Medium Term Financial Strategy 2026/27 - 2030/31

Summary

INDICATIVE BUDGET (2027/28 – 2030/31)

	2026/27				2027/28			2028/29			2029/30			2030/31		
	Proposed Base Budget £m	Fair Funding Review 2.0 Changes £m	Proposed Allocation £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Allocation £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Allocation £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Allocation £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Allocation £m	Proposed Budget £m
Directorate Budgets																
Adult Services	259.277	23.233	13.280	295.790	295.790	16.084	311.874	311.874	15.967	327.841	327.841	16.421	344.262	344.262	16.594	360.856
Children's Services	214.858	1.592	18.126	234.576	234.576	8.423	242.999	242.999	9.483	252.482	252.482	10.670	263.152	263.152	11.534	274.686
Environment & Highways	55.093		-4.127	50.966	50.966	5.383	56.349	56.349	4.352	60.702	60.702	-0.704	59.998	59.998	1.706	61.704
Economy and Place	21.029		-2.191	18.838	18.838	-0.544	18.294	18.294	1.455	19.749	19.749	0.626	20.375	20.375	0.378	20.753
Public Health & Communities	13.276	-4.649	0.500	9.126	9.126	0.128	9.254	9.254	-0.072	9.181	9.181	-0.012	9.169	9.169	-0.012	9.157
Oxfordshire Fire & Rescue Service and Community Safety	31.728		0.735	32.463	32.463	0.470	32.933	32.933	0.022	32.955	32.955	0.169	33.124	33.124	0.174	33.298
Resources and Law & Governance	57.523		5.113	62.636	62.636	-2.015	60.621	60.621	0.461	61.082	61.082	0.716	61.798	61.798	0.865	62.663
Transformation, Digital & Customer Experience	7.450		0.098	7.547	7.547	-0.045	7.502	7.502	-0.045	7.457	7.457	0.008	7.465	7.465	0.008	7.473
New Risk Assumption - To be allocated												8.202	8.202	8.202	7.480	15.682
Pay inflation	6.576		2.036	8.612	8.612	7.208	15.820	15.820	6.910	22.730	22.730	6.910	29.640	29.640	6.910	36.550
Cross Cutting Proposals – To be Allocated to services once achieved			-4.214	-4.214	-4.214	-1.800	-6.014	-6.014		-6.014	-6.014		-6.014	-6.014		-6.014
Directorate Budgets	**666.809**	**20.176**	**29.356**	**716.341**	**716.341**	**33.292**	**749.632**	**749.632**	**38.533**	**788.165**	**788.165**	**43.006**	**831.170**	**831.170**	**45.637**	**876.807**
Strategic Measures																
Capital Financing																
- Principal	17.555		2.191	19.746	19.746	0.798	20.544	20.544	0.356	20.900	20.900	1.798	22.698	22.698	2.520	25.218
- Interest	13.035			13.035	13.035		13.035	13.035		13.035	13.035		13.035	13.035		13.035
Interest on Balances																
- Interest receivable	-9.827		-1.070	-10.897	-10.897	3.102	-7.795	-7.795		-7.795	-7.795		-7.795	-7.795		-7.795
- External Funds	-3.813			-3.813	-3.813		-3.813	-3.813		-3.813	-3.813		-3.813	-3.813		-3.813
- Interest on developer contributions	8.219		-0.794	7.425	7.425	0.374	7.799	7.799		7.799	7.799		7.799	7.799		7.799
- Prudential Borrowing recharges	-7.491		3.100	-4.391	-4.391		-4.391	-4.391		-4.391	-4.391		-4.391	-4.391		-4.391
Un-Ringfenced Specific Grants	-59.748	57.175	2.573													
Contingency	7.254		-1.000	6.254	6.254		6.254	6.254		6.254	6.254		6.254	6.254		6.254
Insurance Recharge	1.774			1.774	1.774		1.774	1.774		1.774	1.774		1.774	1.774		1.774
Total Strategic Measures	**-33.042**	**57.175**	**5.000**	**29.133**	**29.133**	**4.274**	**33.407**	**33.407**	**0.356**	**33.763**	**33.763**	**1.798**	**35.561**	**35.561**	**2.520**	**38.081**
Contributions to/from Balances & Reserves																
General Balances	2.687		-2.687													
Prudential Borrowing Costs	8.290			8.290	8.290		8.290	8.290		8.290	8.290		8.290	8.290		8.290
Transformation Reserve	-1.568		-1.552	-3.120	-3.120	3.120										
Budget Priorities Reserve																
COVID - 19 Reserve	-2.318		2.318													
Demographic Risk Reserve	4.000		4.000	8.000	8.000		8.000	8.000		8.000	8.000		8.000	8.000		8.000
Collection Fund Reserve			-2.109	-2.109	-2.109	2.109										
Local Government Reorganisation Reserve			-3.649	-3.649	-3.649	3.649										
Capital Reserve	1.400		-1.400													
Total Contributions to (+)/from (-) reserves	**12.491**		**-5.079**	**7.412**	**7.412**	**8.878**	**16.290**	**16.290**		**16.290**	**16.290**		**16.290**	**16.290**		**16.290**
Budget Shortfall						-15.507	-15.507	-15.507	-6.509	-22.016	-22.016	-7.031	-29.046	-29.046	-8.189	-37.235
Net Operating Budget	**646.258**	**77.351**	**29.277**	**752.886**	**752.886**	**30.937**	**783.822**	**783.822**	**32.380**	**816.202**	**816.202**	**37.773**	**853.975**	**853.975**	**39.968**	**893.943**

Medium Term Financial Strategy 2025/26 - 2028/29

Financing

	2026/27				2027/28			2028/29			2029/30				2030/31		
					INDICATIVE BUDGET												
	Proposed Base Budget	Fair Funding Review 2.0 Changes	Proposed Budget Change	Proposed Budget	Proposed Base Budget	Proposed Budget Change	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Budget Change	Proposed Budget		Proposed Base Budget	Proposed Allocation	Proposed Budget
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		£m	£m	£m
Net Operating Budget	646.258	77.351	29.277	752.886	752.886	30.937	783.822	783.822	32.380	816.202	816.202	37.773	853.975	0	853.975	39.968	893.943
Funded by:																	
Government Grant																	
- Revenue Support Grant	-2.489	-66.717	-25.354	-94.561	-94.561	-1.557	-96.118	-96.118	10.606	-85.512	-85.512		-85.512		-85.512		-85.512
- S31 Business Rate Reliefs	-18.900		3.853	-15.047	-15.047	-1.606	-16.654	-16.654	-1.433	-18.087	-18.087		-18.087		-18.087		-18.087
- Business Rates Top-up	-42.971		28.132	-14.839	-14.839		-14.839	-14.839		-14.839	-14.839		-14.839		-14.839		-14.839
- Better Care Fund		-13.207		-13.207	-13.207	13.207	0.000	0.000		0.000	0.000		0.000		0.000		0.000
Total Government Grant	**-64.360**	**-79.924**	**6.631**	**-137.654**	**-137.654**	**10.043**	**-127.610**	**-127.610**	**9.172**	**-118.438**	**-118.438**		**-118.438**		**-118.438**		**-118.438**
Business Rates																	
- Business Rates local share	-39.349		-0.272	-39.621	-39.621		-39.621	-39.621		-39.621	-39.621		-39.621		-39.621		-39.621
- Collection Fund Surplus/Deficit																	
Total Business Rates	**-39.349**		**-0.272**	**-39.621**	**-39.621**		**-39.621**	**-39.621**		**-39.621**	**-39.621**		**-39.621**		**-39.621**		**-39.621**
Council Tax Surpluses	-9.241		0.982	-8.259	-8.259	0.259	-8.000	-8.000		-8.000	-8.000		-8.000		-8.000		-8.000
Care Leavers Discount	0.021			0.021	0.021		0.021	0.021		0.021	0.021		0.021		0.021		0.021
COUNCIL TAX REQUIREMENT	**533.328**	**-2.573**	**36.617**	**567.372**	**567.372**	**41.239**	**608.611**	**608.611**	**41.552**	**650.163**	**650.163**	**37.773**	**687.936**		**687.936**	**39.968**	**727.904**
Council Tax Calculation																	
Council Tax Base				282,728			288,863			293,918			299,062				304,295
Council Tax (Band D equivalent)				£2,006.78			£2,106.92			£2,212.06			£2,300.32				£2,392.10
Increase in Council Tax (precept)				6.4%			7.3%			6.8%			5.8%				5.8%
Increase in Band D Council Tax				4.99%			4.99%			4.99%			3.99%				3.99%