Labour and Co-operative Group Section 4.1 Medium Term Financial Strategy 2026/27 - 2030/31

Summary

					INDICATIVE BUDGET											
	2026/27				2027/28			2028/29			2029/30			2030/31		
	Proposed Base Budget	Fair Funding Review 2.0 Changes	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	Proposed Budget	Proposed Base Budget	Proposed Allocation	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
Service 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	18.926	235.376	235.376	8.623	243.999	243.999	8.983	252.982	252.982	10.670	263.652	263.652	11.534	275.186
Environment & Highways	55.093		-3.352	51.741	51.741	5.131	56.872	56.872	3.802	60.675	60.675	-0.704	59.971	59.971	1.706	61.677
Economy and Place	21.029		-2.116	18.913	18.913	-0.597	18.316	18.316	1.455	19.771	19.771	0.626	20.397	20.397	0.378	20.775
Public Health & Communities	13.276	-4.649	-0.000	8.626	8.626	0.128	8.754	8.754	0.428	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	0.025	32.958	32.958	0.172	33.130	33.130	0.177	33.307
Resources and Law & Governance	64.973		5.061	70.033	70.033	-2.080	67.953	67.953	0.416	68.369	68.369	0.724	69.093	69.093	0.873	69.966
New Risk Assumption - To be allocated												8.202	8.202	8.202	7.480	15.682
Pay inflation	6.177		2.434	8.611	8.611	7.208	15.819	15.819	6.910	22.729	22.729	6.910	29.639	29.639	6.910	36.549
Cross Cutting Proposals – To be Allocated to services once achieved			-4.213	-4.213	-4.213	-2.800	-7.013	-7.013		-7.013	-7.013		-7.013	-7.013		-7.013
Service Budgets	**666.410**	**20.176**	**30.755**	**717.341**	**717.341**	**32.167**	**749.507**	**749.507**	**37.986**	**787.493**	**787.493**	**43.009**	**830.502**	**830.502**	**45.640**	**876.142**
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	-59.349	59.349														
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	**-32.643**	**59.349**	**2.427**	**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			-1.000	-1.000	-1.000	1.000										
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**		**-6.079**	**6.412**	**6.412**	**9.878**	**16.290**	**16.290**		**16.290**	**16.290**		**16.290**	**16.290**		**16.290**
Budget Shortfall						-15.382	-15.382	-15.382	-5.959	-21.341	-21.341	-7.034	-28.374	-28.374	-8.192	-36.566
Net Operating Budget	**646.258**	**79.525**	**27.103**	**752.886**	**752.886**	**30.937**	**783.822**	**783.822**	**32.383**	**816.205**	**816.205**	**37.773**	**853.978**	**853.978**	**39.968**	**893.946**

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Financing

	2026/27				INDICATIVE BUDGET 2027/28			2028/29			2029/30				2030/31		
	Proposed Base Budget £m	Fair Funding Review 2.0 Changes £m	Proposed Budget Change £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Budget Change £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Allocation £m	Proposed Budget £m	Proposed Base Budget £m	Proposed Budget Change £m	Proposed Budget £m		Proposed Base Budget £m	Proposed Allocation £m	Proposed Budget £m
Net Operating Budget	646.258	79.525	27.103	752.886	752.886	30.937	783.822	783.822	32.383	816.205	816.205	37.773	853.978	0	853.978	39.968	893.946
Funded by:																	
Government Grant																	
- Revenue Support Grant	-2.489	-66.318	-25.753	-94.561	-94.561	-1.586	-96.147	-96.147	10.607	-85.540	-85.540		-85.540		-85.540		-85.540
- S31 Business Rate Reliefs	-18.900		4.445	-14.455	-14.455	-0.724	-15.180	-15.180	-0.583	-15.763	-15.763		-15.763		-15.763		-15.763
- 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**	**-79.525**	**6.824**	**-137.062**	**-137.062**	**10.896**	**-126.165**	**-126.165**	**10.023**	**-116.142**	**-116.142**		**-116.142**		**-116.142**		**-116.142**
Business Rates																	
- Business Rates local share	-39.349		-0.864	-40.213	-40.213	-0.854	-41.067	-41.067	-0.854	-41.921	-41.921		-41.921		-41.921		-41.921
- Collection Fund Surplus/Deficit																	
Total Business Rates	**-39.349**		**-0.864**	**-40.213**	**-40.213**	**-0.854**	**-41.067**	**-41.067**	**-0.854**	**-41.921**	**-41.921**		**-41.921**		**-41.921**		**-41.921**
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**		**34.044**	**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%