

## **COUNCIL – 17 FEBRUARY 2015**

### **CORPORATE PLAN AND SERVICE & RESOURCE PLANNING 2015/16 – 2017/18**

#### **Report by the Chief Finance Officer**

#### **Introduction**

1. This report is the culmination of the service & resource planning process for 2015/16 to 2017/18. It sets out the Cabinet's proposed budget for 2015/16, medium term financial plan and capital programme, together with a number of statements/policies that the Council is required to approve for the 2015/16 financial year. The report also includes the refreshed Corporate Plan and directorate business strategies to 2017/18, which set out how the medium term financial plan will be delivered.
2. The report is divided into five main sections which are outlined below:  
  
Section 1 – Leader of the Council's overview  
Section 2 – Corporate Plan  
Section 3 – Budget Strategy and Capital Programme  
Section 4 – Directorate Business Strategies and Corporate Performance Indicators  
Section 5 – Chief Finance Officer's statutory report
3. The report provides an update on information received since the Cabinet meeting on 27 January 2015, including the final local government finance settlement (subject to House of Commons approval) and the local share of business rates. The budget proposals set out in section 3 have been updated in the light of this information. Changes since the report to Cabinet in January are set out in section 3.5.1.

#### **Section 1 – Leader of the Council's Overview**

4. The Leader's speech on the proposed budget is set out in Section 1.

#### **Section 2 – Corporate Plan**

5. 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 2015/16 has focussed on what the Council has achieved in the last year, where Council activity will be focussed in the coming twelve months and a general update of statistics and data. Updates relating to finance will be made following the approval of the budget and capital programme by Council.

6. The key themes and objectives remain the same, as below.

<p><b>Our ambition:</b> A Thriving Oxfordshire</p>
<p><b>This means having:</b> A Thriving Economy Thriving People and Communities A Safety Net</p>
<p><b>The county council's role in delivering this ambition:</b> Providing Community Leadership Working in Partnership Helping People to Help Themselves</p>

### **Section 3 – Budget Strategy and Capital Programme**

7. This section sets out the detailed 2015/16 budget and the 2015/16 – 2017/18 medium term financial plan and capital programme, together with the strategies which underpin these such as the financial strategy and 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. The updated financial strategy was presented to Cabinet in September 2014.

### **Section 4 – Directorate Business Strategies and Performance Indicators**

8. The refreshed directorate business strategies for the period 2015/16 – 2017/18 are set out in section 4. This also includes a link to the current service & community impact assessments (SCIAs) completed for each of the savings proposals. SCIAs are living documents, and directorates update them to ensure they always reflect the current state of the proposal. Any changes to a proposal will have to be assessed for their potential impacts and the SCIA updated accordingly.
9. The corporate performance indicators proposed for 2015/16 have been reviewed, to ensure that indicators reflect the core business of each directorate as set out in their business strategies and the Council's priorities as set out in the corporate plan. Updates have focused on:
- (a) Strengthening our focus on safeguarding vulnerable adults
  - (b) Reducing waiting times for care and support
  - (c) Support to carers
  - (d) The introduction of the Multi Agency Safeguarding Hub
  - (e) Strengthening our focus on safeguarding children
  - (f) Growth, particularly through the provision of apprenticeships and the use of developer funding
  - (g) The implementation of the support transport programme

- (h) The introduction of the energy recovery facility and the impact on wider waste management.
10. The proposed indicators and their associated targets have been set on a realistic expectation of performance based on the forecast demand for service and the level of available resources. It will also be possible to refine them, as necessary, to ensure that they are achievable and realistic. Any further revisions to targets, for example to respond to year end performance levels, will be monitored by the Performance Scrutiny Committee.

## **Section 5 – Chief Finance Officer’s statutory report**

11. 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 5 of the report. Council is required to have regard to this report in making their decisions on the budget.

## **Updated Financial Information**

### Final Local Government Finance Settlement

12. The final local government finance settlement was announced on 3 February 2015 for approval by the House of Commons on 11 February 2015. An additional £74 million has been allocated via Revenue Support Grant to upper-tier authorities to recognise that such councils have asked for additional support, including to help them respond to local welfare needs and to improve social care. Oxfordshire’s share of this is £0.5m, although as the funding is included in RSG, it is expected to decrease in line with general RSG assumptions, to £0.3m by 2017/18. It is proposed to put £0.3m into the corporate contingency which is held to manage the risks and uncertainties of rising demand, including that in adult social care.

### Collection Fund Surplus

13. Final estimates of the County Council’s share of the council tax collection fund surplus were received by the end of January 2015. The Council will receive £7.5m in 2015/16, £0.4m more than the forecast position reported in January 2015. This has been added to the budget reserve in 2015/16.

### Business Rates

14. Final estimates of the County Council’s local share of business rates were received by 31 January 2015. The forecast provided by district councils for 2015/16 is £30.3m of business rates income plus £1.3m grant to compensate for the various business rate reductions announced in the 2013 and 2014 Autumn Statement. In total this is £0.7m more than the previous forecast position and includes £1.2m for the Energy from Waste plant at Ardley. In addition, the Council is expected to meet a share of the estimated deficit on business rates collection for 2014/15 of £0.9m.

15. The business rate pool between Cherwell District Council, West Oxfordshire District Council and the County Council has been confirmed. The pooling arrangement is expected to bring benefits to the area as a whole through reduced levies on business rates growth. The financial benefit for the County Council is expected to be small (less than £0.2m), receiving a 10% share of any levies retained as a result of pooling.
16. As with council tax, the council receives a share of the surplus or deficit on collection of business rates during the year. The impact of appeals has had a considerable impact on this position, with £0.2m deficit on collection arising from 2013/14 and £0.9m in 2014/15 (per paragraph 14). It is proposed to create a new reserve of £0.5m to manage the impact of future year deficits.

### General Balances

17. The Financial Monitoring & Business Strategy Delivery Report to Cabinet on 24 February 2015 shows forecast balances of £17.5m at the end of 2014/15. This is £1.3m more than the forecast position in January due to a reduction in the estimated overspend by directorates. As a result of this, balances for 2014/15 are currently forecast to be £0.1m more than the risk assessed level.

### Budget proposals

18. Following the receipt of the outstanding information set out above, there is £1.2m available to allocate from the additional revenue support grant allocation and business rates income. In addition to the contribution to contingency and creation of a new reserve referred to in paragraphs 12 and 16 respectively, the Cabinet's proposals (set out in section 3.5.1 of the report) include a reduction in the savings required for highways maintenance of £0.3m and the removal of the saving for community action groups.

## **Financial and Legal Implications**

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

## **Equality and Inclusion Implications**

20. 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.'
21. The current service and community impact assessments (SCIAs) on the budget proposals are included in section 4.0 of the report.

## RECOMMENDATIONS

22. The Council is RECOMMENDED to:

- (a) approve the Corporate Plan 2015/16 – 2017/18 (update for 2015/16) as set out in section 2.0;
- (b) approve the Financial Strategy 2014/15 – 2017/18 (update for 2015/16) as set out in section 3.1;
- (c) have regard to the Chief Finance Officer's report (at Section 5) in approving recommendations d to h below;
- (d) (in respect of revenue) approve:
  - (1) the council tax and precept calculations for 2015/16 set out in section 3.2 and in particular:
    - (i) a precept of £288,252,933;
    - (ii) a council tax for band D equivalent properties of £1,232.46;
  - (2) a budget for 2015/16 as set out in section 3.3 including the:
    - (i) virement of £2.751m from corporate contingency to Children's Social Care (CEF2-3);
    - (ii) new reserve for Business Rates;
  - (3) a medium term plan for 2015/16 to 2017/18 as set out in section 3.4 (which incorporates changes to the existing medium term financial plan as set out in section 3.5);
  - (4) the use of Dedicated Schools Grant (provisional allocation) for 2015/16 as set out in section 3.6;
  - (5) virement arrangements to operate within the approved budget for 2015/16 as set out in section 3.7;
- (e) (in respect of balances and reserves) approve:
  - (1) the Chief Finance Officer's recommended level of balances for 2015/16 as set out in section 3.8.1
  - (2) the planned level of reserves for 2015/16 to 2017/18 as set out in section 3.8.2;
- (f) (in respect of capital) approve:
  - (1) a Capital Programme for 2014/15 to 2018/19 as set out in section 3.9 including the Highways Structural Maintenance Programme 2015/16 and 2016/17 in section 3.9.1;
- (g) (in respect of treasury management) approve:
  - (1) the Treasury Management Strategy Statement and Annual Investment Strategy for 2015/16 as set out in section 3.10;
  - (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 2015/16 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 3.10
  - (5) the Minimum Revenue Provision Methodology Statement as set out in Appendix B of section 3.10;
  - (6) the Specified Investment and Non Specified Investment Instruments as set out in Appendix C and D of section 3.10;
  - (7) the Treasury Management Policy Statement as set out at Appendix E of section 3.10;
- (h) approve the directorate business strategies and performance indicators as set out in section 4.0 and 4.1.

**LORNA BAXTER**

Chief Finance Officer

Background papers: Nil

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February 2015

# **Section 1**

# **Leader of the Council's Overview**

## **CORPORATE PLAN AND SERVICE & RESOURCE PLANNING 2015/16 to 2017/18**

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### **Budget speech 2015**

Thank you chairman

I would like to start by thanking Lorna Baxter, Chief Finance Officer, who has been invaluable in helping to prepare this budget. She has been ably assisted by Katy Jurczynszyn along with the rest of her team.

Also I would like to thank Cllr Stratford who has taken over the finance portfolio, coming to grips with all the issues quickly. I hope that he continues in this role for many a year as this is my 3<sup>rd</sup> budget as Leader of the council and he is the 3<sup>rd</sup> Cabinet Member presenting it.

Once again I had hoped that it would be easier than last year's budget however that has not been the case mainly due to the pressures of Adult & Children's services.

I would like to thank my independent colleagues who have supported the budget process to enable a stable administration to deliver this budget. I think the residents want that stability rather than us all arguing and trying to point score at today's meeting.

I have been very open and transparent with the main opposition parties by providing information on the budget process prior to any announcements, sharing information with them since October.

My reason was quite simple.

This budget will be a major challenge for us and there is no way we can disguise the cuts, if there were any areas we could work on, then I was content to see if we could deliver a united budget today.

Yet again I suspect this is a budget that no group would really want to put through as it's a cutting budget. I know this is not the reason we came into Local Government however we have to be realistic and acknowledge that this is a cutting budget and it's simply not possible to have no cuts what so ever.

In proposing this, we have taken into account comments from Performance Scrutiny Committee and stakeholders responses to the consultation through the Council's website. Now that the final funding has been confirmed, I am pleased to say that having listened to the concerns around the cut to Community Action Groups, that the funding of



## Section 1

£70,000 can be reinstated. It also allows us to put some funding into reserves and contingency and reduce the savings required on highways maintenance by £300,000.

I had hoped to deliver a budget with an increase of 1% to allow us to take advantage of the freeze grant. Unfortunately that has not been possible so I am proposing an increase of 1.99% that will enable us to put money back into reserves otherwise our balances held for emergencies would be dangerously low.

It is the 3rd year in a row I have proposed an increase of just 1.99% this is once again the lowest actual increase by the County Council.

This small increase of just 46p per week has enabled us to protect some vital services across the county.

In 2010 we started a programme of reducing the budget by £201 million.

The spending review announcement in the summer of 2013 meant we had to find another £64 million of savings. By the end of this year we will have achieved £204 million of savings. With the added pressures from Adult and Children's services this takes the total savings from £265m to £292 million.

The future for Local Government funding is not looking rosy as the Chancellor indicated a further £49 billion of savings following the election. With areas such as the NHS, overseas aid and defence ring fenced then the savings must come from other departments.

With this stark outlook for our financial position we have to think differently about Local Government, that's why I commissioned the Ernst & Young report into Local Government in Oxfordshire. They looked at 3 options and I was clear that I was not wedded to 1 option and would be prepared to look at others. The main question for me is how best we provide the vital services to the residents of Oxfordshire.

I'm sure we would not start with the current structure as the general public do not differentiate between Woodstock town Council, West Oxfordshire District Council and the County Council. They simply see us all as the Council and want us to reduce our costs whilst still retaining the services that they value.

As part of the budget proposal I'm proposing the removal of the CEO position this will mean funds can be used to provide vital services to the vulnerable of Oxfordshire. This may seem a radical move but other counties work well without a CEO such as Wiltshire & West Sussex

This is about the position not the person as Joanna has been a fantastic servant to the residents of Oxfordshire over the last 10 years and will be missed.

## Section 1

This is in addition to the restructure that has already taken place.

We have reduced directors by 50%, senior management by 40% along with overall staff reductions of 30%.

It's a tribute to our staff that we have been able to make the savings and still have basically the same service delivered to our residents.

We have had to redesign services. Share functions such as IT, finance and HR with Hampshire County Council. Trading standards provide services for other councils making that service almost cost neutral to Oxfordshire residents. Sharing the back office functions of the fire service with other councils. These are some of the innovative ways we have worked to reduce costs.

I want to reaffirm my statement about the Living wage, we are committed to deliver the Living wage and are working towards implementation with our partners as soon as practicable.

The City Deal, Local Growth Deal and working with our partners at the Local Enterprise Partnership has seen millions of pounds invested in Oxfordshire. Previously residents would complain we weren't addressing the transport needs of the county, ironically now the complaint is we are doing too much. We have a clear planned work programme:

London Road Improvements	May 2015
Milton Interchange	January 2016
Cycle City: The Plain	July 2015
Featherbed Lane and Steventon Lights	November 2015
Harwell Phase 2 (Hagbourne Hill)	November 2015
Chilton A34 Junction – North facing slips	December 2015
Frideswide Square (Phase 2 -Main Square)	December 2015
Wolvercote Roundabout	January 2016
Cuttleslowe Roundabout	January 2016
Harwell Oxford Entrance	July 2016
Harwell Phase 1	February 2017

These will provide a real boost to the transport network and promote growth in the county. Ensuring Oxfordshire continues to be a World class economy.

## **Section 1**

Underpinning the budget is the Corporate Plan. This year's plan has undergone a light touch update which focuses on what we have achieved in the last year and where we plan to focus our activity in the coming 12 months.

I hope that all members will vote for the budget to ensure we continue to provide vital services to all of Oxfordshire's residents especially those vulnerable in most need.

**COUNCILLOR IAN HUDSPETH**

Leader of the Council

# **Section 2**

# **Corporate Plan**

# **A Thriving Oxfordshire**

*Oxfordshire County Council  
Corporate Plan 2014/15-2017/18*

*Update for 2015/16*

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### 1. Leader's Foreword

Last year I introduced the Corporate Plan by setting out the scale of the challenge faced by the county council, in particular around reducing budgets, and preparing for growth in our economy and population. If anything, both those challenges have become even starker over the last twelve months.

We are in the second year of a four year budget cycle and this year we have needed to find an additional £27m in budget savings, bringing the total amount delivered through savings, efficiency and, yes, sadly some cuts, close to £300m. This has involved hard work with staff and partners in challenging times, and I would like to thank them for their efforts and understanding.

Every year the decisions we need to make to meet the ambitious austerity challenge get harder, particularly as we are expected to reduce our spending at a much faster rate than other parts of the public sector, and due to the inexorably rising cost of protecting and caring for our most vulnerable residents.

Looking further ahead, there seems little cause to believe that the clouds will lift. The latest budget projections from central government suggest that austerity will need to continue, under any party or group of parties, throughout the next Parliament. Ultimately we will have to get used to the public sector being permanently smaller than we have been used to in our lifetimes. It is quite likely in my view that by 2020 local councils will receive no funding from national government, spending only what we can raise locally.

In happier news, while the public sector has contracted, Oxfordshire's private sector continues to thrive, meaning that we have the lowest unemployment rate on record - below 1% - and are delivering consistent economic growth, more than paying our way in terms of the national accounts. We have moved beyond the City Deal, with the Oxfordshire Local Enterprise Partnership, and signed a successful Local Growth Deal.

Of course, planning for the growth involved in maintaining our reputation as "Thriving Oxfordshire" cannot be left to the private sector alone, and takes hard work. We have come together with district councils to establish the Oxfordshire Growth Board, and are putting plans in place to deal with the housing and infrastructure needs of our growing population.

This includes significant investment in transport improvements. While this inevitably causes disruption in the short-term, I am working hard to minimise that, and maximise the contribution made by private developers to the infrastructure needs resulting from the houses they build.

In summary, these remain hard financial times for the county council, and require efficiency and tough decisions. However, while we will be unable to sustain the kind of services we have provided in the past, life is getting better for most of Oxfordshire's people; the economy is recovering at pace, and we are ready to step up and help deliver growth.

## Section 2.0

I have actively campaigned, including speaking directly to national Government, for greater devolution of powers over skills, transport, and housing. This would help us deliver growth, and also alleviate the cost burden by allowing Oxfordshire to keep more of the tax revenue generated by a growing economy and population, rather than paying more than our fair share into the national pot.

I remain optimistic about the role of democratic local institutions in finding a path through these difficult times, about Oxfordshire County Council's ability to rise to the challenge, and about the future of the county we serve.

**Cllr Ian Hudspeth** *Leader of Oxfordshire County Council*

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### 2. The Financial Challenge

Unprecedented reductions in funding for local government, coupled with increasing demand, present a huge challenge for Oxfordshire County Council.

We know that between 2010 and 2018 the grant we receive from government will be cut by a total of 40%. And there may be further cuts to come.

We are already one of the worst funded local authorities. Average government funding per head every year is £571. In Oxfordshire this amount is £286.

The government cap on annual Council Tax increases means that in real terms we will receive the same amount of money from Council Tax in 2017 as we did in 2009.

All of this means that by 2018 our annual budget will have reduced by £285m compared with 2010.

So far we have worked hard to deliver efficiencies which have contributed annual savings of £200million. But we still have a further £85m worth of annual savings to make. It is clear that these savings are not achievable through efficiencies alone and that cuts to services are necessary.

Money is not the only factor we need to consider in our planning. We must also take account of the changing needs of our local population:

- We need to plan for the growing number of older people
- We need to address the pressures resulting from a growing number of children coming into the care system
- We need to manage a changing relationship with key public sector partners in health, education, and policing
- We need to respond to the changing demands placed upon us by national government.

We must also work within the context that Oxfordshire is an expensive place to live and that house prices in Oxford City are the second highest in the country outside of London. This presents serious challenges, including a substantial barrier to recruiting essential staff, such as care workers.

We also need to adapt to changing financial arrangements. In many instances funding that in the past came direct to the county council is now either distributed via other organisations, such as the Local Enterprise Partnership (LEP), or is being pooled with partners, such as the local health service. We must change our focus to ensure we have the skills to influence and work with these partners if we are to access the money we need to deliver key projects.

Despite all this change, we remain a County with many strengths - our world class academic and research institutions, our areas of outstanding natural beauty, our strong heritage, and our proximity to key transport links, especially access to London. The council is determined to make the most of these strengths and will work

closely with local and national partners to set the agenda and create the environment in which Oxfordshire can thrive.

### **Making Savings**

The council has made major savings since 2010, including:

- reducing the workforce by 30%
- reducing the number of managers by 40%
- increasing productivity
- reducing the number of councillors
- reducing the number of offices
- making more services easier to use online
- sharing services with other councils
- centralising and outsourcing back office services
- tighter contracts, getting better value for money
- reducing our spend on discretionary services, focussing on those in greatest need
- using volunteers wherever possible to supplement our permanent staff
- supporting the transfer of services to the voluntary sector

But there is still a lot more to do.

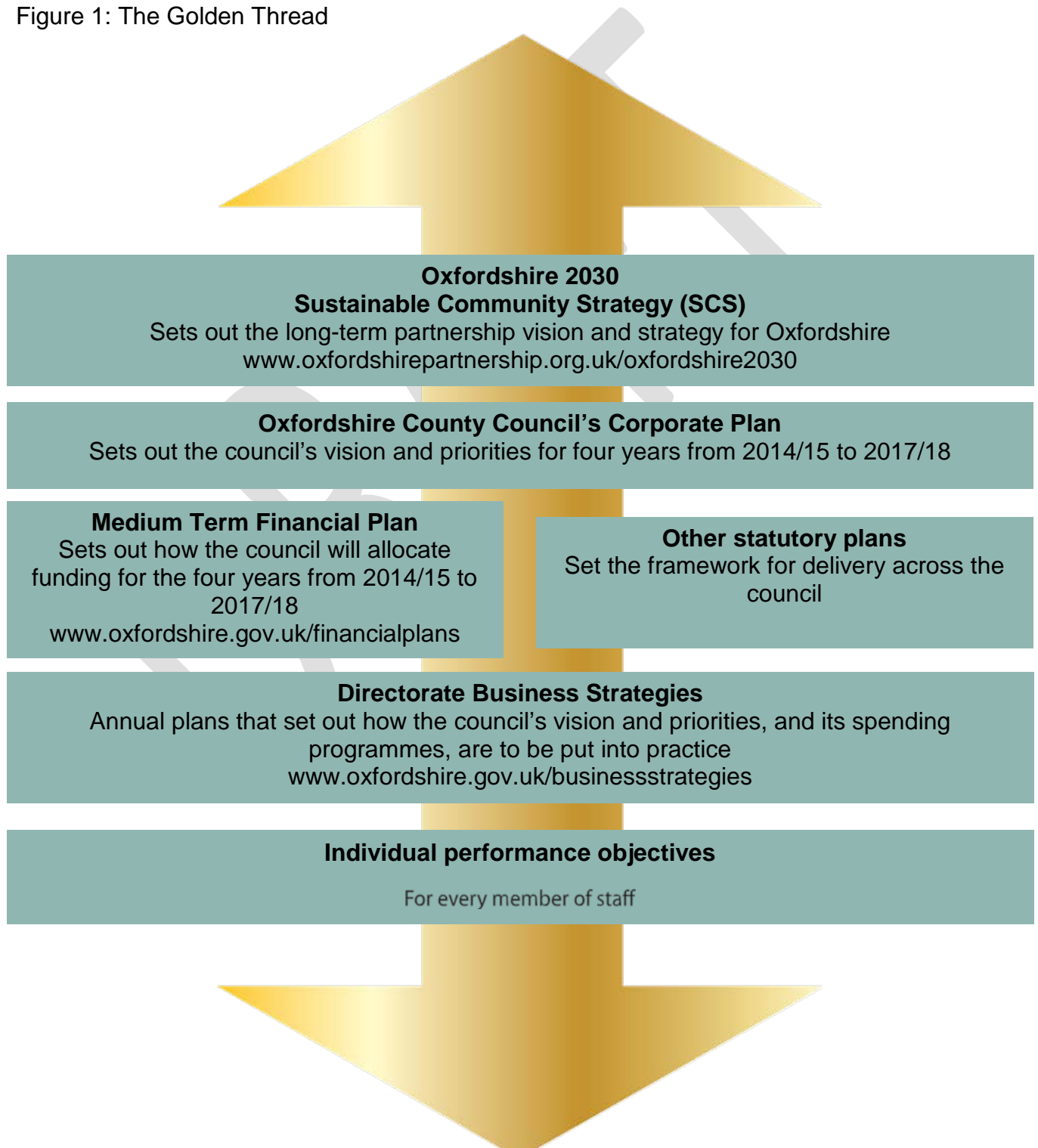
### 3. About this Plan

The Corporate Plan sets out the County Council's strategic priorities. The Plan drives the work of all our services and feeds into each directorate's business strategy.

It is a four year plan covering the years 2014/15 to 2017/18. This update is for the second of the four years.

The Plan is a 'golden thread' that links our very high level, long term, strategy called 'Oxfordshire 2030' with our day-to-day working priorities.

Figure 1: The Golden Thread



**Measuring Progress**

A series of performance indicators are used to assess our performance in delivering our priorities. These are monitored on a quarterly basis by the council's Performance Scrutiny Committee and Cabinet, and the reports are published on our website. [url]

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### 4. Our County

Oxfordshire is a diverse and dynamic County, home to 654,000 people<sup>1</sup> and over 30,000 businesses. The county has a competitive economy, where the unemployment rate is one of the lowest in the country, and the number of young people unemployed has returned to pre-recession levels. In total, Oxfordshire's economy contributes £19.2 billion a year to the national economy<sup>2</sup>.

The vibrancy of Oxfordshire's economy is inextricably linked to the activities of its two universities, its teaching hospital and research trust - which is one of the largest in the UK - and the concentration of science and research activity in the south of the county. Oxfordshire's bio-technology sector has grown 14% since 2008<sup>3</sup>, while the space technology cluster located at Harwell is growing rapidly and includes the European Space Agency and the International Space Innovation Centre. Along with the neighbouring counties of Berkshire and Buckinghamshire, Oxfordshire forms part of one of the highest concentrations of high-tech employment in Europe. In addition, we are home to globally recognised, prestigious, brands such as BMW Mini and Oxford University Press.

Oxfordshire is the second most rural county in the south-east of England and three Areas of Outstanding Natural Beauty (AONBs) fall within its borders. Thanks to this natural beauty, along with its rich cultural and historic heritage, the county attracts over 26 million visitors every year. The total value of tourism in 2011 was estimated at £1.7 billion, and the industry supports around 30,000 jobs<sup>4</sup>. The agricultural and forestry sector also contributes £81million to the local economy.<sup>5</sup> Oxfordshire has a strong strategic location, in the heart of England, and its transport links mean many people who make their homes here enjoy a good quality of life, while having the opportunity to commute to employment opportunities both inside and outside the county. Many highly-qualified young people move here to study and work, and we also have a significant military population, including the largest station of the Royal Air Force, Brize Norton, in our county.

Notwithstanding our overall prosperity, the county faces some important challenges.– The 2011 census tells us that the population grew by 50,000 between 2001 and 2011 and is still growing, and there were 18% more people over the age of 65 in 2011 compared with 2001.<sup>6</sup> The county has pockets of significant deprivation, with eighteen local areas in the county amongst the 20% most deprived in England<sup>7</sup>. Rural isolation affects the lives of many people living outside our major towns and city. Oxfordshire is also one of the most expensive places to live in the country, with house prices almost nine times higher than median annual earnings. House prices in Oxford City are the second highest in the country outside of London.

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<sup>1</sup> ONS Census 2011

<sup>2</sup> ONS Gross Value Added data, December 2014

<sup>3</sup> ONS Business Register and Employment Service, 2012

<sup>4</sup> The Economic Impact of Tourism on Oxfordshire, estimates for 2011, Tourism South East

<sup>5</sup> ONS Regional Gross Value Added (income approach), December 2013 release

<sup>6</sup> ONS Census 2011

<sup>7</sup> Index of Multiple Deprivation (IMD) 2010

Crucial to meeting some of these challenges, Oxfordshire is home to strong civic activism. While best known as the home of Oxfam, our County also has 3,800 other voluntary and community organisations<sup>8</sup>.

If you would like to know more about the make-up of the county, visit the Oxfordshire Insight website: [insight.oxfordshire.gov.uk](http://insight.oxfordshire.gov.uk)



<sup>8</sup> Hidden Asset 2009, Regional Action and Involvement South East

## 5. About Oxfordshire County Council

Oxfordshire County Council is made up of 63 councillors who were elected by Oxfordshire residents in May 2013. The council is controlled by the Conservative Independent Alliance and its decision-making body - the Cabinet – has 9 councillors.

The day-to-day management and operations of the council are carried out by the County Council Management Team.

There are three scrutiny committees at the council, made up of non-Cabinet councillors. They question how key decisions have been made and take up issues of concern to the community. Scrutiny aims to achieve greater public accountability, to ensure that decision-making is transparent, and to help the council and other agencies and public bodies to deliver services that are sensitive to local needs. The principles of public scrutiny and public accountability are fundamental to the running of the council.

In 2014/15 we:

- fixed 45,500 highways defects
- assessed the care needs of 5,543 vulnerable adults
- allocated 13,500 primary and secondary school places
- investigated 2,400 trading standards complaints
- safely managed 307,500 tonnes of municipal waste
- received 11,157 emergency calls to our Fire and Rescue Service, resulting in 5,505 incidents attended
- registered 16,682 births, deaths, marriages and civil partnerships

and much more...

### **The Strategic Role of Oxfordshire County Council**

In 2015/16, Oxfordshire County Council's gross expenditure is £837.9m.

51% of our funding is from council tax. Central government grants make up another 25% and the remainder is a combination of income we raise from charging for services and our share of local business rates.

With this money the county council provides 80% of local government services in Oxfordshire. We work closely with many local partners, including Oxford City Council and the four Oxfordshire district councils, but as the 'Upper Tier' authority our budget is more than double all of Oxfordshire's district and city councils combined. The city council and district councils are responsible for local planning and housing services, but otherwise the county council delivers most of the services for Oxfordshire residents.

Our key strategic responsibilities are:

Children’s Social Services	Social Care for Adults and Older People	Highways and Transport
Thriving Families	Fire and Rescue Service	Infrastructure Planning
Education Services, including school admissions	Emergency Planning	Waste Management
Public Health	Trading Standards	Customer Services

Respective statutory responsibilities of the county council and our city and district partners mean that there is substantial crossover in our work.

For example:

- It is widely acknowledged that Oxfordshire's economy is constrained by a lack of housing supply. Decisions about the numbers and locations of new housing rest with the city or district council and rely on the county council for provision of infrastructure.
- District councils are responsible for housing services. However if a vulnerable young person or family are made 'intentionally homeless' in some circumstances the county council has responsibility for providing housing support.

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## 6. Our Vision for a Thriving Oxfordshire

Our ambition is for a county where local residents and businesses can flourish - a Thriving Oxfordshire. To us this means having:

- A Thriving Economy - with small businesses starting, existing small businesses growing, and large businesses choosing to locate here, creating good jobs for local people. A strong economy makes everything else possible.
- Thriving People and Communities - where residents are empowered to help themselves and can contribute to what happens locally, and where everyone can make informed decisions about their health and wellbeing.
- A Safety Net – where we support some of the county’s most vulnerable residents, focusing on those we have a duty to consider, such as older people, disabled adults, and children. We must ensure these residents are aware of, and are easily able to access, the services and care to which they are entitled.

We will work to achieve these objectives by delivering essential core services and playing a key leadership role within the county to bring partners together to encourage the best possible outcomes for the residents of Oxfordshire. We will also, wherever appropriate, look first at how we can help people and communities to help themselves.

<b>Our ambition:</b> A Thriving Oxfordshire
<b>This means having:</b> A Thriving Economy Thriving People and Communities A Safety Net
<b>The county council’s role in delivering this ambition:</b> Providing Community Leadership Working in Partnership Helping People to Help Themselves

## Connecting Oxfordshire

Connecting Oxfordshire is the council's vision for a thriving Oxfordshire supported by a 21<sup>st</sup> century transport system. It takes account of the planned £800m of transport investment planned over the next 20-30 years and looks ahead to future challenges and opportunities facing the county.

With a predicted 85,000 new jobs and over 100,000 potential new homes in the county by 2031, pressure on transport will continue to rise. If Oxfordshire is to continue to prosper, we need to think creatively to improve transport connections and capacity, and Connecting Oxfordshire was developed to start the debate on what this means in practice.

Connecting Oxfordshire was launched by the Leader of the Council in Spring 2014. During the summer, the council raised the profile of Connecting Oxfordshire around the county and hosted seven public meetings attended by more than 600 people. At these events the Leader of the Council set out the planned transport improvements for specific areas and explored with the audience the county's transport challenges and some more visionary options that could be used to solve them, such as mass transit systems, re-opening branch lines, new pedestrianised areas in town centres and monorails.

Highways improvement schemes under the Connecting Oxfordshire banner include the:

- A423 Kennington/Hinksey Roundabout
- A40/A420 London Road
- Frideswide Square transformation in Oxford
- A34 Milton interchange
- A34 Chilton slip roads
- Plain roundabout in Oxford
- A40 Wolvercote and Cutteslowe roundabouts

Feedback received via the Connecting Oxfordshire public meetings and through social media is being used to guide the development of the council's new Local Transport Plan, which will be called Connecting Oxfordshire, and will be adopted in 2015.

### 7. The County Council's role in a Thriving Oxfordshire – Community Leadership and Partnership

To both respond effectively to our significant financial challenges and meet our vision for a Thriving Oxfordshire we need to fundamentally rethink the role of the county council. The council will make the transition to being an organisation that:

- prioritises work we are required to do by legislation, regulation or policy
- has a concentrated focus on prevention and early intervention
- ultimately provides a vital safety net for the most vulnerable people in our communities that we have a duty to support.

The council is actively refocusing its work, and is engaged in looking for new ways to deliver the most efficient services that provide the best outcomes for our residents. We have to be single-minded in ensuring that we use the resources we have to provide services that have the greatest impact.

We remain responsible for services that are essential to the county - supporting older people, protecting vulnerable children, and securing crucial strategic infrastructure, like roads and rail, that underpins the economy. However, wherever appropriate we will look first to:

- **Enable people and communities to help themselves** – the days when the county council could deliver all services to all people have gone. Responsibility and accountability needs to be shared throughout our communities for the county to thrive, so enabling people to become more empowered and proactive is crucial.
- **Commission and support partners** in the public, private and voluntary sectors to provide services – already, £400m of our revenue spend goes to partners to deliver services on our behalf. Our role is to ensure these arrangements have high levels of quality control and deliver the best value for money for the county. We will use our influence to encourage and facilitate a thriving market of suppliers and providers. We are paying particular attention to this in relation to social care where providers face serious challenges around recruiting and retaining care workers due to the high cost of living across the county, and particularly in Oxford City. We must also continue to build on the good relationships we have with our partners in order to deliver seamless services to residents in a way that makes sense to them and results in the best possible outcomes.
- **Take a community leadership role** – we remain extremely ambitious for the county, and we also recognise that many complex social, economic and environmental challenges can only be successfully addressed through collaboration with our partners and communities. When we are best placed to lead or co-ordinate work we will play a key role in linking up efforts, particularly where they deliver on our ambition for a Thriving Oxfordshire. We have a responsibility to provide strong and positive community leadership to encourage the best possible outcomes for our residents.

By sharpening our focus in this way we can ensure that the council remains resilient to the ongoing changes we face and that we work effectively to ensure those most in

need have access to quality services. If we do this we will be best placed to ensure Oxfordshire is the Thriving County we want to see for all our residents.

We are already taking great strides towards meeting our ambition for a Thriving Oxfordshire. Examples of our work in the last year include:

- **The Oxford and Oxfordshire City Deal** – We worked alongside the Oxfordshire Local Enterprise Partnership, district and city councils, Universities, and scientific research institutions to win a City Deal agreement from the government. This means that around £55.5 million of government funding can now be controlled locally to boost innovation and business growth, create jobs and help secure Oxfordshire's place as a world leader in technology, knowledge and expertise. Ultimately the deal is expected to be worth over £1.2 billion when private sector investment is taken into account. The plans we have developed with our partners include the delivery of improvements to the A40 and A34, as well as a real push to drive up skills to support the accelerated development of our high-tech business sector. This means more jobs for the county and more inward investment across the board.
- **Fire and Rescue Service and Community Safety** – We continue to safeguard our communities from fire risk through the provision of advice and enforcement of fire protection, risk reduction, intervention activities and provision of information to improve community safety. We also provide (directly or with partners) preventative programmes for children and young people at risk of offending. Our safeguarding processes have been identified as notable practice with the UK fire sector and demonstrate our integrated approach within the county council. Trading Standards continues to provide protection to people who may be vulnerable to consumer frauds, including supporting a national initiative tackling postal scams.
- **Broadband for all in Oxfordshire** – Our £25 million programme – a partnership with BT, with government support – aims to ensure that over 90 per cent of all premises across the county have access to superfast broadband by December 2015. Through the same partnership with BT we are working with district and city councils and the LEP on plans to extend coverage further to achieve a minimum of 95% coverage by 2017 in South Oxfordshire, Vale of the White Horse, Cherwell, and Oxford City.
- **Working closely with the NHS** – Over £330m is currently committed to pooled budget arrangements to spend on service users of both the county council and the local Clinical Commissioning Group. This includes a significantly expanded pooled budget covering care for older people, and others to improve care and outcomes in physical disability, learning disability and mental health and wellbeing. We are developing integrated locality teams, and working towards a single point of access for health and social care. To facilitate closer working, the Director of Adult Social Services at the county council also holds the post of Director of Strategy & Transformation at the Oxfordshire Clinical Commissioning Group.
- **Public Health** – The Public Health Directorate is now fully embedded in the work of the council. Health improvement work, prevention of illness and some treatment services are delivered through a series of contracts.

These include an integrated service for sexual health, a strengthened school health nursing service and transition to new ways of delivering alcohol and drug treatment services and smoking cessation services. The team also influence the broader social determinants of health by working with partners on housing, community safety, healthy weight and mental wellbeing initiatives.

- **Tackling Child Sexual Exploitation: The Kingfisher Team** – Kingfisher is a joint social work, police and health team focused on preventing, protecting and prosecuting cases of child sexual exploitation in Oxfordshire. The team provides a response to concerns about exploitation as well as support to children, families and other professionals to reduce the risk to children through awareness raising, training, disruption activity and, where required, gathering evidence and achieving prosecutions. In 2014 the team won two national awards for its work.
- **Community Information Networks** – We have partnered with Age UK to create networks of local advisers across the county to improve the dissemination of information and advice about the range of social care and the support services available, and to support people to access them. The networks have rolled out across the county with clear locality plans supporting the development of local strategies. We will continue the development of outcomes for this and ensure that there is a coherent all age strategy linked to Care Act implementation throughout 2015.
- **Thriving Families** – Our targeted approach continues to support troubled families – those with the most problems and who cause problems to the community around them - to make lifestyle changes and become thriving families. By January 2014 Oxfordshire had turned around 778 troubled families, the 10th highest out of 152 authorities and we are now an Early Starter for Phase 2 of the expanded programme, which runs through to 2020.
- **East-West Rail** – The county council provided a leadership role in achieving agreement amongst national and local partners to develop a new train route providing direct connection to London, Milton Keynes, Heathrow via Reading and all points east and west. In 2014 work began on the new 'Oxford Parkway' station at Water Eaton. The economic impact of the project is estimated to be £15m per year and is estimated to create up to 12,000 new private sector jobs.
- **Office Co-location** – The county council has been working with Vale of White Horse District Council to co-locate staff into the District offices at Abingdon. This arrangement will see property released to enable cost savings, and deliver better outcomes for staff and their clients. We have good working relationships with health, and staff work from offices at the Clinical Commissioning Group and hospitals across Oxfordshire. The Health and Wellbeing Resource Centres are used by health services and voluntary organisations to extend the use of the buildings and offer important support to service users. We will work closely with other public sector agencies to identify further opportunities for co-locating services as a way of improving the customer experience.
- **Schools** – We have completed the redevelopment and construction works of 12 schools in 2014, and works are progressing to 15 schools which will

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be completed in 2015. This work underlines our commitment to a thriving Oxfordshire, supporting growth and wellbeing.

Oxfordshire County Council is responsible for 80% of local government services in the county.

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A selection of our key partners



### 8. A Thriving Economy

As the country returns to economic growth Oxfordshire is well placed to play a pivotal role in supporting the recovery - thanks to local businesses, our attractiveness as a location for investment, our skilled workforce, and our national and international transport links. A thriving economy is crucial to the wider success of the county.

The council has a key role to play in realising the potential of the county's economy but cannot drive economic development alone. Instead, we increasingly take a community leadership role to achieve these goals. For example:

- **City Deal** - we are working with partners including the Universities, research institutions, City and District Councils and the Oxfordshire Local Enterprise Partnership to deliver the 'Oxford and Oxfordshire City Deal' – this is a deal that means £55.5 million of government funding can now be controlled locally to enable us to set ambitious policies to boost innovation and economic growth . Our aim with the Deal is to support high-tech and research industries along the 'knowledge spine' from Science Vale, through Oxford, and up to Bicester (see map), to grow into thriving businesses, and to attract similar companies to the county through providing improved road and rail links. The result will be high quality jobs and an opportunity to drive the improvement of skills of local people.
- **Strategic Economic Plan** - We are working to deliver the 'Strategic Economic Plan' which provides a basis for future Oxfordshire bids to the Local Growth Fund. As of 2015 this Fund is the primary source of Government funding for capital investment in major structural maintenance and new highway schemes, so it is essential we have a robust strategy in place that puts us in a strong position to access these funds. Work on the Plan has been led by the Oxfordshire Local Enterprise Partnership of which the county council is a member. As a democratically accountable body, the county council has a key role to play in influencing the work of the Local Enterprise Partnership and the proposals for future development across the county.

We must be realistic in that we have significantly less money under our own control, but we will make sure that wherever alternative pots of money are available – either from central government or other partners - we are able to access them so that we can deliver this essential work. For example, we are working to ensure we have an up-to-date 'Local Transport Plan' so that we have strategies in place early to secure sufficient financial contributions from developers to fund essential infrastructure.

The county council continues to have direct control over some crucial areas, however. For example, we are the local 'Highways Authority' which means we must be consulted on planned infrastructure for all new developments and have a duty to maintain a safe highway network. Across the county we are responsible for approximately 3,000 miles of roads, 2,000 miles of footways, 2,900 bridges and structures and 59,600 street lights. We recognise this is an area of our business that has an immediate impact on everyone's day to day lives, and we are improving public access to information through initiatives such as the 'Fix My Street' web site – where the public can report road defects. We are also responsible for network



management of traffic flows, and a central part of the City Deal is to take forward much needed improvement to the highways system – particularly on the congested A34 and A40.

We are also engaged in some exciting new developments on the railways, including the East-West Rail line, which will connect to London, Milton Keynes, Heathrow via Reading and all points east and west, and will include the development of a new Oxford station at Water Eaton. There are also ambitious plans in place for Didcot station to become a 'state of the art' multi-modal interchange and gateway to the area, supporting the goal of improved connectivity for the Enterprise Zones within Science Vale. This type of work is core to our focus on supporting and enabling future growth.

More broadly, our Cultural Services team attracts wedding business into Oxfordshire, provides citizenship ceremonies to welcome our new citizens, and contributes to cultural tourism. Our Trading Standards team enable local businesses and industry to successfully compete in the marketplace, ensure their business continuity, and minimise the likelihood and impact of regulatory challenge.

The proportion of Oxfordshire GCSE students achieving at least five A\*- C grades including English and Maths is at its highest ever level, and there have been significant improvements in reading, writing and mathematics for seven and eleven year olds. There has also been an increase in the number of schools rated 'good' or 'outstanding' by OFSTED. This suggests the council's education strategy launched in 2012 is already having a positive impact, although our performance has still not reached the aspirations the council, pupils, parents and schools hold, and performance varies significantly for some groups of children. 'A Strategy for Change – Improving Educational Outcomes in Oxfordshire' sets out a clear vision for Oxfordshire to be a dynamic and forward-looking place for education and learning, providing the best quality experiences for children and young people to grow up, learn, develop and achieve.

Our priorities for action in the next 12 months are:

- **Growth and Investment** – we will continue to support the Oxfordshire Local Enterprise Partnership and help deliver its priorities, including those of the Oxford and Oxfordshire City Deal and the Strategic Economic Plan. We will support our district colleagues to provide local housing for local people. In particular we will cooperate with district and city councils to respond to the Strategic Housing Market Assessment (SHMA), which has indicated that that up to 106,560 additional homes are needed across Oxfordshire in the period 2011-2031. We will also explore, along with Buckinghamshire and Northamptonshire County Councils, the potential for a tri-county council alliance. This 'combined authority' alliance will focus on innovation, science, technology and creative industries in order to unlock further economic growth and significantly build on the £45 billion (GVA) that the tri-counties area already generates.
- **Infrastructure** – we will build upon the work associated with the City Deal to set out the infrastructure required to support economic growth in the longer term. We are a key member of the Local Enterprise Partnership which has

developed the Strategic Economic Plan that forms the basis of our Growth Bid to Government – we will also seek to access any funding required to support the significant growth that is planned. We will work with district and city councils to: ensure that new development pays for the infrastructure and services that are needed to support it; ensure these costs are reflected in proposals for the introduction of the Community Infrastructure Levy; and ensure the right infrastructure plans are in place for areas of significant planned development, such as Bicester, Oxford and Science Vale.

- **Spatial Growth** - we will develop a Spatial Growth and Infrastructure Strategy. The work will involve looking at options for delivering the future growth needs of the county and in particular, the unmet housing need for Oxford. The strategy will test possible growth options across the county against their ability to deliver infrastructure in the most sustainable way. The work will look at infrastructure needs including transport, schools, health and leisure and will involve close working with the district and city councils, as well as other major infrastructure stakeholders such as Network Rail and The Highways Agency.
- **Skills** – we will continue to support the Oxfordshire Skills Board to implement the Oxfordshire Skills Strategy, which aims to: create a more responsive skills system aligned to the needs of our employers; increase the availability and take-up of apprenticeships; and to up-skill people who have few or no formal qualifications bringing them closer to the labour market. We will also work wherever we can to promote educational excellence for all children and young people and improve educational attainment in the county, including by brokering higher levels of business engagement with schools and education through our new 02i – Opportunities to Inspire initiative. Many of our schools – especially our secondary schools – are now academies, meaning they are independent from us, but we will continue to work hard to build positive relationships with our academy partners, including through the Oxfordshire Schools Forum. We still have a crucial leadership role in ensuring there is a diverse supply of strong schools for the county’s children, and a key role in continuing to improve educational attainment in the county.
- **Transport** – we will work closely with our partners to deliver funded projects, including significant improvements to Oxfordshire's road and rail infrastructure, such as Milton Interchange, Chilton Interchange, the first phase of Oxford Science Transit and phase 1 of East-West Rail. We will continue our work to update our Local Transport Plan – which sets out the long-term strategy for Oxfordshire. We will continue to respond to proposals associated with the development of HS2 to ensure local interests are protected. We will continue to work hard to maintain the county’s roads – we fix tens of thousands of potholes a year - while keeping a close eye on value for money and quality of delivery.
- **Broadband** – we will deliver high speed broadband for more than 90% of Oxfordshire premises by 2016, in partnership with BT. We will work with district and city council partners to help those not yet covered to identify local solutions.
- **Property Rationalisation** – we will continue the work of rationalising the county council’s property portfolio to release funds to use for direct service delivery. We will continue to make fundamental changes to our back office services and increase the flexibility of our workforce to ensure we work as

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efficiently as possible. Across the organisation we are focussed on ensuring that our contracts with partners deliver value for money and positive outcomes for council tax payers.

Oxfordshire is home to 654,000 people and over 30,000 businesses.

Oxfordshire contributes £16.5bn to the UK economy – more than many core cities including Bristol, Nottingham, Sheffield and Liverpool.

The council maintains almost 3,000 miles of road. Through our surface dressing programme in the summer of 2014 we improved 500,000m<sup>2</sup> of road across Oxfordshire. That's roughly 75 times the area of Wembley stadium.

40 per cent of Oxfordshire's businesses (12,000) operate in the science, technology, engineering and mathematics sectors.

The County is fast on its way to being super connected. Through the Better Broadband for Oxfordshire project, the council and our delivery partner BT will have connected 90 per cent of homes and business in the county to fibre broadband by the end of 2015.



The 'Knowledge Spine'

### 9. Thriving People and Communities

According to most of our residents, Oxfordshire is a good place to live. People are generally affluent and healthy, the sense of community is strong, and people feel safe in their local areas. The county council is focussed on maintaining this.

We do however have areas of acute isolation and pockets of deprivation in the county - both urban and rural – and will continue to tailor our work to meet the unique needs of these areas, working through our locality-focussed teams. More broadly, we will continue to play a key role in supporting and building resilient communities by working closely with our partners where appropriate, such as the military community and town and parish councils.

We want to play a positive role in giving all local children the best start in life – building further on our relationships with schools and academies and working with all partners, including the health service, to ensure we all have high expectations for our children’s educational attainment and future prospects.

For older people we are placing great energy into developing approaches that, wherever possible, keep people well and help them to live at home and remain active in their local communities for as long as possible. We want to continue to increase personalisation in the services we provide – increasing the numbers of people who have Self Directed Support and who receive a Direct Payment so that they have more control and choice over the care they receive. We also have a focus on waiting lists, aiming to reduce the amount of time people have to wait for an assessment or a care package. We will concentrate on joint working with colleagues in the NHS – as well as closer working between our own service teams - to drive efficiency, and join-up care for service users. Delayed Transfers of Care (sometimes called ‘bed blocking’, when people stay in hospital longer than they need to) remains a key area of concern and focus, and the only way to tackle such a challenge is through positive coordinated working between hospitals and social care.

We want to avoid, reduce and delay the need for more complex care or admission to a care home – as well as close working relationships with the NHS, our work with district council colleagues to establish more Extra Care Housing developments is a good example of this. We will continue to invest in equipment and assistive technology and we will invest in reablement – this means helping people to maintain or regain their independence by learning or relearning the skills necessary for daily living. We are also working to ensure that as many carers as possible are known and supported by us, as their role is essential in achieving our goal of seeing more people live as independently as possible in their own homes. Our Supported Transport Programme will see us working closely with bus operators and other transport providers to adapt how we support the transport needs of the communities of Oxfordshire. Underpinning all of this is our wider work to ensure that there is accessible and useful information and advice for all of our service users so that they are able to make the care choices that are right for them.

In addition, our Public Health work continues to pioneer prevention and early intervention approaches which maximise local people’s healthy lifespan – whatever their age – through, for example, supporting them in making healthy lifestyle choices

and keeping safe from diseases. This increases residents' likelihood of living longer without the need to rely on the health service or social services.

The county council has joined with the district and city councils to form the Oxfordshire Joint Health Overview and Scrutiny Committee. This means we have a powerful role in scrutinising any matter relating to the planning, provision and operation of health services in Oxfordshire. We will continue to represent the concerns and priorities of service users in holding local health services to account.

We are the Minerals and Waste Local Planning Authority, so play a key role in ensuring household waste is disposed of efficiently and that recycling is maximised. Our Energy from Waste facility is now in operation and, will generate enough electricity for 38,000 homes. We will also continue to ensure the countryside is accessible to all and that our responses to emergencies, such as flooding, remain robust and effective. Our Fire and Rescue Service has a proven track record of engaging with the community to further the message of fire prevention and will continue to have a crucial role in promoting community cohesion, while our Cultural Services team contribute to creative educational programmes and help to connect communities to their heritage.

Our priorities for action in the next 12 months are:

- **Housing options for older people** – the county council will continue to work closely with housing associations and district councils to push forward ambitious plans to develop more appropriate housing options for older people. This includes Extra Care Housing schemes which provide tailored support to allow people with care needs to live independently. In early 2015 five new Extra Care Housing schemes will open providing a 50% increase in this service, giving 768 apartments in total.
- **Community Information Networks** – we are investing in community networks to support people to stay in their communities for as long as possible by helping them access the information, advice and local services they need to make informed choices about how best to meet their own needs. These have rolled out across the county with clear locality plans supporting the development of local strategies. We will continue the development of outcomes for this and ensure that there is a coherent all age strategy linked to Care Act implementation throughout 2015. We will continue working in partnership with the circles of support project with Age UK, providing a link between hospital and community networks and assisting with timely discharge.
- **Libraries** – our library service provides access to books, information and knowledge to support the recreational, cultural and educational needs of those who live, work, and study in Oxfordshire. In the coming year we will focus on the services delivered through our core libraries and develop our Universal Library Offers – reading, information, health, learning and digital - which our customers see as being integral to a 21<sup>st</sup> century library service. We will begin to implement the outcomes of our review of mobile library services and we will continue to promote community and stakeholder involvement across the county.

- **Joint working and pooled funding** – we will relentlessly seek to improve and maintain standards of services and care, working in partnership with the NHS and providers, from across the public, voluntary and private sectors, to ensure people receiving care continue to be treated with dignity and respect. We have in place agreements to jointly manage over £300m worth of funding every year with the NHS which means better value for money for tax payers and more streamlined services for those who need them. In addition, we are developing proposals for using the Better Care Fund – a pot of £37m – with health partners, which means more money being used in social care to help to people stay independent and reduce emergency admissions to hospital. Our intention is to develop plans for a Joint Commissioning Unit with health, and a single assessment process for service users. One of the key outcomes for the Better Care Fund is to achieve a reduction in the number of patients delayed for transfer or discharge from hospital. We are currently performing at 1% over the Better Care Fund target and are determined that Oxfordshire's performance will improve in this area.
- **Public Health** – the council will continue to work with the Oxfordshire Clinical Commissioning Group and other partners to ensure effective commissioning arrangements are in place to prevent ill health and improve health and social care outcomes for all Oxfordshire residents. We will also address health inequalities and prioritise areas of local need. The Director of Public Health's most recent annual report highlights the long term challenges to health in Oxfordshire set out by life stages. The importance of giving children the best start in life through good health visiting, school health nursing and other services is emphasised. The prevention of long term conditions and early mortality in the adult population is set out and includes continuing to help people quit smoking, maintain a healthy weight, promoting mental wellbeing and moderating alcohol intake. Reducing health inequalities across the county remains a priority, with some particular vulnerable groups highlighted, including people suffering social and economic disadvantage, those with deafness and hearing loss, young carers and the growing number of people from Black and minority ethnic communities. The danger of infectious and communicable diseases requires on-going vigilance.
- **Preparing for Emergency** - our Fire and Rescue Service continues its crucial work to prevent fire, plan for the risk of major events such as flooding, and respond to serious road accidents. Their strategy to work jointly with other counties and other emergency services will continue, as will the council's provision of valuable regulatory services, including Trading Standards.
- **Military Covenant** – the council will continue to work in partnership with the armed forces locally to ensure our services reflect the Covenant principles so that members of the armed forces and their families do not face disadvantage. The council will support groups that apply to the MOD community covenant grant scheme for funding to run projects which encourage local communities to integrate with the armed forces community in their area.
- **Minerals and Waste** – as the Minerals and Waste Local Planning Authority we will agree on a new Minerals and Waste Local Plan before submitting it for independent examination. The new Local Plan will provide the framework within which new proposals are considered. The opening of Ardley Energy

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from Waste facility will reduce the amount of residual waste going to landfill and provide the capacity to generate enough electricity for up to 38,000 homes.

- **Natural Environment** – we will continue to work with our partners to promote our natural environment, both as a resource for recreation and leisure activities and as a place in which our rural economy can prosper. We will work with our partners to that our response to extreme weather events – such as flooding – is robust and effective.
- **Customer Services** – our Customer Services Centre has completed its move into County Hall, bringing it closer to the centre of service delivery.

Oxfordshire's population has grown by almost 50,000 in 10 years and is still growing.

A total of 58.6 per cent of Oxfordshire students gained five A\* to C graded GCSEs including English and Maths in 2014. The national state-funded school average for the same measure was 56.1 per cent.

Reading ages in Oxfordshire are improving. Through our Reading Campaign, the average reading age improvement of pupils taking part was 13 months (achieved over a four-month period), with some pupils achieving nearly 20 months.

Oxfordshire has an excellent recycling record – the highest for any county in the country with 60% of the 300,000 tonnes of waste produced per year either composted or recycled.

Oxfordshire is one of only 13 county councils in the country with Fire and Rescue Service responsibilities and we celebrated its 40th anniversary in summer 2014. Through its 365alive campaign, Oxfordshire Fire & Rescue Service saved £135m and 386 lives in eight years – two years ahead of the challenging target we set.

### Success Stories

Oxfordshire County Council is proud of the services and support we offer to the citizens of Oxfordshire. We have seen a great many successes over the past 12 months, including winning a number of national awards. These include:

- **SaBRE Award** – Oxfordshire County Council was presented with a SaBRE (Supporting Britain’s Reservists and Employers) Award for its outstanding support to the Armed Forces.
- **Defence Employer Recognition Scheme** - Oxfordshire County Council was awarded the Silver Award under the Defence Employer Recognition Scheme, which recognises employers’ positive commitment to support the defence community. This is for our commitment to supporting reservists, and for our pledge to ensure that no member of the armed forces should ever face disadvantage in the provision of public and commercial services.
- **Spirit of Fire Awards** – Oxfordshire’s Fire and Rescue Service won the Team of the Year Award after raising £14k for the Firefighters’ Charity with a sponsored bike ride. We were also shortlisted for Corporate Supporter of the Year and Fire Service of the Year.
- **Alarm Awards** – Kingfisher, a joint initiative between Oxfordshire County Council and Thames Valley Police, won an Alarm Award for showing innovative and dedication to managing people risk. The Kingfisher Team is a multi-agency team working to tackle child sexual exploitation in Oxfordshire.
- **MJ Awards** – Kingfisher also won the MJ Award for innovation and creativity in Children’s Services. This was in recognition of the team’s effective partnership working and its responsiveness to those children most at risk.
- **NMC Music Education Awards** – Oxfordshire Music Education Partnership won the Paritor Award for its commitment to new music and composition across the range of activities.



### 10. A Safety Net

Despite our relative affluence we do have pockets of both rural and urban disadvantage within the county, and demands on both our adult and children's social care services continue to increase significantly. As a council we are determined to face these challenges by concentrating our work on supporting these most vulnerable of Oxfordshire's residents – groups for which we have a legal duty to provide support - and ensuring they have real control over getting the care to which they are entitled.

We are focussed on embedding multi-agency working across the county in order to best protect our most vulnerable children and provide targeted support to their parents. As an example of our joint working, the Fire and Rescue Service works with the early intervention hubs to mentor young people who are otherwise lacking positive influences. We are committed to providing early help in order to avoid problems escalating and family needs becoming more complex.

We also want to start delivering our ambitious plans for children in the council's care to ensure they are placed within the county's borders, whenever appropriate. We will work to respond much more flexibly to those children on the edge of care and change the culture of always bringing children into care full time. We will be delivering plans for new assessment homes to offer part-time respite alongside intensive family interventions to allow a permanent return home wherever possible.

Children's social care will continue to focus on protecting children at risk of harm or neglect and tackling, as well as preventing, cases of child sexual exploitation. We have made considerable investments in frontline children's social care services to ensure we have sufficient capacity to maintain high standards and ensure children and young people are appropriately safeguarded. The Kingfisher team has been established jointly with the police and with health partners specifically to focus on preventing child sexual exploitation and prosecuting cases if required.

We also have a critical safeguarding role for all vulnerable adults, ensuring that people live their lives free from abuse and taking action to protect people where necessary. We will continue to provide information and support to individuals and their carers to ensure people can live a life free from abuse and the fear of abuse, and can have care and support which meets their needs. We work effectively between teams to focus work on the most vulnerable. For example, Trading Standards support and protect those at greatest risk from doorstep crime, fraud and scams.

Our priorities for action in the next 12 months are:

- **Thriving Families programme** – this programme works with the most disadvantaged and challenged families to reduce worklessness, antisocial behaviour, crime and school exclusions and to increase school attendance. The key focus is on our most resource intensive and vulnerable families with the aim of reducing the numbers needing the type of support offered by social care. This continues to be a vital strand in the on-going work locally to narrow the gap in outcomes that exists across the county. The council will begin

working with more than 400 new families by the end of March 2015. As an 'early starter' area, the results from Oxfordshire will also inform and influence the national roll-out of the expanded programme in April 2015.

- **Breaking the Cycle** – we will continue to work to improve the quality of life in the most deprived areas of the county by: promoting better engagement in education, employment and training; supporting the vulnerable and those with multiple and enduring problems; promoting healthy lifestyles and reducing health inequalities; reducing and mitigating the effects of child poverty.
- **Multi-agency children's safeguarding** – we will continue to work in close partnership with the police, schools, health service and others to ensure that our vulnerable children and young people can live a life free from both abuse and the fear of abuse. This includes continuing to develop the recently established Multi-Agency Safeguarding Hub (MASH) that co-locates staff from across these agencies so they can work closely together to share information and respond to the needs of vulnerable young people at the earliest possible opportunity.
- **Corporate parenting** – we act as effective and caring 'corporate parents' for looked after children, with key roles in improving their educational attainment, providing stable and high quality placements and proper planning for when they leave care. We will deliver our placement strategy, increasing our capacity to support children to remain in family settings wherever possible whilst extending our pool of foster carers and residential capacity. We will work with community partners to make Oxfordshire "the most fostering friendly county in the country".
- **Adult safeguarding** – we continue to work with partners in health, the police and others so that adults in need of care and support can live a life free from both abuse and the fear of abuse. This includes working with partners in the Multi-Agency Safeguarding Hub and areas such as trafficking and exploitation. We continue to review our procedures for investigating concerns of abuse to ensure that outcomes reflect the wishes of the victim.
- **Refocus on neglect** – Neglect is the persistent failure to meet a child's basic needs and the numbers of children affected by neglect are increasing. Tackling neglect requires strong partnerships and we will build on the success of the Thriving Families programme to pilot the introduction of better ways of working that provide effective help to families and children. Working in partnership across social care, early intervention, health, education, Thames Valley Police, youth justice and adult services we will initially work with families in north Oxfordshire where children are on child protection plans for neglect. This will include working across traditional service boundaries to provide intensive, targeted support to the whole family. This, along with an analysis of the extent of neglect in Oxfordshire, will help inform the future shape of our services.

More children are entering care across the UK and like other councils Oxfordshire has seen more referrals into care following high profile cases. There are approximately 500 looked after children in Oxfordshire. The average cost of supporting a child is £34,000.

People are living longer, creating a greater need for social care.

By 2031 we predict there will be 90,000 people aged 75+ in Oxfordshire. The average weekly cost of a care package for an older person is £200.

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### 11. Our Values

The council will continue to be guided by CHOICE, our six organisational values, in how we work with each other and with the people of Oxfordshire.

The values have been refreshed this year to reflect the fact that a lot has changed since they were first launched, and to reflect the new priorities for the council as a whole.

- **Customer focus** – understanding and prioritising the needs of our customers and improving opportunities for local people to do more for themselves.
- **Honesty** – being open and transparent about how the organisation operates. Ensuring robust governance arrangements and practice.
- **One team** – working collectively as a council and with partners to meet strategic goals.
- **Innovation** – encouraging and embracing new approaches to meet the needs of customers, enabling our staff to challenge and take risks.
- **Commercial** – being clear about our role in delivering services and what the market can offer. Focusing on getting the best value from our relationships so we can deliver quality services underpinned by robust management.
- **Enthusiasm** – being adaptable and ambitious, anticipating strategic changes, driving programmes to refresh our approach and supporting staff to perform to the best of their abilities.

#### Equalities

We are committed to making Oxfordshire a fair and equal place in which to live, work and visit. We are meeting the requirements of the Equality Act 2010 via a five year Equality Policy which runs until 2017 and sets out the four key objectives that guide all of our work:

- Understanding the needs of individuals and communities
- Providing accessible, local and personalised services
- Supporting thriving and cohesive communities
- Promoting a culture of fairness in employment and service delivery

If we plan to make changes to a service we will continue to consult relevant people (residents, service users, providers, partners), and will undertake Service and Community Impact Assessments ('SCIAS') to consider whether vulnerable and other sections of our communities are unfairly disadvantaged by any changes.

## 12. The Finances

*(revenue figures are draft and need to be updated)*

We have had to take some tough financial decisions in order to live within our means in the face of continued reductions in central Government funding and increasing demand for our services. We have worked hard to hold down costs and deliver services in new ways to manage this challenging financial situation.

### Our financial plans

The principles upon which our medium term financial plan and capital programme are based are set out in our financial strategy. Our medium term financial plan 2015/16 to 2017/18 is available online at [www.oxfordshire.gov.uk/mtfpsummary](http://www.oxfordshire.gov.uk/mtfpsummary) (currently 2014/15 - 2017/18 MTFP) and sets out how resources are allocated in accordance with the council's priorities.

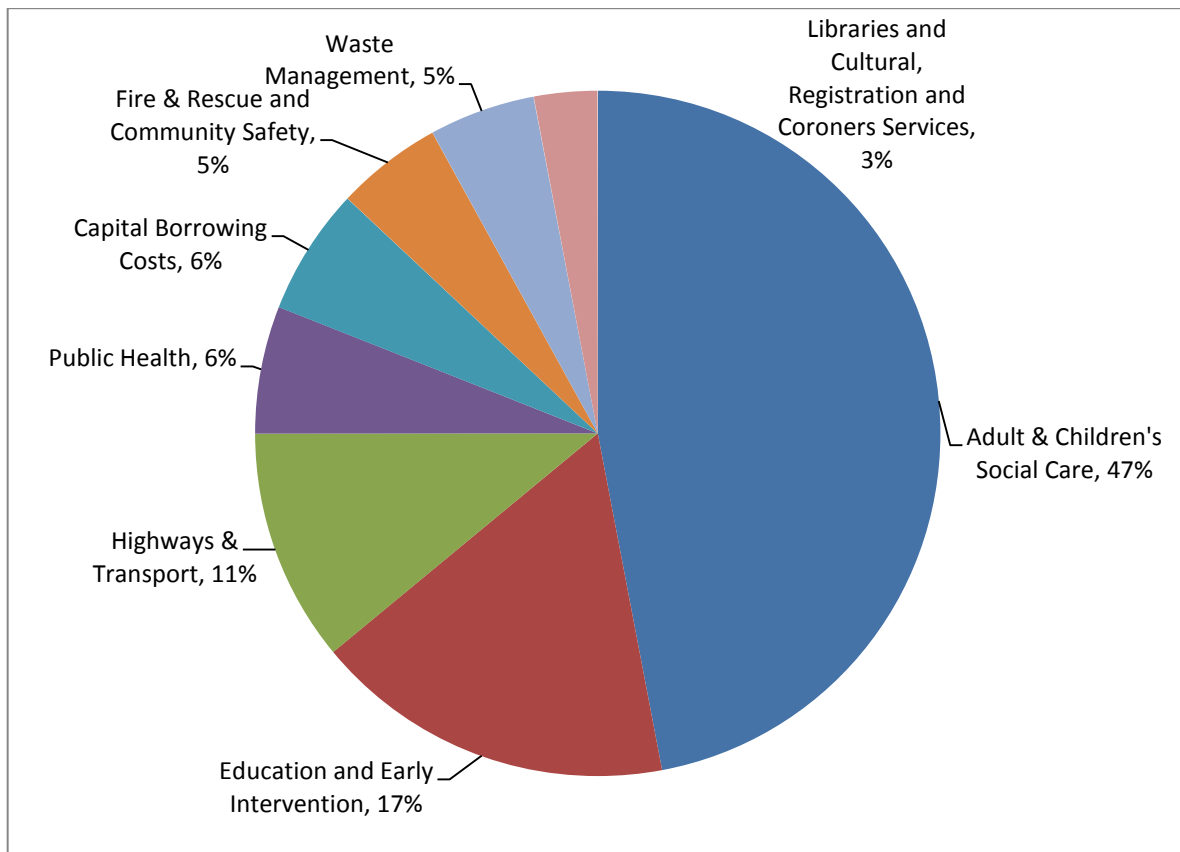
Our financial planning reflects:

- The reducing level of financial support from central Government and consequential revenue savings required over the medium term
- The allocation of resources to meet statutory service requirements and key strategic priorities
- Our commitment to council tax payers, and
- Our on-going commitment to achieve efficiencies to ensure improved value for money

We plan to spend £575.1m in 2015/16 on services (excluding schools). In addition, spending by schools maintained by the council is funded by a specific government grant of £262.8m.

**What we spend on services (excluding schools)**

- Adult & Children's Social Care 47%
- Education and Early Intervention 17%
- Highway & Transport 11%
- Public Health 6%
- Capital Borrowing Costs 6%
- Fire & Rescue and Community Safety 5%
- Waste Management 5%
- Libraries & Cultural Services 3%

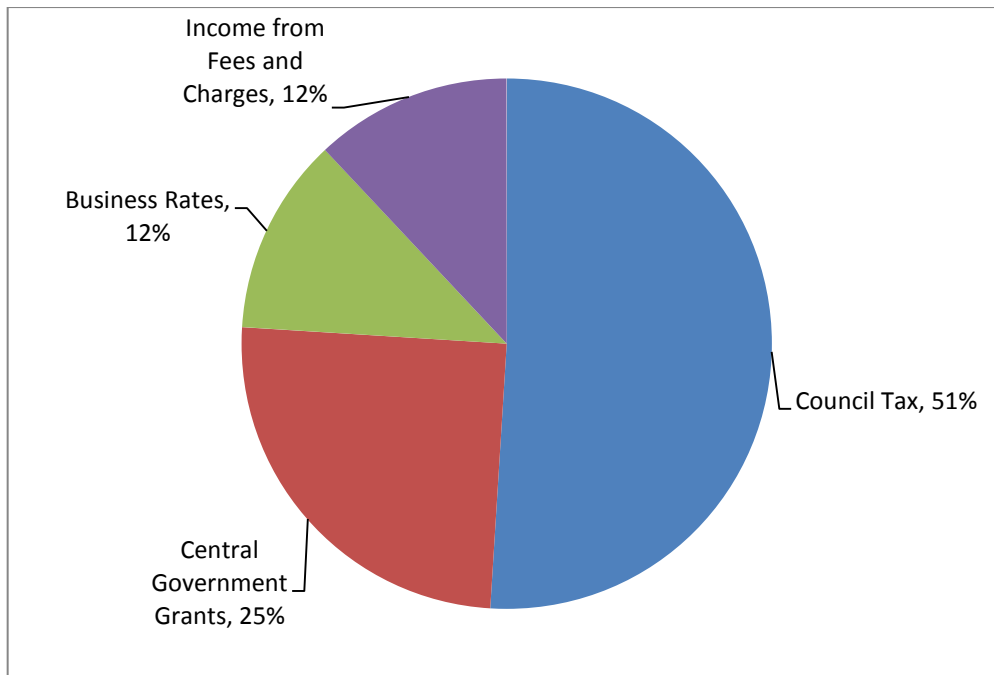


**Our funding (excluding for schools)**

Our funding comes from a number of sources, including government grants and business rates, with just over half of our total funding coming from council tax. This means that a rise of one per cent in total spending (excluding schools) would require a council tax increase of just over two per cent, all else being equal.

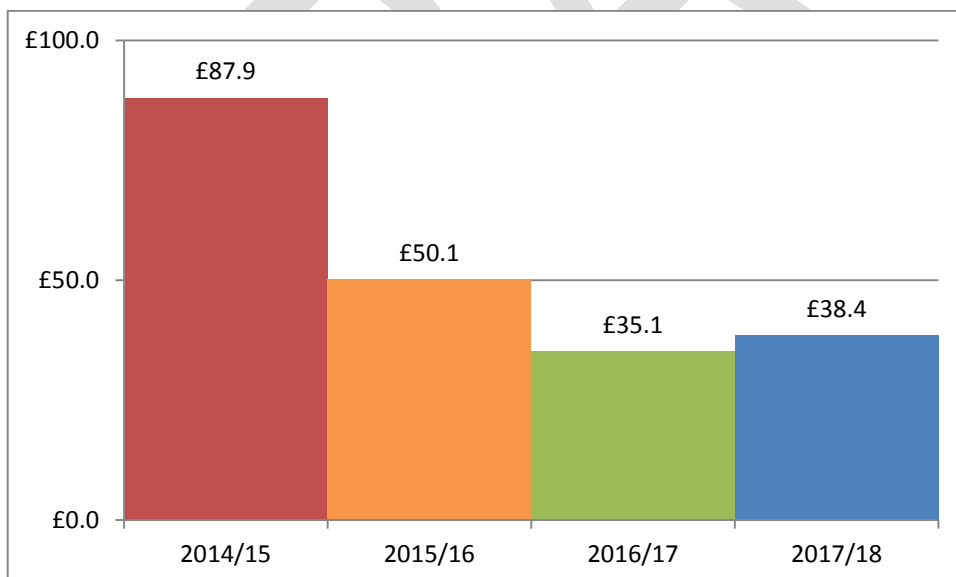
**Where the money comes from**

- Council Tax 51%
- Central Government Grants 25%
- Income from Fees and Charges 12%
- Business Rates 12%



### Earmarked Revenue Reserves

Our earmarked revenue reserves are held for specified one-off projects, contractual commitments and to support the medium term financial plan. Most of the council's reserves will be used up over the next four years, with the total expected to fall from £87.9m at the start of 2015/16 to £38.4m by the end of 2017/18.



### Capital

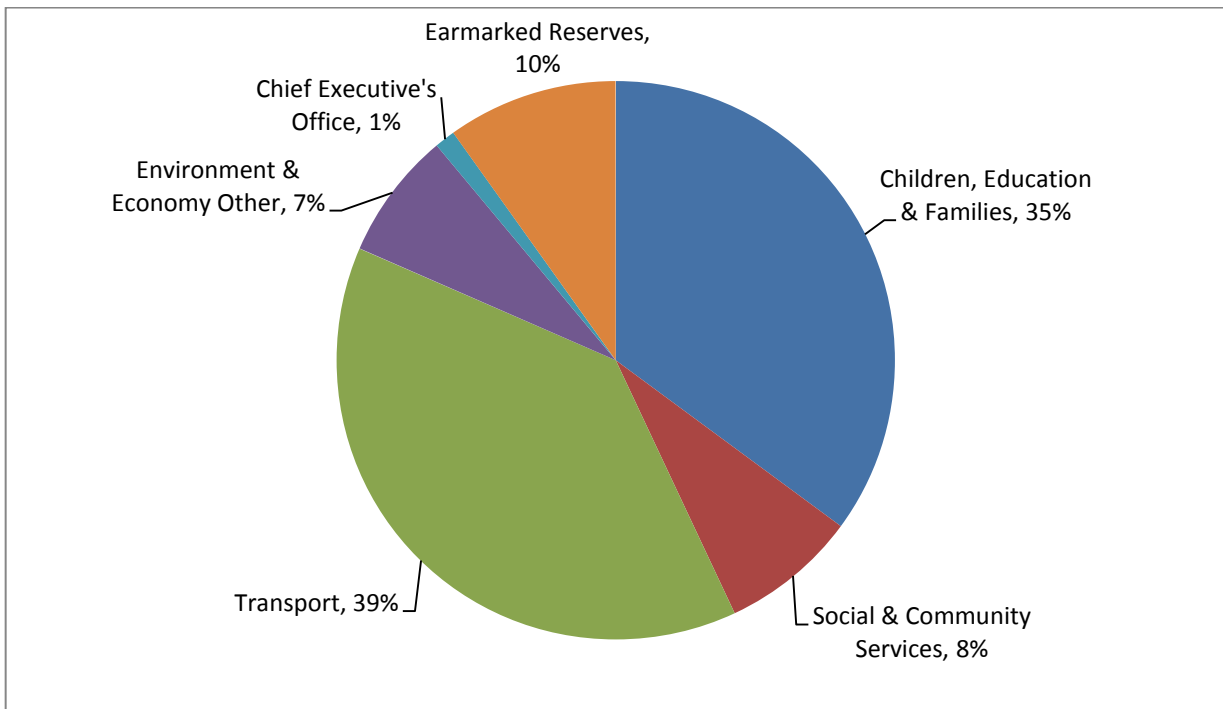
The capital element of our financial strategy provides a framework for ensuring the use of limited capital resources supports the achievement of the priorities set out in this plan. Our principles for prioritising capital investment are to:

- Comply with our statutory duties
- Improve the efficient and effective delivery of our services, and

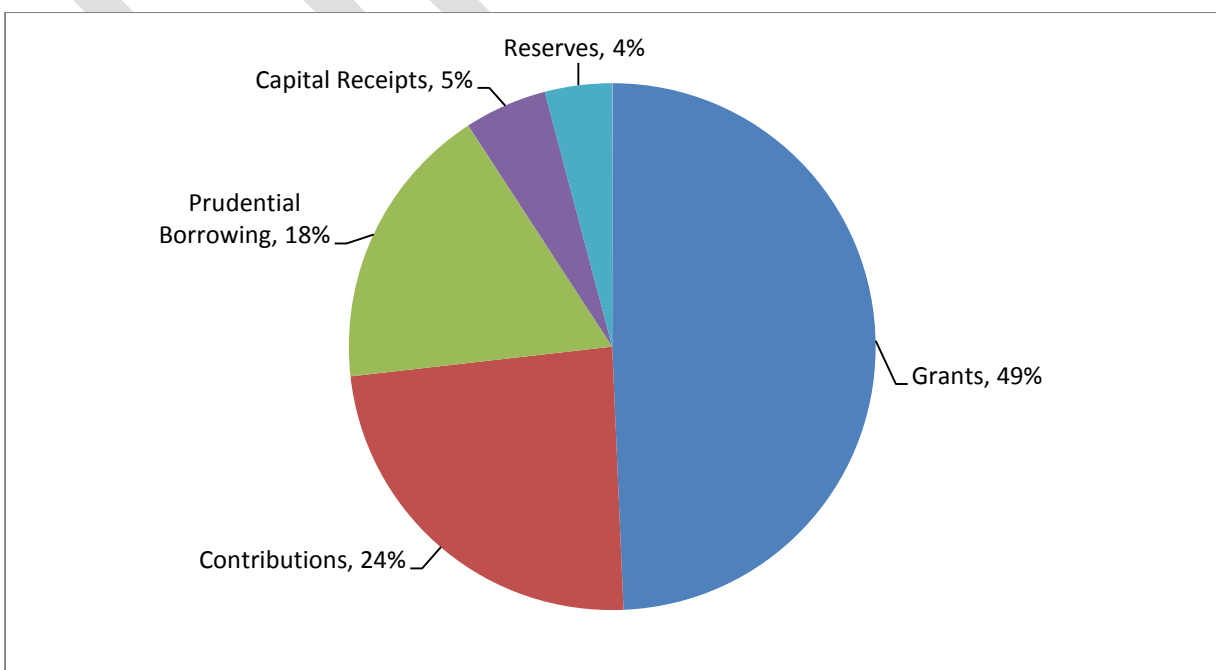
- Promote economic growth

We intend to spend £470.9m on capital investments in Oxfordshire between 2014/15 and 2017/18. The projects included in the capital programme are wide-ranging, covering all areas of the council's activity (for example on schools, roads, children's homes and fire stations) and all areas of the county.

### Spending on capital investment



### Funding for capital investment





### **13. Further Information**

This Corporate Plan provides a high level summary of the strategic issues facing the council and the organisational responses planned for the medium term. If you would like more detailed information about the work of the council you may be interested in the following:

[More about Oxfordshire County Council \[url\]](#)

[The Sustainable Community Strategy 'Oxfordshire 2030' \[url\]](#)

[Our Directorate Business Strategies \[url\]](#)

[The Medium Term Financial Plan \[url\]](#)

[Oxfordshire Insight \[url\]](#)

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**At a Glance**

<p><b>Our ambition:</b> A Thriving Oxfordshire</p>
<p><b>This means having:</b> A Thriving Economy Thriving People and Communities A Safety Net</p>
<p><b>The county council's role in delivering this ambition:</b> Providing Community Leadership Working in Partnership Helping People to Help Themselves</p>

**What We Do**

Children, Education and Families	Social and Community Services	Public Health	Economy and Environment	Chief Executive's Office
<p>Services include:</p> <ul style="list-style-type: none"> <li>Children's Social Services</li> <li>Education Services</li> <li>Early Intervention Service/Thriving Families</li> </ul>	<p>Services include:</p> <ul style="list-style-type: none"> <li>Social Care for Adults and Older People</li> <li>Fire and Rescue Service</li> <li>Emergency Planning</li> <li>Trading Standards</li> <li>Safer Communities</li> <li>Gypsy and Traveller Service</li> </ul>	<p>Services include:</p> <ul style="list-style-type: none"> <li>Public Health</li> <li>Health Improvement, Disease Prevention and Substance Misuse Treatment</li> <li>Health Protection and Emergency Planning</li> </ul>	<p>Services include:</p> <ul style="list-style-type: none"> <li>Economy and Skills</li> <li>Highways and Transport</li> <li>Infrastructure Planning</li> <li>Waste Management</li> <li>Property and Facilities</li> <li>Customer Services</li> </ul>	<p>Services include:</p> <ul style="list-style-type: none"> <li>Legal</li> <li>Democratic Services</li> <li>HR</li> <li>Cultural Services - including Libraries</li> <li>Finance</li> <li>Policy</li> <li>Major Programmes</li> <li>Research</li> </ul>



**OXFORDSHIRE COUNTY COUNCIL**

# **Section 3**

# **Budget Strategy and Capital Programme**

### Section 3.0 Budget Strategy and Capital Programme

- Section 3 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
3.1		Financial Strategy 2014/15 – 2017/18 (update for 2015/16)
3.2		Council tax and precepts 2015/16
3.3		Detailed Revenue budget 2015/16
3.4		Medium Term Financial Plan (MTFP) 2015/16 – 2017/18
3.5		Variations to the MTFP
	3.5.1	Changes to the budget proposals since 27 January 2015
3.6		Dedicated Schools Grant provisional allocation 2015/16
3.7		Virement rules for 2015/16
3.8		Balances and reserves
	3.8.1	2015/16 risk assessment for level of balances
	3.8.2	Summary of balances and reserves
3.9		Capital programme 2014/15 – 2018/19
	3.9.1	Highways Structural Maintenance Programme 2015/16 and 2016/17
3.10		Treasury management strategy statement and annual investment strategy for 2015/16 (including prudential indicators and minimum revenue provision policy statement)

## **Financial Strategy 2014/15 – 2017/18 Updated for 2015/16**

### **1. Introduction**

The Financial Strategy sets out how the Council intends to finance its services and priorities and the principles upon which the medium term financial plan and the capital programme are based.

The Financial Strategy was fully revised and updated during the 2014/15 Service & Resource Planning round to coincide with the new administration and to incorporate the Capital Strategy, previously treated as a separate document. Given the proposal to continue with the existing medium term financial plan, making limited adjustments where necessary, the existing Financial Strategy has been refreshed.

### **2. Corporate Plan**

The Service & Resource Planning process ensures the medium term financial plan (MTFP), capital programme and directorate business strategies reflect the Council's objectives and priorities set out in the corporate plan.

The corporate plan is revised every year and the current version for 2014/15 to 2017/18 was agreed by Council in April 2014. It outlines our overall goal of achieving a 'Thriving Oxfordshire' and sets out how we are working towards that goal.

### **3. Financial Planning**

The medium term financial plan aligns available revenue funding with the delivery of services through the Service & Resource Planning process. Our financial planning reflects:

- The reducing level of financial support from Government and consequential revenue savings required over the medium term
- The allocation of resources to meet statutory service requirements and key strategic priorities
- The use of one-off income to meet one-off pressures or priorities, or to help address an adverse cash flow position in the MTFP (where planned pressures exceed planned savings in the short-term)
- Our commitment to council tax payers
- Our on-going commitment to achieve efficiencies to ensure improved value for money

### **4. Use of grant funding**

- The use of general grant funding for both revenue and capital will be maximised.
- Where grant bids are required, these need to demonstrate how they meet the Council's key objectives and priorities.
- Exit strategies are required for grant bids and time-limited grants.

- Directorates will be required to meet any reductions in ring-fenced grant funding, through cessation of projects/services or additional savings.

## 5. Balance sheet management

The Council actively manages its debtors and creditors position to reduce the demand for working capital using the following targets:

- Debtors – we will clear 97% of non-care debtors and unsecured care debtors within 90 days. Days revenue outstanding for non-care debts will be kept to 33 days or below, with a target of 62 days for care debts.
- Creditors – we will pay 97.5% of all undisputed invoices within their normal payment terms. The Council's standard payment terms are 14 days for small and medium size enterprises (SMEs), otherwise 28 days.

## 6. Balances and Reserves

- Balances will be maintained at a level commensurate with identified risks, based on an annual risk assessment. The risks reflect unforeseen overspendings, unexpected events and emergencies such as severe weather, potential liabilities and uncertainties over the future level of funding.
- Any income which is fortuitous to the Council will be used to meet priorities, help address an adverse cash flow position in the MTFP or otherwise be added to balances.
- Revenue reserves will be held for specified purposes only and reviewed on an annual basis as part of the Service & Resource Planning process.
- New revenue reserves require approval by the Cabinet.

## 7. Capital Strategy

The capital strategy provides a framework for the development of the capital programme and ensures that the use of limited capital resources accords with the Council's objectives and priorities as set out in the Corporate Plan. The latter is achieved by having asset management plans for the two main areas of asset holding:

- The Asset Management Plan sets out the future direction for managing the Council's property assets and provides a strategic approach to securing operational and financial benefits of the property estate. It reflects the changing needs of the property portfolio as the Council moves from being a service provider to a commissioner of services.
- The Transport Asset Management Plan sets out the prioritisation for investment in highway infrastructure including roads, footways, bridges, street lighting and drainage, based on an assessment of need, and incorporates the Local Transport Plan.

The Council's limited capital resources are managed effectively by:

- Allocating capital resources in line with corporate objectives and priorities and considering what outcomes can be achieved by a particular project and how effectively it uses corporate capital resources.
- Using capital resources prudently and flexibly in line with the agreed capital funding strategies to ensure their affordability, longevity and sustainability.
- Providing contingencies across the capital programme to manage the resources pressure arising from housing growth and uncertainties related to on-going service transformations.

Our principles for prioritising capital investment are to:

- comply with our statutory duties;
- improve the efficient and effective delivery of our services; and
- promote economic growth.

This gives the following **capital investment priorities**:

**Priority 1:** projects which enable compliance with our legal/ statutory duties including projects which address any infrastructure deficits related to statutory compliance.

**Priority 2:** projects which maximise leverage from external partnerships and bodies (e.g. Local Growth Board) in order to deliver agreed infrastructure priorities.

**Priority 3:** projects where a major proportion is funded from developer contributions, Community Infrastructure Levy, grant or revenue contributions.

**Priority 4:** projects that facilitate economic development and housing growth but require the majority of funding to be met from the Council.

**Priority 5:** projects that address cross-cutting issues, facilitate joint-working with partners or generate new/ additional income.

**Priority 6:** other projects.

Invest to save schemes which generate sufficient revenue savings to cover the cost of capital within at least 10 years, or are self-financed through prudential borrowing will be considered on a case by case basis alongside other bids which are subject to prioritisation.

Schemes below a certain financial threshold value will be assessed as part of an overall programme rather than individually.

**Capital resource allocations** are considered corporately on the following basis:

- Central government capital allocations and grants issued as “not ring-fenced” will be allocated in line with the Council’s priorities based on this capital strategy and the underpinning asset management plans. Ring-fenced or earmarked funding received from central government will be used for the purposes for which it is issued in line with grant/allocation conditions.

- Capital receipts will be treated as a corporate resource and not ring-fenced to the originating service. The Council seeks to maximise capital receipts from the disposal of surplus land and buildings, unless another option gives greater overall benefit.
- Prudential borrowing will be used to fund invest-to-save schemes, where the cost of borrowing is met from future revenue savings by services; or capital investment where the Council has a significant unmet capital need, in which case the cost of borrowing is met corporately. The application of prudential borrowing must be in line with the requirements of the Prudential Code.
- The Council will try wherever possible to influence investment through the targeted use of its limited capital resources to lever in external funding and project specific grants where these meet the Council's priorities and objectives. Any external resources, once secured, will be used for the purposes for which they are issued as per the guidance and conditions determined by funding providers. The Council will evaluate long-term implications of accepting any external funding provision, in particular any impact on the revenue budget and such projects only proceed if they are affordable and demonstrate value for money. This includes working within the broader context (such as the Local Growth Board) to align available funding streams.
- The Council will be proactive in ensuring, as far as possible, that all additional capital investment needs arising from new developments are funded from developer contributions, however it is recognised that this is unlikely to meet the scale of infrastructure investment provision needed to respond to the identified level of growth.
- The Community Infrastructure Levy (CIL) is likely to come into full operation across Oxfordshire from April 2015. This levy based mechanism is a contribution from all new development towards the cost of infrastructure. Developer contributions will still apply for site specific infrastructure required to mitigate the impact of a specific development. As the Charging Authorities will be the District Councils in Oxfordshire, the County Council will need to seek an agreement with each Charging Authority the contribution from CIL towards the cost of services and infrastructure which it provides.
- The Council will consider alternative funding models (such as Public Private Partnerships, Private Finance Initiative, Local Asset Backed Vehicles, Tax Increment Financing and Local Authority Bonds) to address potential future funding requirements, subject to full evaluation of requirements.

In financing the capital programme the first calls on capital resources will be external funding (including developer contributions). This is followed by grants & contributions, supported borrowing and capital receipts and reserves. The final calls, where necessary, will be on prudential borrowing.

In order to respond effectively to unforeseen capital pressures and to accommodate possible changes in the capital resources position, a 3% **contingency** is built into capital programme planning assumptions. This provision and other capital programme contingencies are managed corporately



and reviewed on a regular basis based on the risks associated with the overall programme.

## **8. Managing our Resources Effectively**

- Financial management roles and responsibilities are transparent and embedded across Directorates.
- Financial literacy is actively promoted throughout the organisation.
- Appropriate systems and processes are in place to ensure effective in-year financial monitoring of revenue and capital and delivery of business strategies.
- Effective financial controls are in place in all areas of financial management, risk management and asset control.
- Financial Procedure Rules, Contract Procedure Rules and Financial Regulations are regularly reviewed and updated, providing a sound basis for financial governance.

## **9. Arrangements for carrying forward revenue budget under/overspends**

- Revenue overspends will be the first call against any underspends within a directorate. Where overspends cannot be offset by underspends, they will be carried forward into the following year and a clear plan for their recovery will be required.
- Revenue underspends not needed to offset overspends will be placed in corporate reserves to support the MTFP.
- The Cabinet may agree to the carry forward of a revenue underspend for a specific purpose on an exceptional basis.

## **10. Related Strategies**

The Financial Strategy is underpinned by more detailed strategies for particular areas, including the Treasury Management Strategy, the Annual Investment Strategy and the Procurement Strategy.

- The Treasury Management Strategy sets out the Council's strategy for borrowing to ensure its capital investment plans are affordable, prudent and sustainable.
- 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.
- The Procurement Strategy sets out how we achieve value for money and efficiencies in our procurement of goods and services, supplier relationship management and contract management.

## Council Tax and Precepts 2015/16

### Council Tax Data

1. In order to set its budget for 2015/16, 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 **£288,252,933** as shown in the proposed Medium Term Financial Plan (Section 3.4) the calculation of the Band D Council Tax for 2015/16 is as follows:

### Council Tax Calculation 2015/16

	£m
County Council net expenditure after specific grants	424.543
Less: Revenue Support Grant	-62.305
Business Rates Top Up	-37.085
Non-Domestic Rating Income	-29.428
Collection Fund Adjustments	-7.472
<b>Council Tax Requirement (R)</b>	<b>288.253</b>
Council Tax Base (assuming losses on collection) (T)	233,884
<b>Band D Council Tax (R/T)</b>	<b>£1,232.46</b>

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 £1,232.46, the council tax for other bands is as follows:

Property Band	Property Values	Band D Proportion	2015/16 £ p
A	Up to £40,000	6/9	821.64
B	Over £40,000 and up to £52,000	7/9	958.58
C	Over £52,000 and up to £68,000	8/9	1,095.52
D	Over £68,000 and up to £88,000	9/9	1,232.46
E	Over £88,000 and up to £120,000	11/9	1,506.34
F	Over £120,000 and up to £160,000	13/9	1,780.22
G	Over £160,000 and up to £320,000	15/9	2,054.10
H	Over £320,000	18/9	2,464.92

Table 2

### Allocation of Precept to Districts

The County Council precept (£288,252,933) is the sum of the council tax income required to fund the Council's budget.

District Council	Tax Base Number	Assumed Precept Due
		£
Cherwell	48,253.00	59,469,892.38
Oxford City	42,658.70	52,575,141.40
South Oxfordshire	54,233.60	66,840,742.66
Vale of White Horse	47,563.10	58,619,618.23
West Oxfordshire	41,175.81	50,747,538.79
<b>TOTAL</b>	<b>233,884.21</b>	<b>288,252,933.46</b>

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 2015.

Section 3.3

# Detailed Revenue Budget 2015/16

February 2015

**Draft Revenue Budget 2015/16  
Summary**

		<b>Budget 2014/15</b>	<b>Permanent Virements Agreed in 2014/15</b>	<b>Inflation</b>	<b>Function and Funding Changes</b>	<b>Previously Agreed Budget Changes</b>	<b>New Pressures &amp; Savings</b>	<b>Proposed Virements</b>	<b>Budget 2015/16</b>
		£000	£000	£000	£000	£000	£000	£000	£000
<b>Children, Education &amp; Families</b>	Expenditure	444,982	-24,158	502	-2,847	-924	4,692	-2,960	419,287
	Recharge Income	-1,576	751	0	0	0	0	-110	-935
	DSG income (*)	-292,502	24,237	0	1,891	0	0	3,730	-262,644
	Grant income	-21,057	-2,828	0	0	0	0	1,244	-22,641
	Other Income	-27,229	1,272	-1	0	0	0	-60	-26,018
		<b>102,618</b>	<b>-726</b>	<b>501</b>	<b>-956</b>	<b>-924</b>	<b>4,692</b>	<b>1,844</b>	<b>107,049</b>
<b>Social &amp; Community Services</b>	Expenditure	245,292	2,488	1,063	-16,503	-3,179	2,527	-1,993	229,695
	Recharge Income	-8,627	-2,227	0	0	0	0	-38	-10,892
	Grant income	0	0	0	0	0	0	0	0
	Other Income	-21,941	-41	-41	19,985	-8,070	-94	147	-10,055
		<b>214,724</b>	<b>220</b>	<b>1,022</b>	<b>3,482</b>	<b>-11,249</b>	<b>2,433</b>	<b>-1,884</b>	<b>208,748</b>
<b>Environment &amp; Economy</b>	Expenditure	177,686	-1,000	2,316	0	-9,898	279	2,505	171,888
	Recharge Income	-74,891	304	0	0	0	-250	3,462	-71,375
	Grant income	-5,449	-104	0	0	0	0	-2,770	-8,323
	Other Income	-15,814	1,056	-185	0	-230	-558	122	-15,609
		<b>81,532</b>	<b>256</b>	<b>2,131</b>	<b>0</b>	<b>-10,128</b>	<b>-529</b>	<b>3,319</b>	<b>76,581</b>
<b>Chief Executive's Office (including Cultural Services)</b>	Expenditure	34,978	2,821	179	0	-210	-1,005	-2,734	34,029
	Recharge Income	-10,883	-275	0	0	0	0	1,606	-9,552
	Grant income	0	-642	0	0	0	0	-50	-692
	Other Income	-3,347	-1,397	-57	0	-70	-200	79	-4,992
		<b>20,748</b>	<b>507</b>	<b>122</b>	<b>0</b>	<b>-280</b>	<b>-1,205</b>	<b>-1,099</b>	<b>18,793</b>
<b>Public Health</b>	Expenditure	26,846	-156	0	4,333	0	0	0	31,023
	Recharge Income	-493	66	0	0	0	0	0	-427
	Grant income	-26,086	0	0	-4,333	0	0	0	-30,419
	Other Income	-267	90	0	0	0	0	0	-177
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Strategic Measures and Contributions to/from Reserves</b>	Expenditure	44,458	-257	0	0	2,981	0	-13,301	33,881
	Recharge Income	-2,581	0	0	0	-866	0	794	-2,653
	Grant income	-14,832	0	0	-390	-555	0	0	-15,777
	Other Income	-16,384	0	0	0	337	0	13,968	-2,079
		<b>10,661</b>	<b>-257</b>	<b>0</b>	<b>-390</b>	<b>1,897</b>	<b>0</b>	<b>1,461</b>	<b>13,372</b>
<b>Net Operating Budget</b>		<b>430,283</b>	<b>0</b>	<b>3,776</b>	<b>2,136</b>	<b>-20,684</b>	<b>5,391</b>	<b>3,641</b>	<b>424,543</b>

**Draft Revenue Budget 2015/16  
Summary**

		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
		£000	£000	£000	£000	£000	£000	£000	£000
<b>General Government Grant</b>	Grant income	-117,013	0	0	0	0	0	17,623	-99,390
<b>Business Rates from District Councils</b>	Other Income	-28,607	0	0	0	0	0	-821	-29,428
<b>Collection Fund Surpluses/Deficits</b>	Other Income	-6,929	0	0	0	0	0	-543	-7,472
<b>COUNCIL TAX REQUIREMENT</b>		<b>277,734</b>	<b>0</b>	<b>3,776</b>	<b>2,136</b>	<b>-20,684</b>	<b>5,391</b>	<b>19,900</b>	<b>288,253</b>
	<b>Expenditure</b>	<b>974,242</b>	<b>-20,262</b>	<b>4,060</b>	<b>-15,017</b>	<b>-11,230</b>	<b>6,493</b>	<b>-18,483</b>	<b>919,803</b>
	<b>Recharge Income</b>	<b>-99,051</b>	<b>-1,381</b>	<b>0</b>	<b>0</b>	<b>-866</b>	<b>-250</b>	<b>5,714</b>	<b>-95,834</b>
	<b>DSG income (*)</b>	<b>-292,502</b>	<b>24,237</b>	<b>0</b>	<b>1,891</b>	<b>0</b>	<b>0</b>	<b>3,730</b>	<b>-262,644</b>
	<b>Grant income</b>	<b>-184,437</b>	<b>-3,574</b>	<b>0</b>	<b>-4,723</b>	<b>-555</b>	<b>0</b>	<b>16,047</b>	<b>-177,242</b>
	<b>Other Income</b>	<b>-120,518</b>	<b>980</b>	<b>-284</b>	<b>19,985</b>	<b>-8,033</b>	<b>-852</b>	<b>12,892</b>	<b>-95,830</b>
<b>COUNCIL TAX REQUIREMENT</b>		<b>277,734</b>	<b>0</b>	<b>3,776</b>	<b>2,136</b>	<b>-20,684</b>	<b>5,391</b>	<b>19,900</b>	<b>288,253</b>

(\*) Notes

1. DSG = Dedicated Schools Grant.
2. The DSG and grant income budgets reflect the latest estimates for grant allocations in 2015/16. For CEF further changes will be required to reflect revised pupil numbers and academy conversions.
3. The presentation of the directorate pages has been updated to reflect a technical change to non-negotiable support service recharges and Corporate and Democratic Core to show more clearly the budgets controllable by directorates

References to the "Service and Resource Planning: Service Analysis 2014/15" publication have been added throughout this document to show the movement from 2014/15 to 2015/16.

**Draft Revenue Budget 2015/16**  
**Children, Education & Families**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
<b>CEF1</b>	<b>CEF1</b>	<b><u>EDUCATION &amp; EARLY INTERVENTION</u></b>									
CEF1-1	CEF1-1	Management & Central Costs (including admin)	expenditure recharge Income DSG income grant income income	12,417 0 -424 0 0	-39 0 0 0 0	33 0 0 0 0	0 0 0 0 0	0 0 0 0 0	-463 0 0 0 0	-8,988 0 0 0 0	2,960 0 -424 0 0
				11,993	-39	33	0	0	-463	-8,988	2,536
CEF1-2	CEF1-2	Additional & Special Educational Needs	expenditure recharge Income DSG income grant income income	30,632 -111 -27,718 0 -532	1,897 -2 -1,784 0 -111	25 0 0 0 0	-443 0 -16 0 0	0 0 0 0 0	0 0 0 0 0	791 0 -765 0 0	32,902 -113 -30,283 0 -643
				2,271	0	25	-459	0	0	26	1,863
CEF1-3	CEF1-3	Early Intervention	expenditure recharge Income DSG income grant income income	19,750 -53 -2,430 0 -410	-100 0 0 0 36	97 0 0 0 0	100 0 0 0 0	-499 0 0 0 0	-1,006 0 0 0 0	-251 0 0 0 0	18,091 -53 -2,430 0 -374
				16,857	-64	97	100	-499	-1,006	-251	15,234
CEF1-4	CEF1-4	Education	expenditure recharge Income DSG income grant income income	14,128 -875 -6,646 -1,307 -3,103	-3,132 263 590 642 1,347	28 0 0 0 0	-204 0 204 0 0	-175 0 0 0 0	-2 0 0 0 0	-823 -106 1,043 0 -74	9,820 -718 -4,809 -665 -1,830
				2,197	-290	28	0	-175	-2	40	1,798

**Draft Revenue Budget 2015/16**  
**Children, Education & Families**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
CEF1-5	CEF1-5	School Organisation & Planning (Including Home to School Transport recharge)	expenditure	21,344	-189	5	0	0	0	-721	20,439
			recharge Income	-8	-126	0	0	0	0	-4	-138
			DSG income	-6,189	0	0	0	0	0	1,021	-5,168
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				15,147	-315	5	0	0	0	296	15,133
		<b>SUBTOTAL EDUCATION &amp; EARLY INTERVENTION</b>		<b>48,465</b>	<b>-708</b>	<b>188</b>	<b>-359</b>	<b>-674</b>	<b>-1,471</b>	<b>-8,877</b>	<b>36,564</b>
<b>CEF2</b>	<b>CEF2</b>	<b><u>CHILDREN'S SOCIAL CARE</u></b>									
CEF2-1	CEF2-1	Management & Central Costs (including admin and support service recharges)	expenditure	7,919	-369	31	0	0	-165	-3,647	3,769
			recharge Income	-37	0	0	0	0	0	0	-37
			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
				7,882	-369	31	0	0	-165	-3,647	3,732
CEF2-2	CEF2-2	Corporate Parenting	expenditure	14,953	130	89	-597	0	896	-98	15,373
			recharge Income	-60	0	0	0	0	0	0	-60
			DSG income	0	0	0	0	0	0	0	0
			grant income	-180	0	0	0	0	0	180	0
			income	-48	0	0	0	0	0	0	-48
				14,665	130	89	-597	0	896	82	15,265
CEF2-3	CEF2-3	Social Care	expenditure	19,724	317	89	0	-200	5,449	2,926	28,305
			recharge Income	-369	0	0	0	0	0	0	-369
			DSG income	-1,770	0	0	0	0	0	0	-1,770
			grant income	-800	50	0	0	0	0	-109	-859
			income	-300	0	-1	0	0	0	0	-301
				16,485	367	88	0	-200	5,449	2,817	25,006
CEF2-4	CEF2-4	Safeguarding	expenditure	1,159	1	9	0	0	-2	11	1,178
			recharge Income	-53	0	0	0	0	0	0	-53
			DSG income	-64	0	0	0	0	0	0	-64
			grant income	0	0	0	0	0	0	0	0
			income	-94	0	0	0	0	0	0	-94
				948	1	9	0	0	-2	11	967



**Draft Revenue Budget 2015/16**  
**Children, Education & Families**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
CEF2-5	CEF2-5	Services for Disabled Children	expenditure	6,956	-147	36	0	0	-2	410	7,253
			recharge Income	-10	0	0	0	0	0	0	-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
				6,946	-147	36	0	0	-2	410	7,243
CEF2-6	CEF2-6	Youth Offending Service	expenditure	1,504	106	14	0	-50	-2	-60	1,512
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	0	0
			grant income	-636	-112	0	0	0	0	68	-680
			income	-347	0	0	0	0	0	14	-333
				521	-6	14	0	-50	-2	22	499
		<b>SUBTOTAL CHILDREN'S SOCIAL CARE</b>		<b>47,447</b>	<b>-24</b>	<b>267</b>	<b>-597</b>	<b>-250</b>	<b>6,174</b>	<b>-305</b>	<b>52,712</b>
<b>CEF3</b>	<b>CEF3</b>	<b><u>CHILDREN, EDUCATION &amp; FAMILIES</u></b> <b><u>(CEF) CENTRAL COSTS</u></b>									
CEF3-1	CEF3-1	Management, Admin & Central Support Service Recharges	expenditure	845	0	4	0	0	-1	-361	487
			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
				845	0	4	0	0	-1	-361	487
CEF3-2	CEF3-2	Premature Retirement Compensation (PRC)	expenditure	3,822	0	38	0	0	0	56	3,916
			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
				3,822	0	38	0	0	0	56	3,916



**Draft Revenue Budget 2015/16**  
**Children, Education & Families**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
CEF4-5	CEF4-5	Capitalised Repairs & Maintenance	expenditure	3,728	0	0	0	0	0	-561	3,167
			recharge Income	0	0	0	0	0	0	0	0
			DSG income	-3,728	0	0	0	0	0	561	-3,167
			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
		<b>SUBTOTAL SCHOOLS</b>		<b>534</b>	<b>6</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>-10</b>	<b>6</b>	<b>540</b>
			expenditure	444,982	-24,158	502	-2,847	-924	4,692	-18,601	403,646
			recharge Income	-1,576	751	0	0	0	0	-110	-935
			DSG income	-292,502	24,237	0	1,891	0	0	8,046	-258,328
			grant income	-21,057	-2,828	0	0	0	0	1,244	-22,641
			income	-27,229	1,272	-1	0	0	0	-60	-26,018
		<b>BUDGET CONTROLLABLE BY DIRECTORATE</b>		<b>102,618</b>	<b>-726</b>	<b>501</b>	<b>-956</b>	<b>-924</b>	<b>4,692</b>	<b>-9,481</b>	<b>95,724</b>
		Non Negotiable Support Service Recharges	support service recharge expenditure	0	0	0	0	0	0	15,641	15,641
			support service recharge income	0	0	0	0	0	0	0	0
			DSG income	0	0	0	0	0	0	-4,316	-4,316
			grant income	0	0	0	0	0	0	0	0
		<b>TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,325</b>	<b>11,325</b>
			expenditure	444,982	-24,158	502	-2,847	-924	4,692	-2,960	419,287
			recharge Income	-1,576	751	0	0	0	0	-110	-935
			DSG income	-292,502	24,237	0	1,891	0	0	3,730	-262,644
			grant income	-21,057	-2,828	0	0	0	0	1,244	-22,641
			income	-27,229	1,272	-1	0	0	0	-60	-26,018
		<b>DIRECTORATE TOTAL</b>		<b>102,618</b>	<b>-726</b>	<b>501</b>	<b>-956</b>	<b>-924</b>	<b>4,692</b>	<b>1,844</b>	<b>107,049</b>

**Draft Revenue Budget 2015/16**  
**Social & Community Services**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
<b>SCS1</b>	<b>SCS1</b>	<b>ADULT SOCIAL CARE</b>									
SCS1-1	SCS1-1	<u>Older People</u>									
SCS1-1E, SCS1-1A	SCS1-1E, SCS1-1A	Pooled Budget Contributions	Expenditure	92,256	261	695	-17,734	-2,390	-1,834	1	71,255
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				92,256	261	695	-17,734	-2,390	-1,834	1	71,255
SCS1-1BCD	SCS1-1BCD	Income	Expenditure	0	257	0	1,287	0	-200	-1,287	57
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	-11,985	0	0	19,985	-8,000	0	0	0
				-11,985	257	0	21,272	-8,000	-200	-1,287	57
		<b>Subtotal Older People</b>		<b>80,271</b>	<b>518</b>	<b>695</b>	<b>3,538</b>	<b>-10,390</b>	<b>-2,034</b>	<b>-1,286</b>	<b>71,312</b>
SCS1-2	SCS1-2	Learning Disabilities									
SCS1-2ABDE	SCS1-2ABDE	Learning Disabilities Non Pool Services	Expenditure	6,065	811	59	0	0	-135	-3	6,797
			Recharge Income	-5,828	-577	0	0	0	0	0	-6,405
			Other income	-5,409	-72	0	0	0	0	0	-5,481
				-5,172	162	59	0	0	-135	-3	-5,089
SCS1-2C	SCS1-2C	Pooled Budget Contribution	Expenditure	67,677	408	0	0	600	5,268	0	73,953
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				67,677	408	0	0	600	5,268	0	73,953
		<b>Subtotal Learning Disabilities</b>		<b>62,505</b>	<b>570</b>	<b>59</b>	<b>0</b>	<b>600</b>	<b>5,133</b>	<b>-3</b>	<b>68,864</b>
SCS1-3	SCS1-3	Mental Health									
SCS1-3A	SCS1-3A	Non-Pool Services	Expenditure	2,568	-1,718	0	0	0	0	0	850
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				2,568	-1,718	0	0	0	0	0	850

**Draft Revenue Budget 2015/16**  
**Social & Community Services**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
SCS1-3B	SCS1-3B	Pooled Budget Contributions	Expenditure	6,470	1,940	0	-89	0	0	-209	8,112
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	-263	0	0	0	0	0	210	-53
				6,207	1,940	0	-89	0	0	1	8,059
		<b>Subtotal Mental Health</b>		<b>8,775</b>	<b>222</b>	<b>0</b>	<b>-89</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>8,909</b>
SCS1-4	SCS1-4	Services For All Client Groups									
SCS1-4A-M	SCS1-4A-M	Services For All Client Groups	Expenditure	5,831	528	35	8	0	-85	0	6,317
			Recharge Income	-264	-1,818	0	0	0	0	0	-2,082
			Grant income	0	0	0	0	0	0	0	0
			Other income	-1,343	43	-26	0	0	0	0	-1,326
				4,224	-1,247	9	8	0	-85	0	2,909
SCS1-4I	SCS1-4I	Housing Related Support	Expenditure	3,893	0	0	0	-1,000	0	0	2,893
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				3,893	0	0	0	-1,000	0	0	2,893
		<b>Subtotal Services for All Client Groups</b>		<b>8,117</b>	<b>-1,247</b>	<b>9</b>	<b>8</b>	<b>-1,000</b>	<b>-85</b>	<b>0</b>	<b>5,802</b>
SCS1-5	SCS1-5	Physical Disabilities									
SCS1-5A	SCS1-5A	Pooled Budget Contribution	Expenditure	11,903	224	0	0	-100	0	0	12,027
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				11,903	224	0	0	-100	0	0	12,027
SCS1-5B	SCS1-5B	Income	Expenditure	0	0	0	0	0	0	0	0
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	-657	0	0	0	0	0	0	-657
				-657	0	0	0	0	0	0	-657
		<b>Subtotal Physical Disabilities</b>		<b>11,246</b>	<b>224</b>	<b>0</b>	<b>0</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>11,370</b>

**Draft Revenue Budget 2015/16**  
**Social & Community Services**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
SCS1-6	SCS1-6	<b>Adult Social Care Recharges</b>									
SCS1-6	SCS1-6	Adult Social Care Recharges	Expenditure	9,435	0	1	0	0	0	-9,291	145
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				9,435	0	1	0	0	0	-9,291	145
		<b>Subtotal Adult Social Care Recharges</b>		<b>9,435</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-9,291</b>	<b>145</b>
		<b>SUBTOTAL ADULT SOCIAL CARE</b>		<b>180,349</b>	<b>287</b>	<b>764</b>	<b>3,457</b>	<b>-10,890</b>	<b>3,014</b>	<b>-10,579</b>	<b>166,402</b>
<b>SCS2</b>	<b>SCS3</b>	<b><u>JOINT COMMISSIONING</u></b>									
SCS2-1 to SCS2-5	SCS3-1 to SCS3-5	Joint Commissioning	Expenditure	8,286	-196	60	25	0	-135	-1,321	6,719
			Recharge Income	-2,531	168	0	0	0	0	-38	-2,401
			Other income	-162	-11	-3	0	0	-89	-61	-326
				5,593	-39	57	25	0	-224	-1,420	3,992
SCS2-6	SCS3-6	Oxfordshire Support Fund	Expenditure	444	0	0	0	0	0	0	444
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				444	0	0	0	0	0	0	444
		<b>SUBTOTAL JOINT COMMISSIONING</b>		<b>6,037</b>	<b>-39</b>	<b>57</b>	<b>25</b>	<b>0</b>	<b>-224</b>	<b>-1,420</b>	<b>4,436</b>
		<b>TOTAL ADULT SOCIAL CARE AND JOINT COMMISSIONING</b>		<b>186,386</b>	<b>248</b>	<b>821</b>	<b>3,482</b>	<b>-10,890</b>	<b>2,790</b>	<b>-11,999</b>	<b>170,838</b>

**Draft Revenue Budget 2015/16  
Social & Community Services**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
<b>SCS3</b>	<b>SCS2</b>	<b><u>COMMUNITY SAFETY AND FIRE AND RESCUE</u></b>									
	SCS2-1	<b><u>COMMUNITY SAFETY</u></b>									
		Safer Communities <i>(service disbanded and budget moved to SCS3-3)</i>	Expenditure	698	-35	2	0	-194	39	-510	0
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	-413	35	0	0	0	0	378	0
				285	0	2	0	-194	39	-132	0
SCS3-1	SCS2-2	Gypsy & Traveller Services	Expenditure	1,050	-2	4	0	0	-9	-93	950
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	-1,050	0	-2	0	0	0	1	-1,051
				0	-2	2	0	0	-9	-92	-101
SCS3-2	SCS2-3	Trading Standards	Expenditure	2,387	36	16	0	-30	-126	-40	2,243
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	-196	-36	-2	0	-20	-5	-381	-640
				2,191	0	14	0	-50	-131	-421	1,603
		<b>TOTAL COMMUNITY SAFETY</b>		<b>2,476</b>	<b>-2</b>	<b>18</b>	<b>0</b>	<b>-244</b>	<b>-101</b>	<b>-645</b>	<b>1,502</b>
<b>SCS4</b>	<b>SCS4</b>	<b><u>FIRE AND RESCUE &amp; EMERGENCY PLANNING</u></b>									
SCS4-1	SCS4-1	Fire & Rescue Service	Expenditure	25,954	-24	189	0	-65	-250	-2,972	22,832
			Recharge Income	-4	0	0	0	0	0	0	-4
			Other income	-463	0	-8	0	-50	0	0	-521
				25,487	-24	181	0	-115	-250	-2,972	22,307
SCS4-2	SCS4-2	Emergency Planning	Expenditure	375	-2	2	0	0	-6	-97	272
			Recharge Income	0	0	0	0	0	0	0	0
			Other income	0	0	0	0	0	0	0	0
				375	-2	2	0	0	-6	-97	272
		<b>TOTAL FIRE AND RESCUE &amp; EMERGENCY PLANNING</b>		<b>25,862</b>	<b>-26</b>	<b>183</b>	<b>0</b>	<b>-115</b>	<b>-256</b>	<b>-3,069</b>	<b>22,579</b>
		<b>TOTAL COMMUNITY SAFETY AND FIRE AND RESCUE</b>		<b>28,338</b>	<b>-28</b>	<b>201</b>	<b>0</b>	<b>-359</b>	<b>-357</b>	<b>-3,714</b>	<b>24,081</b>

**Draft Revenue Budget 2015/16  
Social & Community Services**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15 £000	Permanent Virements Agreed in 2014/15 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2015/16 £000
			Expenditure	245,292	2,488	1,063	-16,503	-3,179	2,527	-15,822	215,866
			Recharge Income	-8,627	-2,227	0	0	0	0	-38	-10,892
			Grant income	0	0	0	0	0	0	0	0
			Other Income	-21,941	-41	-41	19,985	-8,070	-94	147	-10,055
		<b>BUDGET CONTROLLABLE BY DIRECTORATE</b>		<b>214,724</b>	<b>220</b>	<b>1,022</b>	<b>3,482</b>	<b>-11,249</b>	<b>2,433</b>	<b>-15,713</b>	<b>194,919</b>
		Non Negotiable Support Service Recharges	support service recharge income	0	0	0	0	0	0	13,829	13,829
			support service recharge income	0	0	0	0	0	0	0	0
			Grant income	0	0	0	0	0	0	0	0
			Other Income	0	0	0	0	0	0	0	0
		<b>TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,829</b>	<b>13,829</b>
			Expenditure	245,292	2,488	1,063	-16,503	-3,179	2,527	-1,993	229,695
			Recharge Income	-8,627	-2,227	0	0	0	0	-38	-10,892
			Grant income	0	0	0	0	0	0	0	0
			Other Income	-21,941	-41	-41	19,985	-8,070	-94	147	-10,055
		<b>DIRECTORATE TOTAL</b>		<b>214,724</b>	<b>220</b>	<b>1,022</b>	<b>3,482</b>	<b>-11,249</b>	<b>2,433</b>	<b>-1,884</b>	<b>208,748</b>

The Pooled Budget Memorandum Accounts for Older People, Learning Disabilities and Physical Disabilities will be included in the published budget book once the Oxfordshire Clinical Commissioning Group (OCCG) contributions have been finalised.

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.



**Draft Revenue Budget 2015/16**  
**Environment & Economy**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15 £000	Permanent Virements Agreed in 2014/15 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2015/16 £000
<b>EE1</b>	<b>EE1</b>	<b><u>STRATEGY &amp; INFRASTRUCTURE</u></b>									
EE1-1 to EE1-4	EE1-1 to EE1-5	Strategy & Infrastructure	expenditure recharge income grant income income	10,628 -728 -535 -1,157	-712 -41 -370 -6	56 0 0 -5	0 0 0 0	-650 0 0 0	967 -100 0 -418	690 0 -685 0	10,979 -869 -1,590 -1,586
				8,208	-1,129	51	0	-650	449	5	6,934
EE1-5	EE1-6	Flood Defence Levy	expenditure recharge income income	531 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	4 0 0	535 0 0
				531	0	0	0	0	0	4	535
EE1-6	EE1-7	Local Enterprise Partnership	expenditure recharge income grant income income	500 0 -500 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	1,290 0 -1,290 0	1,790 0 -1,790 0
				0	0	0	0	0	0	0	0
		<b>SUBTOTAL STRATEGY &amp; INFRASTRUCTURE</b>		<b>8,739</b>	<b>-1,129</b>	<b>51</b>	<b>0</b>	<b>-650</b>	<b>449</b>	<b>9</b>	<b>7,469</b>
<b>EE2</b>	<b>EE2</b>	<b><u>COMMERCIAL SERVICES</u></b>									
EE2-1	EE2-1	<b>Commercial Services Management</b> <i>(Previously called Commercial Management)</i>	expenditure recharge income income	-968 0 -95	-242 0 0	12 0 0	0 0 0	-237 0 0	890 0 0	269 0 0	-276 0 -95
<b>EE2-1</b>	<b>EE2-1</b>	<b>Subtotal Commercial Services Management</b>		<b>-1,063</b>	<b>-242</b>	<b>12</b>	<b>0</b>	<b>-237</b>	<b>890</b>	<b>269</b>	<b>-371</b>
<b>EE2-2</b>	<b>EE2-2</b>	<b>Property &amp; Procurement</b>									
EE2-21	EE2-21	Property & Procurement Management <i>(Previously called Operational Contract/Client Management)</i>	expenditure recharge income income	453 0 0	140 0 0	4 0 0	0 0 0	0 0 0	0 0 0	236 0 0	833 0 0
				453	140	4	0	0	0	236	833
EE2-22	EE2-22	Property & Facilities Management	expenditure recharge income income	21,607 -23,209 -572	1,443 -38 0	349 0 -10	0 0 0	-1,437 0 0	675 0 0	4,294 14,808 4	26,931 -8,439 -578
				-2,174	1,405	339	0	-1,437	675	19,106	17,914

**Draft Revenue Budget 2015/16**  
**Environment & Economy**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
EE2-23	EE2-23	Property Programme Office (Previously called Programme Management)	expenditure	593	0	13	0	0	0	-3	603
			recharge income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				593	0	13	0	0	0	-3	603
-	EE2-24A	Waste Management (Moved to EE2-51A)	expenditure	24,067	739	671	0	-659	500	-25,318	0
			recharge income	0	0	0	0	0	0	0	0
			income	-406	-723	-4	0	0	0	1,133	0
				23,661	16	667	0	-659	500	-24,185	0
-	EE2-24B	Supported Transport (Moved to EE2-51B)	expenditure	31,313	-2,523	363	0	-825	-100	-28,228	0
			recharge income	-17,177	2,251	0	0	0	0	14,926	0
			income	-1,414	253	-7	0	0	0	1,168	0
				12,722	-19	356	0	-825	-100	-12,134	0
-	EE2-25	Highways & Transport Contract & Performance Management (Moved to EE2-52)	expenditure	1,511	45	3	0	-100	0	-1,459	0
			recharge income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
				1,511	45	3	0	-100	0	-1,459	0
<b>EE2-2</b>	<b>EE2-2</b>	<b>Subtotal Property &amp; Procurement</b>		<b>36,766</b>	<b>1,587</b>	<b>1,382</b>	<b>0</b>	<b>-3,021</b>	<b>1,075</b>	<b>-18,439</b>	<b>19,350</b>
<b>EE2-3</b>	<b>EE2-3</b>	<b>Network &amp; Asset Management</b>									
EE2-31 to EE2-34	EE2-31 to EE2-35	Network & Asset Management (Excluding On/Off Street Parking and Park & Rides) (Previously called Network & Asset Management)	expenditure	17,293	-212	525	0	-978	-1,150	-2,333	13,145
			recharge income	0	0	0	0	0	0	0	0
			income	-985	21	-18	0	-230	0	12	-1,200
				16,308	-191	507	0	-1,208	-1,150	-2,321	11,945
EE2-35	-	Countryside & Records (Previously in EE2-31 to EE2-35 and EE2-4)	expenditure	0	0	0	0	0	0	2,252	2,252
			recharge income	0	0	0	0	0	0	-12	-12
			grant income	0	0	0	0	0	0	-242	-242
			income	0	0	0	0	0	0	-31	-31
				0	0	0	0	0	0	1,967	1,967

**Draft Revenue Budget 2015/16**  
**Environment & Economy**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
EE2-36	EE2-36	On/Off Street Parking and Park & Rides	expenditure	6,051	-1,292	91	0	0	0	0	4,850
			recharge income	0	0	0	0	0	0	0	0
			grant income	0	0	0	0	0	0	0	0
			income	-6,852	1,292	-137	0	0	-150	0	-5,847
				-801	0	-46	0	0	-150	0	-997
<b>EE2-3</b>	<b>EE2-3</b>	<b>Subtotal Network &amp; Asset Management</b>		<b>15,507</b>	<b>-191</b>	<b>461</b>	<b>0</b>	<b>-1,208</b>	<b>-1,300</b>	<b>-354</b>	<b>12,915</b>
EE2-4	EE2-4	<b>Delivery</b> <i>(Previously called Operations Delivery)</i>	expenditure	13,640	237	23	0	-389	-1,857	-1,336	10,318
			recharge income	-640	0	0	0	0	-150	12	-778
			grant income	-230	-12	0	0	0	0	242	0
			income	-221	-9	-3	0	0	-150	19	-364
<b>EE2-4</b>	<b>EE2-4</b>	<b>Subtotal Delivery</b>		<b>12,549</b>	<b>216</b>	<b>20</b>	<b>0</b>	<b>-389</b>	<b>-2,157</b>	<b>-1,063</b>	<b>9,176</b>
EE2-5	EE2-5	<b>Highways, Transport &amp; Waste</b>									
-	EE2-5	Integrated Transport Unit <i>(Moved to EE2-51B)</i>	expenditure	0	2,657	16	0	0	0	-2,673	0
			recharge income	0	-2,061	0	0	0	0	2,061	0
			grant income	0	0	0	0	0	0	0	0
			income	0	-253	0	0	0	0	253	0
				0	343	16	0	0	0	-359	0
EE2-51A	-	Waste Management <i>(Moved from EE2-24A)</i>	expenditure	0	0	0	0	0	0	25,319	25,319
			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	-1,133	-1,133
				0	0	0	0	0	0	24,186	24,186
EE2-51B	-	Supported Transport (including Integrated Transport Unit) <i>(Moved from EE2-24B and EE2-5)</i>	expenditure	0	0	0	0	0	0	31,704	31,704
			recharge income	0	0	0	0	0	0	-17,286	-17,286
			grant income	0	0	0	0	0	0	-795	-795
			income	0	0	0	0	0	0	-1,421	-1,421
				0	0	0	0	0	0	12,202	12,202
EE2-52	-	H&T Contract & Performance Mgt <i>(Moved from EE2-5)</i>	expenditure	0	0	0	0	0	0	1,451	1,451
			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
				0	0	0	0	0	0	1,451	1,451

**Draft Revenue Budget 2015/16**  
**Environment & Economy**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
				£000	£000	£000	£000	£000	£000	£000	£000
EE2-53	-	Area Stewards <i>(Moved from EE2-43)</i>	expenditure	0	0	0	0	0	0	1,362	1,362
			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
				0	0	0	0	0	0	1,362	1,362
<b>EE2-5</b>		<b>Subtotal Highways, Transport &amp; Waste</b>		<b>0</b>	<b>343</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,842</b>	<b>39,201</b>
EE2-6	-	Major Infrastructure Delivery <i>(New line to be used in year)</i>	expenditure	0	0	0	0	0	0	0	0
			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
<b>EE2-6</b>	-	<b>Subtotal Major Infrastructure Delivery</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		<b>SUBTOTAL COMMERCIAL SERVICES</b>		<b>63,759</b>	<b>1,713</b>	<b>1,891</b>	<b>0</b>	<b>-4,855</b>	<b>-1,492</b>	<b>19,255</b>	<b>80,271</b>
<b>EE3</b>	<b>EE3</b>	<b><u>OXFORDSHIRE CUSTOMER SERVICES</u></b>									
EE3-1	EE3-1	Management Team	expenditure	1,277	107	7	0	-129	-400	-412	450
			recharge income	-1,159	0	0	0	0	0	1,159	0
			income	-419	-7	0	0	0	160	59	-207
				-301	100	7	0	-129	-240	806	243
EE3-2	EE3-2	Education Support Services	expenditure	3,575	-28	0	0	0	0	-378	3,169
			recharge income	-3,178	28	0	0	0	0	0	-3,150
			income	-397	0	0	0	0	0	0	-397
				0	0	0	0	0	0	-378	-378
EE3-3	EE3-3	ICT	expenditure	16,247	-60	76	0	-2,300	159	-566	13,556
			recharge income	-15,437	325	0	0	0	0	14,138	-974
			income	-802	-325	0	0	0	0	0	-1,127
				8	-60	76	0	-2,300	159	13,572	11,455
EE3-4	EE3-4	Business Development	expenditure	9,119	143	21	0	-783	487	-5,904	3,083
			recharge income	-1,523	-71	0	0	0	0	1,246	-348
			income	0	0	0	0	0	0	0	0
				7,596	72	21	0	-783	487	-4,658	2,735
EE3-5	EE3-5	Customer Service Centre	expenditure	3,496	-41	26	0	-200	108	-428	2,961
			recharge income	-3,235	0	0	0	0	0	2,658	-577
			income	-261	-17	0	0	0	0	-1	-279
				0	-58	26	0	-200	108	2,229	2,105

**Draft Revenue Budget 2015/16**  
**Environment & Economy**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15 £000	Permanent Virements Agreed in 2014/15 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2015/16 £000
EE3-6	EE3-6	Human Resources (including Adult Learning)	expenditure	10,828	-917	27	0	-980	0	-2,489	6,469
			recharge income	-3,848	-89	0	0	0	0	3,003	-934
			grant income	-4,184	278	0	0	0	0	0	-3,906
			income	-990	475	-1	0	0	0	61	-455
				1,806	-253	26	0	-980	0	575	1,174
EE3-7	EE3-7	Operational Finance	expenditure	3,201	0	20	0	-231	0	-1,036	1,954
			recharge income	-3,273	0	0	0	0	0	3,027	-246
			income	-10	0	0	0	0	0	-1	-11
				-82	0	20	0	-231	0	1,990	1,697
EE3-8	EE3-8	Pensions, Procure to Pay (P2P)	expenditure	2,724	-484	13	0	0	0	-893	1,360
			recharge income	-1,484	0	0	0	0	0	1,467	-17
			income	-1,233	355	0	0	0	0	0	-878
				7	-129	13	0	0	0	574	465
		<b>SUBTOTAL OXFORDSHIRE CUSTOMER SERVICES</b>		<b>9,034</b>	<b>-328</b>	<b>189</b>	<b>0</b>	<b>-4,623</b>	<b>514</b>	<b>14,710</b>	<b>19,496</b>
			expenditure	177,686	-1,000	2,316	0	-9,898	279	-4,585	164,798
			recharge income	-74,891	304	0	0	0	-250	41,207	-33,630
			grant income	-5,449	-104	0	0	0	0	-2,770	-8,323
			income	-15,814	1,056	-185	0	-230	-558	122	-15,609
		<b>BUDGET CONTROLLABLE BY DIRECTORATE</b>		<b>81,532</b>	<b>256</b>	<b>2,131</b>	<b>0</b>	<b>-10,128</b>	<b>-529</b>	<b>33,974</b>	<b>107,236</b>
		Non Negotiable Support Service Recharges	expenditure	0	0	0	0	0	0	7,090	7,090
			support service recharge income	0	0	0	0	0	0	-37,745	-37,745
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		<b>TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-30,655</b>	<b>-30,655</b>
			Expenditure	177,686	-1,000	2,316	0	-9,898	279	2,505	171,888
			Recharge Income	-74,891	304	0	0	0	-250	3,462	-71,375
			Grant income	-5,449	-104	0	0	0	0	-2,770	-8,323
			Other Income	-15,814	1,056	-185	0	-230	-558	122	-15,609
		<b>DIRECTORATE TOTAL</b>		<b>81,532</b>	<b>256</b>	<b>2,131</b>	<b>0</b>	<b>-10,128</b>	<b>-529</b>	<b>3,319</b>	<b>76,581</b>

**Draft Revenue Budget 2015/16**  
**Chief Executive's Office (including Cultural Services)**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16	
				£000	£000	£000	£000	£000	£000	£000	£000	
CEO1	CEO1	Chief Executive & Business Support	expenditure	1,104	262	5	0	-130	-315	-78	848	
			recharge income	-567	0	0	0	0	0	567	0	
			income	0	0	0	0	0	0	0	0	
				537	262	5	0	-130	-315	489	848	
CEO2	CEO2	Human Resources	expenditure	2,952	251	17	0	0	-306	-173	2,741	
			recharge income	-2,806	0	0	0	0	0	2,806	0	
			income	-3	0	0	0	0	0	0	-3	
				143	251	17	0	0	-306	2,633	2,738	
CEO3	CEO3	Corporate Finance & Internal Audit	expenditure	3,951	43	34	0	0	-83	-348	3,597	
			recharge income	-3,382	0	0	0	0	0	3,095	-287	
			grant income	0	0	0	0	0	0	0	-50	
			income	-323	-43	-2	0	0	0	0	0	-368
				246	0	32	0	0	-83	2,697	2,892	
CEO4	CEO4	Law & Culture	expenditure	21,802	2,526	114	0	-63	-280	-6,192	17,907	
			recharge income	-2,758	-275	0	0	0	0	1,095	-1,938	
			grant income	0	-642	0	0	0	0	0	0	-642
			income	-3,021	-1,354	-55	0	-70	-200	79	-4,621	
				16,023	255	59	0	-133	-480	-5,018	10,706	
CEO5	CEO5	Policy	expenditure	1,508	-261	9	0	-17	-21	-302	916	
			recharge income	-1,370	0	0	0	0	0	1,370	0	
			income	0	0	0	0	0	0	0	0	
				138	-261	9	0	-17	-21	1,068	916	
CEO6	CEO6	Corporate & Democratic Core (Negotiable)	expenditure	3,661	0	0	0	0	0	-3,582	79	
			recharge income	0	0	0	0	0	0	0	0	
			income	0	0	0	0	0	0	0	0	
							3,661	0	0	0	0	-3,582
				34,978	2,821	179	0	-210	-1,005	-10,675	26,088	
				-10,883	-275	0	0	0	0	8,933	-2,225	
				0	-642	0	0	0	0	-50	-692	
				-3,347	-1,397	-57	0	-70	-200	79	-4,992	
		<b>BUDGET CONTROLLABLE BY DIRECTORATE</b>		<b>20,748</b>	<b>507</b>	<b>122</b>	<b>0</b>	<b>-280</b>	<b>-1,205</b>	<b>-1,713</b>	<b>18,179</b>	

**Draft Revenue Budget 2015/16**  
**Chief Executive's Office (including Cultural Services)**

Ref. 2015/16	Ref. 2014/15	Service Area		Budget 2014/15 £000	Permanent Virements Agreed in 2014/15 £000	Inflation £000	Function and Funding Changes £000	Previously Agreed Budget Changes £000	New Pressures & Savings £000	Proposed Virements £000	Budget 2015/16 £000
		Corporate & Democratic Core (Non Negotiable)	support service recharge expenditure	0	0	0	0	0	0	2,062	2,062
			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
		<b>CORPORATE &amp; DEMOCRATIC CORE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,062</b>	<b>2,062</b>
		Non Negotiable Support Service Recharges	support service recharge expenditure	0	0	0	0	0	0	5,879	5,879
			support service recharge income	0	0	0	0	0	0	-7,327	-7,327
			grant income	0	0	0	0	0	0	0	0
			income	0	0	0	0	0	0	0	0
		<b>TOTAL NON NEGOTIABLE SUPPORT SERVICE RECHARGES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,448</b>	<b>-1,448</b>
			expenditure	34,978	2,821	179	0	-210	-1,005	-2,734	34,029
			recharge income	-10,883	-275	0	0	0	0	1,606	-9,552
			grant income	0	-642	0	0	0	0	-50	-692
			income	-3,347	-1,397	-57	0	-70	-200	79	-4,992
		<b>DIRECTORATE TOTAL</b>		<b>20,748</b>	<b>507</b>	<b>122</b>	<b>0</b>	<b>-280</b>	<b>-1,205</b>	<b>-1,099</b>	<b>18,793</b>





**Draft Revenue Budget 2015/16**  
**Strategic Measures**

		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
		£000	£000	£000	£000	£000	£000	£000	£000
<b><u>CAPITAL FINANCING</u></b>									
Principal	Expenditure	17,023				-24		-1,402	15,597
Interest	Expenditure	18,231				-405		345	18,171
Net Interest on Balances (interest payable and receivable)	Expenditure	457						76	533
	Recharge Income	-2,581				-866		794	-2,653
	Other income	-2,424				337		8	-2,079
		-4,548	0	0	0	-529	0	878	-4,199
<b>SUBTOTAL CAPITAL FINANCING</b>		<b>30,706</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-958</b>	<b>0</b>	<b>-179</b>	<b>29,569</b>
<b>Contingency</b>	Expenditure	3,476	-257					810	4,029
<b>Pensions Past Service Deficit Funding</b>	Expenditure	830							830
<b><u>CONTRIBUTIONS TO/FROM BALANCES</u></b>									
General Balances	Expenditure	3,000				-1,000			2,000
<b>SUBTOTAL CONTRIBUTIONS TO/FROM BALANCES</b>		<b>7,306</b>	<b>-257</b>	<b>0</b>	<b>0</b>	<b>-1,000</b>	<b>0</b>	<b>810</b>	<b>6,859</b>
<b><u>CONTRIBUTIONS TO/FROM RESERVES</u></b>									
Reserves	Expenditure	491				4,410		-13,130	-8,229
	Other income	-13,960						13,960	0
		-13,469	0	0	0	4,410	0	830	-8,229
Prudential Borrowing costs	Expenditure	950							950
<b>SUBTOTAL CONTRIBUTIONS TO/FROM RESERVES</b>		<b>-12,519</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,410</b>	<b>0</b>	<b>830</b>	<b>-7,279</b>

**Draft Revenue Budget 2015/16**  
**Strategic Measures**

		Budget 2014/15	Permanent Virements Agreed in 2014/15	Inflation	Function and Funding Changes	Previously Agreed Budget Changes	New Pressures & Savings	Proposed Virements	Budget 2015/16
		£000	£000	£000	£000	£000	£000	£000	£000
<b><u>UNRINGFENCED SPECIFIC GRANT INCOME</u></b>	Grant income	-14,832			-390	-555			-15,777
<b>TOTAL UNRINGFENCED SPECIFIC GRANT INCOME</b>		<b>-14,832</b>	<b>0</b>	<b>0</b>	<b>-390</b>	<b>-555</b>	<b>0</b>	<b>0</b>	<b>-15,777</b>
Strategic Measures	Expenditure	44,458	-257	0	0	2,981	0	-13,301	33,881
	Recharge Income	-2,581	0	0	0	-866	0	794	-2,653
	Grant income	-14,832	0	0	-390	-555	0	0	-15,777
	Other income	-16,384	0	0	0	337	0	13,968	-2,079
<b>STRATEGIC MEASURES TOTAL</b>		<b>10,661</b>	<b>-257</b>	<b>0</b>	<b>-390</b>	<b>1,897</b>	<b>0</b>	<b>1,461</b>	<b>13,372</b>
<b><u>COUNCIL TAX COLLECTION FUND SURPLUSES/DEFICITS</u></b>	Other income	-6,929						-543	-7,472
<b>TOTAL COLLECTION FUND SURPLUSES/DEFICITS</b>		<b>-6,929</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-543</b>	<b>-7,472</b>
<b><u>BUSINESS RATES FROM DISTRICT COUNCILS</u></b>	Other income	-28,833						-1,501	-30,334
<b><u>BUSINESS RATES COLLECTION FUND SURPLUSES/DEFICITS</u></b>	Other income	226						680	906
<b>TOTAL BUSINESS RATES FROM DISTRICT COUNCILS</b>		<b>-28,607</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-821</b>	<b>-29,428</b>
<b><u>GENERAL GOVERNMENT GRANT INCOME</u></b>									
Revenue Support Grant	Grant income	-80,623						18,318	-62,305
Business Rates Top-Up	Grant income	-36,390						-695	-37,085
<b>TOTAL GENERAL GOVERNMENT GRANT INCOME</b>		<b>-117,013</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,623</b>	<b>-99,390</b>

**Draft Revenue Budget 2015/16**  
**Government Grant Details - 2015/16**

<b>Directorate</b>	<b>Estimate 2014/15</b>	<b>Revised 2014/15</b>	<b>Estimate 2015/16</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Children, Education &amp; Families</u></b>			
Asylum (UASC & Post 18)	0.656	0.656	0.795
Dedicated Schools Grant	292.502	268.138	262.644
Education Funding Agency – Sixth Form and Bursary Funding	7.131	4.989	4.537
Intensive Interventions Programme (DfE) 2014/15	0.180	0.230	0.000
Intensive Interventions Programme (DfE) 2013/14 adjustment	0.000	0.050	0.000
Music (moved to Chief Executive's Office in 2014/15)	0.642	0.000	0.000
PE and Sport Grant 2013/14 (paid April 2014)	0.000	0.708	0.000
PE and Sport Grant 2014/15 (£1.013m payable in 2014/15 with a further instalment of £0.723m in April 2015)	0.000	1.013	0.723
Pupil Premium	11.668	11.027	10.149
Remand	0.144	0.094	0.064
Universal Infant Free School Meals	0.000	4.052	5.693
Unpaid Work Grant	0.000	0.011	0.000
Youth Justice Board	0.636	0.736	0.680
<b>Total Children, Education &amp; Families</b>	<b>313.559</b>	<b>291.704</b>	<b>285.285</b>
<b><u>Social &amp; Community Services</u></b>			
Reducing Delayed Transfers of Care Attributable to Social Care Revenue Grant	0.000	0.520	0.000
<b>Total Social &amp; Community Services</b>	<b>0.000</b>	<b>0.520</b>	<b>0.000</b>

**Draft Revenue Budget 2015/16**  
**Government Grant Details - 2015/16**

<b>Directorate</b>	<b>Estimate 2014/15</b>	<b>Revised 2014/15</b>	<b>Estimate 2015/16</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Environment &amp; Economy</u></b>			
<b>Environment &amp; Economy Directorate Grants</b>			
Skills Funding Agency - Adult Education	3.899	3.899	3.697
Education Funding Agency (Formerly the YPLA)	0.285	0.209	0.209
Local Sustainable Transport Fund Grant	0.535	0.535	1.000
Bus Service Operators Grant	0.000	0.795	0.795
Natural England	0.230	0.240	0.242
<b>Subtotal Environment &amp; Economy Directorate Grants</b>	<b>4.949</b>	<b>5.678</b>	<b>5.943</b>
<b>Grants held on behalf of Local Enterprise Partnership</b>			
Regional Growth Fund - Oxford Innovation Business Support	0.000	1.961	0.896
BIS - Oxford Innovation Business Support	0.000	0.000	0.250
SEEDA - Oxford Innovation Business Support	0.000	0.000	0.144
DCLG (Local Enterprise Partnership Funding)	0.500	0.500	0.500
City Deal Skills Grant	0.000	0.370	0.590
<b>Subtotal Grants held on behalf of Local Enterprise Partnership</b>	<b>0.500</b>	<b>2.831</b>	<b>2.380</b>
<b>Total Environment &amp; Economy</b>	<b>5.449</b>	<b>8.509</b>	<b>8.323</b>
<b><u>Chief Executive's Office</u></b>			
Arts Council	0.000	0.015	0.000
Find your Voice	0.000	0.002	0.000
Counter Fraud Fund	0.000	0.031	0.050
Music (moved from Children, Education & Families in 2014/15)	0.000	0.642	0.642
<b>Total Chief Executive's Office</b>	<b>0.000</b>	<b>0.690</b>	<b>0.692</b>
<b><u>Public Health</u></b>			
Public Health Grant	26.086	26.086	30.419
<b>Total Public Health</b>	<b>26.086</b>	<b>26.086</b>	<b>30.419</b>

**Draft Revenue Budget 2015/16**  
**Government Grant Details - 2015/16**

<b>Directorate</b>	<b>Estimate 2014/15</b>	<b>Revised 2014/15</b>	<b>Estimate 2015/16</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<u>Strategic Measures</u>			
Fire Revenue Grant	0.285	0.285	0.288
Lead Local Flood Authority	0.167	0.167	0.112
Extended Rights to Free Travel	0.379	0.379	0.310
Troubled Families - Service Transformation Grant	0.100	0.100	0.200
Community Right to Challenge	0.009	0.009	0.000
New Homes Bonus	2.387	2.387	3.170
New Homes Bonus Adjustment Grant	0.214	0.214	0.210
Department of Health Revenue Grant	0.414	0.414	0.515
Local Welfare Provision (Social Fund)	0.930	0.930	0.000
Care Act New Burdens Grant	0.000	0.000	3.368
Education Services Grant	6.965	6.965	5.365
Phonics and Moderation Funding (Part of Education Services Grant)	0.000	0.035	0.000
Adoption Reform Grant	0.597	0.597	0.000
Special Educational Needs Reform Grant	0.835	0.835	0.375
Section 31 Grant for Cap on Business Rates Top-up	0.386	0.386	0.541
Section 31 Grant for Cap on Business Rates and Other Reliefs	1.165	1.165	1.323
Revenue Support Grant	80.623	80.623	62.305
Business Rates Top-Up	36.390	36.390	37.085
<b>Total Strategic Measures</b>	<b>131.846</b>	<b>131.881</b>	<b>115.167</b>
<b>Total Grants</b>	<b>476.940</b>	<b>459.390</b>	<b>439.886</b>

**Medium Term Financial Plan 2015/16 - 2017/18****Summary**

	INDICATIVE POSITION								
	2015/16			2016/17			2017/18		
	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
<b>Directorate Budgets</b>									
Children, Education & Families	102,618	4,431	107,049	107,049	-4,200	102,849	102,849	-3,000	99,849
Social & Community Services	214,724	-5,976	208,748	208,748	-4,910	203,838	203,838	-4,906	198,932
Environment & Economy	81,532	-4,951	76,581	76,581	-3,983	72,598	72,598	-7,276	65,322
Chief Executive's Office	20,748	-1,955	18,793	18,793	-181	18,612	18,612	-278	18,334
Public Health					-1,250	-1,250	-1,250	-1,250	-2,500
Inflation and Other Adjustments (1)					10,800	10,800	10,800	7,400	18,200
<b>Directorate Budgets</b>	<b>419,621</b>	<b>-8,451</b>	<b>411,171</b>	<b>411,171</b>	<b>-3,724</b>	<b>407,447</b>	<b>407,447</b>	<b>-9,310</b>	<b>398,137</b>
<b>Strategic Measures</b>									
Capital Financing									
Principal	17,023	-1,426	15,597	15,597	311	15,908	15,908	648	16,556
Interest	18,231	-60	18,171	18,171	303	18,473	18,473	-200	18,274
Interest on Balances	-4,548	349	-4,199	-4,199	-1,708	-5,907	-5,907	-1,883	-7,789
Un-Ringfenced Specific Grants	-14,832	-945	-15,777	-15,777	-600	-16,377	-16,377	491	-15,886
Contingency	3,476	553	4,029	4,029		4,029	4,029	6	4,035
Pensions - Past Service Deficit Funding	830		830	830		830	830		830
<b>Total Strategic Measures</b>	<b>20,180</b>	<b>-1,529</b>	<b>18,651</b>	<b>18,651</b>	<b>-1,694</b>	<b>16,957</b>	<b>16,957</b>	<b>-938</b>	<b>16,019</b>
<b>Contributions to/from reserves</b>									
General Balances	3,000	-1,000	2,000	2,000		2,000	2,000		2,000
Prudential Borrowing Costs	950		950	950		950	950		950
Capital Rolling Fund Reserve	491	-3,032	-2,541	-2,541	2,541				
Budget Reserve	-13,960	9,177	-4,784	-4,784	-2,332	-7,116	-7,116	14,262	7,146
Directorate Earmarked Reserves		-2,180	-2,180	-2,180	2,180				
Business Rates Reserve		494	494	494		494	494		494
Insurance Reserve		781	781	781	100	881	881	100	981
<b>Total Contributions to/from reserves</b>	<b>-9,519</b>	<b>4,240</b>	<b>-5,279</b>	<b>-5,279</b>	<b>2,489</b>	<b>-2,790</b>	<b>-2,790</b>	<b>14,362</b>	<b>11,572</b>
<b>Net Operating Budget</b>	<b>430,283</b>	<b>-5,740</b>	<b>424,543</b>	<b>424,543</b>	<b>-2,929</b>	<b>421,614</b>	<b>421,614</b>	<b>4,115</b>	<b>425,728</b>

(1) Adjustment for inflation and other items that have not yet been allocated by Directorate including NI changes in 2016/17.

**Medium Term Financial Plan 2015/16 - 2017/18****Financing**

	INDICATIVE POSITION								
	2015/16			2016/17			2017/18		
	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
Net Operating Budget	430,283	-5,740	424,543	424,543	-2,929	421,614	421,614	4,115	425,728
<b>Funded by:</b>									
<b>Government Grant</b>									
Revenue Support Grant	-80,623	18,318	-62,305	-62,305	12,461	-49,844	-49,844	9,969	-39,875
Business Rates Top-up	-36,390	-695	-37,085	-37,085	-816	-37,901	-37,901	-1,099	-39,000
<b>Total Government Grant</b>	-117,013	17,623	-99,390	-99,390	11,645	-87,745	-87,745	8,870	-78,875
<b>Business Rates</b>									
Business Rates local share	-28,833	-1,500	-30,334	-30,334	-667	-31,001	-31,001	-899	-31,900
Collection Fund Surplus/Deficit	226	680	906	906	-906	0	0		0
<b>Total Business Rates</b>	-28,607	-820	-29,428	-29,428	-1,573	-31,001	-31,001	-899	-31,900
Council Tax Surpluses	-6,929	-543	-7,472	-7,472	4,472	-3,000	-3,000	0	-3,000
<b>COUNCIL TAX REQUIREMENT</b>	<b>277,734</b>	<b>10,519</b>	<b>288,253</b>	<b>288,253</b>	<b>11,615</b>	<b>299,868</b>	<b>299,868</b>	<b>12,085</b>	<b>311,953</b>
<b>Council Tax Calculation</b>									
Council Tax Base			233,884			236,223			238,585
Council Tax (Band D equivalent)			£1,232.46			£1,269.43			£1,307.51
<b>Increase in Council Tax (precept)</b>			3.8%			4.0%			4.0%
<b>Increase in Band D Council Tax</b>			1.99%			3.00%			3.00%

**Summary of Variations to the Medium Term Financial Plan 2015/16 - 2017/18**
**New Pressures**

Directorate	2015/16 £'000	2016/17 £'000	2017/18 £'000	TOTAL £'000
Corporate	3,023	1,470	-688	<b>3,805</b>
Children Education & Families	6,349	0	0	<b>6,349</b>
Adult Social Care	5,368	-135	850	<b>6,083</b>
Fire & Rescue and Community Safety	145	0	0	<b>145</b>
Environment & Economy	6,184	-283	64	<b>5,965</b>
Chief Executive's Office (including Cultural Services)	160	0	0	<b>160</b>
<b>Total Pressures</b>	<b>21,229</b>	<b>1,052</b>	<b>226</b>	<b>22,507</b>
less previously identified savings not achievable	2,140		850	2,990
<b>Total Pressures</b>	<b>19,089</b>	<b>1,052</b>	<b>-624</b>	<b>19,517</b>

**New Savings**

Directorate	2015/16 £'000	2016/17 £'000	2017/18 £'000	TOTAL £'000
Corporate	-8,462	3,535	-2,240	<b>-7,167</b>
Children Education & Families	-1,658	-2,000	0	<b>-3,658</b>
Adult Social Care	-2,577	-3,540	-3,750	<b>-9,867</b>
Fire & Rescue and Community Safety	-503	-550	0	<b>-1,053</b>
Environment & Economy	-6,713	-513	-64	<b>-7,290</b>
Chief Executive's Office (including Cultural Services)	-1,365	250	0	<b>-1,115</b>
<b>Total Savings</b>	<b>-21,278</b>	<b>-2,818</b>	<b>-6,054</b>	<b>-30,150</b>
less previously identified savings not achievable	2,140		850	2,990
<b>Total Savings</b>	<b>-19,138</b>	<b>-2,818</b>	<b>-5,204</b>	<b>-27,160</b>

<b>TOTAL NET PRESSURES (+) / SAVINGS (-)</b>	<b>-49</b>	<b>-1,766</b>	<b>-5,828</b>	<b>-7,643</b>
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<b>Contribution to/from Reserves*</b>	<b>-4,718</b>	<b>4,721</b>	<b>491</b>	<b>494</b>
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<b>TOTAL NET POSITION</b>	<b>-4,767</b>	<b>2,955</b>	<b>-5,337</b>	<b>-7,149</b>
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Budget Reserve	2015/16 £'000	2016/17 £'000	2017/18 £'000
Opening balance	6,625	1,841	-6,047
Previously agreed contribution	-9,551	-9,700	0
Contribution arising from new proposals	4,767	1,812	7,149
<b>Closing balance</b>	<b>1,841</b>	<b>-6,047</b>	<b>1,102</b>

\*includes contribution to new Business Rate reserve of £0.494m



## Corporate

Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	TOTAL £'000
16CORP2	NP	Grant & Technical Changes	1,519	1,370	-788	<b>2,101</b>
16CORP3	NP	Insurance	1,500	100	100	<b>1,700</b>
16CORP6	NS	Strategic Measures	-179	-171	-1,435	<b>-1,785</b>
16CORP7	NS	Tax base increase to 1.76% in 2015/16 and 1.00% on-going	-2,811	-766	-805	<b>-4,382</b>
16CORP8	NS	Collection Fund Increase	-5,472	4,472		<b>-1,000</b>
16CORP9	NP	Flood Defence Levy	4			<b>4</b>
		<b>Total Corporate</b>	<b>-5,439</b>	<b>5,005</b>	<b>-2,928</b>	<b>-3,366</b>

Type of Budget Change

NS - New saving agreed February 2015

NP - New pressure agreed February 2015

## Children, Education & Families

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			<b><u>Children, Education &amp; Families (CEF) Cross Directorate</u></b>				
CEF1, CEF2, CEF4	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor for administration staff	-639			-639
CEF2	16CORP2	NS	Supplies & Services	-19			-19
CEF2-3 CEF1-3	15CEF 2 and 16CEF4	NS	Implementation of an integrated Children's Social Care and Early Intervention Service.	-1,000	-2,000		-3,000
			<b>Total Children, Education &amp; Families (CEF) Cross Directorate</b>	<b>-1,658</b>	<b>-2,000</b>	<b>0</b>	<b>-3,658</b>
			<b><u>Children's Social Care</u></b>				
			<b><u>Corporate Parenting</u></b>				
CEF2-2	16CEF2	NP	Fostering and Adoption - targeted recruitment and training of foster carers and provision of additional support to them. Further investment in adoption support services aiming to increase adoptive placements.	900			900
			<b>Subtotal Corporate Parenting</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>900</b>
			<b><u>Social Care</u></b>				
CEF2-34	16CEF1	NP	Agency Placements (Pressure of £7.4m partly met by £2.8m virement from corporate contingency). A significant increase in the number of children looked after, including 1-4 year olds, sibling groups and victims of child exploitation.	4,649			4,649
CEF2-32	16CEF3	NP	The Kingfisher team (working jointly with Thames Valley Police) has been recognised nationally for the work it has done in addressing Child Sexual Exploitation (CSE) but does not have an on-going base budget allocation.	800			800
			<b>Subtotal Social Care</b>	<b>5,449</b>	<b>0</b>	<b>0</b>	<b>5,449</b>
<b>CEF2</b>			<b>Total Children's Social Care</b>	<b>6,349</b>	<b>0</b>	<b>0</b>	<b>6,349</b>
			<b>Total Children, Education &amp; Families</b>	<b>4,691</b>	<b>-2,000</b>	<b>0</b>	<b>2,691</b>

### Type of Budget Change

NS - New saving agreed February 2015

NP - New pressure agreed February 2015

## Adult Social Care

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			<b>Older People</b>				
SCS1-1A	15SCS6 16SCS17	NS	Continuing to fund information and advice for people who may need or are eligible for social services, but reducing support for mainstream welfare rights advice and advocacy. A review of information and advice services will be undertaken.	40	-40		0
SCS1-1A	15SCS7 16SCS7	NS	Part of the £2.8m unidentified saving in the MTFP in 2017/18 has been made earlier than expected as set out in 16SCS4-6 detailed below. Work is continuing to identify the remainder of this saving.			750	750
SCS1-1A	16SCS4	NS	15 minute visits - number of people receiving 15 minutes visit is fewer than originally thought.	-300			-300
SCS1-1A	16SCS5	NS	Home support - savings from new block contracts which will also deliver earlier start times	-250			-250
SCS1-1A	16SCS6	NS	Inflation applied in 2014/15 is not required in the base budget	-200			-200
			<b>Subtotal Older People</b>	<b>-710</b>	<b>-40</b>	<b>750</b>	<b>0</b>
			<b>Learning Disabilities</b>				
SCS1-2C	16SCS1	NP	Learning Disabilities - £4.6m pressure due to increasing demand and £1.5m of previously agreed savings that still need to be delivered.	5,368	-135	850	6,083
SCS1-2C	16SCS2	NS	Learning Disabilities - manage pressures by 2017/18 within the resources available in the medium term plan.	-100	-2,500	-3,500	-6,100
			<b>Subtotal Learning Disabilities</b>	<b>5,268</b>	<b>-2,635</b>	<b>-2,650</b>	<b>-17</b>

## Adult Social Care

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			<b>All Client Groups</b>				
Cross Service	16SCS3	NS	Joint Director Post with Health	-89			<b>-89</b>
Cross Service	16SCS20	NS	Care Act funding - the cost of responding to the Act will be significantly less than the grant provided due to LEAN processes, self service and implementation of new IT system.	-1,000			<b>-1,000</b>
Cross Service	16SCS8	NS	Savings to be identified		-1,000	-1,000	<b>-2,000</b>
Cross Service	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-666			<b>-666</b>
Cross Service	16CORP2	NS	Supplies & Services	-12			<b>-12</b>
			<b>Subtotal All Client Groups</b>	<b>-1,767</b>	<b>-1,000</b>	<b>-1,000</b>	<b>-3,767</b>
<b>SCS1</b>			<b>Total Adult Social Care</b>	<b>2,791</b>	<b>-3,675</b>	<b>-2,900</b>	<b>-3,784</b>

### Type of Budget Change

NS - New saving agreed February 2015

NP - New pressure agreed February 2015

## Fire & Rescue and Community Safety

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			<b><u>Community Safety</u></b>				
SCS2-1	16SCS14	NP	Domestic Abuse Co-ordinator post funding	45			45
SCS2-3	16SCS15	NS	Remove one enforcement officer post (currently vacant)	-28			-28
SCS2-3	16SCS16	NS	Request TVP to pay for the Police Officer secondment to Trading Standards	-45			-45
SCS2-3	16SCS17	NS	Review of out of hours activity/testing	-20			-20
SCS2	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-51			-51
SCS2	16CORP2	NS	Supplies & Services	-3			-3
<b>SCS2</b>			<b>Total Community Safety</b>	<b>-102</b>	<b>0</b>	<b>0</b>	<b>-102</b>
			<b><u>Fire and Rescue &amp; Emergency Planning</u></b>				
			<b>Fire and Rescue Service</b>				
SCS4-1	16SCS9	NP	Increased cost of ill health retirement	100			100
SCS4-1	14SCS31	NS	Fire Pension Scheme - changes implemented from April 2016, therefore budget not needed in 2015/16 (one-off)	-200	200		0
SCS4-1	16SCS10	NS	Review Commercial Trading and increase income		-25		-25
SCS4-1	16SCS11	NS	Increase savings from Thames Valley Fire Control	-75			-75
SCS4-1	16SCS12	NS	Reduction in the Operational on-call budget	-50			-50
SCS4-1	16SCS13	NS	LEAN review of processes across F&RS & Trading Standards		-75		-75
SCS4-1	15SCS19	NS	Delay implementing operational changes to Bicester by two years to 18/19, currently scheduled for 16/17.		-650		-650
SCS4-1	16CORP2	NS	Supplies & Services	-25			-25

## Fire & Rescue and Community Safety

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
			<b>Emergency Planning</b>				
SCS4-2	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-6			-6
			<b>Total Fire and Rescue &amp; Emergency Planning</b>	<b>-256</b>	<b>-550</b>	<b>0</b>	<b>-806</b>
<b>SCS4</b>			<b>Total Fire &amp; Rescue and Community Safety</b>	<b>-358</b>	<b>-550</b>	<b>0</b>	<b>-908</b>

### Type of Budget Change

NS - New saving agreed February 2015

NP - New pressure agreed February 2015

## Environment &amp; Economy

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b><u>Strategy and Infrastructure</u></b>				
EE1-1 to EE1-5	16EE18	NP	Medium term service implications of economic growth (incl. Greenbelt Review, Plan Shaping, Road Agreement & Transport DC, pooled resource)	991	-88	-186	<b>717</b>
EE1-1 to EE1-5	16EE19	NP	One-off service pressures (including LTP4 Programme support and minerals and Waste Local Plan)	150	-150		<b>0</b>
EE1-1 to EE1-5	16EE20	NS	Realise opportunities from Growth (including Section 788, capitalisation of staff, pre-application charging and ST model income)	-518	-20	-20	<b>-558</b>
EE1-1 to EE1-5	16EE21	NS	Removal and reduction of services (incl. Travel plan funding and reduction in agency spend)	-105	-12		<b>-117</b>
EE1-1 to EE1-5	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-70			<b>-70</b>
<b>EE1</b>			<b>Total Strategy &amp; Infrastructure</b>	<b>448</b>	<b>-270</b>	<b>-206</b>	<b>-28</b>
			<b><u>Commercial Services</u></b>				
EE2-1	16EE1	NP	Insufficient Parking Account funding to draw down budgeted contribution to revenue	900		150	<b>1,050</b>
EE2	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-70			<b>-70</b>
			<b>Subtotal Miscellaneous</b>	<b>830</b>	<b>0</b>	<b>150</b>	<b>980</b>

## Environment &amp; Economy

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b>Property &amp; Facilities Management</b>				
EE2-22	16EE4	NP	Property related pressures (incl. contract clarifications, Asbestos surveys and change to the Asset Rationalisation saving profile)	595	-145	-300	<b>150</b>
EE2-22	16EE9	NS	Reduction in the funding available to support ad hoc Property Contract work		-444	336	<b>-108</b>
EE2-22	16CORP5	NS	Reduction in contract inflation	-100			<b>-100</b>
			<b>Subtotal Property &amp; Facilities Management</b>	<b>495</b>	<b>-589</b>	<b>36</b>	<b>-58</b>
			<b>Network &amp; Asset Management</b>				
EE2-31 to EE2-35	16EE3	NP	Highways & Transport staffing and income related pressures (incl. unrealised restructure savings, Traffic Design and Safety Teams and land search income)	450			<b>450</b>
EE2-31 to EE2-35	16EE8	NS	Changes in Real Time Passenger Information technology leading to efficiencies			-280	<b>-280</b>
EE2-31 to EE2-35	16CORP5	NS	Reduction in contract inflation	-100			<b>-100</b>
EE2-36	16EE11	NS	Increase in parking charges	-150	-100	-100	<b>-350</b>
			<b>Subtotal Network &amp; Asset Management</b>	<b>200</b>	<b>-100</b>	<b>-380</b>	<b>-280</b>



## Environment &amp; Economy

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b>Highways &amp; Transport Operations Delivery</b>				
EE2-4	16EE6	NS	Staff related reduction in cost and income generation (incl. restructure, Section 278 Traffic Design & Safety team funding, staff capitalisation and reduction in agency staff)	-640			-640
EE2-4	16EE7	NS	Reduction and efficiencies in Roads Maintenance (incl. removal of Locality Area Stewardship based funding, efficiencies in winter maintenance and one-off capitalisation of patching)	-2,957	1,675		-1,282
			<b>Subtotal Highways &amp; Transport Operations Delivery</b>	<b>-3,597</b>	<b>1,675</b>	<b>0</b>	<b>-1,922</b>
			<b>Waste Management</b>				
EE2-51A	15EE22 16EE5	NP	Increased Waste Tonnage - linked to the economic up turn and increase in number of households	500		500	1,000
			<b>Subtotal Waste Management</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>1,000</b>
			<b>Supported Transport</b>				
EE2-51B	15EE14 16EE10	NS	Supported Transport Project savings which includes review of: transport contract management, Dial a Ride, bus subsidies, home to school transports including Special Educational Needs (SEN)	-1,300	-1,350		-2,650
EE2-51B	16EE2	NP	Home to School Transport	1,200			1,200
			<b>Subtotal Supported Transport</b>	<b>-100</b>	<b>-1,350</b>	<b>0</b>	<b>-1,450</b>
<b>EE2</b>			<b>Total Commercial Services</b>	<b>-1,672</b>	<b>-364</b>	<b>306</b>	<b>-1,730</b>

## Environment &amp; Economy

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b><u>Oxfordshire Customer Services</u></b>				
			<b>Management Team</b>				
EE3-1	16EE12	NP	Unachievable previously agreed MTFP savings (including printer materials and pension overheads)	340	100	-100	<b>340</b>
EE3-1	16EE13	NP	Changes to cashflow of investment costs relating to the Hampshire partnership	550			<b>550</b>
EE3-1	16EE15	NS	LEAN and reshape the service out of scope from the Hampshire partnership (incl. reshape Senior Management structure and reduce agency spend)	-455	-105		<b>-560</b>
EE3	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-70			<b>-70</b>
			<b>Subtotal Management Team</b>	<b>365</b>	<b>-5</b>	<b>-100</b>	<b>260</b>
			<b>ICT</b>				
EE3-3	16EE12	NP	Unachievable previously agreed MTFP savings relating to ICT rationalisation	400			<b>400</b>
EE3-3	16EE16	NS	Line lease savings due to superfast broad band	-150			<b>-150</b>
EE3-3	16EE18	NS	Remove Saturday ICT service desk support	-28			<b>-28</b>
			<b>Subtotal ICT</b>	<b>222</b>	<b>0</b>	<b>0</b>	<b>222</b>

**Environment & Economy**

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b>Customer Service Centre</b>				
EE3-5	16EE14	NP	Additional demand	108			<b>108</b>
EE3-5	16EE17	NS	Self Service		-157		<b>-157</b>
			<b>Subtotal Customer Service Centre</b>	<b>108</b>	<b>-157</b>	<b>0</b>	<b>-49</b>
			<b>Total Oxfordshire Customer Services</b>	<b>695</b>	<b>-162</b>	<b>-100</b>	<b>433</b>
			<b>Total Environment &amp; Economy</b>	<b>-529</b>	<b>-796</b>	<b>0</b>	<b>-1,325</b>

Type of Budget Change

NS - New saving agreed February 2015

NP - New pressure agreed February 2015

## Chief Executive's Office

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b>Chief Executive's Office &amp; Business Support</b>				
CEO1	16CEO6	NS	Remove Councillor Community Budgets	-315			<b>-315</b>
CEO1	16CORP2	NS	Supplies & Services	-1			<b>-1</b>
<b>CEO1</b>			<b>Total Chief Executive's Office &amp; Business Support</b>	<b>-316</b>	<b>0</b>	<b>0</b>	<b>-316</b>
			<b>Human Resources</b>				
CEO2	16CEO5	NS	One-off Learning & Development reduction	-250	250		<b>0</b>
CEO2	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-51			<b>-51</b>
CEO2	16CORP2	NS	Supplies & Services	-5			<b>-5</b>
<b>CEO2</b>			<b>Total Human Resources</b>	<b>-306</b>	<b>250</b>	<b>0</b>	<b>-56</b>
			<b>Corporate Finance &amp; Internal Audit</b>				
CEO3	16CORP4	NS	Reduce the use of Agency & Contracted staff and introduce a vacancy factor	-76			<b>-76</b>
CEO3	16CORP2	NS	Supplies & Services	-7			<b>-7</b>
<b>CEO3</b>			<b>Total Corporate Finance &amp; Internal Audit</b>	<b>-83</b>	<b>0</b>	<b>0</b>	<b>-83</b>

## Chief Executive's Office

Budget Book Line	Reference	Type of Budget Change	Detail	2015/16 £'000	2016/17 £'000	2017/18 £'000	Total £'000
			<b><u>Law and Culture</u></b>				
CEO4-1	16CEO4	NS	Legal Services - additional income from external and internal clients	-200			<b>-200</b>
CEO4-2	16CEO1	NP	Members' Allowances	160			<b>160</b>
CEO4-3 and 4-4	16CEO2	NS	Registration and Coroners Service - Increase charges and renegotiation of contract	-32			<b>-32</b>
CEO4-5	16CEO3	NS	Libraries/Cultural Services - Review of management support, supplies and services, including book fund	-95			<b>-95</b>
CEO4	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-307			<b>-307</b>
CEO4	16CORP2	NS	Supplies & Services	-5			<b>-5</b>
<b>CEO4</b>			<b>Total Law and Culture</b>	<b>-479</b>	<b>0</b>	<b>0</b>	<b>-479</b>
			<b><u>Policy</u></b>				
CEO5	16CORP4	NS	Reduce the use of agency & contracted staff and introduce a vacancy factor	-19			<b>-19</b>
CEO5	16CORP2	NS	Supplies & Services	-2			<b>-2</b>
<b>CEO5</b>			<b>Total Policy</b>	<b>-21</b>	<b>0</b>	<b>0</b>	<b>-21</b>
			<b>Total Chief Executive's Office</b>	<b>-1,205</b>	<b>250</b>	<b>0</b>	<b>-955</b>

Type of Budget Change

NS - New saving agreed February 2015

NP - New pressure agreed February 2015

## Changes to the 27 January 2015 Cabinet budget proposals

<b>Pressures</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>Total £'000</b>
Total pressures reported in January 2015	19,988	1,076	-680	<b>20,384</b>
<b>Variations:</b>				
Grant and Technical Changes	-903	-24	56	<b>-871</b>
Flood Defence Levy	4			<b>4</b>
<b>Total variations to pressures</b>	<b>-899</b>	<b>-24</b>	<b>56</b>	<b>-867</b>
<b>Total adjusted pressures</b>	<b>19,089</b>	<b>1,052</b>	<b>-624</b>	<b>19,517</b>
<b>Savings</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>	<b>Total £'000</b>
Total savings reported in January 2015	-19,133	-3,193	-5,204	<b>-27,530</b>
<b>Variations:</b>				
Increase in estimated collection fund surplus	-375	375		<b>0</b>
Remove Community Action Groups saving (16EE21)	70			<b>70</b>
Reduce Highways Maintenance saving (16EE7)	300			<b>300</b>
<b>Total variations to savings</b>	<b>-5</b>	<b>375</b>	<b>0</b>	<b>370</b>
<b>Total adjusted savings</b>	<b>-19,138</b>	<b>-2,818</b>	<b>-5,204</b>	<b>-27,160</b>
<b>TOTAL NET PRESSURES (+) / SAVINGS (-)</b>	<b>-49</b>	<b>-1,766</b>	<b>-5,828</b>	<b>-7,643</b>
<b>Contribution to/from Reserves*</b>	<b>-4,718</b>	<b>4,721</b>	<b>491</b>	<b>494</b>
<b>TOTAL NET POSITION</b>	<b>-4,767</b>	<b>2,955</b>	<b>-5,337</b>	<b>-7,149</b>

\*includes contribution to new Business Rate reserve of £0.494m

## Provisional 2015/16 Dedicated Schools Grant Allocation

	Early Years Block	Schools Block	High Needs Block	Total DSG
	£000	£000	£000	£000
2015/16 Initial Baseline	30,252	338,867	49,159	418,278
Adjustments to high needs places for 2014/15 growth (pre and post 16)			94	94
Increase in 2015/16 academic year high needs places from exception process			85	85
Additional top for high needs based on 2-19 aged population			586	586
<b>Additional Allocations 2015/16:</b>				
Cash transfer for non-recoupment academies		6,941		6,941
Indicative Early Years Pupil Premium	404			404
Newly Qualified Teacher (NQT) Induction / Quality Assurance		116	2	118
<b>Total Initial DSG 2015/16 per DfE</b>	<b>30,656</b>	<b>345,924</b>	<b>49,926</b>	<b>426,506</b>
Estimated additional funding for disadvantaged two year olds	3,697			3,697
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
<b>Provisional Funding Block Totals 2015/16</b>	<b>34,785</b>	<b>343,902</b>	<b>51,516</b>	<b>430,203</b>
less estimated recoupment from Schools Block		-161,262		-161,262
Deductions for high needs places in academies and non-maintained special schools			-6,297	-6,297
<b>Provisional expected DSG receipts 2015-16</b>	<b>34,785</b>	<b>182,640</b>	<b>45,219</b>	<b>262,644</b>

**Notes:**

1. Funding for disadvantaged two year olds is not included in the original DfE baseline but will be announced in June 2015 following the January 2015 census, and will be based on participation. Our estimate of the amount due to be received is £3.697m based on estimated 1259.42 FTE places in January 2015, at the hourly rate of £5.15 for 2015/16.

2. The cash transfer for non-recoupment academies is expected to increase in respect of increased pupil number estimates. The amount to be recouped will also be increased, with the impact intended to be cost neutral for the authority. The academy recoupment amount will change during the year as more academies convert.

3. Deductions from the high needs block for high needs places in academies and non-maintained special schools is estimated based on the 2014/15 numbers but this will be refined and DfE confirmation is expected in March 2015.

## Virement Rules 2015/16

### 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 2015;
  - changes to gross income and gross expenditure<sup>1</sup>;
  - 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

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<sup>1</sup> 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 policy<sup>2</sup>; 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.

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<sup>2</sup> 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.

**Section 3.8  
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 2015/16 is set out at section 3.8.1.
2. The latest financial monitoring report to Cabinet in February 2015 shows the 2014/15 forecast position on balances as £17.5m. This estimated year-end balance is expected to be maintained at the same level over the medium term as set out in section 3.8.2.
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 3.8.2 shows the forecast falling from £87.9m at the start of 2015/16 to £38.4m by the end of 2017/18, of which £2.2m relates to schools.

**2015/16 risk assessment for determining appropriate level of balances**

<b>Area of risk</b>	<b>£m</b>	<b>Explanation of risk/justification of balances</b>
Emergencies	0.9	Expenditure below Bellwin Scheme threshold
Directorate overspends and non-achievement of planned savings	8.5	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	1.0	3.5% adverse variation to District Councils' estimates, due to inaccuracy or under estimation of successful appeals
Contingent liabilities & insurance risk	3.0	Possible liabilities for which no provision has been made or funding set aside in an earmarked reserve (0.5% of gross expenditure or minimum to meet quantified contingent liabilities)
Major contracts	3.0	Risk of contractors failing, mis-specification or non-delivery (1% of annual value of contracts)
Inflation	0.7	Contract inflation is 1% above what has been provided for within the budget (maximum 3%)
Education Services Grant	0.3	Impact on grant if pupil numbers in maintained schools are 5% lower than estimated due to higher rate of academy conversions than expected
<b>Total Risk Assessment 2015/16</b>	<b>17.4</b>	
<b>Total Risk Assessment 2014/15</b>	<b>16.7</b>	

### Estimated Balances and Reserves 2014/15 to 2017/18

The table below provides an analysis of estimated general balances and earmarked reserves for 2014/15 to 2017/18. The estimate for 2014/15 is based on the Financial Monitoring report to Cabinet in February 2015.

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
<b>General Balances</b>				
Estimated Balances at start of year	18,455	17,517	17,517	17,517
Planned Contributions to Balances (per MTFP)	3,000	2,000	2,000	2,000
<b>Total Balances at Start of Year</b>	<b>21,455</b>	<b>19,517</b>	<b>19,517</b>	<b>19,517</b>
Estimated Use of Balances in Year	-4,788	-2,000	-2,000	-2,000
Estimated Contribution to Balances in Year	850	0	0	0
<b>Net Use of Balances in Year</b>	<b>-3,938</b>	<b>-2,000</b>	<b>-2,000</b>	<b>-2,000</b>
<b>Estimated Balances at end of year</b>	<b>17,517</b>	<b>17,517</b>	<b>17,517</b>	<b>17,517</b>
<b>Earmarked Reserves</b>				
Estimated School Reserves at start of year	25,444	14,944	7,585	4,533
Estimated Reserves at start of year	104,749	72,919	42,534	30,567
<b>Estimated Total Reserves at start of year</b>	<b>130,193</b>	<b>87,863</b>	<b>50,119</b>	<b>35,100</b>
Estimated Use of (-) / Additions to (+) School Reserves in Year	-10,500	-7,359	-3,052	-2,362
Estimated Use of (-) / Additions to (+) Reserves in Year	-31,830	-30,385	-11,967	5,704
Estimated School Reserves at end of year	14,944	7,585	4,533	2,171
Estimated Reserves at end of year	72,919	42,534	30,567	36,271
<b>Estimated Total Reserves at end of year</b>	<b>87,863</b>	<b>50,119</b>	<b>35,100</b>	<b>38,442</b>



# **Updated Capital Programme 2014/15 - 2018/19**

**February 2015**

## CAPITAL PROGRAMME: 2014/15 TO 2018/19 - COUNCIL FEBRUARY 2015

Programme	Current Year	Firm Programme		Provisional Programme		CAPITAL INVESTMENT TOTAL £'000s	
	2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s		
Children, Education & Families 1 - OCC	37,101	43,420	38,953	32,687	11,628	163,789	
Children, Education & Families 2 - Schools Local Capital	2,500	2,200	1,383	1,278	0	7,361	
CEF Programme reductions to be identified	0	0	0	-5,814	0	-5,814	
Social & Community Services	3,066	3,304	15,347	2,591	12,910	37,218	
Environment & Economy 1 - Transport	49,937	61,644	30,861	23,986	15,040	181,468	
Environment & Economy 2 - Other Property Development Programmes	10,666	13,672	2,777	2,285	5,352	34,752	
Chief Executive's Office	874	3,160	365	1,000	250	5,649	
<b>TOTAL ESTIMATED CAPITAL PROGRAMME EXPENDITURE</b>	<b>104,144</b>	<b>127,400</b>	<b>89,686</b>	<b>58,013</b>	<b>45,180</b>	<b>424,423</b>	
Earmarked Reserves	915	0	10,619	10,000	24,949	46,483	
<b>TOTAL ESTIMATED CAPITAL PROGRAMME</b>	<b>105,059</b>	<b>127,400</b>	<b>100,305</b>	<b>68,013</b>	<b>70,129</b>	<b>470,906</b>	
<b>TOTAL ESTIMATED PROGRAMME IN-YEAR RESOURCES</b>	<b>96,185</b>	<b>97,556</b>	<b>95,516</b>	<b>71,029</b>	<b>48,919</b>	<b>409,205</b>	
In-Year Shortfall (-) / Surplus (+)		-8,874	-29,844	-4,789	3,016	-21,210	-61,701
Cumulative Shortfall (-) / Surplus (+)	61,701	52,827	22,983	18,194	21,210	0	0



SOURCES OF FUNDING	2014 / 15	2015 / 16	2016 / 17	2017 / 18	2018 / 19	CAPITAL RESOURCES TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
SCE(C) Formulaic Capital Allocations - Un-ringfenced Grant	50,484	44,478	24,839	20,614	23,288	163,703
SCE(C) Supplementary Grant Approval	600	0	272	0	0	872
Devolved Formula Capital- Grant	2,474	2,200	1,383	1,278	0	7,335
Prudential Borrowing	1,106	15,054	30,642	18,501	17,636	82,939
Grants	35,291	14,849	6,111	4,000	0	60,251
Developer Contributions	11,667	32,578	27,213	23,400	10,559	105,417
District Council Contributions	720	0	0	0	0	720
Other External Funding Contributions	301	3	0	0	0	304
Revenue Contributions	2,347	2,529	770	220	102	5,968
Schools Contributions	69	5	0	0	0	74
Use of Capital Receipts	0	15,704	7,827	0	350	23,881
Use of Capital Reserves	0	0	1,248	0	18,194	19,442
<b>TOTAL ESTIMATED PROGRAMME RESOURCES UTILISED</b>	<b>105,059</b>	<b>127,400</b>	<b>100,305</b>	<b>68,013</b>	<b>70,129</b>	<b>470,906</b>
<b>TOTAL ESTIMATED IN YEAR RESOURCES AVAILABLE</b>	<b>96,185</b>	<b>97,556</b>	<b>95,516</b>	<b>71,029</b>	<b>48,919</b>	<b>409,205</b>
Capital Grants Reserve C/Fwd	28,112	17,326	0	0	2,666	0
Usable Capital Receipts C/Fwd	14,147	16,059	3,541	0	350	0
Capital Reserve C/Fwd	19,442	19,442	19,442	18,194	18,194	0

## Capital Programme 2015/16 to 2018/19

### CHILDREN, EDUCATION & FAMILIES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s			
<b><u>Primary Capital Programme</u></b>									
Bayards (New Scheme) - replacement of existing buildings (ED750)	2,168	4,080	500	58	0	0	6,806	4,638	558
Eynsham - Expansion to 2FE (ED785)	78	410	13	0	0	0	501	423	13
Oxford, SS Mary & John - Single Site (ED873)	0	100	225	25	0	0	350	350	250
<b>Primary Capital Programme Total</b>	<b>2,246</b>	<b>4,590</b>	<b>738</b>	<b>83</b>	<b>0</b>	<b>0</b>	<b>7,657</b>	<b>5,411</b>	<b>821</b>
<b><u>Secondary Capital Programme</u></b>									
Wantage, King Alfred's (ED872)	0	450	82	0	0	0	532	532	82
<b>Secondary Capital Programme Total</b>	<b>0</b>	<b>450</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>532</b>	<b>532</b>	<b>82</b>
<b><u>Provision of School Places (Basic Need)</u></b>									
Existing Demographic Pupil Provision (Basic Needs Programme)	558	851	7,000	6,982	6,500	2,680	24,571	24,013	23,162
11/12 - 13/14 Basic Need Programme Completions	11,122	401	83	0	0	0	11,606	484	83

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s			
Oxford, Orchard Meadow - (Phase 2) (ED819)	554	50	42	0	0	0	646	92	42
Oxford, New Marston - (Phase 4) (ED798)	1,151	233	0	0	0	0	1,384	233	0
Oxford, Cutteslowe - (Phase 3) (ED796)	1,224	680	36	0	0	0	1,940	716	36
Oxford, St Joseph's - (Expansion to 2 FE) (ED815)	135	1,060	13	0	0	0	1,208	1,073	13
Oxford, St Gregory - (Phase 2) New 2FE (ED823)	199	2,900	102	0	0	0	3,201	3,002	102
Bletchington - Relocate School & Expansion to 0.5FE (ED841)	24	550	400	44	0	0	1,018	994	444
Woodstock - (Phase 3) Expansion to 1.5FE (ED809)	42	448	30	0	0	0	520	478	30
Oxford, St Christopher's - Expansion to 2FE (ED818)	214	1,896	120	0	0	0	2,230	2,016	120
Oxford, St Ebbe's - Expansion to 2FE (ED813)	36	1,018	46	0	0	0	1,100	1,064	46
Botley - Expansion to 2FE (ED830)	248	742	50	0	0	0	1,040	792	50
Henley, Badgemore - (Phase 2) Expansion to 1FE (ED803)	85	1,100	668	50	0	0	1,903	1,818	718
Reducing Out of County Provision for SEN Pupils (ED810)	1,326	4,000	124	0	0	0	5,450	4,124	124

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s			
Cheney - Expansion by 1FE (ED864)	0	150	1,472	81	0	0	1,703	1,703	1,553
Wantage, Charlton - (Phase 3) Expansion to 2FE (ED842)	72	600	900	88	0	0	1,660	1,588	988
Oxford, Larkrise - Expansion to 2FE (ED845)	112	501	36	0	0	0	649	537	36
Banbury, Frank Wise - Post 16 Provision (ED843)	156	600	1,252	100	0	0	2,108	1,952	1,352
Oxford, Wolvercote - Expansion to 1.5FE (ED829)	205	1,000	1,550	144	0	0	2,899	2,694	1,694
Wallingford, Fir Tree Junior - Expansion to 2FE (ED821)	52	150	149	15	0	0	366	314	164
<b>Provision of School Places Total</b>	<b>17,515</b>	<b>18,930</b>	<b>14,073</b>	<b>7,504</b>	<b>6,500</b>	<b>2,680</b>	<b>67,202</b>	<b>49,687</b>	<b>30,757</b>
<b><u>Growth Portfolio - New Schools</u></b>	Note: This section of the programme shows available funding and not the full scheme cost, unless Project Approval number disp								
<b><u>South Oxfordshire</u></b>									
Didcot, Great Western Park - Primary 1 (14 classroom)	120	600	3,500	2,512	0	0	6,732	6,612	6,012
Didcot, Great Western Park - Primary 2 (14 classroom)	0	0	150	3,600	2,483	0	6,233	6,233	6,233
Didcot, Great Western Park - Secondary (Phase 1)	0	100	750	10,000	10,190	0	21,040	21,040	20,940

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s			
Didcot, University Technical College - Secondary (Contribution) (ED867)	0	300	1,500	200	0	0	2,000	2,000	1,700
<b><u>Cherwell</u></b>									
Bodicote, Longford Park - 10 classroom	0	200	3,000	2,375	293	0	5,868	5,868	5,668
Bicester - Secondary P1 (incl existing schools)	0	0	100	600	8,000	5,505	14,205	14,205	14,205
Bicester, South West - 14 classroom (ED822)	339	3,400	3,400	196	0	0	7,335	6,996	3,596
Bicester Exemplar Eco-development - Primary 1 Phase 1 (7 classroom)	74	200	3,700	2,548	265	0	6,787	6,713	6,513
<b><u>Oxford</u></b>									
Oxford - Barton (West)	0	200	3,700	2,748	350	0	6,998	6,998	6,798
<b><u>Countywide</u></b>									
Project Development Budget	0	100	100	100	150	0	450	450	350
<b>Growth Portfolio Total</b>	<b>533</b>	<b>5,100</b>	<b>19,900</b>	<b>24,879</b>	<b>21,731</b>	<b>5,505</b>	<b>77,648</b>	<b>77,115</b>	<b>72,015</b>
<b><u>Children's Home</u></b>									
Children's Home Programme	159	400	3,800	2,200	1,266	0	7,825	7,666	7,266
<b>Children's Home Total</b>	<b>159</b>	<b>400</b>	<b>3,800</b>	<b>2,200</b>	<b>1,266</b>	<b>0</b>	<b>7,825</b>	<b>7,666</b>	<b>7,266</b>

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b>Annual Programmes</b>									
Schools Access Initiative	381	400	400	400	400	400	2,381	2,000	1,600
Health & Safety - Schools	48	350	325	275	300	300	1,598	1,550	1,200
Temporary Classrooms - Replacement & Removal	91	528	250	310	300	350	1,829	1,738	1,210
Schools Accommodation Intervention & Support Programme	0	25	75	75	100	100	375	375	350
School Structural Maintenance (inc Health & Safety)	4,994	3,119	2,000	2,000	1,750	1,750	15,613	10,619	7,500
Schools Energy Reduction Programme	26	0	250	250	250	250	1,026	1,000	1,000
<b>Annual Programme Total</b>	<b>5,540</b>	<b>4,422</b>	<b>3,300</b>	<b>3,310</b>	<b>3,100</b>	<b>3,150</b>	<b>22,822</b>	<b>17,282</b>	<b>12,860</b>
<b>Other Schemes &amp; Programmes</b>									
Early Years Entitlement for Disadvantage 2 year olds	0	600	1,000	822	0	0	2,422	2,422	1,822
Free School Meals (ED862)	0	1,850	143	0	0	0	1,993	1,993	143
Loans to Foster/Adoptive Parents (Prudentially Funded)	247	90	90	90	90	293	900	653	563
Small Projects	72	60	4	0	0	0	136	64	4
<b>Other Schemes &amp; Programmes Total</b>	<b>319</b>	<b>2,600</b>	<b>1,237</b>	<b>912</b>	<b>90</b>	<b>293</b>	<b>5,451</b>	<b>5,132</b>	<b>2,532</b>

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 current year) £'000s
		2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b>Retentions &amp; Oxford City Schools Reorganisation</b>									
Retentions & OSCR		609	290	65	0	0	964	964	355
<b>Retentions &amp; OSCR Total</b>		<b>609</b>	<b>290</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>964</b>	<b>964</b>	<b>355</b>
<b>Schools Capital</b>									
Devolved Formula Capital		2,500	2,200	1,383	1,278	0	7,361	7,361	4,861
<b>School Local Capital Programme Total</b>		<b>2,500</b>	<b>2,200</b>	<b>1,383</b>	<b>1,278</b>	<b>0</b>	<b>7,361</b>	<b>7,361</b>	<b>4,861</b>
<b>CE&amp;F CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>26,312</b>	<b>39,601</b>	<b>45,620</b>	<b>40,336</b>	<b>33,965</b>	<b>11,628</b>	<b>197,462</b>	<b>171,150</b>	<b>131,549</b>
<b>CE&amp;F OCC ADJUSTED CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>26,312</b>	<b>37,101</b>	<b>43,420</b>	<b>38,953</b>	<b>32,687</b>	<b>11,628</b>	<b>190,101</b>	<b>163,789</b>	<b>126,688</b>
<b>Programme reductions to be identified</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5,814</b>	<b>-5,814</b>	<b>-5,814</b>	<b>-5,814</b>
<b>CE&amp;F OCC REDUCED CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>26,312</b>	<b>37,101</b>	<b>43,420</b>	<b>38,953</b>	<b>32,687</b>	<b>5,814</b>	<b>184,287</b>	<b>157,975</b>	<b>120,874</b>

Capital Programme 2015/16 to 2018/19

SOCIAL AND COMMUNITY SERVICES CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s			
<b><u>Public Health Directorate</u></b>									
PHE Grant programme	0	183	0	0	0	0	183	183	0
<b>PUBLIC HEALTH PROGRAMME TOTAL</b>	<b>0</b>	<b>183</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>183</b>	<b>183</b>	<b>0</b>
<b><u>COMMUNITY SAFETY PROGRAMME</u></b>									
<b><u>Fire &amp; Rescue Service</u></b>									
Fire Equipment (SC112)	236	264	0	0	0	0	500	264	0
Joint Control room (SC111)	110	275	0	0	0	0	385	275	0
Relocation of Rewley Training Facility	0	0	100	500	0	0	600	600	600
Fire Review Development Budget	0	50	150	2,187	1,113	0	3,500	3,500	3,450
<b>COMMUNITY SAFETY PROGRAMME TOTAL</b>	<b>346</b>	<b>589</b>	<b>250</b>	<b>2,687</b>	<b>1,113</b>	<b>0</b>	<b>4,985</b>	<b>4,639</b>	<b>4,050</b>
<b><u>SOCIAL CARE FOR ADULTS PROGRAMME</u></b>									
<b><u>Mental Health</u></b>									
Mental Health Projects	485	46	0	0	0	0	531	46	0
<b><u>Adult Social Care</u></b>									
Adult Social Care Programme	0	0	500	500	1,000	2,250	4,250	4,250	4,250



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 current year) £'000s
		2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b>Residential</b>									
HOPs Phase 1- New Builds	0	0	0	0	0	10,503	10,503	10,503	10,503
Oxfordshire Care Partnership	0	0	0	8,900	0	0	8,900	8,900	8,900
<b>Specialist Housing Programme (inc ECH - New Schemes &amp; Adaptations to Existing Properties)</b>									
ECH - New Schemes & Adaptations to Existing Properties	501	1,116	2,100	3,100	318	0	7,135	6,634	5,518
Deferred Interest Loans (CSDP)	259	160	160	160	160	157	1,056	797	637
<b>SOCIAL CARE FOR ADULTS PROGRAMME TOTAL</b>	<b>1,245</b>	<b>1,322</b>	<b>2,760</b>	<b>12,660</b>	<b>1,478</b>	<b>12,910</b>	<b>32,375</b>	<b>31,130</b>	<b>29,808</b>
<b>STRATEGY AND TRANSFORMATION PROGRAMME</b>									
New Adult Social Care Management System (SC107)	92	800	294	0	0	0	1,186	1,094	294
<b>STRATEGY &amp; TRANSFORMATION PROGRAMME TOTAL</b>	<b>92</b>	<b>800</b>	<b>294</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,186</b>	<b>1,094</b>	<b>294</b>
Retentions & Minor Works		172	0	0	0	0	172	172	0
<b>S&amp;CS CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>1,683</b>	<b>3,066</b>	<b>3,304</b>	<b>15,347</b>	<b>2,591</b>	<b>12,910</b>	<b>38,901</b>	<b>37,218</b>	<b>34,152</b>

Capital Programme 2015/16 to 2018/19

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 current year) £'000s
		2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b><u>CITY DEAL PROGRAMME</u></b>									
<b><u>Science Transit</u></b>									
Kennington & Hinksey Roundabouts	1,377	5,951	0	0	0	0	7,328	5,951	0
Hinksey Hill Northbound Slip Road	0	236	588	1,719	4,567	1,590	8,700	8,700	8,464
<b><u>Access to Enterprise Zone</u></b>									
Harwell Link Rd Section 1 B4493 to A417	115	695	2,710	4,457	3,323	0	11,300	11,185	10,490
Harwell Link Rd Section 2 Hagbourne Hill	158	2,048	2,531	1,278	0	0	6,015	5,857	3,809
Featherbed Lane and Steventon Lights	151	2,204	2,417	2,771	0	0	7,543	7,392	5,188
Harwell, Oxford Entrance	0	133	849	672	346	0	2,000	2,000	1,867
<b><u>Northern Gateway</u></b>									
Cuttleslowe Roundabout	0	696	2,676	728	0	0	4,100	4,100	3,404
Wolvercote Roundabout	0	940	3,573	311	0	0	4,824	4,824	3,884
<b>CITY DEAL PROGRAMME TOTAL</b>	<b>1,801</b>	<b>12,903</b>	<b>15,344</b>	<b>11,936</b>	<b>8,236</b>	<b>1,590</b>	<b>51,810</b>	<b>50,009</b>	<b>37,106</b>
<b><u>LOCAL GROWTH DEAL PROGRAMME</u></b>									
Eastern Arc Phase 1 Access to Headington (project development)	0	349	0	0	0	0	349	349	0
Didcot Station Car Park Expansion	0	620	8,000	880	0	0	9,500	9,500	8,880
<b>LOCAL GROWTH DEAL PROGRAMME TOTAL</b>	<b>0</b>	<b>969</b>	<b>8,000</b>	<b>880</b>	<b>0</b>	<b>0</b>	<b>9,849</b>	<b>9,849</b>	<b>8,880</b>

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b><u>SCIENCE VALE UK</u></b>									
Milton Interchange	684	3,300	5,475	1,166	0	0	10,625	9,941	6,641
A34 Chilton Junction Improvements	170	972	5,873	1,649	2,219	0	10,883	10,713	9,741
Enterprise Zone Sustainable Transport Project - Cycleway improvements - Harwell Oxford to Didcot via Winnaway (GPF)	18	45	425	0	0	0	488	470	425
Didcot Parkway Station Forecourt	6,994	1,061	0	0	0	0	8,055	1,061	0
Didcot Parkway Brompton Docks	0	45	0	0	0	0	45	45	0
Didcot Northern Perimeter Road 3 (project development)	0	150	350	0	0	0	500	500	350
<b>SCIENCE VALE UK LOCALITY PROGRAMME TOTAL</b>	<b>7,866</b>	<b>5,573</b>	<b>12,123</b>	<b>2,815</b>	<b>2,219</b>	<b>0</b>	<b>30,596</b>	<b>22,730</b>	<b>17,157</b>
<b><u>OXFORD</u></b>									
Frideswide Square	589	1,575	3,143	535	0	0	5,842	5,253	3,678
The Plain Cycle Improvements	119	976	222	29	0	0	1,346	1,227	251
Woodstock Rd, ROQ	48	10	10	462	50	0	580	532	522
London Road Bus Lane (LSTF)	193	902	85	0	0	0	1,180	987	85

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
Green Road-Warneford Lane Cycle Route (LSTF)	9	119	0	0	0	0	128	119	0
Oxford Station to City Centre Improvements (project development)	0	60	0	0	0	0	60	60	0
<b>OXFORD LOCALITY PROGRAMME TOTAL</b>	<b>958</b>	<b>3,642</b>	<b>3,460</b>	<b>1,026</b>	<b>50</b>	<b>0</b>	<b>9,136</b>	<b>8,178</b>	<b>4,536</b>
<b><u>BICESTER</u></b>									
Bicester Park and Ride	244	750	2,426	380	0	0	3,800	3,556	2,806
Bicester Perimeter Road (Project Development)	0	0	300	700	0	0	1,000	1,000	1,000
<b>BICESTER LOCALITY PROGRAMME TOTAL</b>	<b>244</b>	<b>750</b>	<b>2,726</b>	<b>1,080</b>	<b>0</b>	<b>0</b>	<b>4,800</b>	<b>4,556</b>	<b>3,806</b>
<b><u>WITNEY AND CARTERTON</u></b>									
Witney, Ducklington Lane/Station Lane Junction	382	2,037	0	75	0	0	2,494	2,112	75
Witney, A40 Downs Road junction (project development)	0	0	1,250	0	0	0	1,250	1,250	1,250
<b>WITNEY AND CARTERTON LOCALITY PROGRAMME TOTAL</b>	<b>382</b>	<b>2,037</b>	<b>1,250</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>3,744</b>	<b>3,362</b>	<b>1,325</b>
<b><u>COUNTYWIDE AND OTHER</u></b>									
Bicester Town Station (EWR)	0	10	110	0	0	0	120	120	110
Oxford Parkway Station (EWR)	0	10	37	0	0	0	47	47	37
East-West Rail (contribution)	0	587	737	737	737	737	3,535	3,535	2,948

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
Small developer funded schemes	427	582	299	36	0	0	1,344	917	335
Completed schemes		175	0	132	0	0	307	307	132
<b>COUNTYWIDE AND OTHER INTEGRATED TRANSPORT TOTAL</b>	<b>427</b>	<b>1,364</b>	<b>1,183</b>	<b>905</b>	<b>737</b>	<b>737</b>	<b>5,353</b>	<b>4,926</b>	<b>3,562</b>
<b>INTEGRATED TRANSPORT STRATEGY TOTAL</b>	<b>11,678</b>	<b>27,238</b>	<b>44,086</b>	<b>18,717</b>	<b>11,242</b>	<b>2,327</b>	<b>115,288</b>	<b>103,610</b>	<b>76,372</b>
<b><u>STRUCTURAL MAINTENANCE PROGRAMME</u></b>									
Carriageway Schemes (non-principal roads)	0	4,358	3,676	3,129	3,280	3,280	17,723	17,723	13,365
Footway Schemes	0	1,393	995	1,068	1,353	1,354	6,163	6,163	4,770
Surface Treatments	0	5,291	6,179	3,871	4,988	4,946	25,275	25,275	19,984
Street Lighting Column Replacement & Traffic Signals	0	500	575	490	490	490	2,545	2,545	2,045
Drainage	0	950	1,120	930	922	928	4,850	4,850	3,900
Bridges	0	1,268	1,813	1,681	1,611	1,615	7,988	7,988	6,720
Public Rights of Way Foot Bridges	6	205	89	100	100	100	600	594	389
Additional Maintenance Works	2,152	1,399	0	0	0	0	3,551	1,399	0
<b>STRUCTURAL MAINTENANCE ANNUAL PROGRAMMES TOTAL</b>	<b>2,158</b>	<b>15,364</b>	<b>14,447</b>	<b>11,269</b>	<b>12,744</b>	<b>12,713</b>	<b>68,695</b>	<b>66,537</b>	<b>51,173</b>

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b><u>Detrunked, Principal Roads and Other Major Schemes</u></b>									
A420 Cumnor embankment works	0	83	244	40	0	0	367	367	284
Network Rail Electrification Bridge Betterment Programme	0	20	2,090	156	0	0	2,266	2,266	2,246
M40 Junction 9 A41 Drainage works	0	50	0	0	0	0	50	50	0
Thames Towpath Reconstruction	284	5	306	0	0	0	595	311	306
A4130 Bix dual carriageway	531	4,188	0	0	0	0	4,719	4,188	0
A420 Shrivenham Bypass	199	2,929	0	0	0	0	3,128	2,929	0
A420/A34 Slip Road	0	0	471	679	0	0	1,150	1,150	1,150
Completed Major Schemes		60	0	0	0	0	60	60	0
<b>STRUCTURAL MAINTENANCE MAJOR SCHEMES TOTAL</b>	<b>1,014</b>	<b>7,335</b>	<b>3,111</b>	<b>875</b>	<b>0</b>	<b>0</b>	<b>12,335</b>	<b>11,321</b>	<b>3,986</b>
<b>STRUCTURAL MAINTENANCE PROGRAMME TOTAL</b>	<b>3,172</b>	<b>22,699</b>	<b>17,558</b>	<b>12,144</b>	<b>12,744</b>	<b>12,713</b>	<b>81,030</b>	<b>77,858</b>	<b>55,159</b>
<b>HIGHWAYS &amp; TRANSPORT CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>14,850</b>	<b>49,937</b>	<b>61,644</b>	<b>30,861</b>	<b>23,986</b>	<b>15,040</b>	<b>196,318</b>	<b>181,468</b>	<b>131,531</b>

Capital Programme 2015/16 to 2018/19

ENVIRONMENT & ECONOMY CAPITAL PROGRAMME (EXCLUDING TRANSPORT)

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b>ASSET STRATEGY IMPLEMENTATION PROGRAMMES</b>									
Asset Strategy Implementation Programme	95	110	1,899	2,000	1,841	0	5,945	5,850	5,740
Relocation of CSC from Clarendon House to County Hall	411	687	0	0	0	0	1,098	687	0
Abbey House	31	1,685	0	0	0	0	1,716	1,685	0
Cambridge Terrace moves to Ron Groves House	0	450	101	0	0	0	551	551	101
Cricket Road Centre Closure (including Unipart House works)	124	77	0	0	0	0	201	77	0
<b>ASSET STRATEGY IMPLEMENTATION PROGRAMME TOTAL</b>	<b>661</b>	<b>3,009</b>	<b>2,000</b>	<b>2,000</b>	<b>1,841</b>	<b>0</b>	<b>9,511</b>	<b>8,850</b>	<b>5,841</b>
<b>ENERGY EFFICIENCY IMPROVEMENT PROGRAMME</b>									
SALIX Energy Programme	1,192	140	220	220	220	102	2,094	902	762
Energy Strategy Implementation (Non-Schools)	139	184	0	0	0	0	323	184	0
<b>ENERGY EFFICIENCY IMPROVEMENT PROGRAMME TOTAL</b>	<b>1,331</b>	<b>324</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>102</b>	<b>2,417</b>	<b>1,086</b>	<b>762</b>
<b>ANNUAL PROPERTY PROGRAMMES</b>									
Minor Works Programme	654	250	200	200	200	200	1,704	1,050	800
Health & Safety (Non-Schools)	63	27	24	24	24	50	212	149	122
<b>ANNUAL PROPERTY PROGRAMMES TOTAL</b>	<b>717</b>	<b>277</b>	<b>224</b>	<b>224</b>	<b>224</b>	<b>250</b>	<b>1,916</b>	<b>1,199</b>	<b>922</b>

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year 2014 / 15 £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s	2018 / 19 £'000s			
<b>WASTE MANAGEMENT PROGRAMME</b>									
Waste Recycling Centre Infrastructure Development	0	0	2,799	0	0	0	2,799	2,799	2,799
Alkerton WRC	0	150	1,425	175	0	0	1,750	1,750	1,600
Oxford Waste Partnership PRG Allocation	530	40	0	0	0	0	570	40	0
<b>WASTE MANAGEMENT PROGRAMME TOTAL</b>	<b>530</b>	<b>190</b>	<b>4,224</b>	<b>175</b>	<b>0</b>	<b>0</b>	<b>5,119</b>	<b>4,589</b>	<b>4,399</b>
<b>CORPORATE PROPERTY &amp; PARTNERSHIP PROGRAMMES</b>									
Broadband (OxOnline) Project	392	6,624	6,844	0	0	0	13,860	13,468	6,844
Spendlove Centre, Charlbury	0	30	160	158	0	0	348	348	318
Wigod Way, Wallingford	0	189	0	0	0	0	189	189	0
Oxford Flood Relief Scheme	0	0	0	0	0	5,000	5,000	5,000	5,000
<b>CORPORATE PROPERTY &amp; PARTNERSHIP PROGRAMMES TOTAL</b>	<b>392</b>	<b>6,843</b>	<b>7,004</b>	<b>158</b>	<b>0</b>	<b>5,000</b>	<b>19,397</b>	<b>19,005</b>	<b>12,162</b>
Retentions (completed schemes)		23	0	0	0	0	23	23	0
<b>ENVIRONMENT &amp; ECONOMY (EXCLUDING TRANSPORT) CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>3,631</b>	<b>10,666</b>	<b>13,672</b>	<b>2,777</b>	<b>2,285</b>	<b>5,352</b>	<b>38,383</b>	<b>34,752</b>	<b>24,086</b>



## Capital Programme 2015/16 to 2018/19

### CHIEF EXECUTIVE'S OFFICE CAPITAL PROGRAMME

Project/ Programme Name	Previous Years Actual Expenditure £'000s	Current Year £'000s	Firm Programme		Provisional Programme		Total Scheme Cost £'000s	Capital Investment Total (excluding previous years) £'000s	Future Capital Investment Total (excluding current year) £'000s
			2014 / 15 £'000s	2015 / 16 £'000s	2016 / 17 £'000s	2017 / 18 £'000s			
<b>COMMUNITY SERVICES PROGRAMME</b>									
<b>Libraries</b>									
Bicester Library (CS13)	0	500	910	90	0	0	1,500	1,500	1,000
Headington Library (CS12)	75	190	0	0	0	0	265	190	0
Westgate Library	0	0	0	250	1,000	250	1,500	1,500	1,500
<b>Museums</b>									
Oxfordshire Museum	0	25	250	25	0	0	300	300	275
<b>COMMUNITY SERVICES PROGRAMME TOTAL</b>	<b>75</b>	<b>715</b>	<b>1,160</b>	<b>365</b>	<b>1,000</b>	<b>250</b>	<b>3,565</b>	<b>3,490</b>	<b>2,775</b>
<b>Partnerships</b>									
Super Connected Cities Bid	0	150	0	0	0	0	150	150	0
<b>City Deal</b>									
Culham Advanced Manufacturing Hub	0	0	2,000	0	0	0	2,000	2,000	2,000
<b>PARTNERSHIPS PROGRAMME TOTAL</b>	<b>0</b>	<b>150</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,150</b>	<b>2,150</b>	<b>2,000</b>
Completed Projects		9	0	0	0	0	9	9	0
<b>CHIEF EXECUTIVE'S OFFICE CAPITAL PROGRAMME EXPENDITURE TOTAL</b>	<b>75</b>	<b>874</b>	<b>3,160</b>	<b>365</b>	<b>1,000</b>	<b>250</b>	<b>5,724</b>	<b>5,649</b>	<b>4,775</b>

## Capital Programme 2015/16 to 2018/19

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

Ref.	Scheme/ Programme Area/ Grant Name	Status	Description	Amount £000	Year
	<b><u>Children, Education &amp; Families</u></b>				
(1)	Free School Meals Programme	2	Universal infant free school meals - capital bidding round, 4 school bids successful	TBC	2015/16
	<b>Sub-Total Children, Education &amp; Families</b>			<b>0</b>	
	<b><u>Social &amp; Community Services</u></b>				
(2)	Better Care Fund	2	Ringfenced allocation	1,276	
	<b>Sub-Total Social &amp; Community Services</b>			<b>1,276</b>	
	<b><u>Environmental &amp; Economy</u></b>				
(3)	Local Transport Board	2	Funding allocation to the following schemes: - Wantage Eastern Link Road - Bicester London Road level crossing	4,500 2,300	2015/16 & 2016/17
(4)	Local Growth Fund 1	2	Funding allocation towards: - Headington Phase 1 and Eastern Arc Transport Improvements - Science Vale Cycle Network Improvements - Oxford Science Transit Phase 2 (A40) - Bicester London Road – Level Crossing - Advanced Engineering and Technology Skills - Oxfordshire Flood Risk Management Scheme and Upstream Flood Storage at Northway - Oxford Centre for Technology and Innovation - Centre for Applied Superconductivity	9,200 44,200 35,000	2015/16 2016/17 to 2021 Provisional

Ref.	Scheme/ Programme Area/ Grant Name	Status	Description	Amount £000	Year
(5)	Local Growth Fund 2	2	Funding allocation towards a package to improve transport in North Oxford and enable the Northern Gateway Development: - Transport and site improvements to support the Oxpens development - Establishing the Activate Care Suite to improve adult social care and healthcare in Oxfordshire. - Improvements to the A34, including the Lodge Hill Junction	9,900	2016/17 to 2021
	<b>Sub-Total Environmental &amp; Economy</b>			<b>105,100</b>	
	<b><u>Chief Executive's Office</u></b>				
	<b>Subtotal Chief Executive's Office</b>			<b>0</b>	
	<b>Total</b>			<b>106,376</b>	

**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

## Capital Programme 2015/16 to 2018/19

### 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
<b>TOTAL</b>			<b>8,085</b>	<b>110</b>	<b>7,975</b>	

#### 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

## Capital Programme 2015/16 to 2018/19

### 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
<b>SCIENCE VALE</b>				
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
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

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
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	LGF, CIL/Developer Contributions, on-site strategic housing & commercial developments, 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
<b>OXFORD</b>				
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

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
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
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
<b>BICESTER</b>				
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 Eol 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 Eol, 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 Arcott	Scheme predicated on announcement of Bicester/Arcott 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

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
<b>BANBURY</b>				
<b>North-south corridor'</b> *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.
<b>Hennef Way (A422) to M40 Corridor Improvements</b> *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 Chalker 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



Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
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
<b>WITNEY &amp; CARTERTON</b>				
West-facing slip roads at A40 Shores Green junction	Possible direct delivery by developer	Unknown at present	Unknown at present	To be identified
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 routeing.	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

Scheme Name	Description	Estimated Year of Construction	Estimated Total Project Cost £000	Funding Status and Source if Known
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
<b>COUNTYWIDE</b>				
Cycle Network Enhancements	Schemes include: Culham - Oxford, Eynsham - Oxford, Adderbury - Banbury	Unknown at present	Unknown at present	To be identified

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
<b>ASSESSED CARRIAGEWAY SCHEMES - (NON-PRINCIPAL ROADS PROGRAMME)</b>					
<b>A- NON- PRINCIPAL ROAD PROGRAMME</b>					
Stanford in the Vale	High Street & The Green	182,055			
Oxford City (S42)	Pembroke Street		61,000		
Oxford	Park End Street		346,885		Brought forward to 2015/16 for co-ordination with the Frideswide Square and potential Park End Street improvements
<b>TOTAL NON-PRINCIPAL ROAD SCHEMES</b>		<b>182,055</b>	<b>407,885</b>	<b>0</b>	
<b>B- VALUE ENGINEERED SCHEMES PROGRAMME</b>					
Thame	Thame Park Road (Lodge Bend).	54,888			
Didcot	Station Road	89,620			
Thame	Thame Park Road (Altingham Toll	66,761			
Kennington	The Avenue Section 2	207,481			
Witney	Corn Street	245,947			
Abingdon	Preston Road	227,222			
Thame	Cornmarket	108,550			
Cumnor	B4044 Eynsham Road corner	399,455			
Watlington	B480 Cuxham Road Roundabout	58,834			
Oxford City (S42)	Hayfield Road	38,954			
Oxford City (S42)	Osler Road	205,885			
Banbury	Westbar Street	130,823			
Berinsfield	Fane Drive	110,445			
Shipton Under Wychwood	Milton Road	148,500			
Kennington	The Avenue Section 1	316,874			
Chipping Norton	Walterbush Road	241,262			
Oxford	A420 London Road	623,150	458,763		Additional funds from severe weather/pothole grants
Sonning Eye	B478 Playhatch Road	344,520	30,000		Additional funds from severe weather/pothole grants
Abingdon	Drayton Road		252,391		
Didcot	A4130 Didcot Perimeter Road		379,166		
Didcot	A4130 Power Station Roundabout		154,255		
Oxford City (S42)	Sandy Lane West		198,961		
Didcot	Broadway		264,944		
Benson	Clacks Lane		599,585		Includes £297k developer funds
Banbury	Hennef Way Roundabout		589,604		
Wantage	Market Place			136,836	
Little Wittenham	Un-named Road (Long Wittenham Road junction to Church)			78,650	
Wantage	Mill Street			86,522	
Benson	A4074 Near Elmbridge Roundabout			266,784	

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Wantage	Newbury Street			150,706	
Great Milton	A329 Rycote Lane			113,256	
Henley	Vicarage Road			145,200	
Didcot	King Alfred Drive			142,742	
Goring	High Street			152,333	
Banbury	Mewburn Road / Wesley Drive			109,352	
North Moreton	Long Wittenham Road / High Street			204,930	
Milton	Sutton Courteney Lane			240,240	
Oxford	Harcourt Hill			148,786	
Oxford City (S42) Marston	Derwent Avenue			208,346	
Oxford City (S42) Littlemore	Champion Way			78,132	
Oxford City (S42) Headington	Downside Road			62,988	
Residual Design for 14/15		77,751			
Advance Design		195,561	240,000	220,000	
Advance Site Investigation		283,118	100,000	120,000	
Contingency Allowance				462,876	
<b>TOTAL VALUE ENGINEERED SCHEMES</b>		<b>4,175,601</b>	<b>3,267,669</b>	<b>3,128,679</b>	
<b>TOTAL ASSESSED CARRIAGEWAY SCHEMES</b>		<b>4,357,656</b>	<b>3,675,554</b>	<b>3,128,679</b>	
<b>COMBINED SAFETY SCHEMES PROGRAMME</b>					
Thame	B4021 Thame Park Road - Moreton	119,884			
Kirtlington/W-ot-G	B430 Kirtlington/Weston on the Gr - Akeman St Drainage, signs and lining	11,068			
Wardington	A361 Wardington - Wardington Road	75,977			
Hardwick	B4100 Hardwick Junction Patch / SD	49,264			
Thame	B4012 Thame Park Road, Bow bridge 100 inlay /1.2m edge	104,939			
Chalgrove	B480 Cutmill, nr Chalgrove 85 overlay	61,148			
Carteton	B4020 Shilton Dip (Nr Carterton) 100 inlay / overlay/ 1.2m edge haunching	113,693			
Bicester	A4421 Bicester, Peregrine Way 85	119,695			
Signs		20,000			
Aston Rowant	A40 Aston Hill Bend 1+2+3	199,826	20,000		
Residual 13/14 design		31,263			
East Hendred	A417 Reading Road, 100 inlay /		180,700		
Design	Including residual 15/16 design and advanced 16/17 investigation and design	90,000	180,000		
	A44 Salford Hill		53,280		
	A4421 Fringford Mill		21,001		

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Deddington	A4260 South of Deddington Village		50,000		
	B4011 Junction Playfield road		20,000		
	A329 near Great Milton turn		62,000		
	A4155 Bends on Span Hill/ -		102,000		
	B4449 bends near Bell Bridge		6,512		
Tackley	Enslow Bridge		51,500		
Yarnton	A44 Woodstock Road - Langford		127,800		
Great Hasely	A329 Rycote Lane site 1		45,000		
Great Hasely	A329 Rycote Lane site 2		45,000		
Marsh Baldon	B4015 Little Baldon bends		39,000		
	A4130 Haddon Hill		50,000		
16/17 programme to be confirmed				1,100,000	
Contingency Allowance				225,000	
<b>TOTAL COMBINED SAFETY SCHEMES</b>		996,757	1,053,793	1,325,000	
<b>ROUTINE SURFACE DRESSING SCHEMES PROGRAMME</b>					
A3400 - Chapel Hse - Over Norton		31,500			
A3400 - Southcombe - Chapel House		31,500			
A361 - Swerford - Chapel Hse		84,000			
A4095 Enslow		16,200			
A44 - Woodstock /Manor Rd		10,500			
B4026 - Over Norton		18,000			
B4030 - Lower Heyford		27,000			
B4030 - Rousham - Hopcroft Halt		23,400			
B4100 Bainton - Swift Hse		50,400			
Caversfield		16,530			
Kingham - B4450		19,800			
MUW - Fifield		26,250			
Waterloo Crossroads/Bainton		30,690			
Williamscot - Chacombe		13,050			
Cholsey Hill, Cholsey		20,745			
Huntercombe End Lane, Nuffield		17,019			
Kingsey Road (east), Thame		35,001			
The Green, Stadhampton		8,040			
Watlington Road, Benson		10,800			
Cutmill Nr Cuxham B480		31,350			
A4130 Didcot Marsh to Tesco's RAB		6,195			
A4130 Didcot Sires Hill to Slade RAB		32,550			
A418 Aylesbury Road Thame		26,265			
Great Hasely		10,908			
A4155 Shiplake		28,770			

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
	A417 Haddenham Road Thame	6,300			
	Barrow Road Shippon	20,376			
	Tumbledown Hill/Cumnor Rd	45,000			
	Green Lane Bayworth	9,150			
	Milton Road Drayton	28,800			
	Brize Norton Road Carterton	12,240			
	Swinbrook Road Carterton	10,890			
	A420 Between A417 Roundabouts	16,875			
	Tulwick Lane Grove	4,950			
	A415 Abingdon Road Standlake	27,000			
	A420 Besselsleigh	47,775			
	A420 from j/o A417 to Wadley Manor	31,200			
	A4165 Banbury Road - ST. GILES TO PARKS ROAD	9,802			
	A4165 Banbury Road - PARKS ROAD TO SOUTH PARADE	6,180			
	A4165 Banbury Road - BARDWELL ROAD	1,097			
	A4165 Banbury Road - NORHAM ROAD TO BARDWELL ROAD	3,740			
	A4165 Banbury Road - BARDWELL ROAD TO LINTON ROAD	5,554			
	A4165 Banbury Road - LINTON ROAD TO BELBROUGHTON ROAD	6,517			
	A4165 Banbury Road - BELBROUGHTON ROAD TO MARSTON FERRY ROAD	6,290			
	A4165 Banbury Road - MARSTON FERRY ROAD TO DIAMOND PLACE	4,301			
	A4165 Banbury Road - HAMILTON ROAD TO LONSDALE ROAD	3,864			
	A4165 Banbury Road - HERNES CRESCENT TO HAMILTON ROAD	10,631			
	A4165 Banbury Road - HERNES CRESCENT TO WENTWORTH ROAD	3,190			
	A4165 Banbury Road - WENTWORTH ROAD TO CARLTON ROAD	8,541			
	A4165 Banbury Road - CARLTON ROAD TO CUTTESLOWE ROUNDABOUT	3,920			
	A4165 Banbury Road - CUTTESLOWE ROUNDABOUT TO HAREFIELDS	3,092			
	A4165 Banbury Road - HAREFIELDS TO JORDAN HILL	11,343			
	A4165 Banbury Road - JORDAN HILL TO END	11,547			
	C16101 Evans Lane	12,390			
	C16101 Evans Lane Service Road	1,548			
	C16093 Mill Street	10,482			
	A44 WOODSTOCK ROAD - RUTTEN LANE TO SCIENCE PARK	9,627			
	A44 WOODSTOCK ROAD - LANGFORD LANE TO BEGBROKE	16,040			
	A44 WOODSTOCK ROAD - BEGBROKE TO LANGFORD LANE	17,998			
	A44 WOODSTOCK ROAD - BLADON ROUNDABOUT TO WOLSEY COURT	14,576			
	A44 WOODSTOCK ROAD - WOLSEY COURT TO LANGFORD LANE	11,300			
	1415 overall pressure	195,000			
Woodstock	A44 Oxford Street		30,400		
Broughton	A4035 Broughton - Tadmarton		36,000		
Bicester	A41 Tesco - Rodney House		54,000		
Ambrosden	Ploughly Road		32,500		
Tackley	A4260 Hopcrofts Holt - Rousham		70,200		
Milcombe	Bloxholme Road		27,300		
Newton Purcell	A4421 Frigford Mill - Barton		39,000		

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Chipping Norton	A44 London Road		24,000		
Chipping Norton	A44 London Road ( Southconbe -		39,200		
Great Tew	B4022 Great Tew - Enstone		50,640		
Gosford and Water eaton	A4260 Frieze Way (northbound)		43,616		
Kidlington	Bicester Road		22,948		
Oxford	A4144 St Margarets Road to Moreton		25,496		
Binfield Heath	Shiplake Row to Memorial Ave		23,000		
Dunsden	Dunsden crossroad to Coppid Hall		32,300		
Highmoor	Nettlebed rdbt to Highmoor		63,000		
Berinsfield	A4074 Berinsfield to Golden Balls		64,800		
Henley	A4155 Marlow Rd		43,872		
Culham	Thame Lane		9,688		
Boars Hill	Foxcombe Road		27,600		
Carterton	Milestone Road		25,300		
Bayworth	Quarry road		14,880		
Bampton	Aston Road		12,200		
Carterton	Black Bourton Road		16,800		
Buckland	Carswell Lane		32,000		
Longworth	Pine Woods Road		25,080		
Sunningwell	Sunningwell Road		33,768		
Blackthorn	A41 County bdy to railway bridge		55,710		
Thame	Kingsey Road		15,000		
lines /studs and markings.		280,000	298,727		
Design		35,000	38,430		
Fees		144,342			
Carriageway Retexturing		100,000			
s42		354,000	138,000		
16/17 programme to be confirmed				1,500,000	
Programme contingency				196,250	
<b>TOTAL SURFACE DRESSING SCHEMES</b>		<b>2,188,930</b>	<b>1,465,455</b>	<b>1,696,250</b>	
<b>OTHER SURFACE TREATMENTS PROGRAMMES</b>					
Surface Dressing Pre-Patching Schemes		850,000	850,000	850,000	
Small 'Senior Tech' schemes		1,255,000			Pothole grant
Edge Strengthening			610,000		Severe Weather Grant
Structural Patching			1,500,000		Capitalised spends to achieve revenue savings
Dragon jetpatching trial			700,000		
<b>TOTAL SURFACE TREATMENTS</b>		<b>5,290,687</b>	<b>6,179,248</b>	<b>3,871,250</b>	

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
<b>FOOTWAYS PROGRAMME</b>					
Kennington	The Avenue	45,091			
Thame	Queen's Road	36,721			
Milton-Under-Whychwood	Frog Lane	21,288			
Chipping Norton	Over Norton Road	33,166			
Horspath	College Way	75,099			
Middle Barton	North Street	6,346			
Banbury	St Leonard's Close	30,437			
Henley	St Andrew's Road (North side)	77,257			
Banbury	Nuffield Drive	124,621			
Didcot	Brasenose Road (South side)	55,224			
Didcot	St John's Close	18,177			
Banbury	Footpath Link from Bloxham Rd to	80,665			
Didcot	Lydalls Road	24,903			
Henley	St Andrew's Road (South side)	78,399			
Witney	B4022 Oxford Hill	8,200			
Henley	West Street (North side)	34,027			
Culham	Sutton Bridge, Abingdon Road	21,918			
Ardley	Station Road (West Side)	10,854			
Henley	Northfield End	11,634			
Abingdon	Drayton Road (West side)	13,772			
Curbridge	Well Lane	41,474			
Didcot	Ladygrove Loop	35,867			
Ardley with Fewcott	Castlefields			27,807	
Wantage	Upthorpe Drive			78,461	
Wallingford	Wallingford Bridge			16,757	
Marston	Marston Road (West side)			42,140	
Oxford	A40 Northern Bypass			13,554	
Crowmarsh Gifford	The Street			21,674	
Henley	Station Road			30,000	
Sutton Courteney	Drayton Road	3,600			
Oxford City (S42)	Catte Street	62,070			
Oxford City (S42)	Wellington Square	58,443			
Oxford City (S42)	Brasenose Lane	27,821			
Oxford City (S42)	Oriel Square	29,485			
Oxford City (S42)	Harebell Road	77,688			
Kennington	The Avenue (Section 1)	54,313			
Oxford City (S42)	Giles Road		105,758		
Oxford City (S42)	Nicholas Avenue		38,851		
Oxford City (S42)	Mill Lane		118,224		
Chinnor	Elderdene		101,145		
Chilton	Elderfield Crescent		39,837		
Cholsey	Pound Lane		22,136		
Hanborough	Churchill Way		87,045		



## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Henley	Makins Road		65,552		
Abingdon	Cherwell Close		28,942		
Wiggington	Wiggington Road		38,486		
Grove	Mayfield Avenue		82,092		
Kidlington	South Avenue		126,398		
Hanborough	Witney Road, Long Hanborough		14,904		
Cholsey	Brookside		22,987		
Finmere	Chinnals Close		23,094		
Chinnor	Station Road			25,936	
Thame	High Street			10,138	
Witney	Langdale Gate			8,466	
Wheatley	London Road & Holloway Road			128,689	
North Hinksey	Harcourt Hill			73,012	
Didcot	Abingdon Road			33,417	
North Leigh	Common Road			23,332	
Wheatley	Road to Waterperry			19,973	
Garsington	Birch Road			69,081	
Oxford City (S42) Headington	Bernwood Road			114,708	
Oxford City (S42) Headington	Kiln Lane			22,772	
Additional tar costs		59,030			
Advance Design		135,009	90,000	90,000	
Contingency Allowance				208,351	
<b>TOTAL FOOTWAYS SCHEMES</b>		<b>1,392,599</b>	<b>1,005,451</b>	<b>1,058,268</b>	
<b>DRAINAGE SCHEMES</b>					
A40 A415 slip to A40 B4477, Witney	A40 Witney Bypass	125,000			
Black Bourton	Black Bourton	25,000			
Filkins And Broughton Poggs	Filkins and Bourton Poggs	63,000			
Kiddington Canyon	Kiddington	30,000			
Littleworth, Buckland Road	Littleworth	12,000			
North Leigh, East End	North Leigh	25,000			
Salford, Cooks Lane	Salford	20,000			
South Leigh	South Leigh	20,000			
Witney, West End	Witney	20,000			
Begbroke, Spring Hill Road	Begbroke	15,000			
Ascott Under Wychwood The Green	Ascot under Wychwood phase 2	30,000			
A44 Springhill Road, Begbroke	A44 Begbroke	25,000			

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Kidlington	Springfield Road / Edinburgh Drive	40,000			
Southmoor,	Blandy Avenue (c/f 08/09)	20,000			
Blewbury	Church End	7,500			
Station Road	Lower Heyford	15,000			
Kidmore End	Henley	30,000			
Taynton	Village	20,000			
Ascott Under	Wychwood The Green	0	25,000		
Bampton			25,000		
Banbury	Acorn Road		20,000		
Bladon	A4095 Grove Lane Jct with Park		30,000		
Bloxham	Painters Close		20,000		
Botley	Cumnor Road / eynsham Road		20,000		
Burcott	Park		25,000		
Compton	Beauchamp		25,000		
Cothill			25,000		
East Lockinge	to Betterton		25,000		
Fernham	High Street		25,000		
Fulbrook,	Manor Farm Westall Hill		15,000		
Hempton	Duns Tew Road		20,000		
Launton	Station Road		20,000		
Lew				20,000	
Oxford,	Florence Park, Cowley		40,000		
Steventon	Mill Lane			25,000	
Stonesfield,	Cockshoot Close	10,000	30,000		
Westcot			20,000		
A40	Between Headington roundabout and Wheatley near the Forest Hill turn		60,000		
Witney			40,000	60,000	
Adderbury				20,000	
Balscote				25,000	
Bampton				25,000	
Benson				20,000	
Bicester				40,000	
Blackthorn				30,000	
Blewbury				30,000	
Burford				15,000	
Didcot				30,000	
East Challow				30,000	
Henley on	Thames			15,000	
Mollington				20,000	
Oxford				20,000	
Oxford					20k reserve scheme
Swalcliffe					25k reserve scheme
Tackley					40k reserve scheme
Wendlebury					30k reserve scheme

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Countywide	Investigations for schemes	50,000	50,000	50,000	
Countywide	Lining	30,000	30,000	30,000	
Countywide	Drainage Design Costs	80,000	80,000	80,000	
Countywide	Emergency Works	292,500	295,000	295,000	
Countywide	Contributions	50,000	50,000	50,000	
<b>TOTAL DRAINAGE SCHEMES</b>		<b>1,055,000</b>	<b>1,015,000</b>	<b>930,000</b>	
<b>BRIDGES PROGRAMME</b>					
<b>SCHEMES</b>					
Dyers Hill (culverts)	Flood arch repairs 13/14. Current 7.5 tonne TRO & monitoring. Strengthening or reconstruction	22,000			
Gaunt House Mill	Testing, Concrete repairs, waterproofing and resurfacing.	123,000			
Winterbrook Bridge	Joints/drainage, access hatch safety, security and leakage, parapet upstand cladding connection and WP investigation and settlement	30,000			
Cottesmore Footbridge 6068	Post-tensioning review, Concrete Repair, Waterproofing, Joints,	34,000			
Old Road shotover	RC Investigation and at minimum concrete repairs.	15,000			
Great brook Midmost OCC No 1457		15,000			Reactive scheme 14/15.
Bayswater Brook (reactive)		66,000			Reactive scheme 14/15
Adderbury Twyford Road N 3089 (reactive)		43,000			Reactive scheme 14/15.
Cuddeston Strengthening		25,000			Reactive scheme 14/15.
Scour works	Scour repairs	594,000	450,000	350,000	Additional funds from SWR/pothole funding.
West Mill	Resurfacing (existing is failing)	30,000	70,000		
Kennington rail substructure	Post-tension inspection and assessment, repairs RC	6,000	74,000		
South Newington Strengthening		10,000	90,000		
Stert Culvert Repairs.	Strengthening of 100m section.	50,000	240,000		
Heath Bridge	Deck replacement	40,000	360,000		
Upgrade of low bridge signage	Low Bridge signage review and metrification	15,000	35,000		
Paceys 1 and Paceys 2	BDE welding, concrete repairs, waterproofing.		100,000		Brought Forward from 18/19 for delivery with Frideswide and Park End Street Improvements
Ickford Bridge 0076	repointing and signalise to reduced damage and vibration on bridge. Approximately 190m length under signals.		8,000	72,000	

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Vicarage Hill Wheatley Superstructure	RC Deck Concrete Repairs Waterproofing Joints Resurfacing		25,000	225,000	
Sworford Flyover Superstructure	RC Deck Concrete Repairs Waterproofing Joints Resurfacing		25,000	225,000	
Shabington East 0498 Reconstruction & Centre	RC Bridge reconstruction Repair/strengthen or replace		25,000	218,000	
<b>ANNUAL FUNDS</b>					
Assessment of disused rail bridges (12 approx)	Inspection & Assessment of BRPB Bridges	30,000	200,000	200,000	
Principal Inspection and Assessment	Inspection and assessment work.	99,000			
Newbridge Maintenance & Monitoring	Special Inspections for weak bridge	10,000			
Wovercote Temp Lights	Load mitigation until replacement	4,000	4,000	4,000	
Brickfield Subway Recon Fund	Ongoing annual capital contribution to future structure replacement	7,000	7,000	7,000	
<b>OTHER PROGRAMME ITEMS</b>					
Bridge Management System				30,000	
Reactive works fund	To cover unprogrammed urgent structure defects that materialise		100,000	200,000	
CONTINGENCY	CONTINGENCY			150,000	
<b>TOTAL BRIDGES SCHEMES</b>		<b>1,268,000</b>	<b>1,813,000</b>	<b>1,681,000</b>	
<b>Public Rights of Way Footbridges</b>					
Drayton St Leonard	Drayton St Leonard Footpath 6	95,000			
Upper Heyford	Upper Heyford Footpath 6	110,000			
South Leigh	South Leigh Footpath 34				
Hardwick	Hardwick Footpath 5				
Programme contingency				10,000	
Future programme to be determined			90,000	90,000	
<b>TOTAL PROW</b>		<b>205,000</b>	<b>90,000</b>	<b>100,000</b>	
<b>STREET LIGHTING &amp; TRAFFIC</b>					
<b>Pole Replacement</b>					
Abingdon	St Amand Drive	22,000			
Abingdon	Hedgemoor Ave	35,000			
Adderbury	Deene Cl	18,000			
Kidlington	The Moors	35,000			
Didcot	Broadway	20,000			
High Street	Steventon	34,000			

## HIGHWAYS ASSET MANAGEMENT PLAN- STRUCTURAL MAINTENANCE PROGRAMME 2014/15 to 2016/17

Parish	Road Name	2014/15 (£)	2015/16 (£)	2016/17 (£)	NOTES
Banbury	Various roads	60,000			
Harwell	Abingdon Road, Harwell Rd	35,000			
Grove	Albermarle Drive Area	19,000			
Shrivenham	Martens Cl Area	12,000			
Oxford	Victoria Road/Water Eaton Road				
Oxford	Harpes Road				
Oxford	Boswell Road				
Oxford	St Lukes Road	182,000			
Oxford	Sorrell road				
Oxford	Jourdain Road				
Oxford	Fettiplace road				
Oxford	Various Roads		170,000		
Abingdon	Various Roads		85,000		
Bloxham	Various Roads		43,000		
Charlbury	Various Roads		34,000		
Chipping Norton	Various Roads		34,000		
Henley	Various Roads		74,000		
Didcot	Various Roads		50,000		
Banbury	Various Roads			105,000	
Abingdon	Various Roads			80,000	
Oxford	Various Roads			260,000	
Wallingford	Various Roads			45,000	
Pole Bracket Replacements					
Hornton		5,000			
Milcombe		7,500			
North Newington		6,000			
Shutford		4,500			
Sibford Ferris		5,000			
Traffic Signal Upgrades			85,000		
<b>TOTAL STREET LIGHTING &amp; TRAFFIC SIGNALS SCHEMES</b>		<b>500,000</b>	<b>575,000</b>	<b>490,000</b>	
<b>DfT £3.5m Additional Maintenance Programme 2013/14</b>					
Edge Strengthening		953,000			
Patching & Surface Dressing		436,000			
Contingency		10,000			
<b>TOTAL DFT £3.5m ADDITIONAL MAINTENANCE PROGRAMME 2013/14</b>		<b>1,399,000</b>	<b>0</b>	<b>0</b>	
<b>TOTAL STRUCTURAL MAINTENANCE ANNUAL PROGRAMME</b>		<b>15,467,942</b>	<b>14,353,253</b>	<b>11,259,197</b>	

## Treasury Management Strategy Statement & Annual Investment Strategy for 2015/16

### 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 2015/16 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)<sup>1</sup>, 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 2015/16, 2016/17 and 2017/18;
  - 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, therefore, 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 limited to a level which is affordable within the projected income of the Council for the foreseeable future.

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<sup>1</sup>Comprising the Chief Finance Officer, Service Manager - Pensions, Insurance and Money Management, Principal Financial Manager – Treasury & Pension Fund Investments, Financial Manager – Treasury Management, and Financial Manager – Pension Fund Investment.

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

### **Treasury Limits for 2015/16 to 2017/18**

7. 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.
8. 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'.
9. 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 2015/16 to 2017/18**

10. 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).

11. 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
12. 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 2014/15 and the Treasury Management Mid-Term Review 2015/16, which will be considered in July and November 2015 respectively.

### Forecast Treasury Portfolio Position

13. The Council's treasury forecast portfolio position for the 2015/16 financial year comprises:

	<b>Principal £m</b>	<b>Average Rate %</b>
<b>Opening External Debt Balance</b>		
PWLB	349.383	4.52%
Money Market Loans	50.000	3.94%
<b>TOTAL EXTERNAL DEBT</b>	<b>399.383</b>	
<u>2015/16 Average Cash Balance</u>		
Average In-House Cash	224.300	
Average Externally Managed	70.000	
<b>TOTAL INVESTMENTS</b>	<b>294.300</b>	

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

	<b>Average Balance £m</b>
Earmarked Reserves	46.9
Capital and Developer Contributions	117.4
General Balances	17.2
Cashflow and Working Capital Adjustments	97.7
Provisions and Deferred Income	15.1
<b>TOTAL</b>	<b>294.3</b>

### Prospects for Interest Rates

#### *Economic Background*

15. There is momentum in the UK economy, with a continued period of growth through domestically-driven activity and strong household consumption. There are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of



GDP. However, inflationary pressure is benign and is likely to remain low in the short-term. There have been large falls in unemployment but levels of part-time working, self-employment and underemployment are significant.

16. Bank Rate has been maintained at 0.50% throughout the financial year. The Monetary Policy Committee's (MPC's) focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee. Despite two Committee members having voted for a 0.25% increase in rates at each of the meetings from August 2014 onwards, some Committee members have become more concerned that the economic outlook is less optimistic than at the time of the August Inflation Report.
17. The unemployment rate for August to October 2014 was 6.0% of the economically active population, down 0.2% from May to July 2014 and down 1.4% from a year earlier. Inflationary pressure remains low, with CPI falling to 1% in November 2014, easing pressure on the MPC to increase the Bank Rate.
18. From August to October 2014 average total pay (including bonuses) rose by 1.4% year-on-year. On a single month basis, average weekly earnings were 1.8% higher in October 2014 year-on-year. Regular pay (excluding bonuses) rose by 1.6% in the three months to October 2014 compared to the previous year. On a single month basis, regular pay was 1.8% higher in October 2014 year-on-year. The CPI rate was 1.3% in October 2014, suggesting that wages rose marginally in real terms.
19. The transposition of two European Union directives into UK legislation in the coming months will place the burden of rescuing failing EU banks disproportionately onto unsecured local authority investors. The Bank Recovery and Resolution Directive promotes the interests of individual and small businesses covered by the Financial Services Compensation Scheme and similar European schemes, while the recast Deposit Guarantee Schemes Directive brings large companies into these schemes. The combined effect of these two changes is to leave public authorities and financial organisations (including pension funds) as the only senior creditors likely to incur losses through a "bail-in" for a failing bank after July 2015.
20. The continued global economic recovery has led to a general improvement in credit conditions since last year. This is evidenced by a fall in the credit default swap spreads of banks and companies around the world. However, due to the above legislative changes, the credit risk associated with making unsecured bank deposits will increase relative to the risk of other investment options available to the Authority.

### *Current Medium Term Financial Plan*

21. The strategy for 2014/15 approved by Council in February 2014 set out forecast interest rates over the medium term. The forecast was for an average base rate of:

- 2014/15 0.50%
- 2015/16 0.50%
- 2016/17 0.75%
- 2017/18 1.00%

These interest rates were used as a basis for constructing the strategic measures budget for 2014/15 to 2017/18.

### *Arlingclose's View*

22. The Council uses the services of Arlingclose Limited to provide investment advice to the Council, as part of this service they help the Council to formulate a view on interest rates.
23. Arlingclose forecast the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75%.
24. Arlingclose project a slow rise in Bank Rate. The pace of interest rate rises will be gradual and the extent of rises limited; with a forecast rate of 1.75% for March 2018.
25. Arlingclose also provide upside (rates being higher) and downside risks (rates being lower) to their forecast. The upside risk given for base rate ranges from 0.25% in June 2015 to 0.50% in March 2018. Downside risks range from zero in June 2015 to 1.00% in March 2018. On the downside, Eurozone weakness and the threat of deflation have increased the risks to the durability of UK growth. If the negative indicators from the Eurozone become more entrenched, the Bank of England will likely defer rate rises to later in the year.
26. Arlingclose expect the 1 year LIBID<sup>2</sup> rate to rise from 1.05% to 2.50% over the same period, indicating that short-term borrowing will become more expensive.<sup>2</sup>

### *Treasury Management Strategy Team's View*

27. The Council's TMST, taking into account the advice from Arlingclose, and the current economic outlook, have determined the rates to be included in the Strategic Measures budget for 2015/16 and over the medium term. The Bank Rate forecasts set out below represent the average rate for the financial year:
  - 2015/16 0.625%
  - 2016/17 1.125%
  - 2017/18 1.625%
  - 2018/19 2.125%

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<sup>2</sup> LIBID is the London Interbank Bid Rate which represents the rate at which a bank is willing to borrow from other banks.

28. The TMST team has agreed that based on the current portfolio of deposits and market rates, the target return rate should be 0.70% in 2015/16, reducing to the forecast average base rate for 2016/17 to 2018/19. The reason for the reducing margin above base rate is that the portfolio includes some longer-term deposits which were arranged in previous financial years, when market rates for longer-term loans were higher than those currently available with similar counterparties. As existing long-term deposits arranged with higher rates mature, the average portfolio rate will continue to reduce. Additionally there is considerable uncertainty about the effects that the EU banking directives will have on the Council's ability to secure returns above base rate. This being a result of the need to find more secure investment opportunities and the limiting effect this may have on the availability of suitable instruments and counterparties. These rates have been incorporated into the strategic measures budget estimates:

- 2015/16 0.700%
- 2016/17 1.125%
- 2017/18 1.625%
- 2018/19 2.125%

### **Borrowing Strategy**

#### *Arlingclose's View*

29. 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 3.05%, increasing gradually to 3.60% by March 2018.
  - The 20 year gilt yield is expected to start the financial year at 2.95% rising to 3.55% by the end of the forecast in March 2018.
  - The 10 year gilt yield is expected to start the financial year at 2.45%, rising to 3.05% by March 2018.
  - The 5 year gilt yield is expected to start the financial year at 1.75% and to reach 2.90% by March 2018.
30. Arlingclose's forecasts have an upside variation range of between 35 and 55 basis points, and a downside variation range of between 35 and 70 basis points depending on the economic and political climate.

#### *Treasury Management Strategy Team's View*

31. The Department of Communities & Local Government (CLG) has confirmed that HM Treasury (HMT) are taking the necessary legislative steps to abolish the Public Works Loan Board (PWLB) over the coming months. CLG and HMT have stressed that this development is being taken purely to address the governance of the PWLB and that it will have no impact on existing loans held by local authorities or the government's policy on local authority borrowing. Borrowing from the successor is expected to be as straight forward as it is

currently, with local authorities continuing to access borrowing at rates which offer good value for money. A consultation document is expected in due course and the TMST will continue to monitor the situation.

32. It is expected that the Bank Rate will remain low during 2015/16 and that there will continue to be a high “cost of carry<sup>3</sup>” 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.
33. 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.
34. 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 it’s successor) and market rates exceed those currently available. This could result in higher financing costs over the long term.
35. 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.
36. The Council’s TMST have agreed that they should continue to have the option to fund new or replacement borrowing up to the value of 25% of the portfolio through internal borrowing. This will have the effect of reducing some of the “cost of carry” of funding. Internal borrowing will also be used to finance prudential schemes.
37. If market conditions change during the 2015/16 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.
38. 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 from 2015/16 onwards. 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 2015/16 if it is determined to be cost-effective.

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<sup>3</sup> The difference between the interest payable on borrowing on debt and the interest receivable from investing surplus cash.

This is consistent with the expectation that interest rates and Gilt yields will begin to rise over the period.

39. As part of the Local Growth Fund bids OxLEP are currently 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. This discounted borrowing is available to support strategic local capital investment projects. This aims to give LEPs, in consultation with LAs, the power to prioritise the projects that best support shared local goals. Qualification is dependent on government acceptance of a business case from OxLEP, agreed with the Council, setting out borrowing requirements for projects.
40. For 2015/16 OxLEP have applied for £20m of borrowing at the project rate discount. This does not constrain access to borrowing at the standard or certainty rates (see below), nor is OCC compelled to borrow up to the full amount. The project rate must not be used to displace or refinance existing borrowing.
41. 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.
42. The approved sources of long-term and short-term borrowing are:
  - Public Works Loan Board (or replacement 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*

43. 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.
44. 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.

45. 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.
46. 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 38.
47. 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.
48. The Council's external debt is forecast to exceed the CFR in 2015/16. The period for which external debt will exceed CFR will be dependent on the timing of new borrowing for OxLEP projects. There is a likelihood that forward borrowing will be undertaken based on the forecast that interest rates on new debt will increase over the period. However the timing of which will be dependent on the TMST monitoring the situation and determining what is deemed most cost-effective.

### *Borrowing Instruments*

49. The TMST's forecast for the period 2015/16 – 2018/19 for 20 and 50 year PWLB rates over the medium term are an average rate of 4.10% and 4.20% per year respectively.
50. 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 2014 to 31 October 2015.
51. An annual application will be made to renew eligibility for the Certainty Rate, in order to maintain the option should it be required.
52. 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 2015/16. As at 30 November 2014, LOBOs represent 12.49% of the total external debt.
53. The Council has five £5m LOBO's with call options in 2015/16. Three of which have two call options in year, whilst two have 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**

54. 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
55. 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.
56. 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*

57. Investment instruments identified for use in the 2015/16 financial year are set out at Appendices C and D under the 'Specified' and 'Non-Specified' Investment categories.
58. 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.
59. 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.

60. All specified investments will be sterling denominated, with maturities up to a maximum of 1 year, meeting the 'high' credit rating criteria where applicable.
61. 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.
62. A maximum of 50% of the portfolio will be held in non-specified investments.

### **New Instruments**

#### **Secured**

63. Secured investments are secured on the counterparty's assets. They are exempt from bail-in and will limit the potential for losses in the event of insolvency. Secured investments include reverse repurchase agreements and covered bonds. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for un-secured investments.

#### **Reverse Repurchase Agreements (Reverse repos)**

64. A reverse repo is an agreement whereby an investor purchases the legal title to bonds or other investment securities from a bank, with an agreement to sell them back for a higher amount on a future date. The difference between the purchase and sale price representing the investor's return on the investment. The value of the collateral is maintained by the bank at an agreed percentage above the re-sale amount. Reverse repos have a dual benefit for the investor, exemption from bail-in and the retention of the collateral, which can be immediately sold in the case of insolvency.
65. On a practical accounting basis reverse repos operate similarly to existing term deposits due to the substance of the agreement. The investment is classed as an asset by the investor, but the collateral remains as an asset on the bank's balance sheet. Subsequently, reverse repos have the potential to be used as an alternative to unsecured term-deposits. It is recommended that the responsibility for determining lending limits based on suitable credit quality for counterparties and collateral, as well as levels of collateral, be delegated to the TMST.



Covered Bonds

66. Covered bonds are issued by a bank or building society, and guaranteed by a group company that holds mortgage assets. The process is overseen by a trustee, acting in the best interests of the investors. Covered bonds are exempt from bail-in, but in the event of insolvency the investor has a claim against the counterparty's asset along with unsecured creditors. Any shortfall on the claim is made up by a guarantor, which is a secured creditor of the bank.

**Registered Providers**

67. Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services; they retain a high likelihood of receiving government support if needed. It is recommended that the responsibility for determining counterparty limits be delegated to the TMST. This will not fall below the minimum credit rating allowable for term deposits (Fitch: A-).
68. Cabinet is recommended to recommend Council to approve the use of instruments covered in paragraphs 63 to 67.

*Credit Quality*

69. 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.
70. 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 81 and 82 respectively.
71. 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.
72. 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.
73. 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 81 and 82), that counterparty will be immediately removed from the lending list.

74. Where a counter party 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.
75. 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*

76. 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. Interest rates on some instant access accounts have fallen in 2014/15. 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*

77. 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.
78. 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 81 and 82 will still apply.
79. Counterparty limits as set out in paragraphs 81 and 82, may be temporarily exceeded by the accrual and application of interest amounts onto accounts such as call accounts and money market funds. Where the application of interest causes the balance with a counterparty to exceed the agreed limits, the balance will be reduced when appropriate, dependent upon the terms and conditions of the account and cashflow forecast.
80. Any changes to the approved lending list will be reported to Cabinet as part of the Financial Monitoring and Business Strategy Delivery Report.
81. The Council also manages its credit risk by setting counterparty limits. The matrix below sets out the maximum proposed limits for 2015/16. The TMST

may further restrict lending limits dependent upon prevailing market conditions. BBB+ to BBB- ratings has been added for overnight balances with the Council's bank, currently Lloyds Bank Plc. This is for practical purposes should the bank be downgraded in response to the removal of government support.

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

82. 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.

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

**Other institutions included on the councils lending list**

83. 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**

84. As at 30 November 2014, the Council had £5m of structured products within its investment portfolio. Structured products involve varying degrees of additional risk over fixed rate deposits, with the potential for higher returns. It is recommended that the authority continue to use structured products up to a maximum of 10% of the investment portfolio. The Council will continue to monitor structured products and consider restructuring opportunities as appropriate.

### **External Funds**

85. As at 30 November 2014, the Council had £61.5m 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.
86. 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 (currently around £150m) 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.
87. In order to ensure appropriate diversification within externally managed and pooled funds these should be diversified between a minimum of two asset classes.
88. The performance of the pooled funds is monitored by the TMST throughout the year against the funds' benchmarks and the in-house investment returns.
89. 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**

90. Given the increasing risk for short-term bank and building society deposits as a result of the Bank Recovery and Resolution Directive, the Authority aims to diversify into more secure asset classes during 2015/16.
91. The weighted average maturity (WAM) of in-house deposits as at 30 November 2014 was 177 days. This is made up of £35.9m of instant access balances with a maturity of 1 day, and £288m of deposits with a WAM of 199 days.

92. The in-house WAM has decreased from 283 days, reported on 30 November 2013. The shorter WAM is in part a result of a reduction in durations for bank and building society limits on the Council's lending list. The shorter WAM will however provide a greater degree of flexibility in securing investment returns in an interest rate environment that is forecast to move upward. This signals a move away from the need to lock in to long term investment returns in an environment of falling or stagnating interest rates.
93. With the prospect of a rise in interest rates, 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.
94. 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.
95. Given the on-going upheaval in the banking sector, 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**

96. 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.
97. 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.

98. 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.
99. It is the view of the TMST that the use of standalone financial derivatives will not be required for Treasury Management purposes during 2015/16. The Council will only use derivatives after seeking expertise, a legal opinion and ensuring officers have the appropriate training for their use.

### **Performance Monitoring**

100. The Council will monitor its Treasury Management performance against other authorities through its membership of the CIPFA Treasury Management benchmarking club.
101. 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.
102. The Council will benchmark its internal return against 3 month LIBID.
103. Latest performance figures will be reported to the Audit & Governance Committee and Cabinet in the Treasury Management Outturn Report 2014/15, and the Treasury Management Mid-Term Review 2015/16, which will be considered in July and November 2015 respectively.

### **Investment Training**

104. 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**

105. 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. Under the contract the Council will receive specific advice on investment, debt and capital finance issues.

## Appendix A

## Prudential Indicators 2015/16, 2016/17 and 2017/18

## 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 2013/14 and maintains a likelihood of doing so over the medium term. The reasons for this are set out in paragraphs 45 to 48 of the Treasury Management Strategy. This view takes into account current commitments, existing plans and the proposals in the approved budget.

Debt	31.03.15 Revised £m	31.03.16 Estimate £m	31.03.17 Estimate £m	31.03.18 Estimate £m
External Borrowing	399.383	403.383	405.383	397.383
Long Term Liabilities	25.677	24.791	23.870	22.879
<b>Total Debt</b>	425.060	428.174	429.253	420.262

## 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 2015/16 and the following two financial years. The Council must also approve the actual expenditure for 2013/14 and revised expenditure for 2014/15.

	2013/14 Actual £m	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m
<b>Capital Expenditure</b>	67.201	105.059	127.400	100.305	68.013

	Actual 2013/14 £m	Estimates			
		2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Prudential Borrowing	1.221	1.106	15.054	30.642	18.501
Grants and Contributions	58.771	101.606	94.113	59.818	49.292
Capital Receipts	0.000	0.000	15.704	7.827	0.000
Revenue	7.209	2.347	2.529	0.770	0.220
Reserves	0.000	0.000	0.000	1.248	0.000
	<b>67.201</b>	<b>105.059</b>	<b>127.400</b>	<b>100.305</b>	<b>68.013</b>

ii.ii. The indicators have been based on the February 2015 capital programme which will be considered for approval by Council on 17 February 2015 with the Service & Resource Planning Report.

ii.iii. The capital expenditure figures for beyond 2015/16 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 %
2013/14	Actual	35.592	451.687	7.88
2014/15	Estimate	33.027	445.115	7.42
2015/16	Estimate	33.203	440.320	7.54
2016/17	Estimate	33.148	437.991	7.57
2017/18	Estimate	32.907	441.614	7.45

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 2014 that are recommended for approval are:



Year	Actual/Estimate	£m
2013/14	Actual	422.895
2014/15	Estimate	406.339
2015/16	Estimate	404.266
2016/17	Estimate	417.383
2017/18	Estimate	417.648

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	£
2015/16	Estimate	-0.92
2016/17	Estimate	0.65
2017/18	Estimate	-3.69

#### 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.

	2014/15 probable outturn	2015/16 estimate	2016/17 estimate	2017/18 estimate
	£m	£m	£m	£m
<b>Operational Boundary for external debt -</b>				
Borrowing	434.0	440.0	445.0	445.0
other long term liabilities	40.0	40.0	40.0	40.0
<b>TOTAL</b>	<b>474.0</b>	<b>480.0</b>	<b>485.0</b>	<b>485.0</b>
<b>Authorised Limit for external debt -</b>				
Borrowing	444.0	450.0	455.0	455.0
other long term liabilities	40.0	40.0	40.0	40.0
<b>TOTAL</b>	<b>484.0</b>	<b>490.0</b>	<b>495.0</b>	<b>495.0</b>

#### 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.

<b>Total External Debt as at 31.03.14</b>	<b>£m</b>
External Borrowing	401.383
Financing Liability	26.500
<b>Total</b>	<b>427.883</b>

**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.

<b>Adoption of the CIPFA Code of Practice in Treasury Management</b>
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:**

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
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.

<b>Maturity structure of fixed rate borrowing during 2015/16</b>	<b>Lower Limit</b>	<b>Upper Limit</b>
	<b>%</b>	<b>%</b>
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. This Authority calculates these limits on net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments).

**Upper limit for fixed interest rate exposure:**

	2014/15	2015/16	2016/17	2017/18
Net principal re fixed rate borrowing / investments	150%	150%	150%	150%

- xi.ii 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 limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

**Upper limit for variable rate exposure:**

	2014/15	2015/16	2016/17	2017/18
Net principal re variable rate borrowing / investments	25%	25%	25%	25%

**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 remain at £150m in 2015/16 to reflect the size of the cash portfolio and to continue to offer flexibility in the investment strategy. The average in-house cash balance for 2013/14 was just under £350m.

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Upper limit on principal sums invested longer than 364 days	150	150	150	150

## Minimum Revenue Provision Policy Statement for 2015/16

### 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 2015/16 will relate to the more historic debt liability that will continue to be charged at the rate of 4%, in accordance

## **Section 3.10**

with Option 1 of the guidance. Certain expenditure reflected within the debt liability at 31 March 2015 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

<b>Investment Instrument</b>	<b>Minimum Credit Criteria</b>	<b>Use</b>
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
Term Deposits with Nationalised Banks with Government Guarantee for wholesale deposits	N/A	In-house
Certificates of Deposit issued by Banks and Building Societies	A1 or P1	In-house on a buy and hold basis and Fund Managers
Money Market Funds with a Constant Net Asset Value	AAA	In-house and Fund Managers
Other Money Market Funds and Collective Investment Schemes <sup>4</sup>	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

<sup>4</sup> 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

<b>Investment Instrument</b>	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max % of total Investments</b>	<b>Max Maturity Period</b>
Debt Management Agency Deposit Facility (maturities in excess of 1 year) <sup>5</sup>	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

<sup>5</sup> 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 3.10

<b>Investment Instrument</b>	<b>Minimum Credit Criteria</b>	<b>Use</b>	<b>Max % of total Investments</b>	<b>Max Maturity Period</b>
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
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 <sup>6</sup> 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.

<sup>6</sup> 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.

### **Section 3.10**

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**

# **Directorate Business Strategies and Performance Indicators**

**Section 4.0  
Directorate Business Strategies and Service & Community Impact  
Assessments**

**Business Strategies**

1. In 2014 Directorates developed new four-year business strategies for the period 2014/15 – 2017/18 and these have been updated for 2015/16. These set out how the directorates plan to deliver changes in the provision of services over the medium term and reflect the medium term objectives of the Council set out in the Corporate Plan. The strategies include details of both the new pressures and savings and those already built into the existing MTFP to provide visibility of the overall impact on each service area. The directorate business strategies are available on the council's website <https://www.oxfordshire.gov.uk/cms/content/business-strategies-201516>

**Service and Community Impact Assessments**

2. 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.' Oxfordshire's Equality Policy 2012-2017 sets out how the Council is approaching its responsibilities for ensuring that all residents in Oxfordshire have fair access to services and equal life chances.
3. The business strategies outline the changes that will be made to services to find the level of savings required over the medium term. These changes may have an impact on communities and particular groups defined in equalities legislation due to characteristics such as age, gender, and ethnicity, or the groups we additionally believe should be specifically taken into account - deprivation, and geography (rural or urban). While it will not be possible to avoid such impacts entirely given the scale of the financial challenge, we wish to ensure that they have been considered in developing proposals, and mitigating measures put forward where possible.
4. Service & community impact assessments (SCIAs) have been completed for each of the savings proposals. SCIAs are living documents, and directorates update them to ensure they always reflect the current state of the proposal. Any changes to a proposal will have to be assessed for their potential impacts and the SCIA updated accordingly.
5. Key issues arising from the initial assessments, including potential cumulative impact of the budget proposals were reported to the Performance Scrutiny Committee on 16 December 2013. SCIA documents for individual proposals are available on the website at <https://www.oxfordshire.gov.uk/cms/content/service-and-community-impact-assessments-scias-201415>



**Section 4.1**  
**Corporate Performance Indicators**

1. The corporate performance indicators proposed for 2015/16 have been reviewed, to ensure that indicators reflect the core business of each directorate as set out in their business strategies and the Council's priorities as set out in the corporate plan. All proposed targets have been set on a realistic expectation of performance based on the forecast demand for service and the level of available resources.



## Draft Corporate Performance Indicators 2015/16

ADULT SOCIAL CARE				
		Indicator	2014/15 Target	2015/16 Target
1	Safeguarding	Number of safeguarding referrals	Monitoring only	Monitoring only
2	Safeguarding	Decisions on 75% of safeguarding alerts to be made in one working day	n/a – new indicator	75%
3	Safeguarding	Percentage of safeguarding referrals that will have an outcome in 20 working days	n/a – new indicator	TBC
4	Supporting people to live at home as long as possible	Reduce the number of older people permanently placed in a care home and funded by the local authority to 10 per week or fewer	546 (<10.5)	10
5	Personalisation	Maintain the high level of eligible people on Self-Directed Support	80%	80%
6	Personalisation	Maintain the number of people using social care who receive a direct payment	1,525	TBC based on year end figure
7	Personalisation	Maintain the high proportion of service users who have had a review in the last 12 months	75%	75%
8	Reablement services	No one will wait more than 3 days for their reablement service to start	n/a	100%
9	Reablement services	Increase the number of people accessing reablement	3750 (10 people per day)	3750
10	Delayed Transfer of Care	Reduce delayed transfers that are the responsibility of social care (Better Care Fund Metric)	1064 days per month (35 people on average per day)	20 people
11	Delayed Transfer of Care	Reduce delayed transfers that are the responsibility of both social care and health) (Better Care Fund Metric)	408 days per month (13 people on average per day)	8 people
12	Delayed Transfer of Care	The % of people in hospital who may need care on discharge, where social service are told 3 working days or more before their planned discharge date	N/A	TBC
13	Waiting Lists	Proportion of home care cases where care was started within 3 days of request to the care agency	No target	80%
14	Support to Carers	Increase the number of carers known	17,000	TBC based on year end figure
15	Support to Carers	Increase the number of carers receiving a carer assessment	n/a – new indicator	TBC
16	Support to Carers	Increase the number of carers receiving a service	n/a – new indicator	TBC
17	Providing information to all	Increase the number of people supported by the Community Information Network	1800	TBC based on year end figure

## Section 4.1

CHILDREN, EDUCATION & FAMILIES				
		Indicator	2014/15 Target	2015/16 Target
1	Keeping Children Safe	Measure on timeliness of decision making on MASH	n/a – new indicator	TBC
2	Keeping Children Safe	Number of referrals to children's social care – broken down by referring agency (graphical data)	no target set monitoring only	no target set monitoring only
3	Keeping Children Safe	Reduce the proportion of children who become subject to a second or subsequent plan within 24 months of the end of a previous plan	9%	9%
4	Keeping Children Safe	No child protection plan cases without an allocated social worker	0%	0%
5	Keeping Children Safe	No looked after children cases without an allocated social worker	0%	0%
6	Keeping Children Safe	% of child protection reviews completed on time	98%	95%
7	Keeping Children Safe	% of visits to children on child protection plan completed in line with the plan and within the Council's 28 day standard	90%	85%
8	Keeping Children Safe	% of visits to looked after children completed in line with the plan	90%	85%
9	Keeping Children Safe	% of children who go missing from home on two or more occasions	no target set monitoring only	no target set monitoring only
10	Keeping Children Safe	Number of children subject to both child protection plans and being looked after	no target set monitoring only	no target set monitoring only
11	Keeping Children Safe	Number of children adopted as a percentage of all children who ceased to be looked after (graphical data)	no target set monitoring only	no target set monitoring only
12	Keeping Children Safe	No more than 70 children placed out of county and not in neighbouring authorities	50	70
13a	Raising Attainment	% of primary schools judged good or outstanding by Ofsted	86%	90%
13b	Raising Attainment	% of secondary schools judged good or outstanding by Ofsted	85%	90%
13c	Raising Attainment	% of special schools judged good or outstanding by Ofsted	79%	79%
13d	Raising Attainment	National ranking of schools judged good or outstanding by Ofsted	Top quartile	Top quartile
14a	Raising Attainment	Number of schools currently judged inadequate by Ofsted	1	0
14b	Raising Attainment	Number of schools judged inadequate by Ofsted during the academic year	0	0
15	Closing the Gap	Primary school persistent absence rate	3.00%	TBC
16	Closing the Gap	Secondary school persistent absence rate	7.00%	as definition change
17	Closing the Gap	Primary Schools - Number of Permanent exclusions	<9	<9

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18	Closing the Gap	Secondary Schools - Number of Permanent exclusions	<17	<17
19	Closing the Gap	Primary Schools - Number of Fixed Term exclusions	1% (383)	1% (383)
20	Closing the Gap	Secondary Schools - Number of Fixed Term exclusions	4% (1604)	4% (1604)
21	Closing the Gap	Proportion of young people Not in Education, Employment or Training (NEET)	<4%	<4%
22	Closing the Gap	Proportion of young people whose NEET status is 'not known'	<8%	<8%
23	Closing the Gap	Reducing rate of first time entrants to criminal justice per 100,000 10-17 year olds	<24.7	<24.7
24a	Closing the Gap	Looked after children overall absence rate	TBC	TBC
25b	Closing the Gap	Looked after children persistent absence rate	TBC	TBC
26	Closing the Gap	% Troubled Families officially turned around according to national measure	80%	80%

### CHILDREN EDUCATION & FAMILIES - ACHIEVEMENTS AND ATTAINMENT INDICATORS REPORTED ANNUALLY

	Indicator	Target 13/14 ac yr	Target 14/15 ac yr
1	EYFS - % reaching a good level of development	52%	62%
2a	KS1 - % level 2+ reading	90%	92%
2b	KS1 - % level 2+ writing	87%	88%
2c	KS1 - % level 2+ maths	93%	93%
3	KS2 - % level 2+ reading, writing, maths	80%	80%
4	Oxfordshire's rank nationally for KS2 level 4+ reading, writing, maths	2nd quartile	Top quartile
5a	% making expected 2 levels of progression KS1 -2 - reading	91%	93%
5b	% making expected 2 levels of progression KS1-2 - writing	93%	95%
5c	% making expected 2 levels of progression KS1-2 - maths	90%	92%
6	% of primary schools below KS2 Floor Standard	<5	<6%
7	KS4 - % 5 A*-C GCSEs including English and maths	63.0%	60%
8	Oxfordshire's rank nationally for KS4 – 5 A*-C including English and maths	2nd quartile	Top quartile
9a	% making expected 3 levels of progression KS2-4 English	72%	74%
9b	% making expected 3 levels of progression KS2-4 maths	73%	73%
10	Number of secondary schools below KS4 Floor Standard	0	0

## Section 4.1

<b>CHILDREN EDUCATION &amp; FAMILIES - ADDITIONAL INDICATORS TO BE REPORTED TO EDUCATION SCRUTINY ANNUALLY</b>			
	<b>Indicator</b>	<b>Target 13/14 ac yr</b>	<b>Target 14/15 ac yr</b>
17	FSM pupils - % making expected progress KS1-2 reading	90%	90%
18	FSM pupils - % making expected progress KS1-2 writing	91%	91%
19	FSM pupils - % making expected progress KS1-2 maths	85%	85%
20	FSM pupils - % making expected progress KS2-4 English	54%	54%
21	FSM pupils - % making expected progress KS2-4 maths	51%	51%
22	School Action Plus pupils - % 5 A*-C GCSEs including English and maths	15%	15%
23	School Action Plus pupils - % making expected progress KS1-2 reading	77%	78%
24	School Action Plus - % making expected progress KS1 writing	87%	87%
25	School Action Plus pupils - % making expected progress KS1- 2 maths	74%	75%
26	School Action Plus pupils - % making expected progress KS2-4 English	35%	40%
27	School Action Plus pupils - % making expected progress KS2-4 maths	30%	30%
28	Looked After Children - % Level 4+ reading, writing, maths	50%	TBC
29	Looked After Children - % making expected progress KS-2 reading	61%	TBC
30	Looked After Children - % making expected progress KS-2 writing	61%	TBC
31	Looked After Children - % making expected progress KS -2 maths	61%	TBC
32	Looked After Children - % 5 A*-C GCSEs including English & maths	15%	TBC
33	Looked After Children - % making expected progress KS2-4 English	37% reported cohort	TBC
34	Looked After Children - % making expected progress KS2-4 maths	31% reported cohort	TBC

<b>ENVIRONMENT &amp; ECONOMY</b>				
		<b>Indicator</b>	<b>2014/15 Target</b>	<b>2015/16 Target</b>
1	Strategy & Infrastructure Planning	Inward investment: Oxfordshire chosen for 15 re/investments	n/a	15
2	Strategy & Infrastructure Planning	% of major District Council applications responded to within the agreed deadline	80%	60%
3	Strategy & Infrastructure Planning	% of mineral and waste applications determined within 13 weeks	70%	50%
4	Strategy & Infrastructure Planning	Monies secured in S106/S278 agreements as a % of requirements identified through the Single Response process	80%	70%
5	Strategy & Infrastructure Planning	% of held S106 monies within 2 years of potential payback	n/a	20%

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ENVIRONMENT & ECONOMY				
		Indicator	2014/15 Target	2015/16 Target
6	Commercial	Deliver £21m of City Deal spend by 2016 by spending against agreed indicative spend profile	£21m	£21m
7	Commercial	% of highway defects posing an immediate risk of injury repaired within 24 hours	98%	98%
8	Commercial	% of highway defects that create a potential risk of injury repaired within 28 calendar days	80%	80%
9	Commercial	Maintain a minimum public satisfaction rate with the highways service	50%	45%
10	Commercial	% of household waste is reused, recycled or composted	61%	59%
11	Commercial	% satisfaction on customer satisfaction surveys received in relation to the facilities and property contract.	80%	80%
12	Commercial	Total capital receipts delivered from property disposal, as a percentage of the target capital receipts baseline (£2.252m) identified in the annual disposals programme	100%	100%
13	Oxfordshire Customer Services	% calls answered within 20 seconds	80%	80%
14	Oxfordshire Customer Services	% of calls dealt with at first contact where the CSC has responsibility for a complete solution	90%	90%
15	Oxfordshire Customer Services	% of calls dealt with at first contact where the CSC has responsibility to pass to a designated officer outside CSC	100%	100%
16	Oxfordshire Customer Services	Broadband – deliver quarterly target against total homes passed (THP) as per contract (starting June 2014)	48,942	TBC
17	Contextual Data	Number of jobs generated through Invest in Oxfordshire (graph)	Trend monitoring	
18	Contextual Data	Number of apprenticeship placements (graph)		
19	Contextual Data	Number of claimants of Job Seekers Allowance (graph)		
20	Contextual Data	Annual road condition against £ spent per mile (graph)		
21	Contextual Data	Road condition (number of defects) against the same quarter last year (graph)		
22	Contextual Data	Amount of waste arising per head of population (year on year comparison) (graph)		
23	Contextual Data	Amount of waste going to landfill, composting, dry recycling & ERF, respectively		
24	Contextual Data	Supported Transport – number/percentage of service users no longer travelling by taxi but by other forms of transport		

## Section 4.1

PUBLIC HEALTH				
		Indicator	2014/15 Target	2015/16 Target
1	National Childhood Measurement Programme	% Primary school children classified as obese in Year 6	15%	15%
2	National Childhood Measurement Programme	% of primary school children classified as obese in reception	<7%	<7%
3	Healthchecks	Cumulative number of the eligible population aged 40-74 who have received a health check since April 2015	n/a – new indicator	18,939
4	Healthchecks	Number of people who have received a health check that were identified as high cardiovascular risk (heart attack, stroke, diabetes)	385	385
5	Smoking cessation	Support 3800 people to become '4 week quitters' per annum	3800	3800
6	Drug treatment & rehabilitation	Number of users of opiates who left drug treatment successfully who do not then represent to treatment again within 6 months (or by the end of the reporting period if this is less than 6 months) as a percentage of the total number of opiate users in treatment.	8.2%	8.2%
7	Drug treatment & rehabilitation	Number of users of non-opiates who left drug treatment successfully who do not then represent to treatment again within 6 months (or by the end of the reporting period if this is less than 6 months) as a percentage of the total number of opiate users in treatment.	41.7%	41.7%

OXFORDSHIRE FIRE & RESCUE SERVICE				
		Indicator	2014/15 Target	2015/15 Target
1		45 lives saved per year against the OFRS 10 year 365Alive target through emergency response and preventative activity concerning fires and road traffic collisions	45	45
2		104,000 citizens provided with safety advice/education per year	104,000	104,000
3		£12.5 saved to the economy per year from the reductions in fires involving homes, businesses and road traffic collisions	£12.5m	£12.5m
4		Fire stations in Oxfordshire are available for emergency response 100% of the time	100%	100%
TRADING STANDARDS				
		Indicator	2014/15 Target	2015/15 Target
5		Money saved for consumers as a result of interventions	£450,000	£450,000
6		100% of inspections completed of high risk businesses as identified at the start of the year	100%	100%

# **Section 5**

# **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 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.
3. In expressing my opinion I have considered the financial management arrangements and control frameworks that are in place, the level of total reserves, the budget assumptions, the adequacy of the Service & Resource Planning process and the financial risks facing the Council.
4. The report is the culmination of the Service & Resource Planning process which commenced in June 2014 in which detailed work has taken place with Councillors, the County Council Management Team (CCMT) and Deputy Directors.
5. Section 25 concentrates primarily on the uncertainty within the budget year rather than the greater uncertainties in future years. However, future uncertainties, particularly around the continuing reductions in funding after 2015/16 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 2013/14. 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 2013/14.
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. Mandatory refresher training for all cost centre managers on financial management roles and responsibilities took place last summer to reinforce key messages and ensure we maintain high levels of awareness.

### **Level of Total Reserves**

9. As well as holding a contingency budget to enable those more volatile budgets to be managed, general balances are also held for unexpected events or emergencies. In reaching a decision on the level of balances I feel are appropriate to be held for 2015/16, 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 2015/16, based on the risk assessment included in Section 3.8.1 of this report, is £17.4m.
10. 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 £1.3m in 2013/14, contained within that were underlying overspends in children's social care and adult social care met by supplementary estimates and one-off fortuitous income.
11. The Financial Monitoring report for Cabinet in February 2015 sets out a forecast overspend, based on nine months of actual expenditure of £4.2m, after a virement of £2.8m from contingency to help meet some of the predicted overspend in children's social care and £1.5m use of reserves in adult social care . The underlying overspend therefore is £8.5m. This has reduced from a high back in July of £12.2m as a result of management action. It is expected that further action, including the impact of the vacancy freeze from December 2014 will reduce the forecast overspend further by the end of the 2014/15 financial year. However, it will not mitigate the position in full and use of reserves as well as requests for supplementary estimates will be necessary to meet the remaining pressures in both children's' and adults' social care.

12. Not managing to budgets is of course a concern in terms of financial management and could be seen as a sign of weakness in financial control. However, the reasons for the overspends in both children's and adults is due to rising demand. The increase can be clearly seen, with numbers of looked after children increasing by 47 during 2013/14 to 463 at the end of March 2014. At the end of October 2014 this had risen to 513 and stood at 509 at the end of December 2014. In relation to adult social care, client numbers increased by 10% from 2012/13 to 2013/14. In the current financial year the number of adults with a learning disability in receipt of services has increased from 1,778 in April 2014 to 1,854 by December 2014, an increase of 101 clients.
13. 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.
14. In assessing the appropriate level of reserves a review is undertaken annually to determine if they are both adequate and necessary. With significant funding reductions and decreasing base budgets, resources have been set aside to help manage change projects which operate over more than one financial year. These include reserves such as those for the Thriving Families programme and for the costs of supporting schools converting to academies. At the end of 2013/14 earmarked reserves were £105m (excluding school reserves). By the end of 2014/15 they are estimated to reduce significantly to £73m; to £43m by the end of 2015/16; and to be around the £31m level thereafter. The expected level of reserves remaining by 2017/18 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.
15. School reserves are also expected to be significantly lower at the end of 2014/15 than they were at the end of 2013/14. 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 £25m at the end of 2013/14 to £15m by the end of 2014/15.
16. 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. Following the review of earmarked reserves, in 2015/16 the Council will put £4.8m into the reserve from other earmarked reserves returning the Budget Reserve to a positive position from the £3.0m deficit assume in the MTFP. The existing MTFP had assumed that the reserve would also be in deficit of £12.7m in 2016/17. As set out Section 3.5 of this report, the expected shortfall in the Budget Reserve in 2016/17 is now only expected

to be £6.0m. Whilst this a much improved position compared to the existing MTFP, the council cannot hold a deficit reserve. My report to Cabinet in January 2015 set out that based on the current forecast, the temporary use of other reserves or balances such as developer contributions would still be required in 2016/17 to bring the budget reserve into balance. Any temporary use of other reserves or other balances would need to be replaced in a subsequent year. This position will need to be monitored closely and reviewed as part of the next Service & Resource Planning process to ensure the position is manageable.

### **Budget Assumptions**

17. The formation of the 2015/16 budget and indicative budgets for the following two years to 2017/18 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 – revenue support grant is forecast to reduce in line with the decreases seen over the last four years. The MTFP assumes a reduction of 51% by 2017/18 compared to the grant figure for 2014/15. This is in line with the recent statements by the Chancellor and with the figures set out in the Autumn Statement 2014. Top-up grant is assumed to increase in line with the Retail Price Index (RPI).
  - b) Council Tax – an increase in Council Tax of 1.99% is proposed for 2015/16 within the referendum limit confirmed by the Local Government Minister as part of the Final Local Government Finance Settlement announced in January 2015, and in line with the assumption in the current MTFP. From 2016/17, the MTFP assumes Council Tax increases of 3.0% each year. Whilst this is higher than the current referendum limit, it is beyond the next general election and the next government may have a different view on annual council tax increases. The position will need to be reviewed and potentially addressed as part of the Service & Resource Planning process next year in light of the latest information.
  - c) Non Domestic Rates – Business rates income for 2015/16 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 the economy. The 2015/16 budget takes account of the £0.9m deficit on collection for 2014/15, the second year of the operation of the business rates retention scheme. No assumptions have been made about surpluses/deficits on collection for future years as these are difficult to predict, particularly with the uncertainty of the impact of appeals. However, as part of the budget

proposals for 2015/16, a new reserve of £0.5m is being created to cushion the impact of future year deficits.

- d) Council Tax base & surpluses/deficit on collection – the proposed MTFP assumes increases in the taxbase of 1.0% each year, increased from 0.75% in the existing MTFP. The increase reflects the growth in house building being seen and planned across the county. Whilst the actual increase for 2015/16 is 1.76%, the impact on the future taxbase of the Council Tax Support scheme and Universal Credit remains uncertain. Therefore it is prudent to assume increases of only 1.0% in future. The position is similar with surpluses/deficits on Council Tax collection, where the budgeted sum is proposed to be increased to £3.0m from £2.0m in the existing MTFP, even though the actual figure for 2015/16 is £7.5m.
- e) Inflation – pay inflation has been agreed locally for 2014/15 and 2015/16 to match the national position. For 2015/16 the increase is 1%, which after the 1% increase agreed in 2014/15 is in line with the national pay award for 15 months to March 2016 at 2.2%. Increases of 2.5% are assumed beyond then. Contract inflation is provided for up to a maximum of 3% across the MTFP, dependent on the index applied to the contract. 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 been falling over the last few months, with RPI and CPI standing at 1.6% and 0.5% respectively in December 2014. CPI inflation is not expected to hit the government's target of 2% until early 2017. Given this forecast, there is limited risk of inflationary pressures in the 2015/16 budget.
- 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 above the Bank Rate are assumed for 2016/17 beyond which no return above bank rate is assumed. 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 later in 2015, new deposits will be for a shorter duration. There is also some risk around the impact of the EU banking directives on the Council's ability to secure higher rated returns.
- g) Capital Programme – the four year capital programme has been developed on the basis of estimates of future capital funding allocations from government grants in addition to use of reserves, capital receipts and S106 funding, with the assumption that the new capital proposals could be met from flexible capital resources available to allocate. Last year there was a late and unexpected significant reduction in the basic need allocations for 2015/16 and

2016/17. A firm programme for 2014/15 was agreed with the expectation that the shortfall would be reviewed and addressed as part of the capital budget setting process this year. The Service & Resource Planning report to Cabinet in January set out how the shortfall in 2015/16 and 2016/17 would be addressed. A shortfall remains in 2017/18 as the basic need funding allocations have not been announced beyond 2016/17.

### **Service & Resource Planning Process**

18. The Service & Resource planning process is well established. The formation of the 2015/16 budget and MTFP has been carried out in conjunction with a refresh of the Directorate Business Strategies to 2017/18. Due to the uncertainties over future levels of government funding following the General Election in May 2015, no government departmental expenditure limits set beyond 2015/16 and a date for the next spending review unknown, it was agreed as part of the Service & Resource Planning process this year not to extend the medium term planning period beyond 2017/18. This timeframe also reflects the period of the current administration. The proposal was to make limited adjustments to the existing MTFP to reflect any changes to spending assumptions, particularly in light of increased demand in children's and adults; social care. In line with the approach taken for Service & Resource Planning, a light touch review of the Corporate Plan to 2017/18 has also been undertaken.
19. There were a number of enhancements to the process which were introduced last year in the formulation of budget proposals. These increased the level of challenge, providing a reasonable assurance of their robustness, and as such have remained in place this year. The key enhancements included scene setting with Cabinet and CCMT in the summer of 2014; wider and earlier cross party councillor engagement; and a new process for Scrutiny Committee
20. Examination of the budget proposals through the Service & Resource Planning process has led to a number of refinements and provides assurance about the robustness of the estimates. Scrutiny of the budget savings has also been considered from an equalities perspective.

### **Financial Risks**

21. 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 £170m savings by the end of 2013/14 and further savings of £34m planned to be delivered in

2014/15 taking the total savings achieved to £204m. However with further savings of £61m already in the MTFP to be achieved over the next three years to 2017/18, along with an additional £27m now proposed, these further savings of £88m will be more difficult to deliver. Unlike previous years' there is only a very limited amount of money 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. In addition, as set out in paragraph 16 above, there is a cash flow shortfall based on timing of the savings plans. It will be important to monitor the delivery of the savings carefully during the year and to review the cash flow position as part of the Service & Resource Planning process next year.

- 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. As set out in paragraphs 11 and 12 above, we have seen a significant increase in demand in both children's and adults' social care over the last year. The financial plans for 2014/15 assumed that the peak in demand would tail off. For children's social care this has not happened and the plans for 2015/16 assume a further increase in demand beyond the current levels. The budget assumes an additional £2.6m beyond the expected overspend at December 2014, around a further 50 looked after children. Even so, there is a risk that the demand will still exceed the budget. The introduction of the Care Act could give rise to significant numbers of clients coming forward for assessment and eligible for care and this will need to be kept under review. To mitigate these high risks, a contingency budget of £3.6m is built into the MTFP. However, this may not be sufficient to meet all requirements and the demand trends will need to be carefully monitored.
- c) Financial position of Oxfordshire Clinical Commissioning Group (OCCG) – The Better Care Fund plan was approved by the Health & Wellbeing Board and submitted to NHS England in January. The £38m plan is expected to be approved. The agreement of the plan secures the £8m contribution to the council's budget in line with the assumptions in the existing MTFP and £1.9m for the implementation of the Care Act. Although OCCG are currently forecasting a breakeven position for 2015/16, contract negotiations with the NHS providers have not yet been completed nor has the contribution to the older people's pooled budget and the risk share arrangements been agreed. Cabinet will agree the Section 75 agreement in March 2015 which will confirm both the OCCG contribution to the pool for 2015/16 and the risk share agreements. However, this gives rise to a risk for the council in relation to the older peoples' pooled budget especially in light of the risk of rising demand for social care.

- d) Capacity to deliver – over the past few years, the number of staff has been reduced by 30% and the number of senior managers by 40%. Delivering the savings required will be difficult in terms of capacity particularly as the plans are more complex and ambitious. There is also a risk around capacity to delivery of the capital programme with significant targeted government grant through both the City Deal and Local Growth Deals bringing £55m and £119m of grant funding into Oxfordshire respectively.
- e) 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 and the low inflation outlook in the UK could put increasing pressure on companies remaining viable.
- f) General Election – irrespective of who wins the election in May 2015, it is clear that all parties are committed to the austerity programme. There is a possibility that there will be an emergency budget after the election as there was in 2010, which could further reduce budgets in 2015/16 or cancel investment programmes which have already commenced. There is also a risk that there is no majority government and a coalition or minority government is formed that is unsustainable and leads to another general election within a short time.
- g) 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 borrow from the PWLB<sup>1</sup> in 2015/16 and 2016/17 when the capital expenditure is incurred and repay the loan (principal and interest) from annual business rate income<sup>2</sup>. As part of the Local Growth Deal 2, OxLEP has secured £20m of the borrowing from PWLB at the Project Rate, which is 40 basis points lower than the standard market rate and therefore a lower overall cost. 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 such time as business rate income is sufficient to meet the cost of the repayments.

### **Robustness of the Budget**

22. 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 2017/18 and sets out a plan to ensure that the Council can deliver budgets within estimated available

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<sup>1</sup> Public Works Loan Board (or its replacement body)

<sup>2</sup> above the baseline at the date of creation of the enterprise zone in 2011

resources. The savings in the budget build on those approved last year. However, 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.

23. There are risks in the budget largely in relation to certain demand led budgets such as children's social care, which is 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 clients with learning disabilities and the impact of the care act. To help mitigate these risks, a contingency budget of £3.6m has been built into 2015/16 which will provide some degree of a safety-net. With ever tightening resources there is more risk in the budget for 2016/17 and beyond and this will need to be reviewed as part of the next Service & Resource Planning process.
24. 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.
25. Therefore, I am satisfied that the budget proposals recommended by the Cabinet are robust.

**LORNA BAXTER**  
Chief Finance Officer

5 February 2015