

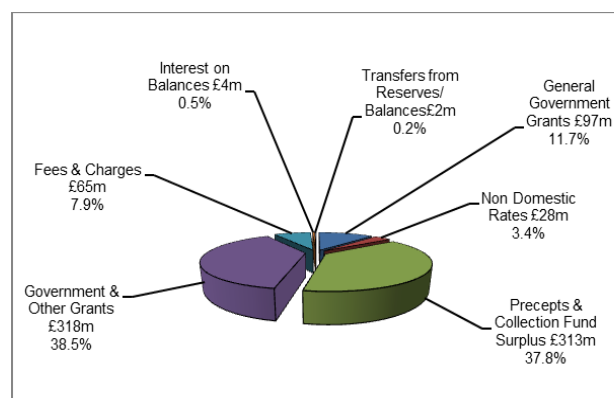
SUMMARY ACCOUNTS 2016/17

The County Council's accounts set out how much money we have spent on services, what we have invested in capital projects, how we have funded the expenditure and what assets we own.

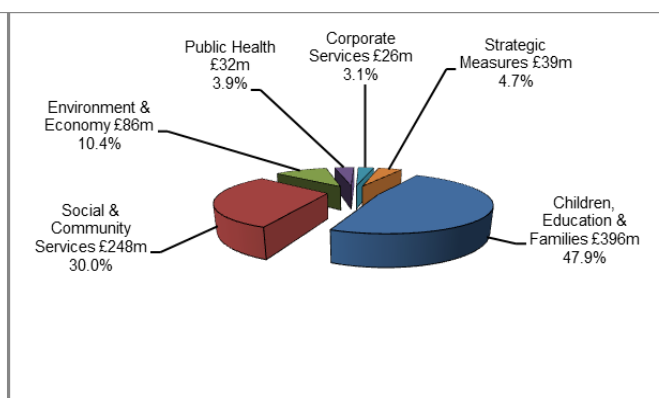
Review of 2016/17

Total Gross Expenditure: £827m

Where the money came from



What services the money was spent on



The Council set a net revenue budget for the year of £417.5m to finance day to day service provision. Actual spending for the year after transfers to earmarked reserves was £416.6m, £0.9m lower than had been budgeted and we received £0.1m more general funding during the year. The County Fund balance has increased by £1.0m from £19.0m at the beginning of the financial year to £20.0m at 31 March 2017.

Summarised Revenue Account

	Gross Expenditure £m	Income £m	Net Expenditure £m
Cost of services	853.2	-381.0	472.2
Other operating expenditure	70.0	-2.1	67.9
Financing and investment income and expenditure	47.3	-7.7	39.6
Taxation and non-specific grant income		-555.6	-555.6
Deficit on provision of services	970.5	-946.4	24.1
Adjustments between accounting & funding basis	-143.9	121.3	-22.6
Transfers from earmarked reserves		-2.5	-2.5
Total adjustments and transfers	-143.9	118.8	-25.1
Increase in County Fund balance for the year	826.6	-827.6	-1.0

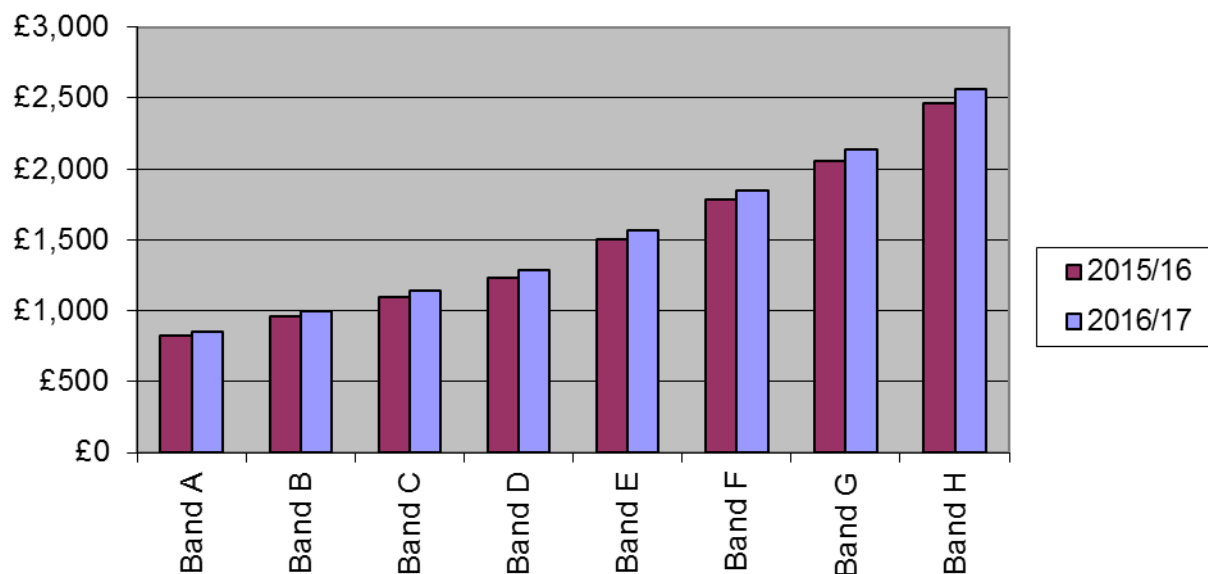
The adjustments between accounting basis and funding basis are those items that regulations require to be added to or removed from the surplus/deficit on provision of services to determine the amount chargeable against the County Fund balance (i.e. to Council Tax).

County Fund Balance

Balance at start of year (1 April 2016)	19.0
Increase in year	1.0
Balance at end of year (31 March 2017)	<u>20.0</u>

Our Council Tax Funding

The graph below shows how much Council Tax for County Council services was charged for each property band in 2015/16 and 2016/17. Band D Council Tax increased by 3.99% compared to 2015/16. 2% of the increase relates to the new Adult Social Care precept.



	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
2016/17	£854	£997	£1,139	£1,282	£1,566	£1,851	£2,136	£2,563
2015/16	£822	£959	£1,096	£1,232	£1,506	£1,780	£2,054	£2,465

Capital Investment

We also spent money on improving the council's assets...

Spending...	£m	Paid for by...	£m
Children's and education services	48.1	Borrowing	8.7
Environment, roads and transport	39.7	Grants & contributions	101.7
Social, community and other services	21.6	Revenue	0.8
Properties, offices and technology	1.8		
	<u>111.2</u>		<u>111.2</u>

Some of the larger capital schemes that have benefited the community include:

Great Western Park (Primary School)	£5.6m
Great Western Park (Secondary School)	£14.5m
Bodicote, Longford Park (Primary School)	£5.0m
Bicester Exemplar Eco-Development (Primary)	£4.3m
Chilterns Court Care Centre	£8.4m
Better Care Fund – Disabled Facilities Grant	£4.5m
A34 Chilton Interchange	£5.5m
Harwell Link Road	£4.0m
Local Growth Fund – Centre for Applied Superconductivity	£3.4m

Summarised Balance Sheet as at 31 March 2017

The balance sheet shows the Council's financial position at 31 March 2017, the end of the 2016/17 financial year. It is a snapshot of what we own, what we owe and how this is funded. The value of the balance sheet is negative because of a large increase in the council's estimated pensions' liabilities as at 31 March 2017. This is a snapshot position and is likely to fluctuate year on year.

	£m
Net Assets	
Long-term assets	1,215.5
Cash and short-term investments	299.5
Money owed to the Council	64.7
Other short-term assets	0.7
Money owed by the Council	-97.4
Borrowing	-389.5
Pensions and other liabilities	-1,085.4
Capital grants and contributions	-90.7
Total assets less total liabilities	-82.6
Financed by	
Earmarked Reserves	104.4
Other usable reserves	82.3
Unusable reserves	-269.3
Net Assets	-82.6

Earmarked Reserves

The Council's earmarked reserves that have been set aside for agreed purposes and are available to be spent in future years as at 31 March 2017 are as follows:

	£m
Schools	18.4
Capital investment	34.5
Insurance	8.1
Cash flow	1.3
Other corporate reserves	4.6
Directorate reserves	37.5
	104.4

Other Usable Reserves

The Council's other usable reserves as at 31 March 2017 are as follows:

	£m
County Fund balance	20.0
Capital investment balances	62.3
	<u>82.3</u>

Cash Flow

The cash flow summary shows the total cash inflows and outflows during the year and includes both capital and revenue transactions.

	£m
Cash in hand at 1 April 2016	12.8
Cash in	1,179.0
Cash out	-1,144.2
Cash in hand at 31 March 2017	<u>47.6</u>

Plans for future service delivery

Sustained reductions in Government funding and restrictions on Council Tax increases have resulted in a significant squeeze on council resources in recent years, at a time when the demand for services has been increasing.

In 2016/17 the Council had already saved – or had plans to save - a total of £361m between 2010/11 and 2019/20. This included £15m of savings that were unidentified at the time of setting the 2016/17 budget. A revised Medium Term Financial Plan 2017/18 to 2019/20 and efficiency plan 2016/17 to 2019/20 was presented to Cabinet in July 2016, proposing that the £15m savings would be achieved through a new council-wide transformation programme 'Fit for the Future'. Further new expenditure pressures (particularly from demand led services in Children's Services) require additional savings of £16m over the period up to 2020/21, increasing the total savings to £377m. Plans to achieve these savings are reflected in the budget proposals, Medium Term Financial Plan to 2020/21 and Capital Programme agreed by Council in February 2017. To date £300m of savings have been achieved and £77m remain to be delivered between 2017/18 and 2020/21.

Oxfordshire County Council Pension Fund

The County Council is the administering authority for the Oxfordshire Local Government Pension Fund.

Fund Summary at 31 March 2017

Net Assets Statement at 31 March 2017

	£m		£m
Opening net assets at 1 April	1,842.3	Net value of investments	2,174.2
Net income from fund members	-4.1	Net money owed to the pension fund	74.2
Net returns on investments	418.9	Long Term Assets	8.7
Closing net assets at 31 March 2017	<u>2,257.1</u>	Net assets of the pension fund at 31 March 2017	<u>2,257.1</u>

There were 19,797 contributing members to the fund at 31 March 2017, and 14,512 pensions were paid. Contribution rates for 2016/17 were based on the valuation of the Scheme's financial position as at 31 March 2013.

Pension Fund Annual Report

The Pension Fund annual report can be downloaded from the County Council's website at: www.oxfordshire.gov.uk.

Fire-fighters Pension Fund

Separate fire-fighters pension fund accounts are included in the County Council's Statement of Accounts. The scheme has no assets and the surplus or deficit on the pension fund account is paid to/met by central government.

Status of Accounts

The County Council's accounts are prepared in accordance with the Code of Practice on Local Authority Accounting. This summary is taken from the full Statement of Accounts published in September 2017.

What do you think?

If you have any questions or suggestions as to how we could improve these summary accounts please send these to accounts@oxfordshire.gov.uk.

Glossary of Terms

Asset

An asset is something the County Council owns and can be either long term or current.

Balance

The accumulated surplus of income over expenditure. Such a surplus is available to meet unexpected expenditure or a shortfall in income, to allow flexibility in borrowing from the money market, to finance expenditure pending the receipt of income or to reduce the Council Tax requirement.

Balance Sheet

A statement summarising the County Council's financial position at the end of an accounting period. The statement shows the County Council's assets and liabilities.

Capital Asset

A tangible asset that yields benefit to the County Council and the services it provides for a period of more than one year.

Capital Expenditure

Expenditure on the provision of lasting assets, for example land, buildings, road, vehicles and equipment such as computers.

Capital Investment

Investment in assets that will be used for more than one year, such as buildings and roads.

Capital Investment Balances

Capital grants and contributions and capital receipts reserves that will be used to fund capital expenditure in future years.

Capital Receipts

Receipts from the sale of capital assets.

Cash Flow

The movement of money into or out of the County Council during the financial year.

County Fund

The main revenue fund of the County Council into which Council Tax income and Government grants are paid and from which day-to-day payments are made.

Financial Year

The County Council's accounts cover the period from 1 April in one year to 31 March in the next year.

Financing and Investment Income and Expenditure

This mainly comprises interest charges, for example on borrowing, and interest earned on investments.

General Revenue Government Grants

These are general grants paid by central government in aid of local authority services as opposed to specific grants which may only be used for a specific purpose. The main general grant is Revenue Support Grant.

Liabilities

Amounts owed by the County Council which will be paid some time in the future.

Long Term Assets

Capital assets, long-term investments and money owed to the Council over the long-term.

Non Domestic Rate

A levy on businesses based on a national rate in the pound set by the government multiplied by the 'rateable value' of the premises they occupy.

Net Operating Expenditure

The amount which it costs to provide services after any specific grants and/or income from fees and charges is taken into account, but ignoring general government grant and local taxation.

Non-specific Grant Income

Grant income from general revenue government grants and capital grants and contributions.

Provision

An amount of money put aside in the accounts for anticipated liabilities, which cannot be accurately estimated e.g. insurance provision for claims awaiting resolution.

Reserves

Amounts of money put aside to meet certain categories of expenditure in order to avoid fluctuations in the charge to the County Fund.

Revenue Expenditure

The County Council's day-to-day expenditure on items which include wages, supplies and services and interest charges.

Specific Grants

Grants paid by the government towards either revenue or capital to support the cost of specific services.

Unusable Reserves

Reserves that cannot be used to provide services, for example reserves that hold increases in the value of assets that will not be realised until the assets are sold. Unusable reserves also include those reserves that reflect timing differences between expenditure being recognised in the accounts and when it has to be funded.