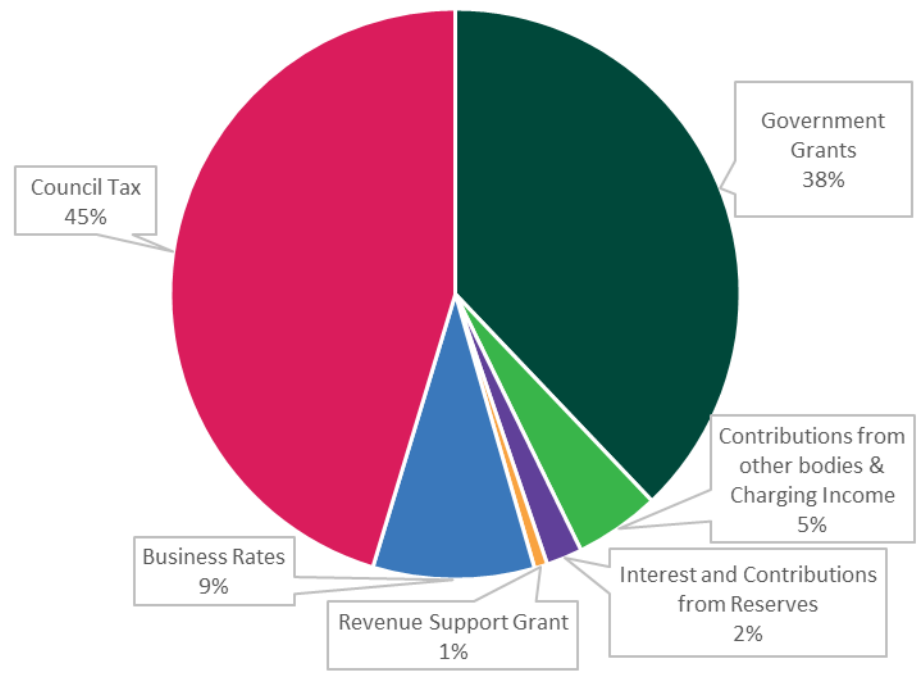


The County Council's accounts set out how much money we have spent on services, what we have invested in capital projects, how we have funded the expenditure, and what assets we own.

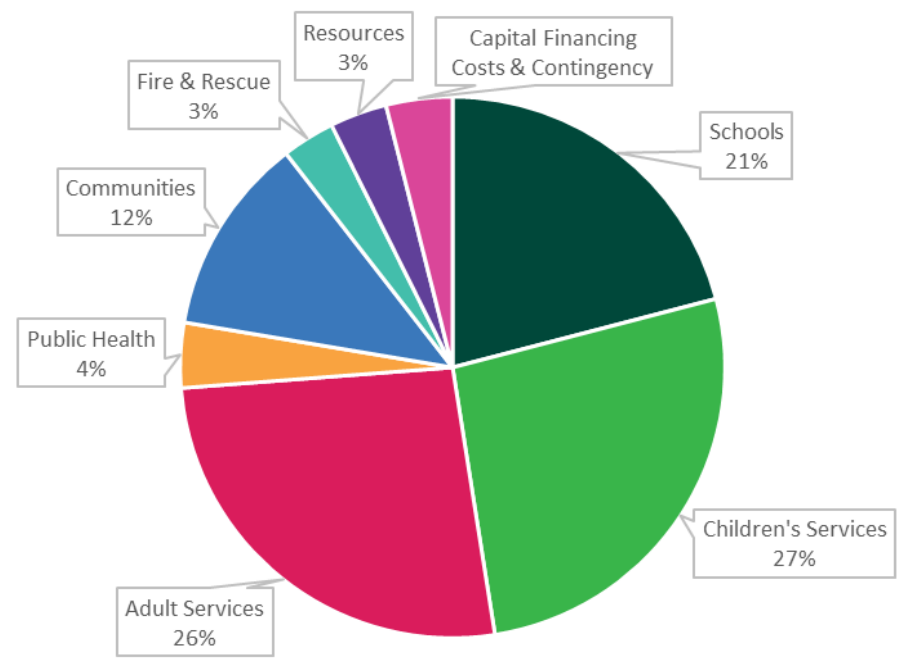
Review of 2018/19

Total Gross Expenditure: £788.5m

Where the money came from



What services the money was spent on



The Council set a net revenue budget for the year of £435.5m to finance day to day service provision. Actual net revenue spending for the year after transfers to earmarked reserves was £433.2m, £2.3m lower than had been budgeted. This means that the County Fund balance has increased by £2.3m from £25.7m at the beginning of the financial year to £28.0m at 31 March 2019. The Provisional Outturn Report contains detailed explanations of the Directorate Outturn and will be presented to Cabinet on 18 June 2019

Summarised Revenue Account

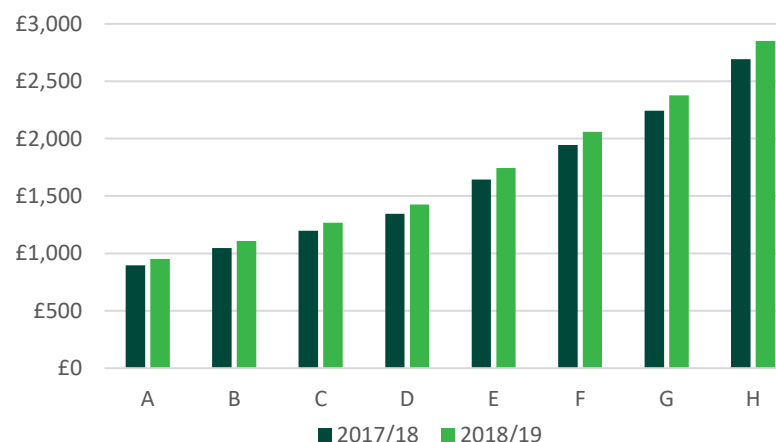
| | Gross Expenditure £m | Income £m | Net Expenditure £m |
|---|-------------------------|---------------|-----------------------|
| Cost of services | 954.9 | -404.1 | 550.7 |
| Other operating expenditure | 67.7 | -0.9 | 66.8 |
| Financing and investment income and expenditure | 42.8 | -8.3 | 34.5 |
| Taxation and non-specific grant income | | -571.0 | -571.0 |
| Deficit on provision of services | 1,065.3 | -984.3 | 81.0 |
| Adjustments between accounting & funding basis | | | -75.5 |
| Transfers from earmarked reserves | | | -7.4 |
| Total adjustments and transfers | | | -82.9 |
| Increase in County Fund balance for the year | | | -1.9 |

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 | £m |
|---|-------------|
| Balance at start of year (1 April 2018) | 25.7 |
| Restatement for IFRS 9 Transition | 0.4 |
| Increase in year | 1.9 |
| Balance at end of year (31 March 2019) | 28.0 |

Our Council Tax Funding

This graph shows how much Council Tax for County Council services was charged for each property band in 2017/18 and 2018/19. Band D Council Tax increased by 5.99% compared to 2017/18, 2.99% relating to the general council tax and 3% for the Adult Social Care precept.



| Band | A | B | C | D | E | F | G | H |
|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 2018/19 | £950.79 | £1,109.26 | £1,267.72 | £1,426.19 | £1,743.12 | £2,060.05 | £2,376.98 | £2,852.38 |
| 2017/18 | £897.06 | £1,046.57 | £1,196.08 | £1,345.59 | £1,644.61 | £1,943.63 | £2,242.65 | £2,691.18 |

Capital Investment

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

| Spending... | £m | Paid for by... | £m |
|--|------|------------------------|-------|
| Children's and education services | 17.9 | Grants & contributions | 100.9 |
| Environment, roads and transport | 57.1 | Borrowing | 0.2 |
| Adult Services | 6.0 | Revenue | 1.4 |
| Local Growth Fund, technology and other investment | 21.5 | Capital Receipts | 0.0 |
| 102.5 | | 102.5 | |

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

| | |
|--|-------|
| Bloxham, Warriner School | £1.9m |
| Faringdon Community College | £2.3m |
| East Hanney, St James | £1.5m |
| Eastern Arc Phase 1 Access Headington | £6.1m |
| Better Care Fund – Disabled Facilities Grant | £5.4m |
| Housing and Growth Deal – Affordable Housing | £6.7m |
| Oxford Science Transit Phase 2 | £1.8m |
| Kennington Railway Bridge | £1.2m |
| Didcot Station Car Park Expansion | £2.2m |
| Broadband Project | £3.1m |
| Oxford Flood Relief Scheme | £5.3m |

Summarised Balance Sheet as at 31 March 2019

The balance sheet shows the Council's financial position at 31 March 2019, the end of the 2018/19 financial year. It is a snapshot of what we own, what we owe and how this is funded. The balance sheet includes the council's estimated pensions' liabilities as at 31 March 2019. This is a snapshot position and is likely to fluctuate year on year.

| Net Assets: | £m | Financed by: | £m |
|--|---------------|------------------------|---------------|
| Long-term assets | 1,177.4 | Earmarked Reserves | 92.3 |
| Cash and short-term investments | 395.1 | Other usable reserves | 132.6 |
| Money owed to the Council | 71.5 | Unusable reserves | -338.2 |
| Money owed by the Council | -130.8 | | |
| Borrowing | -348.5 | | |
| Pensions and other liabilities | -1,147.9 | | |
| Capital grants and contributions | -130.2 | | |
| Total assets less total liabilities | -113.3 | Net Liabilities | -113.3 |

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 2019 are as follows:

| | 2017/18 £m | 2018/19 £m |
|--------------------------|---------------|---------------|
| Schools | 15.2 | 17.3 |
| Capital investment | 31.3 | 31.2 |
| Insurance | 8.5 | 10.6 |
| Budget Prioritisation | 17.0 | 4.6 |
| Grants and Contributions | 13.5 | 15.0 |
| Other reserves | 11.1 | 13.6 |
| | 96.6 | 92.3 |

Other Usable Reserves

The Council's other usable reserves as at 31 March 2019 are as follows:

| | 2017/18 £m | 2018/19 £m |
|-----------------------------|---------------|---------------|
| County Fund balance | 25.7 | 28.0 |
| Capital investment balances | 70.7 | 104.6 |
| | 96.4 | 132.6 |

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 2018 | 24.7 |
| Net Movement | 9.6 |
| Cash in hand at 31 March 2019 | 34.3 |

The Outlook

The 2019/20 budget and Medium Term Financial Plan to 2022/23 agreed by Council on 12 February 2019 addresses the demand pressures on the Council that are expected to continue into the medium term, including providing an additional £8.6m to address the pressure from 2018/19 and allow for the 10% growth in the number of looked after children.

Savings of £63.7m need to be delivered up to 2022/23 of which £44.8m will come from transformation. The risks in the budget largely in relate to the demand led budgets in particular children's social care. There is also a range of pressures and uncertainties in adult social care, particularly in relation to growing demand and the potential consequences of pressures on the health system. To help mitigate these risks, a contingency budget of £7.6m has been built into 2019/20, which will provide some degree of a safety net.

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.

Oxfordshire County Council Pension Fund

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

| Fund Summary at 31 March 2019 | |
|---|----------------|
| | £m |
| Opening net assets at 1 April | 2,355.3 |
| Net expenditure from dealings with fund members | -5.7 |
| Net returns on investments | 165.1 |
| Closing net assets at 31 March 2019 | 2,514.7 |

| Net Assets Statement at 31 March 2019 | |
|--|----------------|
| | £m |
| Net value of investments | 2,355.3 |
| Net money owed to the pension fund | 86.9 |
| Long Term Assets | 4.5 |
| Net assets of the pension fund at 31 March 2019 | 2,514.7 |

There were 20,291 contributing members to the fund at 31 March 2019, and 15,798 pensions were paid. Contribution rates for 2018/19 were based on the valuation of the Scheme's financial position as at 31 March 2016.

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 draft Statement of Accounts authorised for issue on 31 May 2019 which are subject to audit.

What do you think?

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

Glossary of Terms

| | |
|--|---|
| Asset | Something the County Council owns and can be either long term or current. |
| 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, e.g. buildings or 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 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 must be funded. |