This would put carers onto the same basis as the people they support, whereby an assessment and support plan would be developed and the cost of meeting their support needs calculated, as well as an assessment of their ability to contribute to the cost of the support they need. This proposal could lead to a rise in income for the council and there could be an opportunity to target available resources more effectively towards more vulnerable carers who need additional help by reviewing what types of support are most supportive and effective for carers.	S	-200				-200
SCS29	Carers – Carers grants	Reducing funding to carers with eligible needs for support could save £200,000. This would create a stronger link between need and funding in line with the Care Act and create an opportunity to improve the targeting of available resources towards more vulnerable carers.	S	-200				-200
SCS43	Adult Social Care costs	Funding for Adult Social Care to meet the increased cost of care including the cost of the National Living Wage. This funding has been raised by increasing Council Tax by an additional 2%		5,883	6,364	6,898	7,466	26,611
SCS44	Reserves	One-off Contribution from Older People's Pooled Budget Reserve	S	-500	500			0
TOTAL SAVINGS & CUTS TO SERVICES				475	1,136	935	3,931	6,477
CHANGES TO EXISITING MTFP								
SCS30		Unidentified savings in current MTFP		1,000	3,050			4,050
SCS31		Learning Disabilities - re-phasing of savings in existing MTFP		2,000	2,500	-2,000	-2,500	0
SCS32		£0.500m of saving 15SCS3 cannot be achieved.		500				500
TOTAL CHANGES TO EXISTING MTFP				3,500	5,550	-2,000	-2,500	4,550

Adult Social Care - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
PRESSURES								
SCS33		Money Management		220				220
SCS34		Front Door (Health & Social Care Team)		430				430
SCS35		Deprivation of Liberty Standards		485				485
SCS36		Deprivation of Liberty Standards - Learning Disability		785	-585			200
SCS37		Safeguarding		160				160
SCS38		Learning Disabilities (Continuing pressure from 2015/16)		300				300
SCS39		Sleep-ins (staff that provide "sleep-in" care must be paid the national minimum wage)		600				600
SCS40		Demography				5,000	5,000	10,000
SCS41		Reprofiling of SCS Pressures and removal of the Learning Disabilities pressure (SCS38)		-500	200			-300
SCS42		Increased income from the Better Care Fund (amount per Provisional Local Government Finance Settlement)				-1,060	-3,817	-4,877
TOTAL PRESSURES				2,480	-385	3,940	1,183	7,218
TOTAL PROPOSED BUDGET CHANGES				6,455	6,301	2,875	2,614	18,245

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	-3,727	-1,828	-5,343	-2,635	-13,533
Cuts	-1,681	-3,400	-620	-900	-6,601
	-5,408	-5,228	-5,963	-3,535	-20,134

Fire & Rescue Service - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings & Cuts to Services								
FRS1	Thames Valley Fire Control service efficiencies	Further financial efficiencies from the combined Control Room with Buckinghamshire & Milton Keynes and Royal Berkshire Fire and Rescue Services, above those originally anticipated.	S	-75				-75
FRS2	Trading Standards management and enforcement review	Greater integration with Oxfordshire Fire and Rescue and other local authorities and the development of a volunteer co-ordinator post could lead to some functions being supported by volunteers. In the medium term, the council could remove four further enforcement posts, reduce consumer advice and education posts. Greater integration with Oxfordshire Fire and Rescue and other local authorities and the development of a volunteer co-ordinator post could lead to some functions being supported by volunteers. The service could also seek to work closer with Thames Valley Police (including joint funding) especially around cyber-crime and human exploitation.	C				-270	-270
FRS3	Chipping Norton fire cover review	The Fire and Rescue Service could remove the second on-call fire appliance from Chipping Norton Fire Station. The on-going availability levels of crewing for the second appliance at Chipping Norton and the reducing number of calls for this appliance has brought into question the continued need for it at the station. Rather than reduce the operational fleet, the vehicle would be held as part of the strategic reserve and eventually be reallocated to Carterton at a later date once the new fire station is built.	S		-48			-48
FRS4	Fire and Rescue Service strategic leadership team review	Continuing collaboration with the other two Thames Valley Fire and Rescue Services (Buckinghamshire & Milton Keynes and Royal Berkshire) means it is possible to reduce the number of senior managers across the region. A jointly funded post would carry out work across the Thames Valley to seek further efficiencies while maintaining focus on firefighter and public safety.	S	-25				-25
FRS5	Management review – station managers	Reduce the number of operational fire station managers across the county by four (from 24 to 20). The incident command rota can be amended without affecting the minimum number of officers available for operational response duty at any one time. In addition, by working more collaboratively across the Thames Valley, the day-to-day management workload can also be shared without significant increases in workload.	S	-260				-260
FRS6	Management review – group managers	Reduce the number of operational Group Manager posts in the Fire and Rescue Service.	S				-90	-90

Fire & Rescue Service - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
FRS7	On-call budget	The on-call firefighter salary budget has been consistently well-managed over time – and in conjunction with the reduction in incidents brought about by the wide range of prevention initiatives delivered by the service across the county. This has resulted in an underspend for the last two years.	S	-50				-50
FRS8	Financial funding arrangements for Fire and Rescue Service cadet schemes.	Seek alternative funding for or remove county council funding for the Oxfordshire Fire and Rescue Service cadet schemes could be stopped in 2018 as this is not a statutory service. To ensure the cadet schemes continue, the council could seek to link with the council's Children, Education and Families Directorate to see if there is a different way to deliver the scheme (to further support our looked after children), or potentially seek sponsorship through a private company.	C			-30		-30
FRS9	Trading Standards management and enforcement review	Bring forward the Trading Standards Saving (FRS2) from 2019/20 to 2016/17.	S	-270			270	0
TOTAL SAVINGS & CUTS TO SERVICES				-680	-48	-30	-90	-848
TOTAL PROPOSED BUDGET CHANGES				-680	-48	-30	-90	-848

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	-680	-48	0	180	-548
Cuts	0	0	-30	-270	-300
	-680	-48	-30	-90	-848

Environment & Economy - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings & Cuts to Services								
EE1	Patching works	Charge costs to the capital programme of both smaller and larger patching works, reflecting the way other authorities deliver this element of the service.	S	-2,583	-106			-2,689
EE2	Highway drainage	Remove current proactive programme for cleaning the main pipes that gullies connect into. Any blockages from tree roots, pipe breaks or silting will have to be addressed once identified.	C	-100			-200	-300
EE3	Increased income from legal agreements	Greater levels of residential and commercial development in the county will generate increased fee income for the approval, inspection and adoption of new roads and alterations to the public highway.	S	-100	-50			-150
EE4	Increase fee income from Oxford strategic transport model	Explore further opportunities for generating funding from OCC transport model system.	S	-25	-25	-25		-75
EE5	Incident response	Reduce threshold for callout so that we respond to fewer highway defects reports out of hours, and therefore reduce demand for those teams.	C	-55				-55
EE6	New innovation and research partnership	Develop a partnership approach with public and private sector partners reduced funding and specialist advice for service, with expectation that successful budget bids will provide their own funding.	S	-25	-25			-50
EE7	Streetworks / events management	Reduce support for events. Requiring charitable events to fund all road closure costs. The council would seek to optimise capacity of the network as far as practicable with remaining budgets. To mitigate, the council would continue to manage events relating to VIP visits, Repatriations, Remembrance Sunday and May Day free of charge with an estimated annual cost to us of £15,000.	C	-25				-25
EE8	Maintenance of street lighting	Adjust performance requirements for new contract as well as capitalisation of some works currently in the revenue budget. Risk of reduced performance.	S	-820	-100			-920
EE9	More effective working with supply chain and external partners	Savings would be achieved within highways by working more effectively with the councils supply chain and external partners. This would be achieved by the use of LEAN process reengineering but would remove some of the flexibility currently available to address local issues. The service would be less able to react to arising issues above and beyond normal service delivery.	S				-540	-540
EE10	Grass cutting & tree maintenance	Reduce services to safety areas only;targeting visibility splays. Opportunity for parish and district councils to take on more of these responsibilities and self-fund.	C	-70			-222	-292
EE11	Traffic signals maintenance	Charge to the capital programme.	S	-250				-250
EE12	Property contract	Renegotiation of elements in property contract to deliver further savings.	S	-50	-190			-240

Environment & Economy - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
EE13	Sharing expertise and joint county-level planning services	Joint Working for Planning Regulation services (e.g. minerals and waste, county planning applications, legal agreement negotiations) with other neighbouring county councils. Savings to be achieved through sharing management teams and professional expertise so some reduced service levels in areas such as minerals & waste, and development control.	S	-25	-125	-25	-44	-219
EE14	Closer partnership working between Economy & Skills and the Oxfordshire Local Enterprise Partnership (OxLEP)	Co-locate Economy & Skills teams with OxLEP and jointly manage these services with OxLEP through a Service Level Agreement (SLA). The SLA could mitigate risk of perceived reduction in direct control over service and would include a tapering of funding from OCC.	S	-50	-50	-50	-45	-195
EE15	Winter maintenance	Reduce the number of roads gritted in the county to achieve the proposed budget reduction. A route optimisation exercise will be required to re-profile the revised network and number of routes.	C	-180				-180
EE16	Locality team co-location	Re-structure management of locality teams and reduce non-staffing budgets used to develop schemes and test development proposals.	S		-150			-150
EE17	Utilisation of assets and income generation (Income generation)	Opportunities to generate income including fitting solar panels to roof tops, investing in property sites etc. Greater utilisation of existing property by reducing the footprint needed by the county council and reviewing how best to utilise any surplus space.	S		-50	-50	-50	-150
EE18	Real time information	Remove service. This would remove the electronic displays at bus stops and impact on the provision of information to current traffic monitoring systems as well as the recently developed travel planning page, which is being rolled out as part of the Connecting Oxfordshire agenda. The council will seek increased contribution from bus companies to mitigate or replace ongoing funding.	C			-140		-140
EE19	Safety fence repair and maintenance	Remove unnecessary barriers (identified through a risk assessment) and therefore reduce ongoing maintenance.	C				-51	-51
EE20	Reduce policy and strategy capacity	Reduce staffing levels. Mitigated through close working relationships & maximising revenue elements of project funding bids.	S	-50				-50
EE21	Joint working and minor operational budget reductions	Further joint working potential with Thames Valley Environmental Resource Centre on environmental information and advice plus minor administration savings through locality joint working. Risk of reduced commitment by other authorities to be mitigated through continued delivery of quality service & assurance of value for additional cost, etc.	S		-40			-40

Environment & Economy - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
EE22	Public rights of way	Reduce funding to managing the county's network of public rights of way although the council would seek to prioritise funds in this area to support the volunteer network as far as practicable. The service currently delivers high value for its budget through innovative engagement with volunteers reflected in operation budgets being a fifth of that in other areas, while customer satisfaction remains one of the highest in the country. A reduction in service may reduce the number of willing volunteers resulting in a significant deterioration of the network and public satisfaction.	C				-40	-40
EE23	Subsidised Buses Consultation Proposals	We are currently consulting on the future of subsidised bus routes. This remaining funding would result in the routes being totally removed, unless they are linked to home to school transport. This option has been included in the current consultation.	C	-1,220				-1,220
EE24	Survey and Other Works	Reduce surveys which are currently undertaken to inform the council on the condition of the highways network and help it prioritise its highways maintenance programme.	C		-1,094			-1,094
EE25	Area Stewardship	Reduce service down to statutory only, i.e. maintain a safe highway, incl. through safety inspections. Area Stewards would no longer be available to discuss and resolve issues on day to day basis – would mean increased use of Fix My Street and empowering parish councils to identify and/or undertake potential work.	C		-320		-300	-620
EE26	Gully Emptying	Prioritising essential work, meaning a reduction in frequency from once every three years to once every four years.	C	-220				-220
EE27	Green Waste Credits	On the 21 July 2015 Cabinet agreed to withdraw the non-statutory Green Waste Credit payments to the District Councils from 1 April 2016. This saving replaces and merges with the saving 15EE24 - HWRC Strategy as that saving is unlikely to be realised.	S	-500	350			-150
EE37	Ardly Electricity income	The Energy Recovery Facility at Ardley Waste generates electricity for the National grid and this will generate £0.1m of income for the Council.	S	-100				-100
EE39	Closer partnership working between Economy & Skills and the Oxfordshire Local Enterprise Partnership (OxLEP)	Transfer Business & Skills staff to the Local Enterprise Partnership.	S	-400				-400
EE42	Asset Utilisation	Reduction in Leased Accomodation	S	-230	230	-230		-230
EE43	Property contract	Reduce the fixed contract fee on the Property Contract.	S		-100			-100
EE44	Road Agreements Funding	One-off use of road adaptions/road agreements funding	S	-1,000	500	500		0
EE45	Area Stewardship	Bring forward savings in Area Stewards (EE25) to 2018/19 from 2019/20.	C			-300	300	0
TOTAL SAVINGS & CUTS TO SERVICES				-8,078	-1,345	-320	-1,192	-10,935
CHANGES TO EXISITING MTFP								
EE28		Energy from Waste - 3rd Party income not realised - 15EE23			1,150			1,150
TOTAL CHANGES TO EXISTING MTFP				0	1,150	0	0	1,150

Environment & Economy - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
PRESSURES								
EE29		Increased costs of managing the Household Waste Recycling Centres			445			445
EE30		Parking Account - unrealisation of income target		150				150
EE31		Integrated Transport Unit - Safeguarding		373				373
EE32		Supported Transport Programme Costs		274	-274			0
EE33		One-off Investment needed to realise a number of savings		2,180	-2,180			0
EE34		Pressure on Property Asset Utilisation.			150			150
EE35		Waste		1,500		500	500	2,500
EE36		Defer the pressure on the parking account (EE30) from 2016/17 to 2018/19		-150		150		0
EE38		Reduce the pressure on waste (EE35) to £1.4m in 2016/17. Pressure from the increased costs of waste disposal is now £0.1m less than anticipated.		-100				-100
EE41		Remove the pressure on Asset Utilisation (EE34) in 2017/18.			-150			-150
EE46		Flood Defence Levy		6				6
TOTAL PRESSURES				4,233	-2,009	650	500	3,374
TOTAL PROPOSED BUDGET CHANGES				-3,845	-2,204	330	-692	-6,411

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	-6,208	69	120	-679	-6,698
Cuts	-1,870	-1,414	-440	-513	-4,237
	-8,078	-1,345	-320	-1,192	-10,935

Libraries and Culture - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000	
Savings & Cuts to Services									
LCS1	Library Savings	Retention of all 43 libraries (22 core and 21 community libraries) but provide service redesign and changes internally to provide savings, including: (A) Reduction of book fund. (B) Closure of all mobile libraries; 4 general service library vehicles and 2 children's service vehicles. (C) Library Service management and staffing reorganisation in conjunction with the Council's Customer Service Centre and ICT function over the next two years. (D) Retendering of the Library Management Information system.	C	-300	-400	-300		-1,000	
LCS2	Cease funding of arts grants	The council could cease funding cultural activities from 2018/19 relating to: (A) Pegasus Theatre (B) Oxfordshire Youth Arts Project (OYAP) (C) Oxford Visual Arts Design Agency (OVADA)	C			-92		-92	
LCS3	Library Savings	Reduce Book Fund on a one- off basis in 2016/17	C	-340	340			0	
LCS4	Library Savings	Bring forward the savings in Libraries (LCS1)	C	-222	-200	300		-122	
LCS5	Reserves	One-off contribution from the Cultural Services reserve in 2016/17	C	-128	128			0	
LCS6	Library Savings	Disposal of vehicles (one-off)	C	-12	12			0	
TOTAL SAVINGS & CUTS TO SERVICES					-1,002	-120	-92	0	-1,214
TOTAL PROPOSED BUDGET CHANGES					-1,002	-120	-92	0	-1,214

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	0	0	0	0	0
Cuts	-1,002	-120	-92	0	-1,214
	-1,002	-120	-92	0	-1,214

Corporate Services - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings & Cuts to Services								
CS1	Senior management review	A review of future management structures is under way. Once completed there will be a need to review the way that corporate services are provided to ensure that the approach is efficient and fit for purpose across the organisation. This will include all areas of the centre of the council - policy, data analysis, Freedom of Information requests, communications, finance, legal, HR and democratic services. These savings will be from 2017/18 and are subject to the outcome of the senior management review and the future structure of the council.	S	-300	-200	-100		-600
CS2	Organisational development	Reduced learning and development budgets for staff training.	C	-124	-150			-274
CS3	Finance and internal audit	Over the medium term, as new ICT systems become embedded the need for financial support currently provided by finance should reduce.	S	-100	-100	-50		-250
CS4	Communications – reduce campaigns and consultations	Reducing money spent on consultations, surveys and campaigns as well as removing one post in the communications team.	C	-145				-145
CS5	Reduce senior HR staff	The council could seek to reduce the hours of some senior HR staff following the transfer of services to Hampshire IBC.	S	-82				-82
CS6	Unison – reduce budget	The budget for the Unison union could be reduced by approximately 20%, £30,000. The size of staff is reducing so the number of people the union represents is also reducing.	C	-30				-30
CS7	Change administrative arrangements for locality meetings for councillors	Meetings are held in various localities in Oxfordshire for county councillors to discuss local issues with staff. The proposal is to reduce administration costs linked to these meetings.	S	-22				-22
CS8	Reduce chairman's budget as previously underspent	The chairman is the ceremonial head of the council and is always a serving county councillor. Duties include being the politically impartial civic leader for Oxfordshire County Council, acting as an ambassador for the county council and Oxfordshire, presiding over meetings of the full council, hosting civic events and accepting invitations on behalf of the county council to attend events.	S	-9				-9
CS9	Organisational development	Reduce L&D budget on a one-off basis in 2016/17	C	-230	230			0
CS10	Senior management review	Earlier implementation of Senior Management Review savings.	S	-200	200			0
TOTAL SAVINGS & CUTS TO SERVICES				-1,242	-20	-150	0	-1,412

Corporate Services - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
CHANGES TO EXISTING MTFP								
CS11		Previously agreed saving can not be achieved.		100				100
TOTAL CHANGES TO EXISTING MTFP				100	0	0	0	100
TOTAL PROPOSED BUDGET CHANGES					-1,142	-20	-150	0
								-1,312

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	-713	-100	-150	0	-963
Cuts	-529	80	0	0	-449
	-1,242	-20	-150	0	-1,412

Corporate Measures - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings & Cuts to Services								
CM1	Increase in Council Tax base	Future housing growth will lead to more council tax income than the amount already assumed.	S	-2,000	-800	-800	-800	-4,400
CM2	Local Pay Award	The pay award is likely to be lower than the increase assumed in the current financial plan.	S	-2,100	-1,400	-700		-4,200
CM3	Contract Inflation	Based on current inflation rates, the funding needed for contract inflation is likely to be lower than expected.	S	-1,000	-500			-1,500
CM4	Strategic measures	Better investment return on our bank balance and reduced costs of borrowing for new capital schemes.	S		-500	-500	-500	-1,500
CM5	Ending of national insurance rebate on State Pension	Ending of employers NI rebate on State Pensions from 2016/17 is expected to cost less than planned due to fewer staff being employed.	S	-1,000				-1,000
CM6	Insurance contract	Savings arising from successful contract negotiations for the council's insurance cover.	S	-800				-800
CM11	Increase in Council Tax base	Taxbase higher in 2016/17 than forecast and increase in future years to match Government forecast of 1.63%	S	-1,100	-1,193	-1,256	-1,498	-5,047
CM12	Collection Fund	The Collection Fund Surplus for 2016/17 is higher than forecast and increase future years budgeted amount to £4m from £3m.	S	-3,913	2,913			-1,000
CM13	Ending of national insurance rebate on State Pension	Ending of employers NI rebate on State Pensions from 2016/17 is expected to cost less than planned due to fewer staff being employed.	S	-265				-265
CM14	Contract Inflation	Based on current inflation rates, the funding needed for contract inflation is lower than expected.	S	-2,454	-1,500			-3,954
CM15	Reserves	Do not make contribution to Prudential Borrowing reserve in 2016/17	S	-950	950			0
CM16	Pension Fund	Do not make annual contribution to Pension Fund for past service deficit	S	-830	830			0
CM17	Strategic measures	Re-profiled Strategic Measures savings	S	-1,198	766	-448	500	-380
CM18	Contingency	Reduction in the amount of Contingency funding held.	S	-287				-287
CM23	Insurance	Planned contribution to the insurance reserve in 2016/17 is no longer required	S	-81				-81
CM24	Reserves	Contribution from the Budget Reserve to balance the 2016/17 budget.	S	-60	60			0
CM25	Council Tax	Additional Council Tax income raised from the 2% Social Care Precept	S	-5,883	-6,364	-6,898	-7,466	-26,611
CM26		Special Educational Needs and Disabilities Grant		75	300			

Corporate Measures - Proposed Budget Changes 2016/17 - 2019/20

Reference Number	Name	Proposal	Saving or Cut	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
CM27		Council Tax Surpluses		-102	102			0
CM28		Business Rates from Districts		377	-269	-6	-8	94
CM29		Contribution from the Business Rates Reserve		-377	377			0
CM30		Special Educational Needs and Disabilities Grant		-121	121			0
CM31		Additional Independent Living Fund grant in 2016/17, reducing thereafter.		-799	125	116	108	-450
CM32		Contribution to Contingency		799	-125	-116	-108	450
CM33		Transition Grant from Government		-4,454	-9	4,463		0
CM34		Transition Fund		4,000	-4,000			0
TOTAL SAVINGS & CUTS TO SERVICES				-24,523	-10,116	-6,145	-9,772	-50,931
PRESSURES								
CM7	Funding and Inflation	Net pressure from adding additional years the the Medium Term Financial Plan. Additional income from a Council Tax increase of 2%, an increase in the taxbase and additional business rates offset by a reduction in Revenue Support Grant and other specific grants and inflation.			-700	3,203	2,151	4,654
CM8	Council Tax	Pressures from reducing the Council Tax increase from the current MTFP assumption of 3% to 2%.		2,942	3,146			6,088
CM9	Funding	A faster and steeper cut to Revenue Support Grant than currently assumed.		6,231	3,115	2,710	2,007	14,063
CM10	Business Rates	A reduction in Business Rates funding from low inflation rates and a deficit on the collection of rates.		3,185	-1,278	34	36	1,977
CM18	Apprenticeship Levy	Cost to the Council of the new Apprenticeship Levy			1,400			1,400
CM19	Grant Funding	Reduction in Education Services Grant		1,000	3,000	1,000	500	5,500
CM20	National Living Wage	Cost of implementing the National Living Wage to the Council			100	150	150	400
CM21	Funding	Additional Revenue Support Grant Cut		7,454	7,576	2,115	2,246	19,391
CM22	Business Rates	A reduction in Business Rates funding from lower inflation rates in future years to match Government forecasts.			566	169	0	735
TOTAL PRESSURES				20,812	16,925	9,381	7,090	54,208
TOTAL PROPOSED BUDGET CHANGES				-3,711	6,809	3,236	-2,682	3,277

Total Savings & Cuts to Services by Type

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	TOTAL £000
Savings	-23,921	-6,738	-10,602	-9,764	-51,025
Cuts	0	0	0	0	0
	-23,921	-6,738	-10,602	-9,764	-51,025

Changes to the Budget Proposals since 26 January 2016

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Flood Defence Levy	6				6
Council Tax Surpluses	-102	102			0
Business Rates from Districts	377	-269	-6	-8	94
Contribution from the Business Rates Reserve	-377	377			0
Special Educational Needs and Disabilities Grant	-121	121			0
Additional Independent Living Fund grant in 2016/17, reducing thereafter.	-799	125	116	108	-450
Contribution to Contingency	799	-125	-116	-108	450
Transition Grant from Government	-4,454	-9	4,463		0
Transition Fund	4,000	-4,000			0
Removal of Contribution from the Budget Reserve	671	-671			0
Total Changes to the Budget Proposals	0	-4,349	4,457	-8	100

Council Tax and Precepts 2016/17

Council Tax Data

1. In order to set its budget for 2016/17, the council needs to calculate its council tax requirement. This is the amount that the council needs to raise from council tax to meet its expenditure after taking account of the income it will accrue from the following
 - (a) the amount to be received from specific grants.
 - (b) the amount to be received from Revenue Support Grant and the Business Rates Top Up under the Business Rates Retention Scheme.
 - (c) the amount to be received for the County Council's share of Non-Domestic Rating Income.
 - (d) any surpluses/shortfalls on the council tax collection funds for earlier years and the estimated position for the current year.
 - (e) the amount expected to be received from fees, charges and contributions.
2. In order to set its council tax for the forthcoming year, the council needs to calculate its council tax requirement and have available the council tax base, expressed in terms of Band D equivalent properties.
3. Based on the final information on funding and assuming a council tax requirement of **£305,896,875** as shown in the proposed Medium Term Financial Plan (Section 4.1) the calculation of the Band D Council Tax for 2016/17 is as follows:

Council Tax Calculation 2016/17

	£m
County Council net expenditure after specific grants	417.376
Less: Revenue Support Grant	-39.331
Business Rates Top Up	-37.394
Non-Domestic Rating Income	-29.641
Council Tax Collection Fund Adjustments	-6.913
Business Rates Collection Fund Adjustments	1.800
Council Tax Requirement (R)	305.897
Council Tax Base (assuming losses on collection) (T)	238,676
Band D Council Tax (R/T)	£1,281.64

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

Table 1

Council Tax by Property Band for Oxfordshire County Council

Assuming a Band D council tax of £1,281.64, the council tax for other bands is as follows:

Property Band	Property Values	Band D Proportion	2016/17 £ p
A	Up to £40,000	6/9	854.43
B	Over £40,000 and up to £52,000	7/9	996.83
C	Over £52,000 and up to £68,000	8/9	1,139.24
D	Over £68,000 and up to £88,000	9/9	1,281.64
E	Over £88,000 and up to £120,000	11/9	1,566.45
F	Over £120,000 and up to £160,000	13/9	1,851.26
G	Over £160,000 and up to £320,000	15/9	2,136.07
H	Over £320,000	18/9	2,563.28

Table 2

Allocation of Precept to Districts

The County Council precept (£305,896,875) is the sum of the council tax income required to fund the Council's budget.

District Council	Tax Base Number	Assumed Precept Due
		£
Cherwell	50,357.10	64,539,673.64
Oxford City	43,665.10	55,962,938.76
South Oxfordshire	54,965.00	70,445,342.60
Vale of White Horse	48,176.90	61,745,442.12
West Oxfordshire	41,512.03	53,203,478.13
TOTAL	238,676.13	305,896,875.25

Formal approval is required under the council tax legislation for:

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

The information must be given to district councils by 1 March 2016.

Detailed Revenue Budget 2016/17

February 2016

**Draft Revenue Budget 2016/17
Summary**

		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
		£000	£000	£000	£000	£000	£000	£000	£000
Children, Education & Families	Expenditure	419,287	-372	461	0	-5,044	5,047	-20,137	399,242
	Recharge Income	-935	-1,073	0	0	0	-522	0	-2,530
	DSG income (*)	-262,644	1,427	0	0	0	0	17,610	-243,607
	Grant income	-22,641	-25	0	0	0	0	2,157	-20,509
	Other Income	-26,018	18	0	0	0	0	0	-26,000
		107,049	-25	461	0	-5,044	4,525	-370	106,596
Social & Community Services	Expenditure	229,695	-5,500	364	0	-4,123	6,276	-892	225,820
	Recharge Income	-10,892	1,791	0	0	0	0	-99	-9,200
	Grant income	0	0	0	0	0	0	0	0
	Other Income	-10,055	6,182	-18	0	-50	0	-86	-4,027
		208,748	2,473	346	0	-4,173	6,276	-1,077	212,593
Environment & Economy	Expenditure	171,888	367	1,063	0	-2,867	-2,488	-722	167,241
	Recharge Income	-71,375	6,548	-31	0	1,327	-1,420	172	-64,779
	Grant income	-8,323	5,196	0	0	-60	0	765	-2,422
	Other Income	-15,609	299	-204	0	-497	-817	0	-16,828
		76,581	12,410	828	0	-2,097	-4,725	215	83,212
Chief Executive's Office (including Cultural Services)	Expenditure	34,029	-8,651	136	0	344	-1,142	-84	24,632
	Recharge Income	-9,552	-2,658	0	0	0	0	723	-11,487
	Grant income	-692	0	0	0	0	0	50	-642
	Other Income	-4,992	-77	-27	0	-70	0	0	-5,166
		18,793	-11,386	109	0	274	-1,142	689	7,337
Public Health	Expenditure	31,023	-286	0	0	0	0	36	30,773
	Recharge Income	-427	286	0	0	0	0	-36	-177
	Grant income	-30,419	0	0	0	0	0	0	-30,419
	Other Income	-177	0	0	0	0	0	0	-177
		0	0	0	0	0	0	0	0
Strategic Measures and Contributions to/from Reserves	Expenditure	33,919	530	0	0	3,400	-1,778	-530	35,541
	Recharge Income	-2,653	0	0	0	-2,541	702	0	-4,492
	Grant income	-15,777	-3,003	0	4,171	-600	-4,941	0	-20,150
	Other Income	-2,079	0	0	0	-752	-345	0	-3,176
		13,410	-2,473	0	4,171	-493	-6,362	-530	7,723
Net Operating Budget		424,581	999	1,744	4,171	-11,533	-1,428	-1,073	417,461

**Draft Revenue Budget 2016/17
Summary**

		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
		£000	£000	£000	£000	£000	£000	£000	£000
General Government Grant	Grant income	-99,390	0	0	0	0	0	22,665	-76,725
Business Rates from District Councils	Other Income	-29,466	0	0	0	0	0	1,642	-27,824
Collection Fund Surpluses/Deficits	Other Income	-7,472	0	0	0	0	0	457	-7,015
COUNCIL TAX REQUIREMENT		288,253	999	1,744	4,171	-11,533	-1,428	23,691	305,897
	Expenditure	919,841	-13,912	2,024	0	-8,290	5,915	-22,329	883,249
	Recharge Income	-95,834	4,894	-31	0	-1,214	-1,240	760	-92,665
	DSG income (*)	-262,644	1,427	0	0	0	0	17,610	-243,607
	Grant income	-177,242	2,168	0	4,171	-660	-4,941	25,637	-150,867
	Other Income	-95,868	6,422	-249	0	-1,369	-1,162	2,013	-90,213
COUNCIL TAX REQUIREMENT		288,253	999	1,744	4,171	-11,533	-1,428	23,691	305,897

(*) Notes

1. DSG = Dedicated Schools Grant.
2. The DSG and grant income budgets reflect the latest estimates for grant allocations in 2016/17. For CEF further changes will be required to reflect revised pupil numbers and academy conversions.

References to the "Service and Resource Planning: Service Analysis 2015/16" publication have been added throughout this document to show the movement from 2015/16 to 2016/17.

Draft Revenue Budget 2016/17
Children, Education & Families

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16 £000	Permanent Virements Agreed in 2015/16 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2016/17 £000
CEF1	CEF1	<u>EDUCATION & LEARNING</u>									
CEF1-1	CEF1-1	Management & Central Costs (including admin and support service recharges)	expenditure recharge Income DSG income grant income income	2,960 0 -424 0 0	375 0 0 0 0	19 0 0 0 0	0 0 0 0 0	-500 0 0 0 0	0 0 0 0 0	0 0 0 0 0	2,854 0 -424 0 0
				2,536	375	19	0	-500	0	0	2,430
CEF1-2	CEF1-2	Additional & Special Educational Needs	expenditure recharge Income DSG income grant income income	32,902 -113 -30,283 0 -643	403 -457 0 0 -1	18 0 0 0 0	0 0 0 0 0	47 0 0 0 0	-375 0 0 0 0	995 0 -988 0 0	33,990 -570 -31,271 0 -644
				1,863	-55	18	0	47	-375	7	1,505
CEF1-3	CEF1-3	Early Intervention (Moved to CEF2-7)	expenditure recharge Income DSG income grant income income	18,091 -53 -2,430 0 -374	-18,091 53 2,430 0 374	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0
				15,234	-15,234	0	0	0	0	0	0
CEF1-4	CEF1-4	Education	expenditure recharge Income DSG income grant income income	9,820 -718 -4,809 -665 -1,830	103 0 -159 0 0	14 0 0 0 0	0 0 0 0 0	28 0 0 0 0	0 -422 0 0 0	-528 0 536 0 0	9,437 -1,140 -4,432 -665 -1,830
				1,798	-56	14	0	28	-422	8	1,370
CEF1-5	CEF1-5	School Organisation & Planning (Including Home to School Transport recharge)	expenditure recharge Income DSG income grant income income	20,439 -138 -5,168 0 0	23 0 160 0 0	35 0 0 0 0	0 0 0 0 0	-1,424 0 0 0 0	1,796 -100 0 0 0	-963 0 964 0 0	19,906 -238 -4,044 0 0
				15,133	183	35	0	-1,424	1,696	1	15,624
		SUBTOTAL EDUCATION & LEARNING		36,564	-14,787	86	0	-1,849	899	16	20,929

Draft Revenue Budget 2016/17
Children, Education & Families

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
CEF2	CEF2	<u>CHILDREN'S SOCIAL CARE</u>									
CEF2-1	CEF2-1	Management & Central Costs (including admin and support service recharges)	expenditure recharge Income DSG income grant income income	3,769 -37 0 0 0	80 0 0 0 0	33 0 0 0 0	0 0 0 0 0	49 0 0 0 0	1,349 0 0 0 0	10 0 0 0 0	5,290 -37 0 0 0
				3,732	80	33	0	49	1,349	10	5,253
CEF2-3	CEF2-3	Social Care	expenditure recharge Income DSG income grant income income	28,305 -369 -1,770 -859 -301	-1,138 0 0 -26 0	85 0 0 0 0	0 0 0 0 0	-1,491 0 0 0 0	0 0 0 0 0	-83 0 418 -322 0	25,678 -369 -1,352 -1,207 -301
				25,006	-1,164	85	0	-1,491	0	13	22,449
CEF2-7	CEF2-7	<u>Early Intervention</u>	expenditure recharge Income DSG income grant income income	0 0 0 0 0	17,511 -53 -2,430 0 -374	100 0 0 0 0	0 0 0 0 0	-1,829 0 0 0 0	1,200 0 0 0 0	-238 0 265 0 0	16,744 -53 -2,165 0 -374
					14,654	100	0	-1,829	1,200	27	14,152
-	CEF2-2	Corporate Parenting (Moved to CEF3-2)	expenditure recharge Income DSG income grant income income	15,373 -60 0 0 -48	1,347 0 0 0 0	94 0 0 0 0	0 0 0 0 0	527 0 0 0 0	300 0 0 0 0	-17,641 60 0 0 48	0 0 0 0 0
				15,265	1,347	94	0	527	300	-17,533	0
-	CEF2-4	Safeguarding (Moved to CEF3-3)	expenditure recharge Income DSG income grant income income	1,178 -53 -64 0 -94	2 0 0 0 0	11 0 0 0 0	0 0 0 0 0	21 0 0 0 0	595 0 0 0 0	-1,807 53 64 0 94	0 0 0 0 0
				967	2	11	0	21	595	-1,596	0

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
-	CEF2-5	Services for Disabled Children (Moved to CEF3-4)	expenditure	7,253	-12	37	0	3	0	-7,281	0
			recharge Income	-10	0	0	0	0	0	10	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				7,243	-12	37	0	3	0	-7,271	0
-	CEF2-6	Youth Offending Service (Moved to CEF3-5)	expenditure	1,512	-26	10	0	20	-100	-1,416	0
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	-680	0	0	0	0	0	680	0
			income	-333	19	0	0	0	0	314	0
				499	-7	10	0	20	-100	-422	0
		SUBTOTAL CHILDREN'S SOCIAL CARE		52,712	14,900	370	0	-2,700	3,344	-26,772	41,854
CEF3	CEF3	CHILDREN SOCIAL CARE COUNTYWIDE SERVICES (Changed Name to Children Social Care Countywide Services)									
CEF3-2	-	Corporate Parenting (Moved From CEF2-2)	expenditure	0	0	0	0	0	0	17,657	17,657
			recharge Income	0	0	0	0	0	0	-60	-60
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	-48	-48
				0	0	0	0	0	0	17,549	17,549
CEF3-3	-	Safeguarding (Moved From CEF2-4)	expenditure	0	0	0	0	0	0	1,809	1,809
			recharge Income	0	0	0	0	0	0	-53	-53
			DSG income	0	0	0	0	0	0	-64	-64
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	-94	-94
				0	0	0	0	0	0	1,598	1,598
CEF3-4	-	Services for Disabled Children (Moved From CEF2-5)	expenditure	0	0	0	0	0	0	7,287	7,287
			recharge Income	0	0	0	0	0	0	-10	-10
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	7,277	7,277

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16 £000	Permanent Virements Agreed in 2015/16 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2016/17 £000
CEF3-5	-	Youth Offending Service (Moved From CEF2-6)	expenditure	0	0	0	0	0	0	1,276	1,276
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	-536	-536
			income	0	0	0	0	0	0	-314	-314
				0	0	0	0	0	0	426	426
-	CEF3-1	Management, Admin & Central Support Service Recharges (Moved to create CEF5-1)	expenditure	487	-10	5	0	5	56	-543	0
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				487	-10	5	0	5	56	-543	0
-	CEF3-2	Premature Retirement Compensation (PRC) (Moved to create CEF5-2)	expenditure	3,916	-56	0	0	0	0	-3,860	0
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				3,916	-56	0	0	0	0	-3,860	0
-	CEF3-3	Joint Commissioning Recharge (Moved to create CEF5-3)	expenditure	1,505	0	0	0	-500	250	-1,255	0
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				1,505	0	0	0	-500	250	-1,255	0
		SUBTOTAL CEF CENTRAL COSTS		5,908	-66	5	0	-495	306	21,192	26,850

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
CEF4	CEF4	<u>SCHOOLS</u>									
CEF4-1	CEF4-1	Delegated Budgets	expenditure	226,074	0	0	0	0	0	-18,084	207,990
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	-183,242	-1	0	0	0	0	15,749	-167,494
			grant income	-20,437	1	0	0	0	0	2,335	-18,101
			income	-22,395	0	0	0	0	0	0	-22,395
				0	0	0	0	0	0	0	0
CEF4-2	CEF4-2	Early Years Single Funding Formula (Nursery Education Funding)	expenditure	25,360	-1,267	0	0	0	0	934	25,027
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	-25,360	1,267	0	0	0	0	-934	-25,027
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
CEF4-3	CEF4-3	Non-Delegated Schools Costs	expenditure	1,318	-232	0	0	0	-24	-1	1,061
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	-778	160	0	0	0	0	0	-618
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				540	-72	0	0	0	-24	-1	443
CEF4-4	CEF4-4	Schools Support Service Recharges	expenditure	217	4,932	0	0	0	0	0	5,149
			recharge Income	616	-616	0	0	0	0	0	0
			DSG income	-833	-4,316	0	0	0	0	0	-5,149
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
CEF4-5	CEF4-5	Capitalised Repairs & Maintenance	expenditure	3,167	0	0	0	0	0	-1,600	1,567
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	-3,167	0	0	0	0	0	1,600	-1,567
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
		SUBTOTAL SCHOOLS		540	-72	0	0	0	-24	-1	443

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16 £000	Permanent Virements Agreed in 2015/16 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2016/17 £000
CEF5	-	<u>CHILDREN, EDUCATION & FAMILIES</u> <u>(CEF) CENTRAL COSTS</u>									
CEF5-1	-	Management, Admin & Central Support Service Recharges (Moved from CEF3-1)	expenditure recharge Income DSG income grant income income	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	545 0 0 0 0	545 0 0 0 0
CEF5-2	-	Premature Retirement Compensation (PRC) (Moved from CEF3-2)	expenditure recharge Income DSG income grant income income	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	545 3,860 0 0 0	545 3,860 0 0 0
CEF5-3	-	Joint Commissioning Recharge (Moved from CEF3-3)	expenditure recharge Income DSG income grant income income	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	1,255 0 0 0 0	1,255 0 0 0 0
				0	0	0	0	0	0	1,255	1,255
		SUBTOTAL CEF CENTRAL COSTS		0	0	0	0	0	0	5,660	5,660

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16 £000	Permanent Virements Agreed in 2015/16 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2016/17 £000
			expenditure	403,646	3,944	461	0	-5,044	5,047	-19,672	388,382
			recharge income	-935	-1,073	0	0	0	-522	0	-2,530
			DSG income	-258,328	-2,889	0	0	0	0	17,610	-243,607
			grant income	-22,641	-25	0	0	0	0	2,157	-20,509
			income	-26,018	18	0	0	0	0	0	-26,000
		BUDGET CONTROLLABLE BY DIRECTORATE		95,724	-25	461	0	-5,044	4,525	95	95,736
		Non Negotiable Support Service Recharge	support service recharge expenditure	15,641	-4,316	0	0	0	0	-465	10,860
			support service recharge income	0	0	0	0	0	0	0	0
			DSG income	-4,316	4,316	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGE		11,325	0	0	0	0	0	-465	10,860
			expenditure	419,287	-372	461	0	-5,044	5,047	-20,137	399,242
			recharge income	-935	-1,073	0	0	0	-522	0	-2,530
			DSG income	-262,644	1,427	0	0	0	0	17,610	-243,607
			grant income	-22,641	-25	0	0	0	0	2,157	-20,509
			income	-26,018	18	0	0	0	0	0	-26,000
		DIRECTORATE TOTAL		107,049	-25	461	0	-5,044	4,525	-370	106,596

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Social & Community Services

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
SCS1	SCS1	ADULT SOCIAL CARE									
SCS1-1	SCS1-1	Older People									
SCS1-1E, SCS1-1A	SCS1-1E, SCS1-1A	Pooled Budget Contributions	Expenditure	71,255	-567	105	0	-1,684	-2,416	430	67,123
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				71,255	-567	105	0	-1,684	-2,416	430	67,123
SCS1-1BCD	SCS1-1BCD	Income	Expenditure	57	647	0	0	0	0	-323	381
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				57	647	0	0	0	0	-323	381
		Subtotal Older People		71,312	80	105	0	-1,684	-2,416	107	67,504
SCS1-2	SCS1-2	Learning Disabilities									
SCS1-2ABDE	SCS1-2ABDE	Learning Disabilities Non Pool Services	Expenditure	6,797	-2,120	36	0	-118	785	599	5,979
			Recharge Income	-6,405	1,855	0	0	0	0	0	-4,550
			income	-5,481	5,463	0	0	0	0	-1	-19
				-5,089	5,198	36	0	-118	785	598	1,410
SCS1-2C	SCS1-2C	Pooled Budget Contribution	Expenditure	73,953	-3,553	-89	0	-1,731	2,400	-364	70,616
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				73,953	-3,553	-89	0	-1,731	2,400	-364	70,616
		Subtotal Learning Disabilities		68,864	1,645	-53	0	-1,849	3,185	234	72,026

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
SCS1-3	SCS1-3	Mental Health									
SCS1-3A	SCS1-3A	Non-Pool Services	Expenditure	850	0	10	0	10	0	1	871
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				850	0	10	0	10	0	1	871
SCS1-3B	SCS1-3B	Pooled Budget Contributions	Expenditure	8,112	0	11	0	0	0	0	8,123
			Recharge Income	0	0	0	0	0	0	0	0
			income	-53	0	0	0	0	0	-1	-54
				8,059	0	11	0	0	0	-1	8,069
		Subtotal Mental Health		8,909	0	21	0	10	0	0	8,940
SCS1-4	SCS1-4	Services For All Client Groups									
SCS1-4A-M	SCS1-4A-M	Services For All Client Groups	Expenditure	6,317	-168	47	0	55	835	36	7,122
			Recharge Income	-2,082	0	0	0	0	0	0	-2,082
			Grant income	0	0	0	0	0	0	0	0
			income	-1,326	61	-2	0	0	0	0	-1,267
				2,909	-107	45	0	55	835	36	3,773
SCS1-4I	SCS1-4I	Housing Related Support	Expenditure	2,893	286	0	0	-500	0	-36	2,643
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				2,893	286	0	0	-500	0	-36	2,643
SCS1-4N	SCS1-4N	Funding for Adult Social Care to meet the increased cost of care including the cost of the National Living Wage	Expenditure	0	0	0	0	0	5,883	0	5,883
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	5,883	0	5,883
		Subtotal Services for All Client Groups		5,802	179	45	0	-445	6,718	0	12,299

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Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
SCS1-5	SCS1-5	Physical Disabilities									
SCS1-5A	SCS1-5A	Pooled Budget Contribution	Expenditure	12,027	-26	-15	0	-200	-50	189	11,925
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				12,027	-26	-15	0	-200	-50	189	11,925
SCS1-5B	SCS1-5B	Income	Expenditure	0	0	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			income	-657	657	0	0	0	0	0	0
				-657	657	0	0	0	0	0	0
		Subtotal Physical Disabilities		11,370	631	-15	0	-200	-50	189	11,925
SCS1-6	SCS1-6	Adult Social Care Recharges									
SCS1-6	SCS1-6	Adult Social Care Recharges	Expenditure	145	0	0	0	0	0	-26	119
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				145	0	0	0	0	0	-26	119
		Subtotal Adult Social Care Recharges		145	0	0	0	0	0	-26	119
		ADULT SOCIAL CARE		166,402	2,535	103	0	-4,168	7,437	504	172,813
SCS2	SCS2	JOINT COMMISSIONING									
SCS2-1	-	Resource Management	Expenditure	0	0	0	0	0	0	200	200
			Recharge Income	0	0	0	0	0	0	-1,844	-1,844
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	-1,644	-1,644
SCS2-2	-	Leadership Team	Expenditure	0	0	0	0	0	0	574	574
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	-89	-89
				0	0	0	0	0	0	485	485

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				£000	£000	£000	£000	£000	£000	£000	£000
SCS2-3	-	Strategy, Performance & Public Engagement	Expenditure	0	0	0	0	0	0	2,648	2,648
			Recharge Income	0	0	0	0	0	0	-35	-35
			income	0	0	0	0	0	0	-101	-101
				0	0	0	0	0	0	2,512	2,512
SCS2-4	-	Commissioning	Expenditure	0	0	0	0	0	0	3,591	3,591
			Recharge Income	0	0	0	0	0	0	-685	-685
			income	0	0	0	0	0	0	-224	-224
				0	0	0	0	0	0	2,682	2,682
SCS2-5	-	Oxfordshire Support Fund	Expenditure	0	0	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	0	0	0	0	0	0	0
-	SCS2-1 to SCS2-5	Joint Commissioning	Expenditure	6,719	446	61	0	90	-481	-6,835	0
			Recharge Income	-2,401	-64	0	0	0	0	2,465	0
			income	-326	0	-3	0	0	0	329	0
				3,992	382	58	0	90	-481	-4,041	0
-	SCS2-6	Oxfordshire Support Fund	Expenditure	444	-444	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				444	-444	0	0	0	0	0	0
		TOTAL JOINT COMMISSIONING		4,436	-62	58	0	90	-481	-6	4,035

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				£000	£000	£000	£000	£000	£000	£000	£000
SCS3	SCS3	FIRE & RESCUE, EMERGENCY PLANNING AND COMMUNITY SAFETY									
SCS3-1	-	Fire & Rescue Service (Moved From SCS4-1)	Expenditure	0	23,182	180	0	-24	-410	-28	22,900
			Recharge Income	0	-4	0	0	0	0	0	-4
			income	0	-871	-9	0	-50	0	1	-929
				0	22,307	171	0	-74	-410	-27	21,967
SCS3-2	-	Emergency Planning (Moved From SCS4-2)	Expenditure	0	272	2	0	-17	0	1	258
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				0	272	2	0	-17	0	1	258
SCS3-3	-	Gypsy & Traveller Services (Moved from 2-2)	Expenditure	0	950	3	0	8	0	1	962
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	-1,051	-3	0	0	0	0	-1,054
				0	-101	0	0	8	0	1	-92
SCS3-4	-	Trading Standards (Moved from 2-3)	Expenditure	0	1,892	13	0	-12	-270	-2	1,621
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	-289	-1	0	0	0	0	-290
				0	1,603	12	0	-12	-270	-2	1,331
-	SCS3-1	Gypsy & Traveller Services (Moved to SCS3-3)	Expenditure	950	-950	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			income	-1,051	1,051	0	0	0	0	0	0
				-101	101	0	0	0	0	0	0
-	SCS3-2	Trading Standards (moved to SCS3-4)	Expenditure	2,243	-2,243	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			income	-640	640	0	0	0	0	0	0
				1,603	-1,603	0	0	0	0	0	0
		TOTAL FIRE & RESCUE, EMERGENCY PLANNING AND COMMUNITY SAFETY		1,502	22,579	185	0	-95	-680	-27	23,464

Draft Revenue Budget 2016/17
Social & Community Services

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
SCS4	SCS4	<u>FIRE AND RESCUE & EMERGENCY PLANNING</u>									
-	SCS4-1	Fire & Rescue Service (Moved to SCS3-1)	Expenditure	22,832	-22,832	0	0	0	0	0	0
			Recharge Income	-4	4	0	0	0	0	0	0
			income	-521	521	0	0	0	0	0	0
				22,307	-22,307	0	0	0	0	0	0
-	SCS4-2	Emergency Planning (Moved to SCS3-2)	Expenditure	272	-272	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				272	-272	0	0	0	0	0	0
		TOTAL FIRE AND RESCUE &		22,579	-22,579	0	0	0	0	0	0
		TOTAL COMMUNITY SAFETY AND FIRE		24,081	0	185	0	-95	-680	-27	23,464
			Expenditure	215,866	-5,500	364	0	-4,123	6,276	656	213,539
			Recharge Income	-10,892	1,791	0	0	0	0	-99	-9,200
			Grant income	0	0	0	0	0	0	0	0
			Income	-10,055	6,182	-18	0	-50	0	-86	-4,027
		BUDGET CONTROLLABLE BY		194,919	2,473	346	0	-4,173	6,276	471	200,312
		Non Negotiable Support Service Recharges	support service	13,829	0	0	0	0	0	-1,548	12,281
			support service	0	0	0	0	0	0	0	0
			Grant income	0	0	0	0	0	0	0	0
			Income	0	0	0	0	0	0	0	0
		TOTAL NON NEGOTIABLE SUPPORT		13,829	0	0	0	0	0	-1,548	12,281
			Expenditure	229,695	-5,500	364	0	-4,123	6,276	-892	225,820
			Recharge Income	-10,892	1,791	0	0	0	0	-99	-9,200
			Grant income	0	0	0	0	0	0	0	0
			Income	-10,055	6,182	-18	0	-50	0	-86	-4,027
		DIRECTORATE TOTAL		208,748	2,473	346	0	-4,173	6,276	-1,077	212,593

The Pooled Budget Memorandum Accounts for Older People, Learning Disabilities and Physical Disabilities will be included in the published budget book once the Oxfordshire

The Mental Health Pool is moving to an outcomes based approach in 2015/16. The published budget book will set out the total council and OCCG contributions.

Pooled Budget Memorandum Account 2016/17

Older People's and Equipment Pooled Budget

	Oxfordshire County Council	Better Care Fund	Budget
	2016/17 £000	2016/17 £000	2016/17 £000
Older People			
Personal Budgets - Residential Care			
Expenditure	37,529	7,032	44,561
Income	- 15,189	-	- 15,189
Personal Budgets - Support at Home			
Expenditure	21,443	7,620	28,314
Income	- 4,673	-	- 4,673
Intermediate Care & Reablement	4,058	1,900	5,958
Prevention and Early Support	10,068	1,800	11,868
Staffing & Infrastructure Costs	12,761		12,761
Care Act		1,350	1,350
Equipment Service - Oxfordshire County Council	1,126	1,650	2,776
Total Expenditure	67,123	21,352	87,726
Oxfordshire County Council Contribution	- 67,123	-	- 66,374
Better Care Fund	-	- 21,352	- 21,352
Total Contributions	- 67,123	- 21,352	- 87,726
Net Contributions	-	-	-

Pooled Budget Memorandum Account 2016/17

Physical Disabilities Pooled Budget

	Budget 2016/17 £000
Oxfordshire County Council	
Personal Budgets - Residential Care	
Expenditure	2,990
Income	-410
Personal Budgets - Support At Home	
Expenditure	8,525
Income	-411
Prevention and Early Support	610
Acquired Brain Injury	621
Total Expenditure	11,925
Oxfordshire County Council Contribution	-11,925
NET BUDGET	0

Learning Disabilities Pooled Budget

	Budget 2016/17 £000
Personalisation / Ongoing Support	
Expenditure	70,110
Income	23,809
Contracted Services - Blocks	447
Contracted Services - Housing / Vacancies	105
Transformation	43
Carers	1
Direct Access Services	375
Staffing Recharges	783
Other Recharges	1,175
Total Expenditure	96,848
Oxfordshire County Council Contribution	32,756
NET BUDGET	129,604

Pooled Budget Memorandum Account 2016/17

Mental Health Pooled Budget

	Budget 2016/17 £000
<u>Provider Pool</u>	
Adults of working age	1,813
<u>Commissioning Pool</u>	
Outcomes Based Contract	
Supported Independent Living Contracts	2,783
Social Care Placements and Packages	1,528
Additional Short Term Funding for Placements and Packages	258
Non Outcomes Based Contract	
Keeping People Well and Employment Services	1,882
Carers	63
Child and Adolescent Mental Health Services	754
Total Expenditure	9,081
Adult Social Care	-8,069
Adult Social Care - Short Term Funding	-258
Children Education & Families	-754
Total Contributions	-9,081
NET BUDGET	0

Draft Revenue Budget 2016/17
Environment & Economy

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
EE1	EE1	<u>STRATEGY & INFRASTRUCTURE</u>									
EE1-1 to EE1-5	EE1-1 to EE1-4	Strategy & Infrastructure	expenditure recharge income grant income income	10,979 -869 -1,590 -1,586	440 18 0 -457	62 0 0 -11	0 0 0 0	-301 0 -60 -245	-425 0 0 -1,175	-1,018 0 1,015 0	9,737 -851 -635 -3,474
				6,934	1	51	0	-606	-1,600	-3	4,777
EE1-6	EE1-6	Local Enterprise Partnership	expenditure recharge income grant income income	1,790 0 -1,790 0	-1,290 0 1,290 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	250 0 -250 0	750 0 -750 0
				0	0	0	0	0	0	0	0
EE1-7	EE1-5	Flood Defence Levy	expenditure recharge income grant income income	535 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	6 0 0 0	541 0 0 0
				535	0	0	0	0	0	6	541
		SUBTOTAL STRATEGY & INFRASTRUCTURE		7,469	1	51	0	-606	-1,600	3	5,318
EE2	EE2	<u>COMMERCIAL SERVICES</u>									
EE2-1	EE2-1	Commercial Services Management	expenditure recharge income grant income income	-276 0 0 -95	308 0 0 0	3 0 0 0	0 0 0 0	4 0 0 0	330 0 0 0	-1,274 0 0 0	-905 0 0 -95
				-371	308	3	0	4	330	-1,274	-1,000
EE2-2	EE2-2	Property & Procurement									
EE2-21	EE2-21	Property & Procurement Management	expenditure recharge income grant income income	833 0 0 0	-126 0 0 0	2 0 0 0	0 0 0 0	-322 0 0 0	-50 0 0 0	-3 0 0 0	334 0 0 0
				833	-126	2	0	-322	-50	-3	334
EE2-22	EE2-22	Property & Facilities Management	expenditure recharge income grant income income	26,931 -8,439 0 -578	93 -1 0 -100	117 0 0 -1	0 0 0 0	-883 0 0 0	1,545 0 0 0	61 -1,379 0 0	27,864 -9,819 0 -679
				17,914	-8	116	0	-883	1,545	-1,318	17,366

Draft Revenue Budget 2016/17
Environment & Economy

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
EE2-23	EE2-23	Property Programme Office	expenditure	603	-67	0	0	0	0	0	536
			recharge income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				603	-67	0	0	0	0	0	536
EE2-2	EE2-2	Subtotal Property & Procurement		19,350	-201	118	0	-1,205	1,495	-1,321	18,236
EE2-3	EE2-3	Network & Asset Management									
EE2-31 to EE2-34	EE2-31 to EE2-34	Network & Asset Management (Excluding On/Off Street Parking and Park & Rides)	expenditure	13,145	180	173	0	809	-2,814	80	11,573
			recharge income	0	-715	0	0	0	0	-36	-751
			grant income	0	0	0	0	0	0	0	0
			income	-1,200	43	-22	0	-100	-25	0	-1,304
				11,945	-492	151	0	709	-2,839	44	9,518
EE2-35	EE2-35	Countryside & Records	expenditure	2,252	7	10	0	22	-70	0	2,221
			recharge income	-12	8	0	0	0	0	0	-4
			grant income	-242	0	0	0	0	0	0	-242
			income	-31	-110	-1	0	-52	0	-1	-195
				1,967	-95	9	0	-30	-70	-1	1,780
EE2-36	EE2-36	On/Off Street Parking and Park & Rides	expenditure	4,850	0	30	0	6	0	1,178	6,064
			recharge income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-5,847	0	-117	0	-100	0	0	-6,064
				-997	0	-87	0	-94	0	1,178	0
EE2-3	EE2-3	Subtotal Network & Asset Management		12,915	-587	73	0	585	-2,909	1,221	11,298

Draft Revenue Budget 2016/17
Environment & Economy

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
EE2-4	EE2-4	Delivery	expenditure	10,318	-683	0	0	87	-1,394	-592	7,736
			recharge income	-778	763	0	0	0	0	15	0
			grant income	0	0	0	0	0	0	0	0
			income	-364	150	-3	0	0	0	0	-217
				9,176	230	-3	0	87	-1,394	-577	7,519
EE2-5	EE2-5	Highways, Transport & Waste									
EE2-51A	EE2-51A	Waste Management	expenditure	25,319	0	284	0	296	800	-1	26,698
			recharge income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-1,133	0	-22	0	0	0	0	-1,155
				24,186	0	262	0	296	800	-1	25,543
EE2-51B	EE2-51B	Supported Transport (including Integrated Transport Unit)	expenditure	31,704	35	155	0	-2,050	452	3	30,299
			recharge income	-17,286	-23	-31	0	1,432	-1,420	0	-17,328
			grant income	-795	0	0	0	0	0	0	-795
			income	-1,421	373	-12	0	0	395	0	-665
				12,202	385	112	0	-618	-573	3	11,511
EE2-52	EE2-52	H&T Contract & Performance Mgt	expenditure	1,451	232	3	0	5	0	0	1,691
			recharge income	0	-35	0	0	0	0	0	-35
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				1,451	197	3	0	5	0	0	1,656
EE2-53	EE2-53	Area Stewards	expenditure	1,362	-45	15	0	24	0	591	1,947
			recharge income	0	0	0	0	0	0	-15	-15
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				1,362	-45	15	0	24	0	576	1,932
EE2-5	EE2-5	Subtotal Highways, Transport & Waste		39,201	537	392	0	-293	227	578	40,642
EE2-6	EE2-6	Major Infrastructure Delivery	expenditure	0	300	7	0	8	0	-80	235
			recharge income	0	-170	0	0	0	0	37	-133
			grant income	0	0	0	0	0	0	0	0
			income	0	-150	0	0	0	0	0	-150
				0	-20	7	0	8	0	-43	-48
		SUBTOTAL COMMERCIAL SERVICES		80,271	267	590	0	-814	-2,251	-1,416	76,647

Draft Revenue Budget 2016/17
Environment & Economy

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
EE3	EE3	<u>OXFORDSHIRE CUSTOMER SERVICES</u>									
EE3-1	EE3-1	Management Team	expenditure	450	-9	3	0	4	0	-6	442
			recharge income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-207	207	0	0	0	0	0	0
				243	198	3	0	4	0	-6	442
EE3-2	EE3-2	Education Support Services	expenditure	3,169	-628	7	0	28	0	19	2,595
			recharge income	-3,150	400	0	0	0	0	0	-2,750
			grant income	0	0	0	0	0	0	0	0
			income	-397	0	0	0	0	0	0	-397
				-378	-228	7	0	28	0	19	-552
EE3-3	EE3-3	ICT	expenditure	13,556	455	75	0	-387	0	-9	13,690
			recharge income	-974	-438	0	0	0	0	-1,299	-2,711
			grant income	0	0	0	0	0	0	0	0
			income	-1,127	0	0	0	0	0	0	-1,127
				11,455	17	75	0	-387	0	-1,308	9,852
EE3-4	EE3-4	Business Development	expenditure	3,083	0	21	0	-3	0	-1	3,100
			recharge income	-348	-38	0	0	-105	0	0	-491
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				2,735	-38	21	0	-108	0	-1	2,609
EE3-5	EE3-5	Customer Service Centre	expenditure	2,961	-341	25	0	-124	0	0	2,521
			recharge income	-577	-46	0	0	0	0	-188	-811
			grant income	0	0	0	0	0	0	0	0
			income	-279	14	-1	0	0	0	1	-265
				2,105	-373	24	0	-124	0	-187	1,445
EE3-6		Cultural Services (Moved from CEO 4-5)	expenditure	0	8,992	71	0	-90	-862	3	8,114
			recharge income	0	-78	0	0	0	0	0	-78
			grant income	0	0	0	0	0	0	0	0
			income	0	-1,015	-14	0	0	-12	0	-1,041
				0	7,899	57	0	-90	-874	3	6,995

Draft Revenue Budget 2016/17
Environment & Economy

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
-	EE3-6	Human Resources (including Adult Learning) <i>(Moved to CEO2)</i>	expenditure	6,469	-6,469	0	0	0	0	0	0
			recharge income	-934	934	0	0	0	0	0	0
			grant income	-3,906	3,906	0	0	0	0	0	0
			income	-455	455	0	0	0	0	0	0
				1,174	-1,174	0	0	0	0	0	0
-	EE3-7	Operational Finance <i>(Moved to CEO3)</i>	expenditure	1,954	-1,954	0	0	0	0	0	0
			recharge income	-246	246	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-11	11	0	0	0	0	0	0
				1,697	-1,697	0	0	0	0	0	0
-	EE3-8	Pensions, Procure to Pay (P2P) <i>(Moved to CEO3)</i>	expenditure	1,360	-1,360	0	0	0	0	0	0
			recharge income	-17	17	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-878	878	0	0	0	0	0	0
				465	-465	0	0	0	0	0	0
		SUBTOTAL OXFORDSHIRE CUSTOMER SERVICES		19,496	4,139	187	0	-677	-874	-1,480	20,791
			expenditure	164,798	-1,930	1,063	0	-2,867	-2,488	-793	157,783
			recharge income	-33,630	842	-31	0	1,327	-1,420	-2,865	-35,777
			grant income	-8,323	5,196	0	0	-60	0	765	-2,422
			income	-15,609	299	-204	0	-497	-817	0	-16,828
		BUDGET CONTROLLABLE BY DIRECTORATE		107,236	4,407	828	0	-2,097	-4,725	-2,893	102,756
		Non Negotiable Support Service Recharges	support service recharge expenditure	7,090	2,297	0	0	0	0	71	9,458
			support service recharge income	-37,745	5,706	0	0	0	0	3,037	-29,002
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGES		-30,655	8,003	0	0	0	0	3,108	-19,544
			Expenditure	171,888	367	1,063	0	-2,867	-2,488	-722	167,241
			Recharge Income	-71,375	6,548	-31	0	1,327	-1,420	172	-64,779
			Grant income	-8,323	5,196	0	0	-60	0	765	-2,422
			Income	-15,609	299	-204	0	-497	-817	0	-16,828
		DIRECTORATE TOTAL		76,581	12,410	828	0	-2,097	-4,725	215	83,212

Draft Revenue Budget 2016/17
Corporate Services

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
CEO1	CEO1	Corporate Services Business Support	expenditure	848	102	3	0	-111	-431	-2	409
			recharge income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				848	102	3	0	-111	-431	-2	409
CEO2	CEO2	Human Resources (EE3-6 Moved into CEO2)	expenditure	2,741	2,522	32	0	261	-611	-41	4,904
			recharge income	0	-779	0	0	0	0	-699	-1,478
			income	-3	-100	-1	0	0	0	-1	-105
				2,738	1,643	31	0	261	-611	-741	3,321
CEO3	CEO3	Corporate Finance & Internal Audit (EE3-7 & EE3-8 Moved into CEO3)	expenditure	3,597	3,046	51	0	85	-100	-55	6,624
			recharge income	-287	-181	0	0	0	0	-766	-1,234
			grant income	-50	0	0	0	0	0	50	0
			income	-368	-991	-2	0	0	0	0	-1,361
				2,892	1,874	49	0	85	-100	-771	4,029
CEO4	CEO4	Law & Governance (CEO4-5 Cultural Services moved to EE3-9)	expenditure	17,907	-9,057	42	0	114	0	-35	8,971
			recharge income	-1,938	78	0	0	0	0	-157	-2,017
			grant income	-642	0	0	0	0	0	0	-642
			income	-4,621	1,014	-24	0	-70	0	1	-3,700
				10,706	-7,965	18	0	44	0	-191	2,612
CEO5	CEO5	Policy	expenditure	916	-32	8	0	-5	0	-2	885
			recharge income	0	0	0	0	0	0	-401	-401
			income	0	0	0	0	0	0	0	0
				916	-32	8	0	-5	0	-403	484
			expenditure	26,009	-3,419	136	0	344	-1,142	-135	21,793
			recharge income	-2,225	-882	0	0	0	0	-2,023	-5,130
			grant income	-692	0	0	0	0	0	50	-642
			income	-4,992	-77	-27	0	-70	0	0	-5,166
		BUDGET CONTROLLABLE BY DIRECTORATE		18,100	-4,378	109	0	274	-1,142	-2,108	10,855

Draft Revenue Budget 2016/17
Corporate Services

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
CEO6	CEO6	Corporate & Democratic Core	support service recharge	2,141	0	0	0	0	0	-444	1,697
			support service recharge								
			income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		CORPORATE & DEMOCRATIC CORE		2,141	0	0	0	0	0	-444	1,697
		Non Negotiable Support Service	support service recharge	5,879	-5,232	0	0	0	0	495	1,142
			expenditure								
			support service recharge								
			income	-7,327	-1,776	0	0	0	0	2,746	-6,357
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGES		-1,448	-7,008	0	0	0	0	3,241	-5,215
			expenditure	34,029	-8,651	136	0	344	-1,142	-84	24,632
			recharge income	-9,552	-2,658	0	0	0	0	723	-11,487
			grant income	-692	0	0	0	0	0	50	-642
			income	-4,992	-77	-27	0	-70	0	0	-5,166
		DIRECTORATE TOTAL		18,793	-11,386	109	0	274	-1,142	689	7,337

Draft Revenue Budget 2016/17
Public Health

Ref. 2016/17	Ref. 2015/16	Service Area		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
				£000	£000	£000	£000	£000	£000	£000	£000
PH1	PH1	LA Commissioning Responsibilities - Nationally Defined	Expenditure	14,728	0	0	0	0	0	0	14,728
			grant income	0	0	0	0	0	0	0	0
			recharge income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		SUBTOTAL LA COMMISSIONING RESPONSIBILITIES - NATIONALLY DEFINED		14,728	0	0	0	0	0	0	14,728
PH2	PH2	LA Commissioning Responsibilities - Locally defined	expenditure	15,629	-287	0	0	0	0	36	15,378
			grant income	0	0	0	0	0	0	0	0
			recharge income	-427	286	0	0	0	0	-36	-177
			income	-177	0	0	0	0	0	0	-177
		SUBTOTAL LA COMMISSIONING RESPONSIBILITIES - LOCALLY DEFINED		15,025	-1	0	0	0	0	0	15,024
PH3	PH3	Public Health Recharges (Non Negotiable Support Service Recharges now shown separately)	expenditure	94	62	0	0	0	0	0	156
			grant income	0	0	0	0	0	0	0	0
			recharge income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		SUBTOTAL PUBLIC HEALTH RECHARGES		94	62	0	0	0	0	0	156
PH4	PH4	Grant Income	expenditure	0	0	0	0	0	0	0	0
			recharge income	0	0	0	0	0	0	0	0
			grant income	-29,847	-572	0	0	0	0	0	-30,419
			income	0	0	0	0	0	0	0	0
		SUBTOTAL GRANT INCOME		-29,847	-572	0	0	0	0	0	-30,419
			expenditure	30,451	-225	0	0	0	0	36	30,262
			recharge income	-427	286	0	0	0	0	-36	-177
			grant income	-29,847	-572	0	0	0	0	0	-30,419
			income	-177	0	0	0	0	0	0	-177
		BUDGET CONTROLLABLE BY DIRECTORATE		0	-511	0	0	0	0	0	-511
			support service recharge								
			expenditure	572	-61	0	0	0	0	0	511
			PH grant income	-572	572	0	0	0	0	0	0
		TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGES		0	511	0	0	0	0	0	511
			Expenditure	31,023	-286	0	0	0	0	36	30,773
			Recharge Income	-427	286	0	0	0	0	-36	-177
			Grant Income	-30,419	0	0	0	0	0	0	-30,419
			Income	-177	0	0	0	0	0	0	-177
		DIRECTORATE TOTAL		0	0	0	0	0	0	0	0

Draft Revenue Budget 2016/17
Strategic Measures

		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
		£000	£000	£000	£000	£000	£000	£000	£000
<u>CAPITAL FINANCING</u>									
Principal	Expenditure	15,597				311	-374		15,534
Interest	Expenditure	18,171				303	-913		17,561
Net Interest on Balances (split income and expenditure)	Expenditure	533				335	-268		600
	Recharge Income	-2,653				-1,291	702		-3,242
	Other income	-2,079				-752	-345		-3,176
		-4,199	0	0	0	-1,708	89	0	-5,818
SUBTOTAL CAPITAL FINANCING		29,569	0	0	0	-1,094	-1,198	0	27,277
Contingency	Expenditure	4,029	530				596	-530	4,625
Pensions Past Service Deficit Funding	Expenditure	830					-830		0
Recharge to Public Health	Recharge Income					-1,250			-1,250
Transition Fund	Expenditure						4,000		4,000
<u>CONTRIBUTIONS TO/FROM BALANCES</u>									
General Balances	Expenditure	2,000							2,000
SUBTOTAL CONTRIBUTIONS TO/FROM BALANCES		2,000	0	0	0	0	0	0	2,000
<u>CONTRIBUTIONS TO/FROM RESERVES</u>									
Reserves	Expenditure	-8,191				2,451	-3,039		-8,779
	Other income	0							0
		-8,191	0	0	0	2,451	-3,039	0	-8,779
Prudential Borrowing costs	Expenditure	950					-950		0
SUBTOTAL CONTRIBUTIONS TO/FROM RESERVES		-7,241	0	0	0	2,451	-3,989	0	-8,779

Draft Revenue Budget 2016/17
Strategic Measures

		Budget 2015/16	Permanent Virements Agreed in 2015/16	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2016/17
		£000	£000	£000	£000	£000	£000	£000	£000
<u>UNRINGFENCED SPECIFIC GRANT INCOME</u>	Grant income	-15,777	-3,003		4,171	-600	-4,941		-20,150
TOTAL UNRINGFENCED SPECIFIC GRANT INCOME		-15,777	-3,003	0	4,171	-600	-4,941	0	-20,150
Strategic Measures	Expenditure	33,919	530	0	0	3,400	-1,778	-530	35,541
	Recharge Income	-2,653	0	0	0	-2,541	702	0	-4,492
	Grant Income	-15,777	-3,003	0	4,171	-600	-4,941	0	-20,150
	Other income	-2,079	0	0	0	-752	-345	0	-3,176
STRATEGIC MEASURES TOTAL		13,410	-2,473	0	4,171	-493	-6,362	-530	7,723
<u>COUNCIL TAX COLLECTION FUND SURPLUSES/DEFICITS</u>	Other income	-7,472						457	-7,015
TOTAL COLLECTION FUND SURPLUSES/DEFICITS		-7,472	0	0	0	0	0	457	-7,015
<u>BUSINESS RATES FROM DISTRICT COUNCILS</u>	Other income	-30,334						448	-29,886
<u>BUSINESS RATES COLLECTION FUND SURPLUSES/DEFICITS</u>	Other income	868						1,194	2,062
TOTAL BUSINESS RATES FROM DISTRICT COUNCILS		-29,466	0	0	0	0	0	1,642	-27,824
<u>GENERAL GOVERNMENT GRANT INCOME</u>									
Revenue Support Grant	Grant income	-62,305						22,974	-39,331
Business Rates Top-Up	Grant income	-37,085						-309	-37,394
TOTAL GENERAL GOVERNMENT GRANT INCOME		-99,390	0	0	0	0	0	22,665	-76,725

Draft Revenue Budget 2016/17
Government Grant Details - 2016/17

Directorate	Estimate 2015/16	Estimate 2016/17
	£m	£m
Children, Education & Families		
Asylum (UASC & Post 18)	0.795	1.143
Dedicated Schools Grant	262.644	243.608
Education Funding Agency – Sixth Form and Bursary Funding	4.537	2.855
Intensive Interventions Programme (DfE) 2014/15	0.000	0.000
Intensive Interventions Programme (DfE) 2013/14 adjustment	0.000	0.000
Music (moved to Chief Executive's Office in 2014/15)	0.000	0.000
PE and Sport Grant 2013/14 (paid April 2014)	0.000	0.000
PE and Sport Grant 2014/15 (£1.013m payable in 2014/15 with a further instalment of £0.723m in April 2015)	0.723	0.000
PE and Sport Grant 2015/16	0.000	0.684
PE and Sport Grant 2016/17	0.000	0.800
Pupil Premium	10.149	8.481
Remand	0.064	0.064
Universal Infant Free School Meals	5.693	5.946
Unpaid Work Grant	0.000	0.000
Youth Justice Board	0.680	0.536
Total Children, Education & Families	285.285	264.117

Draft Revenue Budget 2016/17
Government Grant Details - 2016/17

Directorate	Estimate 2015/16	Estimate 2016/17
	£m	£m
Skills Funding Agency - Adult Education	3.697	0.000
Education Funding Agency (Formerly the YPLA)	0.209	0.000
Regional Growth Fund - Oxford Innovation Business Support	0.896	0.000
Department for Business Innovation & Skills	0.250	0.250
C&EC (Careers & Employment Centre)	0.000	0.020
ERDF (European Regional Development Fund)	0.000	0.040
DCLG (Local Enterprise Partnership Funding)	0.500	0.500
DCLG - Foodwise Project	0.000	0.000
City Deal Skills Grant	0.590	0.575
Local Sustainable Transport Fund Grant	1.000	0.000
Bus Service Operators Grant	0.795	0.795
Natural England	0.242	0.242
Total Environment & Economy	8.179	2.422
<u>Chief Executive's Office</u>		
Arts Council	0.00	0.000
Find your Voice	0.00	0.000
Counter Fraud Fund	0.05	0.000
Music (moved from Children, Education & Families in 2014/15)	0.64	0.642
Total Chief Executive's Office	0.692	0.642
<u>Public Health</u>		
Public Health Grant	30.419	30.419
Total Public Health	30.419	30.419

Draft Revenue Budget 2016/17
Government Grant Details - 2016/17

Directorate	Estimate 2015/16	Estimate 2016/17
	£m	£m
<u>Strategic Measures</u>		
Fire Revenue Grant	0.288	0.288
Lead Local Flood Authority	0.112	0.000
Extended Rights to Free Travel	0.310	0.310
Troubled Families - Co-ordinator funding	0.200	0.200
New Homes Bonus	3.170	4.130
New Homes Bonus Adjustment Grant	0.210	0.158
Local Reform and Community Voice Grant	0.515	0.515
Care Act New Burdens Grant	3.368	0.000
Education Services Grant	5.365	4.365
Special Educational Needs Reform Grant	0.375	0.422
Section 31 Grant for Cap on Business Rates Top-up	0.541	0.541
Section 31 Grant for Cap on Business Rates and Other Reliefs	1.323	0.964
Independent Living Fund	0.000	3.802
Transition Funding	0.000	4.454
Revenue Support Grant	62.305	39.331
Business Rates Top-Up	37.085	37.394
Total Strategic Measures	115.167	96.874
Total Grants	439.742	394.474

TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY FOR 2016/17

Background

1. The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
2. The Act requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance issued subsequent to the Act). The Annual Investment Strategy sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
3. Treasury management is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
4. The proposed strategy for 2016/17 in respect of the following aspects of the treasury management function is based upon the views of the Council's Treasury Management Strategy Team (TMST)¹, informed by market forecasts provided by the Council's treasury advisor, Arlingclose Limited. The strategy covers:
 - Treasury limits in force which limit the treasury risk and activities of the Council;
 - Treasury Management Prudential Indicators for 2016/17, 2017/18 and 2018/19;
 - the current treasury position;
 - prospects for interest rates;
 - the borrowing strategy;
 - the borrowing requirement and
 - the Annual Investment Strategy.
5. It is a statutory requirement for the Council to produce a balanced budget and to calculate its council tax requirement for each financial year to include the revenue costs that flow from capital financing decisions. This means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue caused by increased borrowing to finance additional capital expenditure (and any increases in running costs from new capital projects) are

¹Comprising the Chief Finance Officer, Service Manager (Pensions), Strategic Finance Manager (Treasury & Banking) and Financial Manager (Treasury Management).

limited to a level which is affordable within the projected income of the Council for the foreseeable future.

Key Changes

6. Paragraphs 34 and 35 set out updated base rate forecasts for 2016/17 – 2019/20 and updated target in-house returns for the same period. These rates have been incorporated into the strategic measures budget estimates.
7. Paragraph 42 sets out a reduction to the percentage of the debt portfolio which can be funded through internal borrowing. This has been reduced to 15% (from 25% in 2015/16) due to the forecast reduction in cash balances over the medium term.
8. Paragraph 68 proposes the removal of deposits with nationalised banks with government guarantee for wholesale deposits (requiring no minimum credit rating) from the list of specified investments. This reflects the government's partial sell off of shares held in nationalised banks. Deposits with nationalised banks will now be subject to the same credit rating criteria as term deposits with all other banks and building societies.
9. Section xi. in appendix A sets out a proposal to change how fixed and variable rate exposure indicators are calculated from 2016/17 – 2018/19. The proposal is to move from the existing percentage limits, based exposure as a proportion of net debt, to an upper cash limit. The proposed change is intended to provide more clarity in the way the indicator is presented, in addition to preventing the distortions experienced when using the previous percentage limit, which occurred at points when cash balances were high and net debt was subsequently very low.
10. Section xii. in appendix A sets out a proposal to reduce the upper limit on principle sums invested for longer than 364 days in 2016/17, further reducing in subsequent years. This reflects the forecast reduction in cash balances over the period, which will reduce the availability of cash for long term investment.

Treasury Limits for 2016/17 to 2018/19

11. It is a statutory duty, under section 3 (1) of the Local Government Act 2003, for the Council to determine and keep under review the amount it can afford to borrow. This amount is termed the 'Affordable Borrowing Limit' and is equivalent to the 'Authorised Borrowing Limit' as specified in the Prudential Code.
12. The Authorised Borrowing Limit requires the Council to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon future council tax levels is 'acceptable'.
13. Whilst termed an "Affordable Borrowing Limit" within the Act, the capital plans to be considered for inclusion incorporates financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit

is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

Prudential Indicators for 2016/17 to 2018/19

14. The Prudential Code for Capital Finance in Local Authorities (2011) requires the Council to set and monitor against Prudential Indicators in the following categories:

- Affordability
- Prudence
- Capital Expenditure
- External Debt
- Treasury Management

Further Treasury Management indicators are specified in the Code of Practice on Treasury Management (2011).

15. Prudential Indicators are set out in full at Appendix A to this strategy:

- i. Gross debt and the Capital Financing Requirement
- ii. Estimates of Capital Expenditure
- iii. Ratio of Financing Costs to Net Revenue Stream
- iv. Capital Financing Requirement
- v. Incremental Impact of Capital Investment decisions
- vi. Authorised Limit and Operational Boundary for External Debt
- vii. Actual External Debt
- viii. Adoption of the CIPFA Treasury Management in the Public Services Code of Practice
- ix. Gross and net debt
- x. Upper and lower limits to maturity structure of fixed rate borrowing
- xi. Upper limits on fixed and variable rate interest exposures
- xii. Upper limit to total of principal sums invested longer than 364 days

16. Prudential Indicators are reported to and monitored by the TMST on a regular basis and will be reported to the Audit & Governance Committee and Cabinet in the Treasury Management Outturn Report 2015/16 and the Treasury Management Mid-Term Review 2016/17, which will be considered in July and November 2016 respectively.

Forecast Treasury Portfolio Position

17. The Council's treasury forecast portfolio position for the 2016/17 financial year comprises:

	Principal £m	Average Rate %
Opening External Debt Balance		
PWLB	343.383	4.58%
Money Market Loans	50.000	3.94%
TOTAL EXTERNAL DEBT	393.383	
<u>2016/17 Average Cash Balance</u>		
Average In-House Cash	229.600	
Average Externally Managed	68.000	
TOTAL INVESTMENTS	297.600	

18. The average forecast cash balance is comprised of the following:

	Average Balance £m
Earmarked Reserves	60.5
Capital and Developer Contributions	118.5
General Balances	17.4
Cashflow and Working Capital Adjustments	86.7
Provisions and Deferred Income	14.5
TOTAL	297.6

Prospects for Interest Rates

Economic Background – Provided by Arlingclose

19. Domestic demand has grown robustly, supported by sustained real income growth and a gradual decline in private sector savings. Low oil and commodity prices were a notable feature of 2015, and contributed to annual CPI inflation falling to 0.1% in October. Wages are growing at 3% a year, and the unemployment rate has dropped to 5.4%. Mortgage approvals have risen to over 70,000 a month and annual house price growth is around 3.5%. These factors have boosted consumer confidence, helping to underpin retail spending and hence GDP growth, which was an encouraging 2.3% a year in the third quarter of 2015. Although speeches by the Bank of England's Monetary Policy Committee (MPC) members sent signals that some were willing to countenance higher interest rates, the MPC held policy rates at 0.5% for the 81st consecutive month at its meeting in November 2015. Quantitative easing (QE) has been maintained at £375bn since July 2012.

20. The outcome of the UK general election, which was largely fought over the parties' approach to dealing with the deficit in the public finances, saw some big shifts in the political landscape and put the key issue of the UK's relationship with the EU at the heart of future politics. Uncertainty over the outcome of the forthcoming referendum could put downward pressure on UK GDP growth and interest rates.
21. China's growth has slowed and its economy is performing below expectations, reducing global demand for commodities and contributing to emerging market weakness. US domestic growth has accelerated but the globally sensitive sectors of the US economy have slowed. Strong US labour market data and other economic indicators however suggest recent global turbulence has not knocked the American recovery off course. The Federal Reserve opted to raise policy rates at its meeting in December 2015. In contrast, the European Central Bank finally embarked on QE in 2015 to counter the perils of deflation.

Credit outlook – Provided by Arlingclose:

22. The varying fortunes of different parts of the global economy are reflected in market indicators of credit risk. UK Banks operating in the Far East and parts of mainland Europe have seen their perceived risk increase, while those with a more domestic focus continue to show improvement. The sale of most of the government's stake in Lloyds and the first sale of its shares in RBS have generally been seen as credit positive.
23. Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the UK, USA and Germany. The rest of the European Union will follow suit in January 2016, while Australia, Canada and Switzerland are well advanced with their own plans. Meanwhile, changes to the UK Financial Services Compensation Scheme and similar European schemes in July 2015 mean that most private sector investors are now partially or fully exempt from contributing to a bail-in. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however remain stubbornly low.

Interest rate forecast – Provided by Arlingclose:

24. The Authority's treasury advisor Arlingclose projects the first 0.25% increase in UK Bank Rate in the third quarter of 2016, rising by 0.5% a year thereafter, finally settling between 2% and 3% in several years' time. Persistently low inflation, subdued global growth and potential concerns over the UK's position in Europe mean that the risks to this forecast are weighted towards the downside (i.e. being less, rather than more likely to happen).
25. A shallow upward path for medium term gilt yields is forecast, as continuing concerns about the Eurozone, emerging markets and other geo-political events weigh on risk appetite, while inflation expectations remain subdued. Arlingclose projects the 10 year gilt yield to rise from its current 2.0% level by around 0.3%

a year. The uncertainties surrounding the timing of UK and US interest rate rises are likely to prompt short-term volatility in gilt yields.

Treasury Management Strategy Team's View

26. The Council's TMST, taking into account the advice from Arlingclose, market implications and the current economic outlook, have determined the rates to be included in the Strategic Measures budget for 2016/17 and over the medium term. The Bank Rate forecasts set out below represent the average rate for the financial year:

- 2016/17 0.55%
- 2017/18 0.85%
- 2018/19 1.15%
- 2019/20 1.55%

27. The TMST team has agreed that based on the current portfolio of deposits and market rates, the target in-house rate of return should be 0.85% in 2016/17, reducing to 20 basis points above the forecast average base rate for 2017/18 and 10 basis points above forecast average base rate for 2018/19 and 2019/20. The reduction in the size of the premium above base rate in later years reflects the forecast reduction in cash balances over the period. This will result in a reduction to the proportion of cash available for long term investment at higher rates, subsequently reducing the premium achievable. These rates have been incorporated into the strategic measures budget estimates:

- 2016/17 0.85%
- 2017/18 1.05%
- 2018/19 1.25%
- 2019/20 1.65%

Borrowing Strategy

Arlingclose's View

28. The Public Works Loan Board (PWLB) sets new borrowing rates at the gilt yield plus 1.00%. Arlingclose have forecast gilt yields as follows:

- The 50 year gilt yield is expected to start the financial year at 2.50%, increasing gradually to 3.00% by December 2018.
- The 20 year gilt yield is expected to start the financial year at 2.50% rising to 2.95% by the end of the forecast in December 2018.
- The 10 year gilt yield is expected to start the financial year at 2.05%, rising to 2.80% by December 2018.
- The 5 year gilt yield is expected to start the financial year at 1.55% and to reach 2.35% by December 2018.

29. Arlingclose's forecasts have an upside variation range of between 40 and 60 basis points, and a downside variation range of between 25 and 125 basis points depending on the economic and political climate.

Treasury Management Strategy Team's View

30. It is expected that the Bank Rate will remain low during 2016/17 and that there will continue to be a high "cost of carry"² associated with the long term borrowing compared to temporary investment returns. The TMST will continue to monitor the Council's debt portfolio and will consider debt repayment if it is in the Council's interest.
31. In April 2011 the Government replaced the 'credit approval' system for capital financing with direct provision of capital resources in the form of capital grant. This means that the Council only needs to borrow to finance prudential borrowing schemes. The Council's Capital Financing Strategy applies capital grants, developer contributions, capital receipts and revenue contributions to fund capital expenditure before using prudential borrowing. This means that the majority of the current capital programme is fully funded without the need to take up any new borrowing.
32. Financing the Council's borrowing requirement internally would reduce the cost of carry in the short term but there is a risk that the internal borrowing would need to be refinanced with external borrowing at a time when PWLB (or its successor) and market rates exceed those currently available. This could result in higher financing costs over the long term.
33. Internal borrowing is a short term financing solution as cash surpluses are temporary balances made up of creditors over debtors, earmarked reserves and capital reserves. As reserves are drawn down for their earmarked purpose internal borrowing will need to be replaced with external borrowing.
34. The Council's TMST have agreed that they should continue to have the option to fund new or replacement borrowing through internal borrowing. It is proposed that this be limited to 15% of the debt portfolio (reduced from 25% in 2015/16) due to the estimated reduction in cash balances over the medium term. Internal borrowing will have the effect of reducing some of the "cost of carry" of funding. Internal borrowing will also be used to finance prudential schemes.
35. If market conditions change during the 2016/17 financial year such that the policy to borrow internally is no longer in the short term or long term interests of the Council, the TMST will review the borrowing strategy and report any changes to Cabinet.
36. As the Accountable Body for Oxfordshire Local Enterprise Partnership (OxLEP), the Council will be required to prudentially borrow £36.5m on behalf of OxLEP for project funding. Based on current project spend forecasts, the majority of

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

the borrowing will be required in 2017/18. The loans will be repaid through the retained business rates of OxLEP. This represents projects to be delivered by the Council. The TMST monitor interest rates and will consider forward borrowing on behalf of OxLEP in 2016/17 if it is determined to be cost-effective. This is consistent with the expectation that interest rates and Gilt yields will begin to rise over the period.

37. As part of the Local Growth Fund bids OxLEP were able to apply for the Public Works Loan Board (PWLB) project rate, at 40 basis points below the standard rate across all loan types and maturities in 2015/16. OxLEP were able to borrow up to £20m at this discounted rate in 2015/16 but this was not required. It is not yet clear if the OxLEP will have the opportunity to apply for this rate again in future Local Growth Fund rounds.
38. The Council's chief objective when borrowing money is to strike an appropriate balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.
39. The approved sources of long-term and short-term borrowing are:
 - Public Works Loan Board and any successor body
 - UK local authorities
 - any institution approved for investments (see below)
 - any other bank or building society authorised by the Prudential Regulation Authority to operate in the UK
 - UK public and private sector pension funds
 - capital market bond investors
 - special purpose companies created to enable joint local authority bond issues.

Borrowing for the Capital Financing Requirement

40. The Council's Capital Financing Requirement (CFR) represents the Council's underlying need to finance capital expenditure by borrowing. The CFR is the value of the Council's assets that have not been permanently financed, in other words, borrowing has been used to finance spending. When capital expenditure is financed by grants, capital receipts or direct contributions from revenue this is not included the CFR.
41. The Council is required to make an annual contribution from revenue towards the repayment of debt termed the Minimum Revenue Provision (MRP). This contribution reduces the CFR and effectively provides the resource to permanently finance the capital expenditure and reduce the Council's borrowing requirement by that amount. The Council's MRP Policy Statement sets out the methodology that the Council applies in its MRP calculation. The statement is agreed by Council each year in February alongside the budget and capital programme and is included at Appendix B. Cabinet is recommended to recommend to Council to approve the policy.

42. Under the Prudential Code, the Council must ensure that gross external borrowing does not, except in the short term, exceed the sum of the CFR in the previous year plus estimates of any increases to the CFR for the current and next two financial years. Where the gross debt is greater than the CFR the reasons for this should be clearly stated in the annual treasury management strategy. The Council's current position is set out below.
43. The Council's CFR is currently forecast to increase over the medium term financial plan. This is a result of the requirement to borrow on behalf of the Oxfordshire Local Enterprise Partnership discussed in paragraph 44.
44. The Council's external debt is also forecast to increase over the medium term financial plan as new external borrowing required for OxLEP projects is forecast to exceed the rate at which existing long term debt is repaid upon maturity.
45. The Council's external debt is forecast to exceed the CFR in 2016/17. The period for which external debt will exceed the CFR will be dependent on the timing of new borrowing for OxLEP projects, but current forecasts show that external debt and the CFR will align in 2017/18 and the medium term.

Borrowing Instruments

46. The TMST's forecast for the period 2016/17 – 2019/20 for 20 and 50 year PWLB rates over the medium term are an average rate of 3.71% and 3.75% per year respectively.
47. In November 2012 the PWLB introduced the Certainty Rate which allows eligible Councils to borrow at a discounted rate of 0.20% below the advertised borrowing rate. Eligibility is established by the submission of an annual application form to the Department of Communities and Local Government. The Council has successfully applied and qualified for the rate for the period from 1 November 2015 to 31 October 2016.
48. An annual application will be made to renew eligibility for the Certainty Rate, in order to maintain the option should it be required.
49. The Council has historically set a maximum limit of 20% of the debt portfolio to be borrowed in the form of Lender's Option Borrower's Option (LOBOs). It is recommended that this remain as the limit for 2016/17. As at 30 November 2015, LOBOs represent 12.68% of the total external debt.
50. The Council has four £5m LOBO's with call options in 2016/17. Three of which have two call options in year, whilst one has a single call option. At each call date the lender may choose to exercise their option to change the interest rate payable on the loan. If the lender chooses to do so, the Council will evaluate alternative financing options before deciding whether or not to exercise the borrower's option to repay the loan or to accept the new rate offered. It is likely that if the rate is changed the debt will be repaid.

Annual Investment Strategy

51. The Council has regard to the Office of the Deputy Prime Minister's Guidance on Local Government Investments ("the Guidance") issued in March 2004 and CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). It also has regard to the subsequent Communities and Local Government update to the Investment Guidance, Capital Finance Regulations and Minimum Revenue Provision Guidance issued in April 2010. The Council's investment priorities are:-
- The security of capital and
 - The liquidity of its investments
52. The Council also aims to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The borrowing of monies purely to invest or on-lend and make a return is unlawful and the Council will not engage in such activity.
53. The Treasury Management Code of Practice requires the Council to approve a Treasury Management Policy Statement. Good practice requires that this statement is regularly reviewed and revised as appropriate. The Treasury Management Policy Statement is included at Appendix E. Cabinet is recommended to recommend Council to approve the Treasury Management Policy Statement.

Investment Instruments

54. Investment instruments identified for use in the 2016/17 financial year are set out at Appendices C and D under the 'Specified' and 'Non-Specified' Investment categories.
55. Guidance states that specified investments are those requiring "minimal procedural formalities". The placing of cash on deposit with banks and building societies 'awarded high credit ratings by a credit rating agency', the use of AAA rated Money Market Funds (MMFs) and investments with the UK Government and local authorities qualify as falling under this phrase as they form a normal part of day to day treasury management.
56. Money market funds (MMFs) will be utilised, but good treasury management practice prevails and whilst MMFs provide good diversification the council will also seek to diversify any exposure by using more than one MMF where practical. It should be noted that while exposure will be limited, the use of MMFs does give the council exposure to institutions that may not be included on the approved lending list for direct deposits. This is deemed to be an acceptable risk due to the benefits of diversification. The Treasury team use an online portal to provide details of underlying holdings in MMFs. This enables more effective and regular monitoring of full counterparty risk.
57. All specified investments will be sterling denominated, with maturities up to a maximum of 1 year, meeting the 'high' credit rating criteria where applicable.

58. Non specified investment products are those which take on greater risk. They are subject to greater scrutiny and should therefore be subject to more rigorous justification and agreement of their use in the Annual Investment Strategy; this applies regardless of whether they are under one year investments and have high credit ratings.
59. A maximum of 50% of the portfolio will be held in non-specified investments.

Changes to Instruments

60. It is proposed that term deposits with nationalised banks with government guarantee for wholesale deposits, requiring no minimum credit rating, be removed from the list of specified investments. This reflects the government's partial sell off of shares held in nationalised banks. Deposits with nationalised banks will now be subject to the same credit rating criteria as term deposits with all other banks and building societies.
61. There are no other proposed changes to instruments for 2016/17.

Credit Quality

62. The updated CIPFA Code of Practice on Treasury Management (2011) recommends that Councils have regard to the ratings issued by the three major credit rating agencies (Fitch, Moody's and Standard & Poor's) and to make decisions based on all ratings.
63. Whilst the Council will have regard to the ratings provided by all three ratings agencies, the Council uses Fitch ratings as the basis by which to set its minimum credit criteria for deposits and to derive its maximum counterparty limits. Counterparty limits and maturity limits are derived from the credit rating matrix as set out in the tables at paragraphs 82 and 83 respectively.
64. The TMST may further reduce the derived limits due to the ratings provided by Moody's and Standard & Poor's or as a result of monitoring additional indicators such as Credit Default Swap rates, share prices, Ratings Watch & Outlook notices from credit rating agencies and quality Financial Media sources.
65. Notification of any rating changes (or ratings watch and outlook notifications) by all three ratings agencies are monitored daily by a member of the Treasury Management Team. Updates are also provided by the Council's Treasury Management advisors Arlingclose and reported to TMST.
66. Where a change in the Fitch credit rating places a counterparty on the approved lending list outside the credit matrix (as set out in tables at paragraphs 82 and 83), that counterparty will be immediately removed from the lending list.

67. Where a counterparty has been placed on Negative Watch or Outlook by any of three major credit rating agencies the counterparty's status on the approved lending list will be reviewed by the TMST and appropriate action taken.
68. The Authority defines "high credit quality" organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher with the Fitch ratings agency.

Liquidity Management

69. The Council has developed a cash flow forecast which is used to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast. The Council uses instant access bank deposit accounts and money market funds for balances forecast to be required at short notice to meet commitments due. The TMST will continue to monitor options available to maintain the required liquidity, and will open new accounts with approved counterparties as appropriate.

Lending Limits

70. In addition to the limits determined by the credit quality of institutions, the TMST apply further limits to mitigate risk by diversification. These include:
 - Limiting the amount lent to banks in any one country (excluding the UK) to a maximum of 20% of the investment portfolio.
 - Limiting the amount lent to any bank, or banks within the same group structure to 10% of the investment portfolio.
71. Where the Council has deposits on instant access, this balance may temporarily exceed the 10% bank or group limit. However the limits as set out in paragraphs 82 and 83 will still apply.
72. Counterparty limits as set out in paragraphs 82 and 83, may be temporarily exceeded by the accrual and application of interest amounts onto accounts such as call accounts, money market funds or notice accounts. Where the application of interest causes the balance with a counterparty to exceed the agreed limits, the balance will be reduced when appropriate, dependent upon the terms and conditions of the account and cashflow forecast.
73. Any changes to the approved lending list will be reported to Cabinet as part of the Financial Monitoring and Business Strategy Delivery Report.
74. The Council also manages its credit risk by setting counterparty limits. The matrix below sets out the maximum proposed limits for 2016/17. The TMST may further restrict lending limits dependent upon prevailing market conditions.

BBB+ to BBB- ratings are included for overnight balances with the Council's bank, currently Lloyds Bank Plc. This is for practical purposes should the bank be downgraded.

LENDING LIMITS - Fitch Rating	Short Term Rating	
	F1+	F1
Long Term Rating	F1+	F1
AAA	£30m	£20m
AA+	£30m	£20m
AA	£25m	£15m
AA-	£25m	£15m
A+	£20m	£15m
A	£20m	£15m
A-	£15m	£10m
BBB+, BBB, BBB- (bank with which the Council has its bank account)	£20m	£20m

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

MATURITY LIMITS – Fitch Rating	Short Term Rating	
	F1+	F1
Long Term Rating	F1+	F1
AAA	3 years	364 days
AA+	2 years	364 days
AA	2 years	9 months
AA-	2 years	9 months
A+	364 days	9 months
A	9 months	6 months
A-	6 months	3 months
BBB+, BBB, BBB- (bank with which the Council has its bank account)	Overnight	Overnight

Other institutions included on the councils lending list

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

Structured Products

77. As at 30 November 2015, the Council had no structured products within its investment portfolio. Structured products involve varying degrees of additional risk over fixed rate deposits, with the potential for higher returns. It is recommended that the authority maintain the option to use structured products up to a maximum of 10% of the investment portfolio. The Council will continue to monitor structured products and consider restructuring opportunities as appropriate.

External Funds

78. As at 30 November 2015, the Council had £67.7m invested in external funds (excluding MMFs). These funds have a variable net asset value which means that the value of the funds can decrease as well as increase depending on the performance of the instruments in the fund.
79. The Council uses external fund managers and pooled funds to diversify the investment portfolio through the use of different investment instruments, investment in different markets, and exposure to a range of counterparties. It is expected that these funds should outperform the Council's in-house investment performance over a rolling three year period. The Council will have no more than 50% of the total portfolio invested with external fund managers and pooled funds (excluding MMFs). This allows the Council to achieve diversification while limiting the exposure to funds with a variable net asset value.
80. In order to ensure appropriate diversification within externally managed and pooled funds these should be diversified between a minimum of two asset classes.
81. The performance of the pooled funds is monitored by the TMST throughout the year against the funds' benchmarks and the in-house investment returns.
82. The TMST will keep the external fund investments under review and consider alternative instruments and fund structures, to manage overall portfolio risk. It is recommended that authority to withdraw, or advance additional funds to/from external fund managers, continue to be delegated to the TMST.

Investment Approach

83. Given the increased risk for short-term bank and building society deposits as a result of bail-in legislation, the Authority aims to diversify into more secure asset classes during 2016/17.
84. The weighted average maturity (WAM) of in-house deposits as at 30 November 2015 was 260 days. This was made up of £29.5m of instant access balances with a maturity of 1 day, and £271m of deposits with a WAM of 288 days.

85. The in-house WAM has increased from 177 days, reported on 30 November 2014. The longer WAM is partly a result of an increase to durations for bank and building society deposits on the Council's lending list, as well as a greater number of Local Authorities in the market for deposits in excess of a year. The longer WAM also reflects the continued extension to forecasts of the next increase in base rate, thus providing a greater degree of certainty in an ongoing environment of stagnant interest rates.
86. With continued uncertainty over the timing of a rise in base rate, the TMST will aim to maintain the balance between longer-term deposits with local authorities and short-term secured and unsecured deposits with high credit quality financial institutions. Money Market Funds will continue to be utilised for instant access cash. This approach will maintain a degree of certainty about the investment returns for a proportion of the portfolio, as well while also enabling the Treasury Management team to respond to any increases in interest rates in the short-term.
87. The Council maintain the option to invest directly in UK Government Gilts, T-bills, Certificates of Deposits and other Sovereign Bonds, use of such instruments remains dependent upon custody arrangements. If availability of acceptable credit worthy institutions is reduced, the Council may use the Debt Management Office Deposit Facility and will continue to prioritise security and liquidity of assets over investment returns.
88. It is proposed that any further changes required to the Annual Treasury Management Strategy & Annual Investment Strategy, continue to be delegated to the Chief Finance Officer in consultation with the Leader of the Council and Cabinet Member for Finance.

Policy on Use of Financial Derivatives

89. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The CIPFA Code (2011) requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.
90. The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

91. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
92. It is the view of the TMST that the use of standalone financial derivatives will not be required for Treasury Management purposes during 2016/17. The Council will only use derivatives after seeking expertise, a legal opinion and ensuring officers have the appropriate training for their use.

Performance Monitoring

93. The Council will monitor its Treasury Management performance against other authorities through its membership of the CIPFA Treasury Management benchmarking club.
94. Arlingclose benchmark the performance of their clients against each other on a quarterly basis, looking at a variety of indicators including investment risk and returns.
95. The Council will benchmark its internal return against the 3 month London Interbank Bid Rate (LIBID) - the rate at which banks are willing to borrow from other banks.
96. Latest performance figures will be reported to the Audit & Governance Committee and Cabinet in the Treasury Management Outturn Report 2015/16, and the Treasury Management Mid-Term Review 2016/17, which will be considered in July and November 2016 respectively.

Investment Training

97. All members of the Treasury Management Strategy Team are members of a professional accounting body. In addition, key Treasury Management officers receive in-house and externally provided training as deemed appropriate and training needs are regularly reviewed, including as part of the staff appraisal process.

Treasury Management Advisors

98. Arlingclose continue to provide the Council's Treasury Management Advisory Service, following the award of a three year contract via a competitive procurement process in May 2013. The contract included an option to extend for up to one year, which the TMST have agreed will be exercised under existing terms. Under the contract the Council will receive specific advice on investment, debt and capital finance issues.

Appendix A

Prudential Indicators 2016/17, 2017/18 and 2018/19

i. Gross Debt and the Capital Financing Requirement

- i.i. 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.
- i.ii. The Chief Finance Officer reports that the Council's level of gross debt exceeded the CFR in 2014/15 and maintains a likelihood of doing so in 2015/16. The reasons for this are set out in paragraphs 50 to 53 of the Treasury Management Strategy. In 2016/17 onwards the level of gross debt and the CFR will align. This view takes into account current commitments, existing plans and the proposals in the approved budget.

Debt	31.03.16 Revised £m	31.03.17 Estimate £m	31.03.18 Estimate £m	31.03.19 Estimate £m
External Borrowing	393.383	385.383	392.383	400.383
Long Term Liabilities	24.791	23.870	22.879	21.812
Total Debt	418.354	409.253	415.262	422.195

ii. Estimates of Capital Expenditure

- ii.i. The Council is required to make reasonable estimates of the total of capital expenditure that it plans to incur during 2016/17 and the following two financial years. The Council must also approve the actual expenditure for 2014/15 and revised expenditure for 2015/16.

	2014/15 Actual £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Capital Expenditure	95.409	135.574	139.818	138.653	111.484

	Actual 2014/15 £m	Estimates			
		2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Prudential Borrowing	0.373	9.310	26.000	27.357	22.479
Grants and Contributions	88.428	121.943	108.516	104.601	63.517
Capital Receipts	0.000	0.000	5.093	6.495	12.994
Revenue	6.607	4.321	0.209	0.200	0.200
Reserves	0.000	0.000	0.000	0.000	12.294
	95.409	135.574	139.818	138.653	111.484

ii.ii. The indicators have been based on the February 2016 capital programme which will be considered for approval by Council on 16 February 2016 with the Service & Resource Planning Report.

ii.iii. The capital expenditure figures for beyond 2016/17 will be able to be revised in twelve months' time.

iii. The Ratio of Financing Costs to the Net Revenue Stream

iii.i. 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.

Year	Actual/ Estimate	Financing Cost £m	Net Revenue Stream £m	Ratio %
2014/15	Actual	35.764	445.433	8.03%
2015/16	Estimate	31.514	440.358	7.16%
2016/17	Estimate	31.502	437.610	7.20%
2017/18	Estimate	31.406	432.673	7.26%
2018/19	Estimate	31.364	434.124	7.22%

iii.ii. Financing costs include interest payable on borrowing, interest and investment income and the amount required for the minimum revenue provision.

iv. The Capital Financing Requirement

- iv.i Estimates of the end of year Capital Financing Requirement for the Authority for the current and future years and the actual Capital Financing Requirement at 31 March 2015 that are recommended for approval are:

Year	Actual/Estimate	£m
2014/15	Actual	406.298
2015/16	Estimate	398.520
2016/17	Estimate	407.384
2017/18	Estimate	417.455
2018/19	Estimate	421.895

- iv.ii 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.

v. The Incremental Impact of Capital Investment Decisions

- v.i This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and Housing Rent levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.
- v.ii The estimate of the incremental impact of capital investment decisions proposed in the Capital Programme, over and above capital investment decisions that have previously been taken by the Council are, for the Band D Council Tax:

Year	Actual/Estimate	£
2016/17	Estimate	-5.54
2017/18	Estimate	-9.97
2018/19	Estimate	-12.93

vi. Authorised Limit and Operational Boundary for External Debt

- vi.i. 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.
- vi.ii. 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.
- vi.iii. 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).
- vi.iv. 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.
- vi.v. The Operational Boundary links directly to the Authority's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

	2015/16 probable outturn	2016/17 estimate	2017/18 estimate	2018/19 estimate
	£m	£m	£m	£m
Operational Boundary for external debt -				
Borrowing	420.000	420.000	430.000	440.000
other long term liabilities	30.000	30.000	30.000	30.000
TOTAL	450.000	450.000	460.000	470.000
Authorised Limit for external debt -				
Borrowing	430.000	430.000	440.000	450.000
other long term liabilities	35.000	35.000	35.000	35.000
TOTAL	455.000	455.000	475.000	485.000

vii. Actual External Debt

- vii.i This indicator enables the comparison of Actual External Debt at year end to the Operational Boundary and Authorised Limit.

Total External Debt as at 31.03.15	£m
External Borrowing	399.383
Financing Liability	25.678
Total	425.061

viii. Adoption of the CIPFA Treasury Management in the Public Services Code of Practice

- viii.i This indicator demonstrates that the Council has adopted the principles of best practice.
- viii.ii The Council has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its meeting of Full Council on 1 April 2003.

ix. Gross and net debt

- ix.i This indicator is intended to identify where an authority may be borrowing in advance of need.

Upper Limit of net debt:

	2015/16	2016/17	2017/18	2018/19
Net Debt / Gross Debt	70%	70%	70%	70%

x. Upper and lower limits to maturity structure of fixed rate borrowing

- x.i This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.
- x.ii It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

- x.iii. LOBOs are classified as maturing on the next call date, this being the earliest date that the lender can require repayment.

Maturity structure of fixed rate borrowing during 2016/17	Lower Limit %	Upper Limit %
Under 12 months	0	20
12 months and within 24 months	0	25
24 months and within 5 years	0	35
5 years and within 10 years	5	40
10 years and above	50	95

xi. Upper limits on fixed and variable rate interest exposures

- xi.i These indicators allow the Authority to manage the extent to which it is exposed to changes in interest rates.

Fixed interest rate exposure

- xi.ii The Authority previously calculated this limit as a percentage, based on net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments, divided by total debt net of total investments). This method often led to a lack of clarity and was easily distorted at times when cash balances were high and net debt was subsequently very low.
- xi.iii Following consultation with The Council's treasury advisors Arlingclose it is proposed that from 2016/17 the fixed interest rate exposure limit is calculated as an upper cash limit, as opposed to a percentage limit. Net fixed interest rate exposure will therefore be measured as total fixed rate debt, net of total fixed rate investments.
- xi.iv Limits in the table below have been set to reflect the current low interest rate environment and the view of the TMST and Arlingclose that future path in base rate will be upwards. The limits set out offer the Council protection in a rising interest rate environment by allowing the majority of the debt portfolio to be held at fixed interest rates, thus not subjecting the Council to rising debt interest.

Upper limit for fixed interest rate exposure:

	2015/16	2016/17	2017/18	2018/19
Net principal re fixed rate borrowing / investments	150%	£350m	£350m	£350m

- xi.v Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Variable interest rate exposure

- xi.vi The upper limit for variable rate exposure has been set to ensure that the Authority is not exposed to interest rate rises which could adversely impact on the revenue budget. The Authority previously calculated this limit as a percentage, based on net principal outstanding sums, (i.e. variable rate debt net of variable rate investments, divided by total debt net of total investments).
- xi.vii It is proposed that the upper limit for variable rate exposure is also changed to an upper cash limit, as opposed to the previous percentage limit. Net variable interest rate exposure will therefore be measure as total variable rate debt, net of total variable rate investments.
- xi.viii As with the fixed rate exposure limits, the variable rate exposure limits set offer the council protection in a rising interest rate environment. This is achieved by ensuring variable rate debt is lower than variable rate investments, which would result in a net benefit if interest rates were to increase.
- xi.ix Interest rate exposure limits will be amended in future years to reflect any changes to the forecast trajectory of interest rates.

Upper limit for variable rate exposure:

	2015/16	2016/17	2017/18	2018/19
Net principal re variable rate borrowing / investments	25%	£0	£0	£0

xii. Upper limit to total of principal sums invested longer than 364 days

- xii.i The purpose of this limit is to contain exposure to the risk of loss that may arise as a result of the Authority having to seek early repayment of the sums invested.
- xii.ii It is proposed that the limit reduce to £100m in 2016/17 and reduce in subsequent years thereafter. This is to reflect the forecast reduction to in-house cash balances over the period. The average in-house cash balance for 2014/15 was just under £350m.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Upper limit on principal sums invested longer than 364 days	150	100	85	75

Appendix B

Minimum Revenue Provision Policy Statement for 2016/17**Introduction**

1. The Council is required by statute to charge a Minimum Revenue Provision (MRP) to the General Fund Revenue account each year for the repayment of debt. The MRP charge is the means by which capital expenditure which has been funded by borrowing is paid for by council tax payers.
2. Until 2007/08, the basis of the calculation for the MRP was specified in legislation. Legislation (Statutory Instrument 2008 no. 414 s4) which came into force on 31 March 2008, gives local authorities more freedom to determine what a prudent level of MRP is.
3. The new legislation requires local authorities to draw up a statement of their policy on the annual MRP, for full approval by Council before the start of the financial year to which the provision will relate.
4. The implementation of the 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.

Options for Prudent Provision

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

Option 1 - Regulatory Method

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

Option 2 – Capital Financing Requirement (CFR) Method

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

Option 3 – Asset Life Method

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

Option 4 – Depreciation Method

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

MRP Methodology Statement

10. The policy already in place in the Council is reflected in Options 1 and 3; consequently the statement requiring approval by Council is a confirmation of existing practice and continuation of the policy approved by Council in June 2008. The Council is recommended therefore to approve the following statement:
11. For capital expenditure incurred before 1 April 2008 or which in the future will relate to Supported Capital Expenditure, the MRP policy will be based on existing regulations (Option 1 – Regulatory Method).
12. From 1 April 2008, for all unsupported borrowing, the MRP policy will be based on the estimated life of the assets for which the borrowing is undertaken (Option 3 – Asset Life Method or Annuity Method).
13. In the case of finance leases and on-balance sheet Private Finance Initiative (PFI) type contracts, the MRP requirement will be regarded as being met by a charge equal to the element of the rent/charge that goes to write-down the balance sheet liability, including the retrospective element in the first year (Option 3 in modified form).
14. The major proportion of the MRP for 2016/17 will relate to the more historic debt liability that will continue to be charged at the rate of 4%, in accordance

with Option 1 of the guidance. Certain expenditure reflected within the debt liability at 31 March 2016 will be subject to MRP under Option 3, which will be charged over a period which is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method. For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.

Appendix C

Specified Investments

Investment Instrument	Minimum Credit Criteria	Use
Debt Management Agency Deposit Facility	N/A	In-house and Fund Managers
Term Deposits – UK Government	N/A	In-house
Term Deposits – Banks and Building Societies	Fitch short-term F1, Long-term BBB-, Minimum Sovereign Rating AA+	In-house and Fund Managers
Certificates of Deposit issued by Banks and Building Societies	A1 or P1	In-house on a buy and hold basis and Fund Managers
Money Market Funds with a Constant Net Asset Value	AAA	In-house and Fund Managers
Other Money Market Funds and Collective Investment Schemes ³	Minimum equivalent credit rating of A+. These funds do not have short-term or support ratings.	In-house and Fund Managers
UK Government Gilts	AAA	In-house on a buy and hold basis and Fund Managers
Treasury Bills	N/A	In-house and Fund Managers
Reverse Repurchase Agreements - maturity under 1 year from arrangement and counterparty is of high credit quality (not collateral)	Counterparty Rating: Fitch short-term F1, Long-term A-	In-house and Fund Managers
Covered Bonds – maturity under 1 year from arrangement	A-	In-house and Fund Managers

³ I.e., credit rated funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.

Appendix D

Non-Specified Investments

Investment Instrument	Minimum Credit Criteria	Use	Max % of total Investments	Max Maturity Period
Debt Management Agency Deposit Facility (maturities in excess of 1 year) ⁴	N/A	In-house and Fund Managers	50%	3 years
Term Deposits – UK Government (maturities in excess of 1 year)	N/A	In-house	50%	3 years
Term Deposits – other Local Authorities (maturities in excess of 1 year)	N/A	In-house	50%	3 years
Term Deposits – Banks and Building Societies (maturities in excess of 1 year)	Fitch short-term F1+, Long-term AA-	In-house and Fund Managers	50% in-house; 100% External Funds	3 years
Structured Products (e.g. Callable deposits, range accruals, snowballs, escalators etc)	Fitch short-term F1+, Long-term AA-	In-house and Fund Managers	50% in-house; 100% External Funds	3 years
UK Government Gilts with maturities in excess of 1 year	AAA	In-house and Fund Managers	50% in-house; 100% External Funds	5 years in-house, 10 years fund managers
Bonds issued by Multilateral development banks	AAA	In-house and Fund Managers	50% in-house; 100% External Fund	5 years in-house, 10 years fund managers

⁴ Debt Management Agency Deposit Facility currently limit deposits to 6 months. The ability to deposit in excess of 1 year is retained if such deposits become available.

Section 4.5

Investment Instrument	Minimum Credit Criteria	Use	Max % of total Investments	Max Maturity Period
Bonds issued by a financial institution which is guaranteed by the UK Government	AAA	In-house and Fund Managers	50% in-house; 100% External Fund	5 years in-house, 10 years fund managers
Supranationals	N/A	In-house and Fund Managers	50% in-house; 100% of External Fund	5 years in-house, 30 years fund managers
Money Market Funds and Collective Investment Schemes ⁵ but which are not credit rated	N/A	In-house and Fund Managers	50% In-house; 100% External Funds	Pooled Funds do not have a defined maturity date
Sovereign Bond Issues	AAA	In-house on a buy and hold basis. Fund Managers	50% in-house; 100% External Funds	5 year in-house, 30 years fund managers
Reverse Repurchase Agreements - maturity in excess of 1 year, or/and counterparty not of high credit quality.	Determined by TMST	In-house and Fund Managers	50% in-house; 100% External Funds	3 years, 10 years fund managers
Covered Bonds	A-	In-house and Fund Managers	50% in-house; 100% External Funds	3 years, 10 years fund managers
Registered Providers	A-	In-house	50% In-house	3 years

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

⁵ Pooled funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.



TREASURY MANAGEMENT POLICY STATEMENT

1. Oxfordshire County Council defines its treasury management activities as:
“The management of the organisation’s cash flows; its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
2. Oxfordshire County Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
3. Oxfordshire County Council acknowledges that effective treasury management will provide support towards achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management and to employing suitable performance measurement techniques, within the context of effective risk management.
4. The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.
5. The Council’s primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority’s investments followed by the yield earned on investments remain important but are secondary considerations.
6. The manner in which Oxfordshire County Council will seek to achieve these objectives and the arrangements for managing and controlling treasury management activities is prescribed in the treasury management practices which support this policy statement.
7. Responsibility for the implementation and monitoring of the Council’s treasury management policies and practices are vested in the Council. The officer responsible for the execution and administration of treasury management decisions is the Chief Finance Officer, who will act in accordance with this Policy Statement, Treasury Management Practices and CIPFA’s Standard of Professional Practice on Treasury Management.

8. The Council nominates the Audit & Governance Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.
9. Council will receive reports on treasury management policies, practices and activities including as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close.

**Section 4.6
Balances and Reserves**

1. The financial strategy states that balances will be maintained at a level commensurate with identified risks, based on an annual risk assessment, subject to a minimum of 2.5% of gross expenditure (excluding schools). The risk assessment for 2016/17 is set out at section 4.6.1.
2. The latest financial monitoring report to Cabinet in February 2016 shows the 2015/16 forecast position on balances as £16.5m, an increase of £1.9m from the December 2015 Cabinet report as a result of management action to reduce the forecast overspend. It is estimated that by year-end the balance is expected to be in line with the level set out over the medium term in section 4.6.2.
3. The Council's reserves have been reviewed as part of the service and resource planning process. The summary of the planned use of reserves over the medium term set out in section 4.6.2 shows the forecast falling from £95.8m at the start of 2016/17 to £37.8m by the end of 2019/20, of which £9.6m relates to schools.

2016/17 risk assessment for determining appropriate level of balances

Area of risk	£m	Explanation of risk/justification of balances
Emergencies	0.9	Expenditure below Bellwin Scheme threshold
Directorate overspends and non-achievement of planned savings	8.3	Risk that directorates will overspend due to unforeseen pressures, demography, demand or non-achievement of planned savings (based on a 2% adverse variance)
Business rates	1.5	5% adverse variation to District Councils' estimates, due to inaccuracy or under estimation of successful appeals
Contingent liabilities & insurance risk	2.1	Possible liabilities for which no provision has been made or funding set aside in an earmarked reserve (0.25% of gross expenditure or minimum to meet quantified contingent liabilities)
Major contracts	4.8	Risk of contractors failing, mis-specification, or non-delivery plus contract costs increase by more than allowed for in the budget (1.5% of annual value of contracts)
Total 2016/17	17.6	
Total 2015/16	17.4	

Estimated Balances and Reserves 2015/16 to 2019/20

The table below provides an analysis of estimated general balances and earmarked reserves for 2015/16 to 2019/20. Forecast reserves at the end of 2015/16 are based on the projection as at 31 December 2015.

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
General Balances					
Estimated Balances at start of year	22,247	17,517	17,517	17,517	17,517
Planned Contributions to Balances (per MTFP)	2,000	2,000	2,000	2,000	2,000
Total Balances at Start of Year	24,247	19,517	19,517	19,517	19,517
Estimated Use of Balances in Year	-7,921	-2,000	-2,000	-2,000	-2,000
Estimated Contribution to Balances in Year	1,191				
Net Use of Balances in Year	-6,730	-2,000	-2,000	-2,000	-2,000
Estimated Balances at end of year	17,517	17,517	17,517	17,517	17,517
Earmarked Reserves					
Estimated School Reserves at start of year	21,919	20,943	18,329	15,756	12,565
Estimated Reserves at start of year	89,747	74,820	46,868	50,099	37,031
Estimated Total Reserves at start of year	111,666	95,763	65,197	65,855	49,596
Estimated Use of (-) / Additions to (+) School Reserves in Year	-976	-2,614	-2,573	-3,191	-2,948
Estimated Use of (-) / Additions to (+) Reserves in Year	-14,927	-27,952	3,231	-13,068	-8,810
Estimated School Reserves at end of year	20,943	18,329	15,756	12,565	9,617
Estimated Reserves at end of year	74,820	46,868	50,099	37,031	28,221
Estimated Total Reserves at end of year	95,763	65,197	65,855	49,596	37,838

Provisional 2016/17 Dedicated Schools Grant allocation

	Early Years Block £000	Schools Block £000	High Needs Block £000	Total DSG £000
2016/17 Initial Baseline	32,927	352,068	50,936	435,930
Funding for Newly Qualified Teacher (NQT) Induction / Quality Assurance		116	2	118
Total Provisional DSG 2016/17 per Department for Education (DfE)	32,927	352,184	50,938	436,048
Deductions for high needs places funded directly by EFA			-6,412	-6,412
Provisional Funding Block Totals 2016/17 as at 17 December 2015	32,927	352,184	44,526	429,636
less estimated recoupment from Schools Block		-186,028		-186,028
Transfer from Schools to High Needs block re secondary schools top up		-1,590	1,590	0
Transfer from Schools to Early Years block re premises (agreed by Schools Forum)	432	-432		0
Provisional Funding Block Totals and DSG Receipts 2016/17	33,359	164,134	46,116	243,608

Notes:

1. Funding for disadvantaged two year olds of £3.537m is included in the provisional DfE baseline and will be confirmed in June 2016 following the January 2016 census, and will be based on participation. The hourly rate is £5.15 for 2016/17.
2. Provisional Early Years Pupil Premium of £0.404m is included in the Early Years Block of DSG. This will be updated to reflect the Early Years and Schools Census in January 2016.

Virement Rules 2016/17

Introduction

1. The Council's budget is the financial expression of its plans and policies. The virement process allows budgets to be adjusted to reflect changes in those plans and policies throughout the financial year. The use of virements is intended to enable directorates to manage budgets with a degree of flexibility while at the same time ensuring that these remain consistent with the overall policy framework determined by Council.
2. Under the Constitution the Council is required to specify the extent of virement within the approved budget which may be undertaken by the Cabinet or delegated to officers. Any other changes to the budget are reserved to the Council, other than any changes necessary to ensure compliance with the law, ministerial direction or government guidance.
3. Virement for these purposes is taken to include:
 - the transfer of budget provision between budget heads as set out in the budget approved by Council in February 2016;
 - changes to gross income and gross expenditure¹;
 - transfer of funds from corporate reserves;
 - the transfer of funds from balances by way of a supplementary estimate.
4. Temporary virements only affect the current financial year. Permanent virements affect the current financial year and all future financial years.

Exceptions to the virement rules

Decisions resulting in Virements

5. Where a decision by Council or Cabinet has already specified that temporary or permanent virements will result, no further approval is required. The virements should be first agreed and then actioned by the relevant budget holders and managers affected. If there are disagreements, an arbitration process will be led by the Chief Finance Officer.
6. Similarly, organisational restructuring virements that do not change the service provision, only the location of the budget, do not require formal approval.

Changes to Grant Funding

7. Ringfenced grant funding has to be used for the specified purpose. Virements to update income and expenditure budgets to match the grant notification provided by the relevant body can be actioned without further approval. The change and the overall updated grant allocation will be noted

¹ The net effect of these changes is nil but the effect on expenditure and income is subject to approval as set out in these rules.

in the Ringfenced Government Grants annex of the following Financial Monitoring Report to Cabinet.

8. This exception does not include non – ringfenced grant funding which is held corporately as part of Strategic Measures. Where additional non – ringfenced grant funding is notified during the year, approval to allocate additional expenditure budgets is required as set out below.

Virements requiring Council approval

9. Council agree the budget for the forthcoming financial year in February each year. The approval of Council is required for any subsequent virement which:
- a) Is a permanent virement and involves a major change in policy²; or
 - b) Involves the one-off transfer of funds of £1.000m or more between revenue and capital budgets; or
 - c) Is a temporary virement, involves a major change in policy and is for £1.000m or more; or
 - d) Is a request to allocate expenditure budget of £1.000m or more funded by additional non-ringfenced grant funding notified during the year; or
 - e) Where in the opinion of the Chief Finance Officer a Council decision is required.

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

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

Virements for which the Cabinet is responsible

11. Virements that are not the responsibility of the Council become the Cabinet's responsibility. Cabinet must consider:
- a) Any permanent virement worth £0.500m or more that does not involve a major change in policy;
 - b) Any temporary virement that involves:
 - i. A major change of policy and is worth £0.500m or more but less than £1.000m; or
 - ii. No major change of policy and is worth £0.500m or more; or
 - iii. A one-off transfer of funds between revenue and capital budgets and is worth £0.500m or more but less than £1.000m.

² Each plan and/or strategy is agreed by Council and comprised in the policy framework. As set out in the Constitution Article 4, paragraph 2 and Part 3.2 of the Constitution.

- c) Any requests to allocate expenditure budget of less than £1.000m funded by additional non - ringfenced grant funding notified during the year;
- d) Any delegated virements that the relevant Cabinet member has concerns about that have been referred to the Cabinet for approval or where in the opinion of the Chief Finance Officer a Cabinet decision is required.

Virements delegated by the Cabinet

12. Cabinet delegates responsibility for the remaining permanent and temporary virements as follows:

Permanent virements

- a) Responsibility for agreeing permanent virements that do not involve a major change in policy and are worth less than £0.500m is delegated to the relevant Director and Chief Finance Officer (or their nominated officer) subject to the approval of the relevant Cabinet member.

Temporary virements

- b) Responsibility for agreeing temporary virements worth less than £0.500m but greater than or equal to £0.250m, including transfer of funds between revenue and capital budgets, is delegated to the relevant Director and Chief Finance Officer (or their nominated officer) subject to the approval of the relevant Cabinet member.
- c) The relevant Director may delegate the approval of temporary virements worth less than £0.250m to other officers within their directorate.

13. Any delegated virements that the relevant Cabinet member or Chief Finance Officer have concerns about must be referred to the Cabinet for approval.

Financial monitoring

- 14. As part of financial monitoring procedures directorates should be forecasting the full year outturn position. Where action to address potential overspends does not reduce the forecast overspend, temporary virements should be made from underspendings elsewhere.
- 15. When virements are reported they will be assumed to be temporary virements unless it is specifically stated that they are permanent virements.

Cumulative virements

- 16. Successive virements to or from the same budget will produce a cumulative effect. If the cumulative effect to or from a budget head approved by Council would require approval at a higher level – for example by Council instead of the Cabinet, the cumulative virement should be reported and approval obtained for the virement that triggers the requirement for cumulative approval, in accordance with the requirements set out above. The overall effect on the relevant budget head must be noted as part of the request.

17. Once the higher level of approval has been obtained for a cumulative virement the cumulative total is reset to zero. This means that any subsequent virement is a separate request that should be treated as set out above. Cumulative virements are reset to zero at the end of each financial year.

Chief Finance Officer Powers

18. If Directors do not make virements in accordance with these Virement Rules the Chief Finance Officer has the power to make other virements to remedy the position.

CAPITAL PROGRAMME: 2015/16 TO 2019/20 - COUNCIL 16 FEBRUARY 2016

Programme	Current Year	Firm Programme		Provisional Programme		CAPITAL INVESTMENT TOTAL £'000s	
	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s		
Children, Education & Families 1 - OCC	52,671	52,410	49,007	34,817	17,068	205,973	
Children, Education & Families 2 - Schools Local Capital	2,031	1,148	1,148	948	848	6,123	
Social & Community Services	5,624	11,244	4,625	15,278	2,108	38,879	
Environment & Economy 1 - Transport	52,374	47,738	54,225	25,848	16,657	196,842	
Environment & Economy 2 - Other Property Development Programmes	10,308	11,639	6,979	8,600	1,045	38,571	
Corporate Services	12,232	10,299	2,180	1,476	1,089	27,276	
TOTAL ESTIMATED CAPITAL PROGRAMME EXPENDITURE	135,240	134,478	118,164	86,967	38,815	513,664	
Earmarked Reserves	334	5,340	20,489	24,517	31,328	82,008	
TOTAL ESTIMATED CAPITAL PROGRAMME	135,574	139,818	138,653	111,484	70,143	595,672	
TOTAL ESTIMATED PROGRAMME IN-YEAR RESOURCES	122,336	131,697	133,487	87,506	61,954	536,980	
In-Year Shortfall (-) / Surplus (+)		-13,238	-8,121	-5,166	-23,978	-8,189	-58,692
Cumulative Shortfall (-) / Surplus (+)	61,544	48,306	40,185	35,019	11,041	2,852	2,852

SOURCES OF FUNDING	2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20	CAPITAL RESOURCES TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
SCE(C) Formulaic Capital Allocations - Un-ringfenced Grant	58,084	58,878	51,991	33,334	47,493	249,780
Devolved Formula Capital- Grant	2,031	1,148	1,148	948	848	6,123
Prudential Borrowing	9,310	26,000	27,357	22,479	3,186	88,332
Grants	25,374	11,175	6,576	856	0	43,981
Developer Contributions	34,772	36,240	44,468	28,379	9,267	153,126
District Council Contributions	1,367	1,025	18	0	0	2,410
Other External Funding Contributions	305	50	400	0	0	755
Revenue Contributions	4,321	209	200	200	200	5,130
Schools Contributions	10	0	0	0	0	10
Use of Capital Receipts	0	5,093	6,495	12,994	960	25,542
Use of Capital Reserves	0	0	0	12,294	8,189	20,483
TOTAL ESTIMATED PROGRAMME RESOURCES UTILISED	135,574	139,818	138,653	111,484	70,143	595,672
TOTAL ESTIMATED IN YEAR RESOURCES AVAILABLE	122,336	131,697	133,487	87,506	61,954	536,980
Capital Grants Reserve C/Fwd	22,131	6,839	1,167	0	0	0
Usable Capital Receipts C/Fwd	16,078	18,132	15,683	11,684	0	0
Capital Reserve C/Fwd	23,335	23,335	23,335	23,335	11,041	2,852

COUNCIL 16 FEBRUARY 2016
CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
Primary Capital Programme									
Bayards (New Scheme) - replacement of existing buildings (ED750)	5,834	850	122	0	0	0	6,806	972	122
Oxford, SS Mary & John - Single Site (ED873)	0	350	0	0	0	0	350	350	0
Primary Capital Programme Total	5,834	1,200	122	0	0	0	7,156	1,322	122
Secondary Capital Programme									
Wantage, King Alfred's (ED872)	457	75	0	0	0	0	532	75	0
Secondary Capital Programme Total	457	75	0	0	0	0	532	75	0
Provision of School Places (Basic Need)									
Existing Demographic Pupil Provision (Basic Needs Programme)	448	400	13,570	21,949	18,259	13,300	67,926	67,478	67,078
11/12 - 14/15 Basic Need Programme Completions	28,691	625	72	0	0	0	29,388	697	72
Bletchingdon - Relocate School & Expansion to 0.5FE (ED841)	319	655	44	0	0	0	1,018	699	44
Botley - Expansion to 2FE (ED830)	1,014	26	0	0	0	0	1,040	26	0

Section 4.9

Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20			
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Wallingford, Fir Tree Junior - Expansion to 2FE (ED821)	141	210	15	0	0	0	366	225	15
Oxford, Larkrise - Expansion to 2FE (ED845)	326	300	23	0	0	0	649	323	23
Henley, Badgemore - (Phase 2) Expansion to 1FE (ED803)	1,410	730	60	0	0	0	2,200	790	60
Cheney - Expansion by 1FE (ED864)	0	1,750	50	0	0	0	1,800	1,800	50
Wantage, Charlton - (Phase 3) Expansion to 2FE (ED842)	688	900	72	0	0	0	1,660	972	72
Banbury, Frank Wise - Post 16 Provision (ED843)	423	1,600	85	0	0	0	2,108	1,685	85
Oxford, Wolvercote - Expansion to 1.5FE (ED829)	865	1,950	84	0	0	0	2,899	2,034	84
Banbury, Harriers Ground - Expansion to 2FE (ED878)	13	223	0	0	0	0	236	223	0
Oxford, Windmill - Expansion to 3FE (ED832)	485	1,600	81	0	0	0	2,166	1,681	81
Eynsham, Bartholomew - 1FE Expansion (ED856)	149	2,000	60	0	0	0	2,209	2,060	60
Bicester, Bardwell - Post 16 Provision (ED855)	171	1,100	50	67	0	0	1,388	1,217	117

Section 4.9

Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
	£'000s	2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20			
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s			
Banbury, Hanwell Fields - Expansion to 2FE (ED840)	59	1,100	142	0	0	0	1,301	1,242	142
Thame, John Hampden - Expansion to 2FE (ED854)	61	700	48	0	0	0	809	748	48
Watchfield - Expansion to 2FE (ED834)	93	1,550	83	0	0	0	1,726	1,633	83
Banbury, Hill View - Expansion to 3FE (ED825)	348	1,800	620	107	0	0	2,875	2,527	727
Marlingdon Junior - Expansion to 3FE (ED838)	79	1,756	75	0	0	0	1,910	1,831	75
St. Swithun's - Expansion to 2FE (ED888)	0	280	25	0	0	0	305	305	25
Hook Norton - Expansion to 1.5FE (ED827)	89	450	825	66	0	0	1,430	1,341	891
Bicester, Longfields - Expansion to 2FE (ED871)	36	600	1,616	138	0	0	2,390	2,354	1,754
Banbury, Queensway - Expansion to 2FE (ED831)	37	300	500	44	0	0	881	844	544
Provision of School Places Total	35,945	22,605	18,200	22,371	18,259	13,300	130,680	94,735	72,130

Section 4.9

Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s			
			2015 / 16	2016 / 17	2017 / 18	2018 / 19			
Growth Portfolio - New Schools	Note: This section of the programme shows available funding and not the full scheme cost, unless specified Project Approval num								
Didcot, University Technical College - Secondary (Contribution) (ED867)	502	1,500	0	0	0	0	2,002	1,500	0
Bicester, South West - 14 classroom (ED822)	3,279	4,000	56	0	0	0	7,335	4,056	56
Didcot, Great Western Park (Primary 1) - 14 classroom (ED816)	397	4,000	4,188	365	0	0	8,950	8,553	4,553
Didcot, Longford Park - 10 classroom (ED866)	4	3,500	4,750	720	0	0	8,974	8,970	5,470
Bicester Exemplar Eco-development - Primary 1 Phase 1 (7 classroom) (ED865)	273	2,750	4,164	373	0	0	7,560	7,287	4,537
Didcot, Great Western Park - Secondary (Phase 1) (ED836)	14	2,250	13,500	5,000	907	0	21,671	21,657	19,407
Oxford - Barton (West)	3	250	250	3,500	2,812	385	7,200	7,197	6,947
Didcot, Great Western Park - Primary 2 (14 classroom)	1	150	250	3,500	2,699	0	6,600	6,599	6,449
Bicester - Secondary P1 (incl existing schools)	0	100	400	8,500	7,000	0	16,000	16,000	15,900
Project Development Budget	0	50	100	150	150	150	600	600	550
Growth Portfolio Total	4,473	18,550	27,658	22,108	13,568	535	86,892	82,419	63,869

Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20			
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Children's Home									
Children's Home Programme	0	0	0	665	0	0	665	665	665
Thame - Assessment Centre (ED847/1)	152	2,105	100	0	0	0	2,357	2,205	100
Didcot - Move on Home (ED847/2)	120	1,152	60	0	0	0	1,332	1,212	60
Eynsham - Assessment Centre (ED847/3)	117	871	750	114	0	0	1,852	1,735	864
Witney - Move on Home (ED847/4)	31	602	675	81	0	0	1,389	1,358	756
Children's Home Total	420	4,730	1,585	860	0	0	7,595	7,175	2,445
Annual Programmes									
Schools Access Initiative	0	350	400	400	400	400	1,950	1,950	1,600
Health & Safety - Schools	0	250	300	300	300	300	1,450	1,450	1,200
Temporary Classrooms - Replacement & Removal	0	175	325	325	350	350	1,525	1,525	1,350
Schools Accommodation Intervention & Support Programme	0	50	75	100	100	100	425	425	375
School Structural Maintenance (inc Health & Safety)	0	2,050	2,000	1,750	1,750	1,750	9,300	9,300	7,250
Annual Programme Total	0	2,875	3,100	2,875	2,900	2,900	14,650	14,650	11,775

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Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
		2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20			
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<u>Other Schemes & Programmes</u>									
Early Years Entitlement for Disadvantage 2 year olds	261	700	750	626	0	0	2,337	2,076	1,376
Free School Meals (ED862)	1,835	1,500	634	77	0	0	4,046	2,211	711
Loans to Foster/Adoptive Parents (Prudentially Funded)	247	50	90	90	90	333	900	653	603
Small Projects	114	40	3	0	0	0	157	43	3
Other Schemes & Programmes Total	2,457	2,290	1,477	793	90	333	7,440	4,983	2,693
Retentions & Oxford City Schools Reorganisation	800	346	268	0	0	0	1,414	614	268
Retentions & OSCR Total	800	346	268	0	0	0	1,414	614	268
<u>Schools Capital</u>									
Devolved Formula Capital	0	2,031	1,148	1,148	948	848	6,123	6,123	4,092
School Local Capital Programme Total	0	2,031	1,148	1,148	948	848	6,123	6,123	4,092
CE&F CAPITAL PROGRAMME EXPENDITURE TOTAL	50,386	54,702	53,558	50,155	35,765	17,916	262,482	212,096	157,394
CE&F OCC ADJUSTED CAPITAL PROGRAMME EXPENDITURE TOTAL	50,386	52,671	52,410	49,007	34,817	17,068	256,359	205,973	153,302

COUNCIL 16 FEBRUARY 2016
SOCIAL AND COMMUNITY SERVICES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
COMMUNITY SAFETY PROGRAMME									
Redbridge Hollow Travellers Site - Fencing & Associated Works (SC115)	0	60	6	0	0	0	66	66	6
Fire & Rescue Service									
Fire Equipment (SC112)	447	203	0	0	0	0	650	203	0
Relocation of Rewley Training Facility	0	50	50	500	0	0	600	600	550
Fire Review Development Budget	5	100	200	1,500	1,400	295	3,500	3,495	3,395
COMMUNITY SAFETY PROGRAMME TOTAL	452	413	256	2,000	1,400	295	4,816	4,364	3,951
SOCIAL CARE FOR ADULTS PROGRAMME									
Adult Social Care									
Adult Social Care Programme	0	500	500	1,000	1,750	500	4,250	4,250	3,750
Residential									
HOPs Phase 1- New Builds	0	0	0	0	10,503	0	10,503	10,503	10,503
Oxfordshire Care Partnership	0	10	8,990	0	0	0	9,000	9,000	8,990

Section 4.9

Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
			2015 / 16	2016 / 17	2017 / 18	2018 / 19			
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Specialist Housing Programme (inc ECH - New Schemes & Adaptations to Existing Properties)									
ECH - New Schemes & Adaptations to Existing Properties	1,071	501	1,373	1,500	1,500	1,188	7,133	6,062	5,561
ECH - Completed Schemes	4,290	0	0	0	0	0	4,290	0	0
Deferred Interest Loans (CSDP)	260	125	125	125	125	125	885	625	500
SOCIAL CARE FOR ADULTS PROGRAMME TOTAL	5,621	1,136	10,988	2,625	13,878	1,813	36,061	30,440	29,304
Disabled Facilities Grant	0	2,401	0	0	0	0	2,401	2,401	0
DISABLED FACILITIES GRANT PROGRAMME TOTAL	0	2,401	0	0	0	0	2,401	2,401	0
STRATEGY AND TRANSFORMATION PROGRAMME									
New Adult Social Care Management System (SC107)	887	1,576	0	0	0	0	2,463	1,576	0
STRATEGY & TRANSFORMATION PROGRAMME TOTAL	887	1,576	0	0	0	0	2,463	1,576	0
Retentions & Minor Works	1,980	98	0	0	0	0	2,078	98	0
S&CS CAPITAL PROGRAMME EXPENDITURE TOTAL	8,940	5,624	11,244	4,625	15,278	2,108	47,819	38,879	33,255

COUNCIL 16 FEBRUARY 2016
ENVIRONMENT & ECONOMY - HIGHWAYS & TRANSPORT CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
CITY DEAL PROGRAMME									
Science Transit									
Kennington & Hinksey Roundabouts	7,284	85	104	0	0	0	7,473	189	104
Hinskey Hill Northbound Slip Road	102	297	537	3,735	2,439	1,590	8,700	8,598	8,301
Access to Enterprise Zone									
Harwell Link Rd Section 1 B4493 to A417	920	469	2,419	6,725	122	645	11,300	10,380	9,911
Harwell Link Rd Section 2 Hagbourne Hill	1,515	2,767	1,366	367	0	0	6,015	4,500	1,733
Featherbed Lane and Steventon Lights	1,468	752	2,183	2,817	504	0	7,724	6,256	5,504
Harwell, Oxford Entrance	109	75	1,466	350	0	0	2,000	1,891	1,816
Northern Gateway									
Cuttesslowe Roundabout	401	2,666	1,812	298	0	0	5,177	4,776	2,110
Wolvercote Roundabout	437	3,029	1,670	226	0	0	5,362	4,925	1,896
Loop Farm Link Road	115	207	951	4,235	1,792	0	7,300	7,185	6,978
Other City Deal Programme spend	142	-48	0	0	0	0	94	-48	0
CITY DEAL PROGRAMME TOTAL	12,493	10,299	12,508	18,753	4,857	2,235	61,145	48,652	38,353

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Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2015 / 16 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
			2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
LOCAL GROWTH DEAL PROGRAMME									
Eastern Arc Phase 1 Access to Headington	49	603	4,131	4,132	2,250	0	11,165	11,116	10,513
Bicester London Road - Cycle/Pedestrian Bridge	0	0	360	900	1,980	360	3,600	3,600	3,600
Science Vale Cycle Network Improvements	0	0	1,450	2,620	450	0	4,520	4,520	4,520
Oxford Science Transit Phase 2 - A40 Public Transport improvements (project development)	0	150	350	0	0	0	500	500	350
LOCAL GROWTH DEAL PROGRAMME TOTAL	49	753	6,291	7,652	4,680	360	19,785	19,736	18,983
LOCAL PINCH POINT FUND PROGRAMME									
Milton Interchange	3,405	6,720	500	0	0	0	10,625	7,220	500
A34 Chilton Junction Improvements	1,057	4,658	3,382	507	1,279	0	10,883	9,826	5,168
LOCAL PINCH POINT FUND PROGRAMME TOTAL	4,462	11,378	3,882	507	1,279	0	21,508	17,046	5,668

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Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)
	£'000s	£'000s	2016 / 17	2017 / 18	2018 / 19	2019 / 20			
			£'000s	£'000s	£'000s	£'000s			
<u>SCIENCE VALE UK</u>									
Cycleway improvements - Harwell Oxford to Didcot via Winnaway (GPF)	62	426	0	0	0	0	488	426	0
Didcot Northern Perimeter Road 3 (project development)	5	495	0	0	0	0	500	495	0
Milton Park Employment Access Link: Backhill Tunnel	0	380	306	121	0	0	807	807	427
Advantage, Crab Hill (contribution)	0	0	0	2,450	0	0	2,450	2,450	2,450
SCIENCE VALE UK LOCALITY PROGRAMME TOTAL	67	1,301	306	2,571	0	0	4,245	4,178	2,877
<u>OXFORD</u>									
Frideswide Square	2,526	4,090	0	110	0	0	6,726	4,200	110
The Plain Cycle Improvements	1,016	564	0	33	0	0	1,613	597	33
Woodstock Rd, ROQ	51	10	469	50	0	0	580	529	519
Riverside routes to Oxford city centre Cycle Improvements	0	309	1,218	1,285	855	0	3,667	3,667	3,358
OXFORD LOCALITY PROGRAMME TOTAL	3,593	4,973	1,687	1,478	855	0	12,586	8,993	4,020

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Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2015 / 16 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
			2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
<u>BICESTER</u>									
Bicester Park and Ride	279	3,036	0	150	0	0	3,465	3,186	150
Bicester Perimeter Road (Project Development)	0	0	300	700	0	0	1,000	1,000	1,000
BICESTER LOCALITY PROGRAMME TOTAL	279	3,036	300	850	0	0	4,465	4,186	1,150
<u>WITNEY AND CARTERTON</u>									
Witney, A40 Downs Road junction (contribution)	0	0	0	1,250	0	0	1,250	1,250	1,250
WITNEY AND CARTERTON LOCALITY PROGRAMME TOTAL	0	0	0	1,250	0	0	1,250	1,250	1,250
<u>COUNTYWIDE AND OTHER</u>									
Bicester Town Station (EWR)	5	115	0	0	0	0	120	115	0
Oxford Parkway Station (EWR)	8	146	0	39	0	0	193	185	39
East-West Rail (contribution)	0	737	737	737	737	737	3,685	3,685	2,948
Small developer funded schemes	923	583	144	153	0	0	1,803	880	297
Completed schemes	16,154	200	0	355	0	0	16,709	555	355
COUNTYWIDE AND OTHER INTEGRATED TRANSPORT TOTAL	17,090	1,781	881	1,284	737	737	22,510	5,420	3,639
INTEGRATED TRANSPORT STRATEGY TOTAL	38,033	33,521	25,855	34,345	12,408	3,332	147,494	109,461	75,940

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Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
STRUCTURAL MAINTENANCE PROGRAMME									
Carriageway Structural Maintenance		3,278	2,013	1,143	2,000	2,000	10,434	10,434	7,156
Surface Treatments		6,340	6,128	6,872	6,500	6,500	32,340	32,340	26,000
Footways		1,025	891	1,110	800	800	4,626	4,626	3,601
Drainage		1,120	900	900	900	900	4,720	4,720	3,600
Bridges		1,862	1,682	1,666	2,000	2,000	9,210	9,210	7,348
Public Rights of Way Foot Bridges		89	100	100	100	100	489	489	400
Street Lighting		490	990	990	890	775	4,135	4,135	3,645
Traffic Signals		0	250	250	250	250	1,000	1,000	1,000
STRUCTURAL MAINTENANCE ANNUAL PROGRAMMES TOTAL	0	14,204	12,954	13,031	13,440	13,325	66,954	66,954	52,750
CHALLENGE FUND PROGRAMME									
Street Lighting		1,110	1,360	1,620	0	0	4,090	4,090	2,980
Drainage		1,000	1,250	1,500	0	0	3,750	3,750	2,750
Edge Strengthening		400	2,900	2,230	0	0	5,530	5,530	5,130
Resurfacing		50	730	390	0	0	1,170	1,170	1,120
CHALLENGE FUND PROGRAMME TOTAL	0	2,560	6,240	5,740	0	0	14,540	14,540	11,980

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Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)	
	£'000s	£'000s	2015 / 16	2016 / 17	2017 / 18	2018 / 19				2019 / 20
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s				£'000s
Major schemes and other programme										
A4158 Oxford Iffley Road Additional Works	0	212	0	0	0	0	212	212	0	
Park End Street and Pacey's Bridges Maintenance	10	705	0	69	0	0	784	774	69	
Embankment Stabilisation Programme	61	668	0	69	0	0	798	737	69	
A420/A34 Botley Junction & Cumnor Bypass	0	239	767	0	0	0	1,006	1,006	767	
Oxford, Cowley Road	0	0	0	790	0	0	790	790	790	
A478 Playhatch Road (project development)	0	120	0	0	0	0	120	120	0	
Drayton Depot Hardstanding	0	35	0	0	0	0	35	35	0	
Network Rail Electrification Bridge Betterment Programme	128	60	1,922	156	0	0	2,266	2,138	2,078	
Completed Major Schemes	13,692	50	0	25	0	0	13,767	75	25	
STRUCTURAL MAINTENANCE MAJOR SCHEMES TOTAL	13,891	2,089	2,689	1,109	0	0	19,778	5,887	3,798	
STRUCTURAL MAINTENANCE PROGRAMME TOTAL	13,891	18,853	21,883	19,880	13,440	13,325	101,272	87,381	68,528	
HIGHWAYS & TRANSPORT CAPITAL PROGRAMME EXPENDITURE TOTAL	51,924	52,374	47,738	54,225	25,848	16,657	248,766	196,842	144,468	

COUNCIL 16 FEBRUARY 2016
ENVIRONMENT & ECONOMY CAPITAL PROGRAMME (EXCLUDING TRANSPORT)

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
		2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
<u>ASSET UTILISATION PROGRAMMES</u>									
Asset Utilisation Programme	153	1,344	1,500	1,500	1,500	206	6,203	6,050	4,706
Relocation of Customer Service Centre from Clarendon House to County Hall	1,031	70	0	0	0	0	1,101	70	0
Abbey House	1,532	173	0	0	0	0	1,705	173	0
Cambridge Terrace moves to Ron Groves	35	516	0	0	0	0	551	516	0
Cricket Road Centre Closure (including Unipart House works)	201	0	0	0	0	0	201	0	0
ASSET UTILISATION PROGRAMME TOTAL	2,952	2,103	1,500	1,500	1,500	206	9,761	6,809	4,706
<u>ENERGY EFFICIENCY IMPROVEMENT PROGRAMME</u>									
Rooftop Solar PV Programme	0	420	30	0	0	0	450	450	30
SALIX Energy Programme	1,315	226	200	200	200	200	2,341	1,026	800
ENERGY EFFICIENCY IMPROVEMENT PROGRAMME TOTAL	1,315	646	230	200	200	200	2,791	1,476	830
<u>ANNUAL PROPERTY PROGRAMMES</u>									
Minor Works Programme	775	329	200	200	200	200	1,904	1,129	800
Health & Safety (Non-Schools)	73	24	24	24	50	50	245	172	148
ANNUAL PROPERTY PROGRAMMES TOTAL	848	353	224	224	250	250	2,149	1,301	948

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Project/ Programme Name	Previous Years Actual Expenditure	Current Year	Firm Programme		Provisional Programme		Total Scheme Cost	Capital Investment Total (excluding previous years)	Future Capital Investment Total (excluding previous and current years)	
	£'000s	£'000s	2015 / 16	2016 / 17	2017 / 18	2018 / 19				2019 / 20
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s				£'000s
WASTE MANAGEMENT PROGRAMME										
Waste Recycling Centre Infrastructure Development	0	150	250	1,000	1,000	389	2,789	2,789	2,639	
Alkerton WRC	0	150	250	700	650	0	1,750	1,750	1,600	
WASTE MANAGEMENT PROGRAMME TOTAL	580	300	500	1,700	1,650	389	5,119	4,539	4,239	
CORPORATE PROPERTY & PARTNERSHIP PROGRAMMES										
Broadband (OxOnline) Project	6,535	6,585	6,577	3,055	0	0	22,752	16,217	9,632	
Spendlove Centre, Charlbury	8	182	158	0	0	0	348	340	158	
Wigod Way, Wallingford	134	55	0	0	0	0	189	55	0	
Oxford Flood Relief Scheme	0	0	0	0	5,000	0	5,000	5,000	5,000	
New Salt Stores & Accommodation	0	50	2,450	300	0	0	2,800	2,800	2,750	
CORPORATE PROPERTY & PARTNERSHIP PROGRAMMES TOTAL	6,677	6,872	9,185	3,355	5,000	0	31,089	24,412	17,540	
Retentions (completed schemes)	255	34	0	0	0	0	289	34	0	
ENVIRONMENT & ECONOMY (EXCLUDING TRANSPORT) CAPITAL PROGRAMME EXPENDITURE TOTAL	12,627	10,308	11,639	6,979	8,600	1,045	51,198	38,571	28,263	

COUNCIL 16 FEBRUARY 2016
CORPORATE SERVICES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2015 / 16 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding previous and current years) £'000s
			2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s	2019 / 20 £'000s			
COMMUNITY SERVICES PROGRAMME									
Bicester Library (CS13)	14	651	70	300	346	119	1,500	1,486	835
Westgate Library	0	0	250	1,000	250	0	1,500	1,500	1,500
Museums									
Oxfordshire Museum (CS15)	0	275	25	0	0	0	300	300	25
COMMUNITY SERVICES PROGRAMME TOTAL									
	14	926	345	1,300	596	119	3,300	3,286	2,360
OXFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP									
City Deal									
Culham Advanced Manufacturing Hub	0	2,000	0	0	0	0	2,000	2,000	0
Local Growth Fund									
Didcot Station Car Park Expansion	0	1,426	8,074	0	0	0	9,500	9,500	8,074
Centre for Technology, Innovation & Skills (Activite Learning)	0	3,500	1,000	0	0	0	4,500	4,500	1,000
Centre for Applied Superconductivity	0	880	880	880	880	970	4,490	4,490	3,610
Oxford City Council - Oxpens Site Development	0	3,500	0	0	0	0	3,500	3,500	0
OXFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP TOTAL									
	0	11,306	9,954	880	880	970	23,990	23,990	12,684
CORPORATE SERVICES CAPITAL PROGRAMME EXPENDITURE TOTAL									
	14	12,232	10,299	2,180	1,476	1,089	27,290	27,276	15,044

COUNCIL 16 FEBRUARY 2016

CAPITAL PROGRAMME 2015/16 TO 2019/20

Appendix A Grant bids and allocations not yet included in the Capital Programme

Ref.	Scheme/ Programme Area/ Grant Name	Status	Description	Amount £000	Year
(1)	Local Transport Board	2	Funding allocation to the following schemes: - Wantage Eastern Link Road	4,500	2015/16 & 2016/17
(2)	Local Growth Fund 1	2	Funding allocation towards: - Advanced Engineering and Technology Skills - Oxfordshire Flood Risk Management Scheme and Upstream Flood Storage at Northway - Oxford Science Transit Phase 2 (A40)	4,000 26,450 35,000	2015/16 to 2020/21 Provisional
(3)	Local Growth Fund 2	2	Funding allocation towards - A package to improve transport in North Oxford and enable the Northern Gateway Development - Establishing the Activate Care Suite to improve adult social care and healthcare in Oxfordshire.	5,940 400	2016/17 to 2020/21
(4)	Local Growth Fund 3	1		tbc	
Total				76,290	

Key:

- 1 Grant bids or allocations waiting approval or confirmation from funding authorities
- 2 Secured new resources waiting programme of work approval
- 3 Funding to be allocated against viable projects

COUNCIL 16 FEBRUARY 2016
CAPITAL PROGRAMME 2015/16 TO 2019/20
Appendix B Schemes Remaining On Hold

These schemes have been placed on hold under the Capital Budget Setting Process for 2012/13.
 However, they will be considered for entry into the programme as part of the future Service and Resource Planning

Ref	Directorate	Project/ Programme Name	Total project cost £000	Project Specific Funding Available £000	Flexible Funding Required £000	Priority Category
1	S&CS	Banbury Regeneration Scheme	5,785	110	5,675	5
2	S&CS	Thame Fire Station - relocation to new site	2,300	0	2,300	6
3	E&E - Transport	Bicester Market square (developer contribution funded scheme)	1,116	1,116	0	5
TOTAL			8,085	110	7,975	

Priority Categories:

- Priority 1 Statutory Requirements & Infrastructure Deficit
- Priority 2 Revenue Savings & Service Transformation
- Priority 3 Substantially Externally Funded
- Priority 4 Portfolio Rationalisation
- Priority 5 Economic development & housing growth
- Priority 6 Cross-cutting, joint working, income generation

COUNCIL 16 FEBRUARY 2016
CAPITAL PROGRAMME 2015/16 TO 2019/20
Appendix C Highways & Transport Forward Plan

These schemes have been identified as priorities for meeting local growth but funding has not yet been secured for delivery. When funding has been identified approval will be sought through the capital governance approval process to bring them into the capital programme. Costs and delivery timeframes are indicative.

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
SCIENCE VALE				
Access to Enterprise Zone - A417 Corridor Improvements (Wantage to Blewbury) & relief to Rowstock	To improve east-west travel and ensure safe access to/from the villages.	2016/17 - 2019/20	4,000	LGF, CIL/Developer Contributions, plus other funding opportunities if available
Wantage Eastern Link Road	A new road linking the A338 and A417, providing a strategic route across the town & access to Crab Hill strategic housing development site.	2017/18 - 2022/23	15,000	LGF, CIL/Developer Contributions, on-site strategic housing development
Science Bridge & A4130 widening	New bridge over the railway line along the A4130 to provide highway capacity and routing improvements to the main route through Didcot.	2016/17 - 2019/20	39,000	LGF, CIL/Developer Contributions, on-site strategic housing & commercial developments, plus other funding opportunities if available
Cycle Network Enhancements	Improving cycle accessibility and connectivity across the Science Vale area	2015/16 - 2019/20	9,000	LGF, CIL/Developer Contributions, on-site strategic housing & commercial developments, plus other funding opportunities if available
Jubilee Way roundabout (Didcot) Improvements	Enhancements to the junction to provide improved access to Didcot town centre	2018/19 - 2020/21	6,500	LGF, CIL/Developer Contributions, plus other funding opportunities if available
Didcot Station Enhancements - Gateway to Science Vale	Enhanced Station accessibility and improved facilities creating a transport hub and Gateway to Science Vale. Enhancements to the station building, new platforms and northern entrance.	2018/19 - 2023/24	53,000	LGF, CIL/Developer Contributions, private sector, plus other funding opportunities if available
Didcot town centre improved accessibility	To update signage to reflect the new and improved network changes, helping to ensure appropriate routing of vehicles across the area.	Unknown at present	Unknown at present	LGF, CIL/Developer Contributions, plus other funding opportunities if available
A338 Corridor Improvements (including Frilford Lights)	Highway and junction improvements to accommodate additional traffic heading to/from the Science Vale area and Oxford.	2026 - 2031	5,000	LGF, CIL/Developer Contributions, plus other funding opportunities if available

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
Didcot Northern Perimeter Road Phase 3 (NPR3)	A new road to allow extension of the perimeter road around Didcot and access for the Ladygrove East site.	2016/17 - 2020/21	12,500	LGF, CIL/Developer Contributions, on-site strategic housing development, plus other funding opportunities if available
A34 improvements - Lodge Hill slips and Park & Ride	New south facing slips and Park & Ride site (1500 space P&R & new signalised junction)	2016/17 - 2020/21	26,000	LGF, CIL/Developer Contributions, plus other funding opportunities if available
Access to Culham - New strategic road linking Didcot, Culham Science Centre and Oxford	New strategic road linking Didcot with Culham Science Centre, and Oxford (incl. river crossing). Phase 1: A415/B4015 Culham Science Centre Link Road; Phase 2: new road across the Thames between Didcot & Culham Science Centre.	2016/17 - 2026	45,000	LGF, CIL/Developer Contributions, on-site commercial development, private sector, plus other funding opportunities if available
Implementation of Bus Strategy	Bus links and accesses to connect strategic development sites to employment and other key destinations	Unknown at present	Unknown at present	plus other funding opportunities if available
Culham Station improvements	Improving accessibility and level of rail service	Unknown at present	Unknown at present	LGF, CIL/developer contributions, private sector and other opportunities if available
Grove/Wantage Station	A new railway station / interchange at Grove	2020 +	Unknown at present	LGF, CIL/developer contributions, private sector and other opportunities if available
OXFORD				
Oxford Station master plan	Non-rail elements of station redevelopment	2018/19 +	75,000	Commercial development on site, LGF/SEP, CIL and other funding opportunities if available
Bus Rapid Transit Lines 1, 2 and 3	Infrastructure for Oxford BRT network	2015 - 25	104,000	LGF, CIL, private sector and other opportunities if available
Super, premium and connector cycle routes	Completing gaps in network/strategic links	2015 - 35	16,000	Cycle City Ambition Grant, LGF, CIL, and other opportunities if available
Ring Road improvements including A34	Capacity improvements, BRT/bus infrastructure, pedestrian and cycle crossings	2015 - 25	111,000	City Deal, Highways Agency, LGF, CIL, private sector and other opportunities if available
City Centre schemes	Transport and public realm improvements, including new transport interchanges	2015 - 35	49,000	LGF, CIL, private sector and other opportunities if available
City centre transit tunnels	Transit tunnels for use by BRT and buses, serving the city centre	2035 +	600,000	To be identified
Park & Ride expansion	Construction of five new P&R sites and expansion of Thornhill P&R. Lodge Hill P&R included in Science Vale section (a new P&R in Eynsham may be delivered as part of the A40 Public Transport Enhancements item)	2018 - 2030	52,000	LGF, CIL, private sector and other opportunities if available
Cowley Branch line	Improvements to allow use by passenger trains. Includes two new stations.	2020 - 2025	40,000	LGF, CIL, private sector and other opportunities if available

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
Smart mobility infrastructure	Infrastructure to support transport technologies, including infrastructure for driverless vehicles	2015 - 2025	13,000	LGF, CIL, private sector and other opportunities if available
Freight	Freight infrastructure, including consolidation centre	2015 - 2025	5,000	LGF, CIL, private sector and other opportunities if available
District centre improvements	Transport and public realm improvements	2016 - 2030	10,000	LGF, CIL, private sector and other opportunities if available
BICESTER				
London Road level crossing solution	A replacement scheme so that the level crossing can be closed when rail services increase.	2024 +	27,000	LGF, CIL / developer contributions, Garden Town bid
Charbridge Lane level crossing replacement	A road bridge over the railway so that level crossing is closed for East West Rail	2019	13,000+	EWR fund for single carriageway bridge. LGF3 EoI for dualling gap
Eastern peripheral corridor improvements (minus the Charbridge Lane scheme)	Phase (i) - upgrading the junctions and links from Launton Road to Gavray Drive (minus Charbridge Lane)	2019	12,000	LGF3 EoI, CIL/developer funding, Garden Town bid
	Phase (ii) upgrading Skimmingdish Lane and A4095 / A4221 junction	2024+	7,000	LGF, CIL / developer contributions, Garden Town bid
Southern peripheral corridor - a new south-east perimeter road	A new link road from the A41 north of Junction 9 across to join the link road to the south of Graven Hill	2021?	21,000	LGF, CIL / developer contributions, Garden Town bid
Motorway junction south of Arncott	Scheme predicated on announcement of Bicester/Arncott being designated as a Garden Town with additional 3,000 houses.	2023	30,000	Garden Town bid
A41 bus measures	A bus lane on the A41 between the ESSO roundabout to Junction 9	pre-2021	10,000	LGF, CIL / developer contributions, Garden Town bid
Bicester - Pedestrian/Cyclist Connectivity	Cycle access between new employment developments and housing developments	2017/18+	4,400	LGF, CIL / developer contributions, Garden Town bid
BANBURY				
North-south corridor' *Traffic calming along A361 the South Bar Street/ Horsefair corridor *Promotion of Bankside *Bridge Street/ Cherwell Street improvements *Bloxham Road (A361)/ South Bar Street improvements *Renew highway signage to reflect change in routes (above)	Utilise Cherwell Street 'eastern corridor' as the preferred north-south route through the town, with Bankside improvements offering a secondary route. The Oxford Road corridor is also integral. Reduce traffic in the Air Quality Management area at South Bar. Reviewing and replace highway signage on routes into the town centre to sign north-south through-traffic away from sensitive areas of the town centre and promote appropriate route choices at key decision making junctions, especially on Oxford Road A4260.	2018 +	15,000	Some held S106 monies available to progress this project. Additional funding will be required for the major works likely to be needed.

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
Hennef Way (A422) to M40 Corridor Improvements *Hennef Way/ Southam Road junction *Hennef Way/ Concord Avenue junction *Hennef Way/ Ermont Way junction	Route capacity improvements to deal with existing demands and those to be created by future development	2017	Unknown at present	Some held S106 monies may be available to start on feasibility
Warwick Road B4100 Corridor	Increasing the capacity of junctions along Warwick Road (B4100), including the roundabout junctions with A422 Ruscote Avenue and Orchard Way.	2017	Unknown at present	Developer Contributions, plus other funding opportunities will be required
East of M40 J11 link road - A422 to Overthorpe Road.	Provision of a link road east of M40 Junction 11 linking A422 to Overthorpe Road.	Post 2024	13,000	To be identified
Higham Way to Chalker Way link road.	Provision of a link road from Higham Way to Chalkter Way through the former Grundons site to the Central M40 site.	Unknown at present	Unknown at present	To be identified
Road bridge crossing from Tramway Road to Higham Way.	Provision of a road bridge crossing the railway line linking Tramway Road to Higham Way.	Post 2024	Unknown at present	To be identified
Ermont Way/ Middleton Road Improvements.	Improve traffic flow at the junction.	Unknown at present	Unknown at present	To be identified
Banbury Rail Station Improvements	Re-designing the station forecourt to create an interchange	Unknown at present	Unknown at present	To be identified
A361 Bloxham Road to A4260 Oxford Road spine road - south of Saltway	Spine Road through the South of Saltway development site linking A361 to A4260	Unknown at present	Unknown at present	To be identified
Car park guidance matrix sign system	Integrated, real-time car park guidance system.	Unknown at present	Unknown at present	To be identified
Bus Strategy (long term)	Reviewing and developing the town's bus network and enhancing existing bus services/ providing additional services,	Unknown at present	Unknown at present	To be identified
Bus Strategy (Short term) *East-West cross town bus routing including bus gates.	Enable east-West cross town bus routing including opening bus gates.	2016	Unknown at present	Developer funding/To be identified
Banbury Bus Station - review function	Review function and location of Banbury bus station.	Unknown at present	Unknown at present	To be identified
Improve walking, cycling and public transport access to the rail station.	Improve walking, cycling and public transport links to the station in order to meet future demand and to better connect the station to the town	Unknown at present	Unknown at present	To be identified
WITNEY & CARTERTON				
West-facing slip roads at A40 Shores Green junction	Possible direct delivery by developer	Unknown at present	Unknown at present	To be identified

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
Improvements to the B4022 Oxford Hill junction with Jubilee Way and Cogges Hill Road	Possible direct delivery by developer	Unknown at present	Unknown at present	To be identified
Re-designating the A4095 through Witney	Re-designating the A4095 via Jubilee Way, Oxford Hill, A40, Ducklington Lane and Thorney Leys	Unknown at present	Unknown at present	To be identified
Witney town centre package	Reducing congestion to improve the environment; using directional signs to discourage undesirable routing.	Unknown at present	Unknown at present	To be identified
Improve the B4477 between Carterton and A40 at Minster Lovell including a cycle route between Witney and Carterton.	Improvements to the transport network to support residential growth, attract economic investment and enable growth of RAF Brize Norton	2017-2020	3,900	Developer Contributions, plus other funding opportunities
West facing slip roads at A40/B4477 Minster Lovell junction,	Improvements to the transport network to enable growth of RAF Brize Norton	Unknown at present	7,400	To be identified
Improve bus routing through Witney	Improve bus routing through Witney particularly along Corn Street, Market Place, Bridge Street and Newland	Unknown at present	Unknown at present	To be identified
Bus Priority eastbound at A40 Shores Green	Bus Priority for buses joining the A40 eastbound at B4044 Shores Green	Unknown at present	Unknown at present	To be identified
Witney Cycle Strategy	Improving pedestrian and cyclist routes in Bridge Street, the town centre and Station Lane areas of Witney	Unknown at present	Unknown at present	To be identified
Ducklington Lane / Station Lane junction footway improvements	Following CPO for land to complete footway improvements.	Unknown at present	Unknown at present	To be identified
Install bus stops close to the RAF Brize Norton Main Gate, Carterton.	Install bus stops close to the RAF Brize Norton Main Gate to increase access to the site.	Unknown at present	Unknown at present	To be identified
Carterton town centre crossroads enhancement	Reduce queuing traffic and improve the environment in Carterton town centre.	Unknown at present	Unknown at present	To be identified
Hanborough Rail Station	Highway improvements and car park expansion predicated on planned housing development.	Unknown at present	Unknown at present	Highways work may be funded by OCC but car park expansion works are likely to be funded by 3rd party.
A40 public transport priority scheme	Public transport enhancements to facilitate trips along the A40 corridor (may include delivery of a new P&R in Eynsham)	2017/18	40,000	Local Growth Fund £35m plus OCC match funding
COUNTYWIDE				
Cycle Network Enhancements	Schemes include: Culham - Oxford, Eynsham - Oxford, Adderbury - Banbury	Unknown at present	Unknown at present	To be identified

COUNCIL 16 FEBRUARY 2016
 CAPITAL PROGRAMME 2015/16 TO 2019/20
 Highways Maintenance Programme 2016/17 to 2017/18

Name	Parish	Road Name	2016/17 (£)	2017/18 (£)	NOTES
CARRIAGEWAY STRUCTURAL MAINTENANCE PROGRAMME					
	Wantage	Market Place	136,632		
	Wantage	Mill Street	80,392		
	Benson	A4074 Near Elmbridge Roundabout	221,680		
	Wantage	Newbury Street	128,498		
	Great Milton	A329 Rycote Lane	156,122		
	Goring	High Street	139,033		
	Milton	Sutton Courteney Lane	379,586		
	Little Wittenham	Un-named Road (Long Wittenham Road junction to Church)	51,458		
	Henley on Thames	Vicarage Road	56,604		
	Didcot	King Alfred Drive	90,061		
	Oxford	Harcourt Hill		204,395	
	North Moreton	Long Wittenham Road / High Street		97,850	
	Kennington	The Avenue (Section 3)		196,754	
	Abingdon	The Vineyard		141,080	
	Witney	Thorney Leys		33,178	
	Whitchurch	Eastfield Lane		38,859	
	Wantage	B4507 Ickleton Road	107,987		
Advance Design & Surveying			235,000	54,000	
Advance Site Investigation			110,000	44,000	
Contingency				266,487	
s42			120,000	120,000	6% of £2m p.a.
TOTAL CARRIAGEWAY STRUCTURAL MAINTENANCE PROGRAMME			2,013,053	1,196,603	
Major schemes	Oxford	Cowley Road - Jeune Street to Rectory Road		790,344	
TOTAL CARRIAGEWAY STRUCTURAL MAINTENANCE PROGRAMME			2,013,053	1,986,947	
SURFACE TREATMENTS PROGRAMME					
Skid Resistance Schemes					
	Charlbury	B4437 - Charlbury - Hill Barn Farm	44,992		
	Wardington	A361 - Wardington - Williamscot Hill	19,726		
	Banbury	A361 - Banbury - Bend 100m NE of M40 J10	24,156		
	Launton	Blackthorn - Launton - Bend 1.6km NW of A41	21,082		
	Wigginton	Wigginton - Wigginton Heath crossroads	157,685		
	Oddington	Oddington - Islip - Merton - bend 1km NE Islip	77,802		
	Chalgrove	B4027 Beckley Bend at Lodge Farm	120,426		To be monitored following retexturing work in 15/16
	Benson	B4009 Benson - Woodyard Bend	80,756		
	Chalgrove	B4015 Baldons - Bend 750 m East Golden Balls	96,583		
	Drayton	B4017 Drayton Rd j/o Sutton Wick Lane	126,669		
	Abingdon	A415 Marcham Rd j/o Gozzards Ford	105,014		
	Britwell Salome	B4009 Britwell Salome, nr jct with St Nicolas Church		105,699	Reserve Scheme - may be brought forward if further works at B4027 Beckley not required
17/18 programme to be confirmed				894,000	
Design			180,000	180,000	
TOTAL Skid Resistance Schemes			1,054,891	1,179,699	
Surface Dressing					
SODC					
	Stoke Row / H'moor	Stoke Row to Highmoor	32,433		
	Sonning Common	Kennylands Road	27,722		
	North Moreton	Long Wittenham Rd N Moreton	19,346		
	Park Corner	B481 North Huntercombe End lane	13,142		
	Nettlebed	B481 South Huntercombe End Lane	16,729		
	Great Milton	Church Road Gt Milton	8,703		
	Goring Heath	Crays Pond to Whitchurch Hill	48,251		
	Nuffield	Checkendon to Nuffield	45,520		
	Nuffield	Timbers Lane Nuffield	18,208		
	Benson	Clacks Lane	12,381		

COUNCIL 16 FEBRUARY 2016
 CAPITAL PROGRAMME 2015/16 TO 2019/20
 Highways Maintenance Programme 2016/17 to 2017/18

Name	Parish	Road Name	2016/17 (£)	2017/18 (£)	NOTES
WODC					
	Witney	A415 - Ducklington Lane	32,774		
	Carterton	B4477 - Carterton - Monaham Way	45,065		
	Witney	B4047 - Burford Rd	67,370		
	Charlbury	B4437 - Charlbury - Woodstock Rd	60,086		
	Carterton	A4095 - Bampton - Station Road	56,217		
CDC					
	Bicester	A4421 - Skimmingdish Lane	44,860		
	Bicester	A4421 - Launton Road	6,646		
	Bicester	A41 - Aylesbury Road	105,338		
	Banbury	A4269 - Duns Tew duals	100,713		
VOWHDC					
	Longworth	Appleton Rd/Hinton Rd	45,948		
	Tubney	A420	101,054		
CITY					
	Oxford City	Barnes Road	43,513		
	Oxford City	Blackbird Leys Road	32,551		
	Oxford City	Cuddesdon Way 1	18,750		
	Oxford City	Cuddesdon Way 2	18,026		
Lines /studs and markings			266,623		
Design			45,520		
17/18 programme to be confirmed				1,375,000	
TOTAL Surface Dressing			1,333,489	1,375,000	
Other Surface Treatments					
Surface Dressing Pre-Patching Schemes			850,000	800,000	
Structural Patching			1,750,000	2,100,000	
Edge Strengthening			400,000	250,000	
Micro asphalt programme			200,000	300,000	
Retexturing programme			150,000		
Contingency				477,000	
Section 42			390,000	390,000	6% of £6.5m p.a.
TOTAL SURFACE TREATMENTS PROGRAMME			6,128,380	6,871,699	
FOOTWAYS PROGRAMME					
Footway Reconstruction					
	Ardley with Fewcott	Castlefields	29,405		
	Marston	Marston Road (West side)	78,933		
	Oxford	A40 Northern Bypass	13,031		
	Crowmarsh Gifford	The Street	64,483		
	Chinnor	Station Road	44,423		
	Thame	High Street	22,648		
	Witney	Langdale Gate	14,039		
	Saxons Heath	Long Wittenham	76,085		
	Didcot	Abingdon Road		76,599	
	North Leigh	Common Road		35,781	
	Garsington	Birch Road		87,722	
	2017/18 schemes to be identified			150,000	
TOTAL Footway Reconstruction			343,047	350,102	
Footway Surface Dressing					
	Wallingford	Bridge Street	4,408		
	Wantage	Upton Drive	18,058		
	Wheatley	Old London Road	5,962		
	Wheatley	London Road Holloway	21,093		
	North Leigh	Common Road and Close	7,810		
	Wheatley	Wheatley Road to Waterperry	4,057		
	Garsington	Elm Drive	36,888		
	Kidlington	Elms Grove Area	77,532		
	Kidlington	Cromwell Way area	71,588		
	Chipping Norton	Tilsley Road	21,261		
	Henley	Western Avenue	25,481		
	North Leigh	Windwill Road	53,627		
	Wantage	Stockham Park	49,894		
	2016/17/18 schemes to be identified			400,000	
TOTAL Footway Surface Dressing			397,660	400,000	
Advance Design			90,000	90,000	
Contingency				210,000	
s42			60,000	60,000	6% of £1m p.a.
TOTAL FOOTWAYS PROGRAMME			890,707	1,110,102	

COUNCIL 16 FEBRUARY 2016
 CAPITAL PROGRAMME 2015/16 TO 2019/20
 Highways Maintenance Programme 2016/17 to 2017/18

Name	Parish	Road Name	2016/17 (£)	2017/18 (£)	NOTES
DRAINAGE PROGRAMME					
Improvement Schemes					
	Witney	A40	50,000		
	Adderbury	Aynho Road	20,000		
	Bampton	New Road	25,000		
	Benson	Fifield Manor	20,000		
	Bicester	Buckingham Road	35,000		
	Henley on Thames	Blandy Road	15,000		
	Mollington	Various	20,000		
	Oxford	Abingdon Road	40,000		
	Swalcliffe	Park Road	25,000		
	Tackley	Rousham Road	40,000		
	Wendlebury	A41 Wendlebury Stream to Bicester	30,000		
	Tiddington	Sandy Lane	30,000		
	Wantage	West Challow	15,000		
	Asthall	Village Pond		40,000	
	Barford St. Michael	Horn Hill		20,000	
	Bodicote	Weeping Cross		15,000	
	Burford	A424 Stow Road		20,000	
	Chilson	B4437 Charlbury to Chilson		12,000	
	Chinnor to Thame	B4445		20,000	
	Claydon	Clattercote Cottages, Cropredy Rd		20,000	
	Gallowstree	Common Road		10,000	
	Henley- on -Thames	Mill Lane		10,000	
	Hethe	Main Street		30,000	
	Somerton	Water Lane		10,000	
	Horley	Horley Church Lane		20,000	
	Mollington	Mollington		15,000	
	Somerton	Somerton Water Lane		20,000	
	Fulbrook	Fulbrook		15,000	
TOTAL Improvement Schemes			365,000	277,000	
Partner Schemes (Contributions)					
	Oxford	Florence Park Cowley (Campbell Rd)	40,000		
	Oxford	Earl Street	15,000		
	South Moreton		50,000		
	Cumnor	Bypass	50,000	50,000	
	Blackthorn	A41 near Fox Covert Farm		30,000	
	Didcot	Basil Hill Road		30,000	
	Wheatley	Bypass, A40		50,000	
	Witney	Bypass, A40		50,000	
	East Challow			30,000	
	General		50,000	50,000	
TOTAL Partner Schemes (Contributions)			205,000	290,000	
Regular Maintenance					
	Investigations		50,000	50,000	
	Lining		30,000	30,000	
	Design		80,000	80,000	
Reactive Maintenance					
	Reactive Fund		170,000	173,000	
TOTAL DRAINAGE PROGRAMME			900,000	900,000	
BRIDGES PROGRAMME					
Programmed Maintenance - Construction					
	Stert Street Culvert	Abingdon	75,000		
	Scour works programme		250,000		
	Shabbington East & Shabbington Centre Reconstruction	Tiddington with Albury	275,000		
	Merton Bridge Reconstruction		150,000		
	Bloxham Old Bridge Road Retaining Wall		75,000		
	West Mill Bridge	Watchfield		450,000	
	Dyers Hill Bridge			400,000	
	Contingency			219,000	

COUNCIL 16 FEBRUARY 2016
 CAPITAL PROGRAMME 2015/16 TO 2019/20
 Highways Maintenance Programme 2016/17 to 2017/18

Name	Parish	Road Name	2016/17 (£)	2017/18 (£)	NOTES
Programmed Maintenance - Inspection & Investigation					
Kennington Rail Substructure	Kennington	A423 Southern Bypass	190,000	30,000	Major scheme will be subject to funding bid
Programmed Maintenance - Feasibility & Advanced Design					
Advance design and investigation	Advanced Design in 2015/16: • 0410 Merton Bridge Reconstruction - Design		125,000	100,000	
Regular Maintenance					
Principal Inspection and Assessment			310,000	310,000	
Upgrade of low bridge signage			50,000	50,000	
Packaged Structural Maintenance	Programme 2016/17 • 1115 Ladygrove Railway - Didcot • 1123 Spiceball - Banbury • 1129 Hopkins - Didcot		75,000		Programme to be developed for 2018/19 onwards - Concrete Repairs, Masonry Repairs, Scour Repairs, Structural Painting Joints/Waterproofing, Fencing/Parapets upgrades.
Brickfield Subway Reconstruction Fund	Didcot	Hitchcock Way	7,000	7,000	
Reactive Maintenance					
Reactive works fund			100,000	100,000	
TOTAL BRIDGES PROGRAMME			1,682,000	1,666,000	
PUBLIC RIGHTS OF WAY FOOTBRIDGES PROGRAMME					
Small Kit Bridges	Various		50,000	50,000	
Larger bridges		Bridge 7096 Glenys & Wheeler	20,000		
		Bridge 8072 Ham Lane	30,000		
		Bridge 8106 Abel		50,000	
TOTAL PUBLIC RIGHTS OF WAY FOOTBRIDGES PROGRAMME			100,000	100,000	
STREET LIGHTING PROGRAMME					
Column Replacement					
	2016/17 programme to be listed				
	Banbury	Various Roads	105,000		
	Abingdon	Various Roads	80,000		
	Oxford	Various Roads	260,000		
	Wallingford	Various Roads	45,000		
	2017/18 programme to be determined				
TOTAL Column Replacement			490,000	490,000	
Street Lighting Maintenance					
	2016/17/18 programme to be determined				
TOTAL Street Lighting Maintenance			500,000	500,000	
TOTAL STREET LIGHTING PROGRAMME			990,000	990,000	
TRAFFIC SIGNALS PROGRAMME					
	OXFORD	BOTLEY RD SEACOURT P&R	103,000		
	OXFORD	BOTLEY ROAD - ALEXANDER RD	13,000		
	BOTLEY	WEST WAY - DUAL PELICAN	40,000		
	OXFORD	SPEEDWELL STREET	20,000		
	HENLEY	HART ST	25,000		
	OXFORD	COWLEY RD/SHELLEY RD	30,000		
	BICESTER	LAUNTON ROAD/GARTH	20,000		
	KIDLINGTON	A44 LANGFORD LANE		110,000	
	OXFORD	DONNINGTON BRIDGE ROAD/MEADOW LANE		25,000	
	ABINGDON	OCK ST/MEADOWSIDE		22,000	
	CULHAM	TOLLGATE RD		60,000	
	OXFORD	WOODSTOCK RD/FIRST TURN		35,000	
TOTAL TRAFFIC SIGNALS PROGRAMME			251,000	252,000	
TOTAL HIGHWAYS MAINTENANCE ANNUAL PROGRAMMES			12,955,140	13,876,748	

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