

CABINET – 15 JULY 2025

REVENUE UPDATE AND MONITORING REPORT

Report by the Executive Director of Resources and Section 151 Officer

Recommendations

1. The Cabinet is RECOMMENDED to

- a) Note the report and annexes.
- b) Approve a £3.5m transfer from budgets held centrally to Adult Services to meet the financial pressure on contracted costs for the provision of social care (paragraph 24)
- c) Approve the following virements relating to funding changes (paragraphs 27 – 31).
 - £3.6m transfer of grant funding from budgets held corporately to Children's Services.
 - £0.8m additional un-ringfenced grants transferred to the in-year contribution to General Balances.
 - £2.2m increase in the final notified Business Rates funding and Council Tax surpluses transferred to the Collection Fund Reserve.
- d) Approve the change to the Dedicated Schools Grant (DSG) High Needs Block 2025/26 updated budgeted deficit (paragraphs 32 - 35).

Executive Summary

2. The budget for 2025/26 and Medium-Term Financial Strategy (MTFS) to 2027/28 was agreed by Council on 11 February 2025. £53.6m new funding to meet inflationary and demand pressures in 2025/26 was included as part of the budget along with £6.9m investments and £30.3m savings.
3. This report sets out the initial revenue forecast and expected outlook for the financial year and includes updates on:
 - financial risks which are being managed in 2025/26;
 - savings and investment position; and
 - funding notified since the budget was agreed.
4. The council's financial position underpins the delivery of its priorities.

Key Messages – Revenue, Balances and Reserves

- Nationally local government continues to work in a challenging environment but the position at the end of 2024/25 demonstrated that the council is able to take action across services to manage within the available funding. At the end of May 2025 (Financial Period Month 2), the council's services are forecasting a £1.2m overspend as at 31 March 2026. This is offset by a forecast underspend of £2.3m within budgets held centrally. The overall forecast is an

underspend of £1.1m. The details are shown in Annex 1 and summarised in Table 1 (paragraph 6 below).

- In order to ensure ongoing financial resilience, the council is holding an on-going corporate contingency budget of £7.3m as well as one – off general balances based on an assessment of risk agreed as part of the budget. These measures provide additional financial resilience should the service area overspend not be effectively mitigated by corrective actions before the end of the financial year. Based on current forecasts, the contingency budget is not currently expected to be required in full. Any underspend later in the year will be transferred to reserves to further improve financial resilience and provide funding for future investments.
- The cumulative deficit against Dedicated Schools Grant funding for High Needs had increased to £92.5m as at 31 March 2025. It is expected that this will continue to increase reaching over £130m during 2025/26 and growing further by 31 March 2026. In June 2025, the government extended the statutory override which requires this expenditure to be held in a negative reserve to 31 March 2028. Further information on how High Needs deficits will be managed in future is expected later in the year along with a White Paper on SEND reform.

5. More detailed financial information summarising the Financial Strategy – Reserves and General Balances is included in Annex 4.

Forecast Revenue position as at 31 May 2025

6. At Month 2, the council is forecasting a £1.1m underspend against the revenue budget as at 31 March 2026. Table 1 below shows the forecast revenue budget, forecast expenditure and variation for the year by Service Area (further details are set out in Annex 1):

Table 1 - Summary revenue budget forecast variances as at 31 May 2025

Service	Net Budget	Forecast Expenditure	Forecast Variance
Adult Services	£253.2m	£253.2m	£0.0m
Children's Services	£210.9m	£210.9m	£0.0m
Public Health & Communities	£13.5m	£13.5m	£0.0m
Environment & Highways	£53.2m	£53.2m	£0.0m
Economy & Place	£20.6m	£20.6m	£0.0m
Fire & Rescue and Community Safety	£30.5m	£31.2m	£0.7m
Resources and Law & Governance	£61.6m	£62.2m	£0.5m
Transformation, Digital & Customer Experience	£6.5m	£6.5m	£0.0m
Service Areas Position	£650.1m	£651.3m	£1.2m
Budgets held Centrally	-£3.8m	-£4.0m	-£0.1m
Corporate Funding	-£646.3m	-£648.4m	-£2.2m
Overall	£0.0m	-£1.1m	-£1.1m

7. In 2025/26, updates will be provided on an exception basis highlighting any pressures, risks, in-year mitigations and opportunities. Where relevant, and known ahead of the budget being agreed, budgets for 2025/26 have been updated to reflect on-going pressures or issues continuing from 2024/25.

8. The position for each Service Area has been approved by the relevant director.
9. **Adults and Children's Services – no forecast variation.** Both Adults and Children's Services currently expect to manage expenditure within current general fund resources amidst national demand and pricing challenges.
10. **Environment & Highways (E&H) – no forecast variation.** The following risks are being monitored and managed. These are:
- Waste Management - market prices and volumes remain high for dry mixed recyclables.
 - Network Management - the Department for Transport (DfT) has delayed approving the application to charge for lane rental. The delay will impact on attaining the expected income targets. E&H will endeavour to mitigate as much as possible depending on the performance of other income streams.
 - Gulying and Highway maintenance - the weather and overall condition of the roads and gullies could impact on the level of expenditure. Robust plans and programmes are in place based on the assumed condition of the gullies and roads.

If necessary, in-year mitigations will be required.

11. **Fire & Rescue and Community Safety - £0.7m forecast overspend.** The forecast overspend is primarily due to undelivered staff savings allocated to the service on an estimated basis in previous years. Work is on-going to assess savings expected to be achieved through the redesign of the council's staffing structures. Following this staffing savings will be realigned to services to reflect actual reductions.
12. **Resources - Law & Governance Services - £0.5m forecast overspend.** The Legal Service continues to experience issues relating to retention & recruitment and an increase in the volumes of appeals. The issues are expected to cause a £0.5m overspend due to locum cover.
13. **Budgets held centrally - £0.1m underspend.** Interest on balances is forecast to be £1.5m higher than budgeted because interest rates have remained higher than expected. Un-ringfenced grants are also expected to be £0.8m higher than budgeted.

This is offset by the proposed increase in contributions to reserves needed to transfer £2.2m additional Business Rates and Council Tax Collection Fund funding to the Collection Fund Reserve.

14. **Corporate Funding - £2.2m increase in funding.** When the budget for 2025/26 was agreed some information in relation to funding for 2025/26 remained outstanding. This included confirmation of Business Rates income including the Collection Fund position, Local Share, and Section 31 Grant Funding as well and final confirmation of the Council Tax collection fund position. Final Council Tax Collection Fund & Business Rates information has now been received, and overall funding has increased by £2.2m. It is proposed to transfer this to the

Collection Fund Reserve. The use of this funding will be considered as part of the 2026/27 budget process.

Savings & Investments update

15. The presentation of savings and investments has been adjusted to focus on the savings and investments that need to be achieved in 2025/26. Any adjustments relating to savings and investments that were time bound and finished in 2024/25 have been removed from the targets and realigned into net pressures (£1.8m reversal of savings, and £7.0m investments). Children's Services budget movements include a further on-going savings risk adjustment of £4.7m in 2025/26. This is being treated as an offsetting negative saving so that the related savings can be tracked and monitored.
16. After adjusting for these changes, there are £43.5m inflation and demand pressures along with £14.2m investments and £27.4m savings.
17. Within the Outturn Report for 2024/25 considered by Cabinet in June 2025, one – off funding for £1.8m of investments was agreed to be carried forward to future years (currently phased as £1.6m for use in 2025/26 and £0.2m in future years). Subject to a review of the requirement for this funding, virements to adjust service area budgets for this funding will be included in the next monitoring report. After taking account of new and 2024/25 carried over funding, there is funding for investments totalling £15.8m in 2025/26.

Table 2: Revised Budget Movements by service area

	Budget 2024/25	Pressures & Funding	Investments	Savings	Feb 2025 2025/26 Budget	Carried Forward Investments	2025/26 Budget
Adult Services	£251.7m	£12.4m	£0.0m	£9.4m	£254.6m	£0.5m	£255.1m
Children's Services	£199.1m	£20.9m	£4.9m	£8.1m	£216.8m	£0.5m	£217.4m
Public Health & Communities	£12.9m	£0.5m	£2.0m	£0.8m	£14.6m		£14.6m
Environment & Highways	£53.5m	£2.2m	£4.2m	£4.6m	£55.3m		£55.3m
Economy & Place	£17.0m	£0.8m	£0.3m	£1.1m	£17.0m		£17.0m
Fire & Rescue and Community Safety	£28.9m	£2.3m	£0.0m	£0.2m	£31.0m		£31.0m
Resources and Law & Governance	£61.3m	£4.0m	£1.7m	£2.2m	£64.9m	£0.1m	£64.9m
Transformation, Digital & Customer Experience	£3.5m	£0.4m	£1.0m	£1.0m	£3.8m	£0.5m	£4.3m
Service area budgets	£627.8m	£43.5m	£14.2m	£27.4m	£658.0m	£1.6m	£659.6m
Budgets held Centrally	£16.5m	£4.8m			£11.7m	£1.6m	£13.3m
Corporate Funding	£611.3m	£35.0m			£646.3m		£646.3m
Overall	£0.0m	£13.3m	£14.2m	£27.4m	£0.0m	£0.0m	£0.0m

18. Savings relating to contract and staffing have currently been allocated to services on a pro-rata basis, but as plans emerge and crystallise this will be reallocated to align with actual delivery.
19. The achievement of the savings and investments will be reflected within the overall forecast.

- savings that are anticipated not to be delivered will be evident through the service area overspending or explaining one-off mitigations.
 - investments that are anticipated not to be delivered, will be evident through the service area underspending against the budget for the investment. Alternatively, there may be pressures where outcomes from investments have not been achieved as expected.
- Where any investment outcomes have been re-evaluated and the investment returned to reserves, this will be explained through the commentary and reserves forecast adjustments within budgets held centrally.

Pay Inflation

20. The agreed budget includes funding for an estimated pay award equivalent to 3.5% for all staff. Further excess funding for pay inflation in 2024/25 has also rolled forwards to 2025/26 so this is available to meet any additional pay costs and/or will be considered through the 2026/27 Budget & Business Planning Process. Each additional 1% above that is estimated to cost around £2.0m.
21. As part of the agreed budget for 2025/26 an estimate for pay inflation was allocated to each service. During the year budgeted pay inflation will be held within Budgets held Centrally until the actual pay awards are agreed. Funding will then be allocated to meet the relevant actual increase in costs. The Grey Book Pay award relating to firefighters has been agreed at 3.2% from 1 July 2025 and the Service Area budget includes this increase.
22. The Unison, GMB and Unite unions submitted their Green Book pay claim for 2025/26 on 31 January 2025. This included an increase of at least £3,000 across all spinal column points, a clear plan to reach a minimum pay rate of £15 an hour, one extra day of annual leave for all staff and a reduction in the working week by two hours, with no loss of pay.
23. On 22 April 2025, National Employers made a full and final pay offer for 2025/26, proposing a 3.2% increase for all National Joint Council for Local Government Service (NJC) Green Book employees, effective from 1 April 2025. The unions have recommended that their members reject the offer and are currently consulting with their members. Further updates will be provided once further information is available.
24. £4.3m budgeted funding was held corporately as part of the 2025/26 budget to meet the financial pressure on contracted costs for the provision of social care. £3.5m will be transferred to Adult Services to meet the impact on contract uplifts in 2025/26. The remainder will be held pending confirmation of whether there are any further impacts on other services.

Budget Updates

25. Annex 2 highlights where service area budgets have moved since the Budget Book agreed by Council in February 2025. This mainly reflects the reaggregation of the pay inflation which will be held corporately ahead of the agreement of the pay award, grant changes, plus service area updates and alignments. The £1.6m funding for investments carried forward from 2024/25 and the one – off funding agreed in the report to Cabinet in June 2025 for Innovate Oxfordshire (£0.5m –

Service Area Economy & Place) and the Business and Intellectual Property Centre (BIPC) (£0.1m Service Area Public Health & Communities) will be reflected in the next report.

26. Paragraph 31 outlines government grant and corporate funding approvals. All other virements are below £1m and have received delegated approval in accordance with the Virement Rules for 2025/26.

Additional Corporate funding & External grant funding

27. The report to Council in February 2025 set out that some funding was awaiting confirmation, so estimates were included within the budget. 2025/26 funding has been confirmed through receipts and confirmations.

Table 3 – Grant funding as at 31 May 2025

Service areas	Original Grant Funding	Updates from Grant letters	Transfers (unring to ring)	Revised Grant Funding
Adult Services	£23.2m	£0.0m	£0.0m	£23.2m
Children's Services	£21.1m	£2.8m	£3.6m	£27.6m
Public Health & Communities	£35.2m	£2.5m	£0.0m	£37.7m
Environment & Highways	£0.3m	£0.0m	£0.0m	£0.3m
Economy & Place	£5.5m	£0.0m	£0.0m	£5.5m
Fire & Rescue and Community Safety	£1.4m	-£0.2m	£0.0m	£1.3m
Service Areas position	£86.8m	£5.2m	£3.6m	£95.6m
Dedicated School Grants	£341.4m	-£1.3m	£0.0m	£340.2m
Un-ringfenced Grants	£61.6m	£0.7m	-£3.6m	£58.7m
Government Grants	£489.8m	£4.6m	£0.0m	£494.4m
Corporate Funding	£646.3m	£2.2m	£0.0m	£648.4m
Overall Funding	£1,136.1m	£6.8m	£0.0m	£1,142.9m

Note: Only Service Areas with budgeted government grants are listed.

28. The conditions for £3.6m of grants relating to Children's Services have changed from un-ringfenced to ringfenced as originally expected and will now be held by the service along with the expenditure budget.
29. Notable updates in government grants from the receipts:
- £2.5m increase in the Public Health Grant to £36.9m – notified in February 2025 but received too late to be included in the budget papers;
 - £1.2m Adoption Support fund not previously included;
- There are other movements totalling £0.9m across a number of other grants.
30. Business Rates Section 31 grants, the local share and top-up have been revised following receipt of information from the district councils and MHCLG. The Council Tax Collection fund surplus has also been updated to reflect the final notified position. Estimated and revised Business Rates are shown in the table below:

	2025/26 Budget (February 2025)	2025/26 Updated Post Budget
Settlement Funding Assessment	£79.4m	£79.4m
Local Growth	£2.9m	£2.9m
Section 31 Grant for Business Rates Reliefs – Retail & Hospitality reliefs	£1.9m	£2.1m
Section 31 Grant – Indexation Element	£15.2m	£16.4m
Section 31 Grant for Business Rates Reliefs – on-going reliefs	£1.8m	£1.9m
Total Section 31 Grant for Business Rates Reliefs and Indexation	£18.9m	£20.4m
Collection Fund Surplus (+) or Deficit (-)	£0.0m	£0.4m
Total	£101.2m	£103.1m

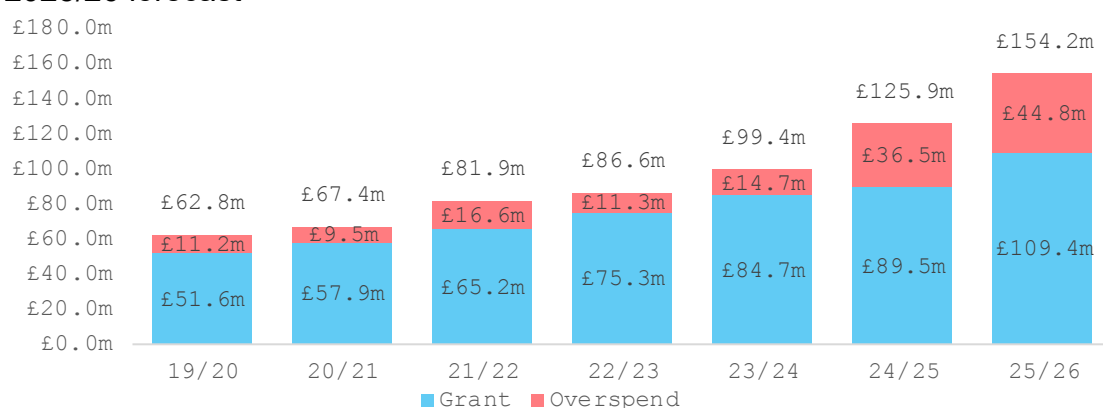
31. Annex 3 outlines Government Grants (ring fenced and un-ringfenced) and Business Rates funding. Cabinet is recommended to approve the following:
- £3.6m transfer of Children & Families grants from un-ringfenced to ringfenced. The funding will now be held by the service instead of corporately;
 - £0.8m additional un-ringfenced grants proposed to be transferred to general balances; and
 - £2.2m increase in funding from Business Rates and Council Tax surpluses will be transferred to the Collection Fund Reserve.

And note the £4.6m increase to government grant funding.

Dedicated Schools Grant – High Needs Block

32. The statutory reporting requirements for the 2025/26 accounts require the closing deficit balance on Dedicated Schools Grant to be held within an unusable reserve. The existing statutory override was due to end on 31 March 2026 but the Government has now extended this until 31 March 2028. While the council is continuing to take action to manage the deficit through the Deficit Management Plan, it is continuing to grow in line with demand. Further information on how deficits will be managed in future is expected later in the year along with a White Paper on SEND reform and also the Provisional Local Government Settlement expected in November 2025.
33. The council's deficit is the cumulative impact of each year's demand exceeding funding since 2019/20. The graph below highlights that the grant amounts have been increasing nationally, but the actual volumes are still greater than the estimated values. This suggests that while the funding has been growing, the actual demand has consistently exceeded the Department of Education estimate from the High Needs Block grant formula.

Graph: 2019 – 2025 Annual DSG High Needs Block grant & actual year overspends and 2025/26 forecast



34. Based on the recent publication of other county council's draft 2024/25 Statement of Accounts and analysis of the deficit negative reserves indicates that other county councils are experiencing similar issues with a similar upward trajectory to Oxfordshire.
35. In February 2025, the budget proposal cabinet paper outlined the initial funding and deficit for 2025/26 High Needs Dedicated Schools grant funding and deficit. Following the 2024/25 outturn position and further assessments, the High Needs Budget for 2025/26 has been revised to an in-year deficit of £42.3m. Based on the latest forecast is expected to overspend that by £2.5m driven by continuing demand outstripping grant funding increases.
36. The High Needs Dedicated Schools Grant (DSG) Block cumulative deficit was £92.5m at the end of 2024/ 25 and this is expected to exceed £130m by 31 March 2026.

Next Report

37. The Business Management Report to Cabinet in September 2025 will reflect the organisation's performance, risk and an overview of revenue financial position. The next detailed financial update will be shared with Cabinet in October 2025.

Commentary by the Section 151 Officer

38. Most local authorities, especially those with responsibilities for education and social care, are facing significant budgetary pressures and future funding uncertainty. Despite coming from a position of strong financial resilience, the council continues to manage the impact of increasing demand and costs of service delivery. The council has a duty to ensure its expenditure does not exceed the resources available and therefore it is vital that we continue to emphasise and promote the importance of financial management, the delivery of savings and reduce expenditure through the council's transformation programme, to protect service delivery and achieve a balanced budget position.

39. In addition to delivering services within a balanced budget in the current financial year, the council needs to consider the medium-term financial outlook beyond 2025/26. The Fair Funding 2.0 consultation which was published on 20 June 2025 sets out the Government's proposals for changes to both assessments of need and costs as well as resource equalisation. While the implications are currently being assessed the council expects to see a reduction in funding as a result of these changes. This, coupled with the impact of Local Government Reorganisation, and risks around High Needs Dedicated Schools Grant means the council needs to continue to consider issues of medium-term financial sustainability as a priority.

Comments checked by: Kathy Wilcox, Head of Corporate Finance

Staff Implications

40. There are no staffing implications arising directly from the report.

Equality & Inclusion Implications

41. There are no equality and inclusion implications arising directly from this report.

Legal Implications

42. The Council's constitution at Part 3.2 (Budget and Policy Framework) sets out the obligations and responsibilities of both the Cabinet and the Council in approving, adopting and implementing the council's budget and policy framework.
43. The Council has a fiduciary duty to council taxpayers, which means it must consider the prudent use of resources, including control of expenditure, financial prudence in the short and long term and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers. The report sets out the performance and finance position for the Council as at 31 March 2026 as part of its fiduciary duty to implement budgetary controls and monitoring.

Comments checked by: Anita Bradley, Director of Law and Governance & Monitoring Officer

LORNA BAXTER

Executive Director of Resources and Section 151 Officer

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Background:

- Annex 1 - 2025/26 Revenue Forecast as at 31 May 2025
- Annex 2 - Summary of 2025/26 Service Area budgets from the Budget Book to current reporting
- Annex 3 - Outline of Confirmed Government Grants and Business Rates funding update.
- Annex 4 - Reserves & General Balances

Annex 1 – Service Area forecast

Service	Cabinet Member	Director	Net Budget	Forecast	Forecast Variance
Adult Social Care	T Beard	K Fuller	£36.4m	£36.4m	£0.0m
Pooled Budgets (Adults Social Care and NHS)	T Beard	K Fuller	£216.8m	£216.8m	£0.0m
Adult Services			£253.2m	£253.2m	£0.0m
Education Services	S Gaul	L Lyons	£56.3m	£56.3m	£0.0m
Children's Social Care	S Gaul	L Lyons	£139.2m	£139.2m	£0.0m
Safeguarding, Quality Assurance, Partnerships and Improvement	S Gaul	L Lyons	£6.1m	£6.1m	£0.0m
Children's Services Central Costs	S Gaul	L Lyons	£9.1m	£9.1m	£0.0m
Schools	S Gaul	L Lyons	£0.2m	£0.2m	£0.0m
Children's Services			£210.9m	£210.9m	£0.0m
Public Health	K Gregory	A Azher	£42.0m	£42.0m	£0.0m
Public Health Grant Income & Reserves	K Gregory	A Azher	-£36.9m	-£36.9m	£0.0m
Libraries & Heritage	N Fawcett	A Azher	£8.4m	£8.4m	£0.0m
Public Health & Communities			£13.5m	£13.5m	£0.0m
Transport & Property Infrastructure Delivery	A Gant	P Fermer	£1.7m	£1.7m	£0.0m
Countryside & Waste	J Roberts	P Fermer	£37.3m	£37.3m	£0.0m
Highways & Maintenance	A Gant	P Fermer	£20.3m	£20.3m	£0.0m
Network Management	A Gant	P Fermer	-£5.4m	-£5.4m	£0.0m
E&H Central Costs	A Gant	P Fermer	-£0.7m	-£0.7m	£0.0m
Environment & Highways			£53.2m	£53.2m	£0.0m
Place Shaping & Future Economy	J Roberts / B Higgins	R Rogers	£18.6m	£18.6m	£0.0m
Climate Action	J Roberts	R Rogers	£1.3m	£1.3m	£0.0m
Innovate & Enterprise Oxfordshire	B Higgins	R Rogers	£0.0m	£0.0m	£0.0m
E&P Central Costs	J Roberts	R Rogers	£0.7m	£0.7m	£0.0m
Economy & Place			£20.6m	£20.6m	£0.0m
Fire & Rescue	J Hannaby	R MacDougall	£28.7m	£29.40	£0.7m
Emergency Planning	J Hannaby	R MacDougall	£0.3m	£0.3m	£0.0m
Trading Standards	J Hannaby	R MacDougall	£1.5m	£1.5m	£0.0m
Fire & Rescue and Community Safety			£30.5m	£31.2m	£0.7m
HR & Cultural Change	N Fawcett	C Cuthbertson	£5.2m	£5.2m	£0.0m
Financial & Commercial Services	D Levy	I Dyson	£10.7m	£10.7m	£0.0m
Property & Assets	D Levy	V Kurzeja	£20.9m	£20.9m	£0.0m
Public Affairs, Policy & Partnership	L Leffman	S Wintersgill	£4.7m	£4.7m	£0.0m
Law & Governance	N Fawcett	A Bradley	£9.4m	£9.9m	£0.5m
Corporate Services	L Leffman	L Baxter	£10.6m	£10.6m	£0.0m
Resources and Law & Governance			£61.6m	£62.1m	£0.5m
Transformation & Digital	D Levy / N Fawcett	L Tustian	£0.7m	£0.7m	£0.0m
Customer Experience	D Levy	L Tustian	£3.9m	£3.9m	£0.0m
Data	N Fawcett	L Tustian	£1.7m	£1.7m	£0.0m

TDCE Management	N Fawcett	L Tustian	£0.2m	£0.2m	£0.0m
Transformation, Digital & Customer Experience			£6.5m	£6.5m	£0.0m
Service Areas position			£650.0m	£651.2m	£1.2m
Budgets held centrally	D Levy	L Baxter	-£3.8m	-£4.0m	-£0.1m
Corporate Funding	D Levy	L Baxter	-£646.3m	-£648.4m	-£2.2m
Overall			-£0.0m	-£1.1m	-£1.1m

Annex 2 - Summary of 2025/26 Service Area budgets from the Budget Book to current reporting

Budgeted		Original Budget (Council Feb 2025)	From Feb – May 2025	Movements	Reported Budget
Adult Services	AS	£254.6m	-£1.4m	-£1.4m	£253.2m
Children's Services	CS	£216.8m	-£5.9m	-£5.9m	£210.9m
Public Health & Communities	PH	£12.9m	£0.6m	£0.6m	£13.5m
Environment & Highways	E&H	£53.1m	£0.1m	£0.1m	£53.2m
Economy and Place	E&P	£20.9m	-£0.3m	-£0.3m	£20.6m
Fire & Rescue Service and Community Safety	FRS	£31.0m	-£0.5m	-£0.5m	£30.5m
Resources and Law & Governance	RLG	£64.9m	-£3.3m	-£3.3m	£61.6m
Transformation, Digital & Customer Experience	TDCE	£3.8m	£2.7m	£2.7m	£6.5m
Total service areas	SA	£658.0m	-£7.9m	-£7.9m	£650.1m
Budgets held centrally	BC	-£11.7m	£7.9m	£7.9m	-£3.8m
Corporate Funding		-£646.3m			-£646.3m
Overall		£0.0m	£0.0m	£0.0m	£0.0m

	AS	CS	E&H	E&P	PH	FRS	RLG	TDCE	SA	BC	Total
Pay adjustments											
Pay inflation remove initial estimate and await agreement	-£0.9m	-£1.9m	-£0.3m	-£0.3m	£0.0m	-£1.0m	-£1.2m	-£0.1m	-£5.7m	£5.7m	£0.0m
Reverse NI Estimate	-£0.8m	-£1.2m	-£0.4m		-£0.1m	-£0.5m	-£0.8m	-£0.1m	-£3.9m	£3.9m	£0.0m
Grey Book 24/25 Pay award Apr-Jun 2025 at 4%						£0.2m			£0.2m	-£0.2m	£0.0m
Grey Book 25/26 Pay award Jul 2025-Mar 2026 at 3.2%						£0.5m			£0.5m	-£0.5m	£0.0m
NI Uplift	£0.9m	£1.1m	£0.3m	£0.2m	£0.2m	£0.1m	£0.9m	£0.1m	£3.8m	-£3.8m	£0.0m
Responsibilities alignment to current structure											
Clarification of responsibilities			£0.7m	-£0.3m			-£1.6m	£1.2m	£0.0m		£0.0m
Income Budget realignment			£0.0m	-£0.0m			-£0.0m		£0.0m		£0.0m
Transfer Tree budget from Property to Highways £207k			£0.2m				-£0.2m		£0.0m		£0.0m
Home to school transport		£0.9m					-£0.9m		£0.0m		£0.0m
Align Savings to correct cost centres	-£0.3m	-£0.3m			£0.6m				£0.0m		£0.0m
Saving & Investment updates											
Distribution of 2024/25 reorganisation savings	-£0.1m	-£0.9m	-£0.3m	£0.1m	£0.0m	£0.0m	-£0.3m	£1.5m	-£0.0m		-£0.0m
Corp IT Savings to Transformation Reserve							£0.7m		£0.7m	-£0.7m	£0.0m
Other adjustments											
Accumulation of small adjustments	-£0.0m	£0.0m	-£0.1m	£0.1m	-£0.0m	-£0.0m	£0.0m	-£0.0m	-£0.1m	£0.1m	-£0.0m

	AS	CS	E&H	E&P	PH	FRS	RLG	TDCE	SA	SM	Total
Funding updates:											
Transformation reserves amendment									£0.0m	£0.0m	£0.0m
Update on Funding - Extended Rights to Free Travel							£0.1m		£0.1m	-£0.1m	£0.0m
Removal of the Fire funding						£0.0m			£0.0m	-£0.0m	£0.0m
Turning Point Grants 25/26					-£0.0m				-£0.0m	£0.0m	£0.0m
Removing un-ringfenced grant treatment to align to new Children's grants		-£3.6m							-£3.6m	£3.6m	£0.0m
Month 2 Movements	-£1.4m	-£5.9m	£0.1m	-£0.3m	£0.6m	-£0.5m	-£3.3m	£2.7m	-£7.9m	£7.9m	£0.0m

Further details of specific virements are available on request.

Annex 3 - Confirmed Government Grants and Business Rates funding update

Ringfenced	Issued By	Service Areas	Budget Book 2025/26	Updates from Grant letters	Transfers (un-ringfenced to ringfenced)	Latest Allocation
			£000	£000	£000	£000
R	DHSC	Improved Better Care Fund	13,207			13,207
R	DHSC	Adult Social Care Market Sustainability and Improvement Fund	10,026			10,026
		Adult Services	23,233	0	0	23,233
R	DfE	Dedicated Schools Grant (DSG) - Schools Block	128,827	0		128,827
R	DfE	Dedicated Schools Grant (DSG) - Central Block	5,821	-355		5,465
R	DfE	Dedicated Schools Grant (DSG) - Early Years	108,620	775		109,395
R	DfE	Dedicated Schools Grant (DSG) - High Needs	98,158	-1,690		96,469
		Subtotal DSG Grants	341,426	-1,270	0	340,156
R	DfE	Pupil Premium	8,194	94		8,288
R	DfE	Sixth Form Funding and Threshold	371	0		371
R	DfE	PE and Sport Grant	2,217	0		2,217
R	DfE	Universal Infant Free School Meals	4,047	0		4,047
R	DfE	Teacher's Pension Grant	10	0		10
		Subtotal School Grants	14,839	94	0	14,933
R	AC	Music Service	844	0		844
R	YJB	Youth Justice Grant	0	0		0
R	HO	Asylum (UASC and Post 18)	713	12		725
R	YJB	Remand Framework	4,636	0		4,636
R	DWP	Reducing Parental Conflict Workforce Development Grant	71	0		71
R	DfE	Adoption Support Fund	0	1,226		1,226
R	DfE	Family Group Conferences	0	124		124
R	YJB	Turnaround Programme	0	115		115
R	HO	Child Decision Making Pilots (NRM)	0	45		45
R	MHCLG	Children's Social Care Prevention Grant	0		1,530	1,530
R	MHCLG	Children & Families Grant	0	1,216	2,108	3,324
		Subtotal Other Children's Services Grants	6,264	2,737	3,638	12,639
		TOTAL CHILDREN'S SERVICES	362,529	1,560	3,638	367,727
R	DHSC	Public Health Grant	34,413	2,536		36,949
R	DHSC	Local Stop Smoking Grant	795	0		795
R	MHCLG	Homes for Ukraine	0	0		0
		TOTAL PUBLIC HEALTH & COMMUNITIES	35,208	2,536	0	37,744
R	NE	LNRS Natural Environment	227			227
R	ATE	Active travel	58			58

TOTAL ENVIRONMENT & HIGHWAYS			284	0	0	284
Ringfenced	Issued By	Service Areas	Budget Book 2025/26	Updates from Grant letters	Transfers (unring to ring)	Latest Allocation
			£000	£000	£000	£000
R	MHCLG	LEP	615			615
R	DBT	Oxford Innovation Business Support	205			205
R	ATE	Capability & Ambition Fund	125			125
R	DfT	Bus Service Improvement Grant	795			795
R	DfT	Bus Service Improvement Plan	3,785			3,785
TOTAL ECONOMY & PLACE			5,525	0	0	5,525
R	MHCLG	Fire Fighter's Pension Fund Grant	1,061	-48		1,014
R	MHCLG	Fire Fighter's Pension Fund Admin Grant	75	0		75
R	MHCLG	Fire Protection Uplift Grant	252	-126		126
R	MHCLG	Fire Fighter's New Dimensions Grant	39	0		39
TOTAL FIRE & RESCUE and COMMUNITY SAFETY			1,427	-174	0	1,254
U	MHCLG	New Homes Bonus	1,127	0		1,127
U	DfE	Local Reform & Community Voices Grant	328	0		328
U	DfE	Social Care in Prisons Grant	183	0		183
U	DfE	War Pensions Disregard Grant	4	0		4
U	MHCLG	Social Care Support Grant (including Independent Living Fund)	48,596	52		48,648
U	HO	Firelink	44	-44		0
U	OHID	Supplementary Substance Misuse Treatment & Recovery Grant	1,136	0		1,136
U	OHID	Supplementary Substance Misuse Treatment & Recovery Housing Grant	622	0		622
U	OHID	Supplementary Substance Misuse Inpatient Detox & Rehabilitation	80	0		80
U	OHID	Rough Sleeping Drugs & Alcohol Grant	1,140	-61		1,079
U	MHCLG	Domestic Abuse Duty Grant	1,482	0		1,482
U	OHID	Individual Placement and Support in community drug and alcohol treatment	228	11		239
U	DfE	Supporting Families - previously Troubled Families	1,141		-1,119	22
U	DfE	Implementation of Supported Accommodation Reforms	990		-990	0
U	MHCLG	Children's Social Care Prevention Grant	1,530		-1,530	0
U	MHCLG	Employers National Insurance compensation	3,721		0	3,721
U	DfE	Rough Sleeper Grant	0		0	0
	RSG	Extended Travel transferred to RSG	-707	707		0
TOTAL Budget held Centrally			61,643	666	-3,638	58,672

Ringfenced	Issued By	Service Areas	Budget Book 2025/26	Updates from Grant letters	Transfers (unring to ring)	Latest Allocation
			£000	£000	£000	£000
U	MHCLG	Revenue Support Grant (RSG)	2,489	0		2,489
		Business Rates				
B		Business Rates (Directshare)	39,349	705		40,054
B		Business Rates S31 Grant Top-Up	42,971	-311		42,660
B		Section 31 Grant for Business Rate Compensation	18,900	1,503		20,403
		Council Tax				
C		2025/26 Council Tax	533,328			533,328
C		Prior year Collection fund & Carer Leavers discount	9,220	264		9,484
		TOTAL Corporate Funding	646,257	2,161	0	648,418
		Total All Funding	1,136,106	6,750	0	1,142,857
Comprising of:						
R		Ringfenced	428,206	3,923	3,638	435,767
U		Un-ringfenced	64,839	-41	-3,638	61,161
		Government Grants	493,045	3,882	0	496,927
B		Business Rates	101,220	1,897	0	103,117
C		Council Tax	542,548	264	0	542,812
issued by:						
	DfE	Department for Education	358,911	173	-2,108	356,976
	MHCLG	Ministry of Housing, Communities and Local Government	60,987	1,095	2,108	64,189
	DHSC	Department of Health & Social Care	58,441	2,536	0	60,977
	YJB	Youth Justice Board	4,636	115	0	4,751
	DfT	Department for Transport	4,580	0	0	4,580
	OHID	Office for Health Improvement and Disparities	3,205	-49	0	3,156
	AC	Arts Council	844	0	0	844
	HO	Home Office	757	13	0	770
	NE	Natural England	227	0	0	227
	DBT	Department for Business and Trade	205	0	0	205
	ATE	Active Travel England	183	0	0	183
	DWP	Department of Work & Pensions	71	0	0	71
	RSG	Transfer to RSG	-707	707	0	0
		Total All Grants by issuer	492,338	4,589	0	496,927

Annex 4 – Reserves & General Balances

Reserves	Balance at 31 March 2025	Movement	Balance at 31 March 2026
Revenue Grants Unapplied			
Grants and Contributions reserve	£30.3m	-£6.6m	£23.7m
COVID-19 reserve	£3.8m	£0.0m	£3.8m
Government Initiatives reserve	£6.6m	-£0.6m	£6.0m
Subtotal	£40.7m	-£7.2m	£33.5m
Corporate Priorities			
Budget Priorities reserve	£11.5m	-£0.2m	£11.3m
Local Government Reorganisation reserve	£10.0m	£0.0m	£10.0m
Transformation reserve	£7.5m	£0.0m	£7.5m
Commercial Pump Priming reserve	£2.0m	£0.0m	£2.0m
Zero Emissions Zone	£1.5m	£0.0m	£1.5m
Green Financing reserve	£0.9m	£0.0m	£0.9m
Extended Producer Responsibility reserve	£0.0m	£0.0m	£0.0m
Subtotal	£33.3m	-£0.2m	£33.1m
Funding for Risk			
Demographic Risk reserve	£21.0m	£0.0m	£21.0m
Insurance reserve	£10.6m	£0.0m	£10.6m
Collection Fund Risk reserve	£8.1m	£0.0m	£8.1m
IFRS 9 (Value of Treasury Management Pooled Funds)	£4.0m	£0.0m	£4.0m
Redundancy reserve	£4.1m	£0.0m	£4.1m
Council Elections	£0.7m	-£0.7m	£0.0m
Trading Accounts	£0.2m	£0.0m	£0.2m
Council Tax Collection Fund reserve	£0.0m	£0.0m	£0.0m
Business Rates reserve	£0.0m	£0.0m	£0.0m
Subtotal	£48.6m	-£0.7m	£47.9m
Capital & Equipment			
Capital & Prudential Borrowing reserves	£109.6m	£0.0m	£109.6m
Vehicle and Equipment reserve	£3.2m	-£1.8m	£1.4m
Investment Pump Priming reserve	£0.1m	£0.0m	£0.1m
Subtotal	£113.0m	-£1.8m	£111.2m
Other reserves			
Partnership reserves	£1.7m	£0.0m	£1.7m
On Street Car Parking reserve	£5.3m	£0.0m	£5.3m
Budget Equalisation reserve	£0.0m	£0.0m	£0.0m
Subtotal	£7.1m	£0.0m	£7.1m
Unusable			
Schools' reserves	£10.7m	-£0.7m	£10.1m
Total Earmarked reserves	£253.4m	-£10.6m	£242.8m

Reserves	Balance at 31 March 2025	Movement	Balance at 31 March 2026
<u>by Service Area:</u>			
Adult Services	£6.1m	-£0.5m	£5.6m
Children's Services	£20.4m	-£0.7m	£19.7m
Public Health & Communities	£14.7m	-£6.2m	£8.5m
Environment & Highways	£9.3m	-£0.1m	£9.2m
Economy & Place	£8.7m	-£0.4m	£8.2m
Fire & Rescue and Community Safety	£3.6m	-£2.0m	£1.6m
Resources and Law & Governance	£2.1m	-£0.7m	£1.4m
Transformation, Digital & Customer Experience	£8.3m	£0.0m	£8.3m
Service Areas Position	£73.1m	-£10.6m	£62.5m
Budgets held Centrally	£180.3m	£0.0m	£180.3m
Total Earmarked reserves	£253.4m	-£10.6m	£242.8m

General Balances			
General Balances as 31 March 2025 (Statement of Accounts)		£45.3m	
Less budgeted contribution as part of the reserve and balances policy statement for 2025/26		-£10.8m	
		-£0.7m	
Less approved as part of Outturn: Support 25/26 revenue costs - Innovate and BIPC			
General Balances as 31 March 2025			£33.8m
Add: Planned contributions			£2.6m
Proposed additional un-ringfenced grant			£0.8m
2025/26 Forecast underspend			£1.1m
General Balances forecast as at 31 May 2025			£38.3m
Risk assessed level of balances for 2025/26			£30.2m
Surplus balances compared to risk assessed level			£8.1m