

# Supplementary Papers



Listening Learning Leading

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FOR THE MEETING OF

## Cabinet

held on Wednesday 1 February 2017 at 5.30 pm  
in Meeting Room 1, 135 Eastern Avenue, Milton Park, Milton, OX14 4SB

**Open to the public including the press**

The reports marked 'to follow' on the agenda published on 24 January 2017 are attached.

Please bring these with you to the meeting.

### ITEMS TO BE CONSIDERED WITH THE PUBLIC PRESENT

Reports considered with the public present are available on the council's website.

### RECOMMENDATIONS TO COUNCIL

8 **Medium term financial strategy** (Pages 2 - 10)

To consider the head of finance's report.

9 **Budget 2017/18** (Pages 11 - 49)

To consider the head of finance's report.

a)  
b)

# Cabinet report



Listening Learning Leading

Report of Head of Finance

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1 February 2017 to CABINET

16 February 2017 to COUNCIL

## Medium Term Financial Strategy 2017/18 – 2021/22

### Recommendation to Council:

To recommend Council to approve the Medium Term Financial Strategy for 2017/18 – 2021/22 as attached to the report of the head of finance to the Cabinet meeting of 1 February 2017.

### Purpose of report

1. This report asks Cabinet to consider and recommend Council approve the medium term financial strategy for 2017/18 – 2021/22.

### Strategic objectives

2. Financial planning within a medium term strategy helps maintain our strong financial position in a structured way while directing resources to priority areas.
3. Sound financial management is central to the ongoing delivery of all the council's functions and a key part of our governance framework.

### Background

4. The medium term financial strategy (MTFS) is reviewed and approved annually. The document sets a stable financial framework within which the council operates and as such should not require significant amendment on an annual basis.
5. Council approved the previous MTFS on 18 February 2016.

## **The Medium Term Financial Strategy**

6. The MTFS for 2017/18 – 2021/22 is attached as appendix one. It sets out the fundamental financial objectives of the council and the principles to be followed in managing the council's finances to achieve its objectives. It helps inform our treasury management strategy that governs how we invest money held in balances.
7. In addition to objectives and principles, a narrative on significant current issues is included in each section.
8. The significant current issues have been updated. No changes to the principles or objectives of the MTFS are being proposed.

## **Financial implications**

9. The MTFS provides a framework within which we will prepare annual spending plans. The implications of working within this framework are set out in the strategy. In essence, it creates a rigorous discipline to follow, but one which helps ensure sound financial management.

## **Legal implications**

10. The MTFS will help ensure council sets its budget and council tax requirements and approves its annual statement of accounts within legislative requirements and deadlines.

## **Conclusion**

11. A key target of the council is to keep our share of council tax as low as possible whilst continuing to deliver high quality services and the proposed MTFS 2017/18 – 2021/22 will help achieve this. The MTFS identifies the objectives the council will pursue, and the principles it will follow, in managing its finances.

## **Background Papers**

- MTFS 2016/17 – 2020/21 Council 18 February 2016.

## MEDIUM TERM FINANCIAL STRATEGY 2017/18 – 2021/22

### 1. Section one - revenue budget

#### 1.1 Objectives:

- a) To set a balanced revenue budget (prepared in accordance with proper accounting practice), i.e. the estimated income in the year (including that from the Government, the council tax, business rates and use of revenue balances) that will equal the estimated expenditure.
- b) To set a revenue budget requirement that increases by no more than inflation each year, except where central government places new responsibilities on the council.
- c) To ensure the council's five year revenue spending plans match its medium term financial strategy objectives with regards its balances (see section four - balances below).
- d) To direct resources to meet council priorities.
- e) To continually strive to deliver services in an efficient and effective way.

#### 1.2 In order to achieve our objectives we will follow these principles:

- a) We will ensure expenditure budgets are realistic estimates of necessary spend in the year.
- b) We will set income budgets at a prudent level, i.e. income will not be anticipated for budget purposes if there is reasonable doubt over its receipt.
- c) We will review and determine annually the allocation of interest to fund either revenue or capital expenditure or retain in specific reserves, as part of the budget setting process.
- d) We will use our reserves to:
  - fund revenue expenditure that supports the council's strategic objectives
  - help reduce the impact of reductions in government funding on service provision.
- e) The head of finance will set an adequate contingency budget sum.
- f) We will look for efficiency savings first as a way of meeting unavoidable additional costs or bids for additional expenditure.
- g) We will review fees and charges each year to assess if additional income can be generated from them.
- h) Bids for additional money will have to be justified by reference to our strategic objectives and priorities.

### 1.3 Significant current issues:

- a) The banking crisis and subsequent Government austerity measures have resulted in a number of adverse pressures on the council's budget:
  - Government funding is being significantly reduced over the medium term;
  - Interest rates have fallen significantly and remained low; reducing the amount of money we can earn to support revenue spending.
- b) The localisation of business rates offers financial opportunities and financial risks which are difficult to quantify as they depend on the future actions of third parties (i.e. all businesses within the district). The government has announced that by 2020 the scheme will be extended so that 100 per cent of business rates will be retained by local government. This will impact on the council but to what extent is not known as the new scheme has not yet been designed.
- c) New homes bonus rewards the council for net new homes built in the area. Changes to the distribution of NHB will adversely impact on the council.

During the budget setting process the above issues will be considered and prudent forecasts will be built in to budgets where precise estimates are not possible.

## 2. Section two - capital budget

### 2.1 Objectives:

- a) To set a capital expenditure programme that can be financed from our own resources.
- b) To retain our debt-free status, i.e. we will not borrow to fund capital expenditure.
- c) To direct capital resources to meet council priorities.

### 2.2 In order to achieve our objectives we will follow these principles:

- a) We will plan capital expenditure over a rolling five year period.
- b) Each year we will calculate the amount of uncommitted resources available to fund capital projects not yet included in the approved or provisional capital programme.
- c) Except in exceptional situations we will not allocate or use funds invested for the long term to pay for capital expenditure.
- d) In planning our capital expenditure we will only take into account future capital receipts and investment income where there is a high degree of certainty about their receipt.
- e) We will undertake periodic reviews of our assets to determine if they are still needed to meet our strategic objectives, and dispose of assets that are not required or do not generate a competitive investment return.
- f) Bids for additional money will have to be justified by reference to our strategic objectives and corporate priorities.

- g) All housing capital receipts otherwise subject to pooling arrangements will be allocated for reinvestment in affordable housing (public or private) or regeneration projects (within the local authority area).

### 2.3 Significant current issues:

- a) The council may have to consider using its own capital resources to fund schemes where government funding is withdrawn or reduced.
- b) Income from the sale of the council's assets will fall (as this is a finite resource).
- c) The location of the council's long term home following the fire at the council's Crowmarsh offices.

## 3. Section three - partnership working

### 3.1 Objective:

- a) To take account of the financial implications of significant partnerships in which we are involved.

### 3.2 In order to achieve this objective we will:

- a) Assess the financial implications of our commitments to partnership work, including on entering, during and at the exit from partnerships.
- b) Take these into account in setting annual budgets and in preparing the medium term financial plan (MTFP).<sup>1</sup>
- c) Monitor and report on our financial commitments as a result of partnership working.

### 3.3 Significant current issues:

- a) The council has recently entered a five councils' partnership which involves a range of services being delivered by Capita and Vinci. Close attention will need to be paid to ensure the true costs of these contracts are correctly reflected in the council's financial planning and reporting reports.

## 4. Section four - balances

### 4.1 Objectives:

- a) To identify the levels of balances to be held in the short, medium and long term and to review these each year.
- b) To identify balances to be used for revenue and capital expenditure.
- c) To identify balances that can be invested for the short, medium and long term in accordance with our treasury management strategy to maximise investment returns.

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<sup>1</sup> The medium term financial plan (MTFP) is a high level, five-year budget projection that is reported as part of the budget setting report to cabinet and council.

- d) To maintain an uncommitted revenue balance of at least £0.75 million to meet unforeseen or exceptional expenditure; the head of finance will review the amount each year.
- e) To ensure the earned interest used to support the revenue account is set at a sustainable level.

#### 4.2 In order to achieve our objectives:

- a) We invest £50 million for the long term. All investments will generate an annual return of certainty. Up to £30 million can be used to support capital expenditure that generates a return of certainty. This MTFS definition of an investment is wider than the accounting definition. MTFS capital investments will not be shown on the council's balance sheet as usable balances. MTFS capital investments are likely to be particularly illiquid or may be unrealisable. All MTFS investments must be accounted for through the council's capital programme and each will be classified as a MTFS investment at the point at which Council is asked to approve the scheme for inclusion in the capital programme. These investments will provide regular income which we will use to:
  - support revenue expenditure
  - provide grants
  - fund capital projects.

We will review the allocation of income for these purposes each year as part of the budget process.

- b) We will hold around £25 million as medium term balances. We will hold these in a mixture of short and medium term investments and use them to provide regular income for the same purposes as long term investments.
- c) Short term balances will be held for the following purposes:
  - i) to provide cash as and when required for imminent capital works. This includes:
    - the capital programme
    - developer contributions and s106 receipts held to fund future expenditure
    - capital grants to fund future expenditure.

These balances are invested in the short-term in line with expected programme expenditure cash flows. Up to £20 million is held for these purposes.

- ii) in earmarked revenue reserves, including:
  - money set aside to fund planned revenue expenditure
  - money held in unallocated reserves, such as the enabling fund. We invest these balances short-term.
- iii) for working capital purposes that relate only to the timing of income and expenditure flows and are held to manage the cash flow. These balances are

not a reserve held on the balance sheet. The amount will vary between nil and £20 million, and are invested short term in line with known cash flow streams.

- d) When we propose any significant changes to the amounts of balances held, the structure of balances (e.g. the split between long, medium and short-term) or how the income earned on balances is used, the head of finance will separately report on the implications of these changes if made outside the budget setting process.
- e) We will include estimated future levels of balances in the MTFP.
- f) In setting its annual budget Council will agree the level of earned interest estimated to be used to support revenue spending.

#### 4.3 Significant current issues:

- a) Further changes in the NHB scheme may reduce again the amounts the council earns from the scheme and this would have an impact on the balances the council holds.

### 5. Section five - Prudential indicators

#### 5.1 Objectives:

- a) To ensure that our capital investment plans are affordable, prudent and sustainable.
- b) To ensure that our capital investment plans are consistent with and support local strategic planning, local asset management and follow proper option appraisal.
- c) To set the capital expenditure indicators to meet the objectives of the capital and revenue budget objectives outlined above.

#### 5.2 In order to achieve our objectives we will follow these principles:

- a) The prudential indicators will be set through the annual budget process and before 1 April each year.
- b) The indicators will have regard to:
  - affordability
  - prudence and sustainability
  - value for money
  - stewardship of assets
  - service objectives
  - practicality.
- c) We will set the treasury management indicators in compliance with the CIPFA Code of Practice for Treasury Management in Public Services.
- d) We will review and monitor performance against all forward looking indicators, and report any significant deviations or take appropriate action, if required



### 5.3 Significant current issues:

- a) None.

## **6. Section six – budget planning and monitoring**

### 6.1 Objectives:

- a) To produce annual budgets and the MTFP in a timely and accurate manner and linked to corporate and service planning.
- b) To produce budgets that are in accordance with the MTFS.
- c) To monitor income and expenditure against budgets in a timely manner to highlight where under or overspending is occurring, in order to take corrective action at the earliest opportunity.
- d) To monitor progress in achieving efficiency savings.
- e) To monitor performance against prudential indicators.

### 6.2 In order to achieve our objectives we will:

- a) Prepare a detailed budget timetable linked to corporate and service planning, and allocate resources accordingly.
- b) Incorporate into the timetable scrutiny of the budgets by both officers and members.
- c) Produce budget monitoring reports as at the end of September and the end of December in each financial year.
- d) Distribute detailed budget monitoring statements to heads of service within one week of the end of the month.
- e) Issue budget monitoring reports with the members' information sheet (In focus).
- f) Review prudential indicators at least quarterly.

### 6.3 Significant current issues:

- a) As a consequence of in-year savings, overly prudent income projections, securing new sources of finance and budget underspends the council has spent significantly below its budget in recent years. Additional budget setting and budget monitoring training has been given to all budget holders.

## **7. Section seven - closure of the accounts and production of the statement of accounts**

### 7.1 Objectives:

- a) To close the accounts and publish the statement of accounts in a timely and accurate manner, within statutory deadlines and in accordance with relevant accounting and audit regulations.
- b) To take into account actual expenditure in future years' budgets and the MTFP.

7.2 In order to achieve this objective we will:

- a) Agree a detailed timetable for the closure of the accounts with Capita.
- b) Liaise with our external auditors over the closedown timetable.
- c) Enable review of the accounts by the Joint Audit and Governance Committee.

7.3 Significant current issues:

- a) This function was outsourced to Capita on 1 August 2016. The 2016/17 statement of accounts will be the first Capita prepare.

## **8. Section eight - review**

This strategy will be reviewed annually.

# Report to: Cabinet Scrutiny Committee Council



Listening Learning Leading

Report of Head of Finance

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To: CABINET

1 February 2017

To: SCRUTINY COMMITTEE

9 February 2017

To: COUNCIL

16 February 2017

## Revenue Budget 2017/18 and Capital Programme to 2021/22

### RECOMMENDATIONS

1. That cabinet recommends to council that it:
  - a. sets the revenue budget for 2017/18 as set out in appendix A.1 to this report,
  - b. agrees that the capital schemes listed in paragraph 33 to this report remain in the capital programme
  - c. approves the capital programme for 2017/18 to 2021/22 as set out in appendix D.1 to this report, together with the capital growth bids set out in appendix D.2 of this report ,
  - d. sets the council's prudential limits as listed in appendix E to this report,
  - e. approves the medium term financial plan to 2021/22 as set out in appendix F to this report,
  - f. allocates £1,000,000 to fund the Communities Capital and Revenue Grant Scheme.
2. That cabinet agrees that the cabinet member for finance, in conjunction with the head of finance, may make minor adjustments to this report and the prudential indicators should they prove necessary prior to its submission to council on 16 February 2017.

## Purpose of report

### 1. This report:

- brings together all relevant information to allow cabinet to recommend to council a revenue budget for 2017/18 and a capital programme for 2017/18 to 2021/22;
- recommends the prudential indicators to be set by the council in accordance with 'the Prudential Code' introduced as part of the Local Government Act 2003;
- contains the opinion of the council's chief financial officer on the robustness of estimates and adequacy of the council's financial reserves;
- contains the Medium Term Financial Plan (MTFP) which provides details of the forward budget model for the next five years.

### 2. This report should be read in conjunction with the Medium Term Financial Strategy (MTFS)<sup>1</sup>. This sets out a number of objectives to be achieved and a set of principles to be followed in the preparation of budgets.

## Budget setting process

### 3. In preparing and setting the revenue budget for 2017/18 and capital programme to 2021/22 a number of complexities arose that delayed the process including:

- provisional settlement issued in December 2016;
- changes to rules surrounding the calculation of new homes bonus requiring internal projections to be reviewed in detail;
- a new operating environment and management team providing more robust challenges.

## Strategic objectives

### 4. Setting the budget in accordance with prescribed timetables enables the council to maintain its strong financial position.

### 5. The allocation of financial resources within the revenue and capital budgets needs to match the objectives agreed by the council. The objectives identify where investment, including proposed growth, will take place in order to help the council achieve its corporate plan targets.

### 6. Where growth proposals (known as growth bids) have been made, each bid sets out how it will help achieve the council's objectives. The cabinet member for finance has chosen to include some growth bids in these budget proposals and these are identified in **appendix B.1** (revenue) and **appendix D.2** (capital), together with some revenue savings proposals in **appendix B.2**.

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<sup>1</sup> MTFS considered by Cabinet 1 February 2017, Council 16 February 2017

## Revenue budget 2017/18

### Budget target 2017/18

7. The MTF<sup>1</sup> sets a target within which the revenue budget will be set each year. It is:

‘to set a revenue budget requirement that increases by no more than inflation each year, except where new responsibilities are placed on the council’.

### Budget composition 2017/18

8. **Appendix A.1** summarises the movements in the base budget from £14,369,062 in 2016/17 to £15,914,180 in 2017/18. These movements are detailed below.
9. **Opening budget adjustment reduction £712,380, (appendix A.2)**. This includes the removal of one-off growth items relating to 2016/17 and before, and the realisation of the full-year effect of savings proposals identified in previous years.
10. Additions to the base budget:
- **inflation, salary increments and other salary adjustments £129,016 (appendix A.3)**. The salary and contract inflation totals £65,375, representing an average increase of 0.44 per cent on the 2016/17 net expenditure budgets. For council employees an overall increase in salary of 1.3 per cent is budgeted for 2017/18. Increments payable to council employees not at the top of their salary range total £80,491. The decrease of £16,850 in other salary adjustments include changes to employment taxes, staff working hours and corrections to prior year budgets.
  - **essential growth – one-off £1,382,022 and ongoing £1,515,858 (appendix A.4)**, these items comprise additional expenditure which is considered unavoidable, and reflect changes that have occurred in the current year or which are known will happen in 2017/18.
  - In addition to essential items brought forward by services, there are a number of corporate essential growth items that have arisen following further work undertaken on the Five Councils’ Partnership and the management restructure since the previous budget was set.
  - When the 2016/17 budget was set, the contracting process for Five Council’s Partnership was still ongoing and only estimates of savings were available, based on future costs being smoothed on an annual basis. Following on from the signing of the contracts it is clear that the savings profile sees a greater realisation of savings in the later years of the contract, so there is a need to increase cost in the MTFP period - the earlier years of the contract - compared to previous thinking. In addition, the savings include innovation and procurement hub savings, which officers do not feel can be taken as certain at this stage, and more prudent savings estimates have been added. As a result of these factors the savings estimate arising from the contract costs has been re-profiled over the MTFP period compared to the previous year’s budget.

- Following the commencement of the Five Councils' Partnership, and the arrival of the new chief executive, the council is currently reviewing its future workforce requirements. At this stage we have budgeted £400,000 per annum for potential additional staff.

#### 11. Deductions from the base budget:

- **base budget reductions £749,415 (appendix A.5)** These base budget savings are reductions in costs identified by officers which may be the result of more efficient working or previously agreed policy decisions, cost reductions outside of the council's control, increases in income, or correction to budgets. These savings do not affect frontline service delivery.
- **reduction in revenue contingency £79,983 (appendix A.6).** This brings the level of revenue contingency to £438,405. This includes specific provision for certain events should they occur, together with a general contingency amount of £200,000.
- **decrease in managed vacancy factor £60,000**, this provision is set at two per cent of budgeted employee costs and reduces the overall employees budget to reflect the savings that result from vacancies arising as part of normal staff turnover. As budgeted costs increase or decrease the provision is adjusted accordingly.

12. As a result of these changes the council's revised base budget for 2017/18 is **£15,914,180**.

#### Revenue growth proposals

13. A number of revenue growth proposals are being recommended to council for inclusion in the budget for 2017/18. These are detailed in **appendix B.1** and total **£679,035**. The growth proposals have been selected on the basis that they support the council's strategic objectives as set out in the council's corporate plan 2016-2020 and enhance service provision.
14. In addition to revenue growth proposals, a number of savings proposals are being recommended. These are detailed in **appendix B.2** and total **£197,072**. The equalities implications of the proposals are considered later in the report.
15. The revenue consequence of proposed capital growth is **£27,080**. Capital growth is detailed in **appendix D.2** and is considered later in this report.

#### Gross treasury income

16. Treasury income earned in 2017/18 will be available to finance expenditure in 2018/19 and is currently forecast to be **£2,201,300**, and would be used as follows under current practice:
- £1,745,300 to support the revenue budget for 2018/19; and
  - £456,000 reinvested in financial instruments.

17. More details of treasury income can be found in the council's Treasury Management Strategy report<sup>2</sup>.
18. Including growth and treasury income results in a net expenditure budget for the council of **£14,221,923**.

## **Reserves and other funding**

### **New Homes Bonus (NHB)**

19. The provisional government allocation for NHB payment for 2017/18 is **£3,527,673**. Of this figure **£3,356,943** will be used in year to support the revenue budget, while the rest will be transferred to reserves. Projections of future NHB earnings and how they will be used are detailed later in this report.

### **Transfers to/from reserves**

20. In addition to the transfer to reserves of the NHB payment, the other proposed transfers to / from earmarked reserves reflect:
- The transfer to reserves of investment income from property in Didcot for future investment - **£270,000**.
  - The transfer to reserves of the treasury income earned in 2017/18 **£2,201,300**;
  - The transfer from reserves of treasury income earned in 2016/17 and earmarked to support the revenue account in 2017/18 of **£1,857,000**;
  - The transfer from the revenue grants reserve of **£363,084**
  - The transfer from the revenue budget smoothing reserve of **£1,597,366** to arrive at a budget requirement that can be funded from the government grant settlement and council tax level which are discussed later in this report.
21. Based on the above use of reserves and other funding, the amount of revenue expenditure to be financed from government and from council tax 2017/18 is **£9,518,830**.

## **Funding**

### **Local government settlement**

22. As part of the December 2015 Spending Review, the Secretary of State for Communities and Local Government offered to councils a four-year funding settlement<sup>3</sup> for the period 2016/17 to 2019/20. To qualify councils had to publish an Efficiency Plan which covered the four-year time period. The council published an efficiency statement on 11 October 2016 and as a result qualified for the four year settlement. Table 1 below details the funding for the council up to 2019/20.

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<sup>2</sup> Considered by Cabinet 1 February 2017, Council 16 February 2017

<sup>3</sup> The four year settlement agreed by government only related to RSG and not to funding relating to business rates

**Table 1: Four year settlement funding assessment (provisional)**

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Revenue Support Grant	1,195	572	192	0
Business Rates Baseline Funding Level	2,384	2,431	2,503	2,583
<b>Settlement Funding Assessment</b>	<b>3,579</b>	<b>3,003</b>	<b>2,695</b>	<b>2,583</b>
Tariff/Top-Up adjustment	0	0	0	(233)
<b>Total</b>	<b>3,579</b>	<b>3,003</b>	<b>2,695</b>	<b>2,350</b>

23. The settlement for 2017/18 is 16.1 per cent lower than 2016/17. Whilst the baseline funding element of the settlement is increasing in line with the increase in national non domestic rates, to achieve the overall reduction in funding the government has significantly reduced the Revenue Support Grant (RSG) element. This pattern is due to continue until RSG is reduced to nil in 2019/20. The figures indicate that in that year additional tariff payment will be due, reflecting a redistribution of government funding. This has commonly been referred to as negative RSG. It should be noted that these figures exclude NHB funding which is discussed later in the report.
24. At the time of writing this report the final settlement funding assessment had not been received from the government. It is not anticipated that when this information is available it will be significantly different to the provisional figures.

#### **Business rate retention scheme**

25. For budget setting purposes it has been assumed that the council's share of business rates income after payment of tariff will be at the safety net level and remain at that level for the period of the MTFP.
26. Should the council decide to join the Oxfordshire Business Rate Pooling Distribution Group surpluses arising will be added to the council's reserves at the end of the financial year.
27. Included in the budget for the first time is **£90,098** business rates retained by the council as planning authority relating to facilities generating renewable energy within the district.

#### **Collection fund**

28. The surplus on the collection fund is estimated in 2016/17 to be **£277,786**.

#### **Cabinet member for finance's revenue budget proposal**

29. Based on the amendments detailed above, and as shown in **appendix A.1** of this report, the cabinet member's budget proposal, including growth, is for a net revenue budget of **£9,518,830**. This revenue budget as proposed would result in an increase of £5.00 to current band "D" council tax to **£116.24**. **Appendix C** shows the breakdown of the revenue budget.
30. The cabinet member for finance's revenue budget proposal of **£9,518,830** is lower than the previous year's budget requirement of **£9,812,913** and is therefore



within the revenue budget target, meeting the requirement laid down in the medium term financial strategy.

## Capital programme 2017/18 to 2021/22

### Current capital programme

31. The latest capital programme (before growth) is attached at **appendix D.1** and is summarised in table 2 below. It is the capital programme as set by council in February 2016 plus:-

- slippage (caused by delays to projects) carried forward from 2015/16
- new schemes approved by council during 2016/17
- re-profiling of expenditure on schemes from the 2016/17 financial year to future years where delays to schemes have occurred
- cabinet approved movement of schemes from the provisional to the approved capital programme
- the deletion of previously agreed schemes that have completed or are no longer to be pursued.

### Cabinet capital programme proposals

32. **Appendix D.2** contains a list of new capital schemes that are being recommended for inclusion in the capital programme. Officers will amend the provisional capital programme to include the proposals if approved by cabinet and council.

33. Capital schemes that have been in the provisional capital programme for two years without activity being incurred are automatically deleted. However, cabinet is recommending to council that the following schemes are kept in the programme:

- Town centre boost – scheme value £192,000

34. Capital schemes of greater than £500,000 deleted from the provisional programme during the year are listed below:

- Didcot town centre development – scheme value £500,000. This budget relates to phase I redevelopment and has now been superseded.
- Didcot & Science Vale – scheme value £5,750,000. This budget was added to the capital programme in 2016/17. The current head of Development, regeneration and housing has confirmed that it is no longer required and that capital schemes will be brought forward as and when required.
- Housing supply – scheme value £2 million. This budget was added to the capital programme in 2016/17. The current head of Development,

regeneration and housing has confirmed that it is no longer required and that capital schemes will be brought forward as and when required.

## Financing the capital programme

35. **Table 2** contains a schedule identifying showing the current and proposed capital programme and how it will be financed, including the growth proposals, if they are approved. The programme proposed can be fully funded from existing and anticipated capital resources. The total planned capital expenditure is **£48.6 million**.

**Table 2: current and proposed capital programme with financing**

	2016/17 latest estimate	2017/18 estimate	2018/19 estimate	2019/20 estimate	2020/21 estimate	2021/22 estimate	GRAND TOTAL
	£000	£000	£000	£000	£000	£000	£000
<b>Capital programme before growth</b>							
- approved	4,638	5,342	920	920	920	920	13,660
- provisional	8,058	1,696	8,903	11,466	2,392	1,083	33,598
	<b>12,696</b>	<b>7,038</b>	<b>9,823</b>	<b>12,386</b>	<b>3,312</b>	<b>2,003</b>	<b>47,258</b>
Cabinet capital growth proposals	0	1,063	202	(14)	(29)	71	1,293
<b>Total expenditure</b>	<b>12,696</b>	<b>8,101</b>	<b>10,025</b>	<b>12,372</b>	<b>3,283</b>	<b>2,074</b>	<b>48,551</b>
<b>Financing</b>							
Grant funding	654	893	493	493	493	493	3,519
Developers' contributions	181	0	0	0	0	0	181
Usable capital receipts/revenue reserves	11,861	7,208	9,532	11,879	2,790	1,581	44,851
<b>Total financing</b>	<b>12,696</b>	<b>8,101</b>	<b>10,025</b>	<b>12,372</b>	<b>3,283</b>	<b>2,074</b>	<b>48,551</b>
<b>Estimated balances as at 31 March 2022</b>							
Usable capital receipts							<b>2,603</b>
Enabling fund							<b>5,753</b>
New homes bonus:							
Unringfenced							<b>0</b>
Affordable homes							<b>1,629</b>

## Future pressures on the capital programme

36. **Table 2** also shows the balances of usable capital receipts, NHB and the enabling fund at the end of the MTFP period. Officers advise cabinet not to earmark all available resources in proposing the budget to council, as the prudential code requires local authorities to set sustainable budgets. By retaining unallocated balances, cabinet can demonstrate that through a combination of this and future income (that can be expected beyond the period of the budget) it can fund future pressures.

## The prudential code and prudential indicators

37. In setting its revenue and capital budgets for 2017/18, the council must agree prudential indicators in accordance with the prudential code (see below). When recommending its budgets to council, cabinet must also recommend the prudential indicators.
38. From 1 April 2004, government control of local authorities' borrowing was abolished and replaced by a prudential system of self-regulation. Authorities are able to borrow based on need and affordability, which they demonstrate through compliance with the prudential code developed by the Chartered Institute of

Public Finance and Accountancy (CIPFA) and given statutory force by government regulation.

39. The key objectives of the prudential code are to ensure that the capital investment plans of the authority are affordable, prudent and sustainable. To demonstrate that authorities have had regard to these objectives, the prudential code sets out a number of indicators that must be considered covering five distinct areas – capital expenditure, affordability, prudence, external debt and treasury management. Council must approve the indicators through the budget process before 1 April each year, but they can be revised during the year if required.
40. The key indicators that will drive the capital budget decision making process will be those concerning affordability, as these measure the impact of capital investment decisions on the overall revenue budget and in particular the precept against the collection fund.
41. In setting or revising the prudential indicators the council is required to have regard to:
- affordability e.g. implications for the precept
  - prudence and sustainability e.g. implications for external borrowing
  - value for money e.g. option appraisal
  - stewardship of assets e.g. asset management planning
  - service objectives e.g. strategic planning for the council
  - Practicality e.g. achievability of the forward plan.
42. Under the code, the head of finance as chief finance officer is responsible for ensuring that the council considers all relevant matters when setting or revising indicators through a report. The head of finance is also required to establish procedures to monitor performance against all forward-looking indicators; and report upon any significant deviations from forward forecasts with proposed actions.
43. **Appendix E** contains the recommended prudential indicators, which have been calculated based on the budget proposals. The head of finance is satisfied that these indicators show that the council's capital investment plans are affordable, prudent and sustainable.

### **The Medium Term Financial Plan (MTFP)**

44. The MTFP provides a forward budget model for the next five years. **Appendix F** contains the MTFP for 2017/18 to 2021/22. This is a projection of the revenue budget up to 31 March 2022. The projection allows for budget pressures in later years and assumes that council approves all the budget proposals within this report. Officers have made no adjustments for the costs of contracts that will be re-let during this period. They could rise or fall depending on market conditions.
45. The MTFP identifies some potential challenges ahead for the council. It reflects the provisional four year settlement figures first published in draft by the government in December 2015 and shown in table 1 above and anticipates that

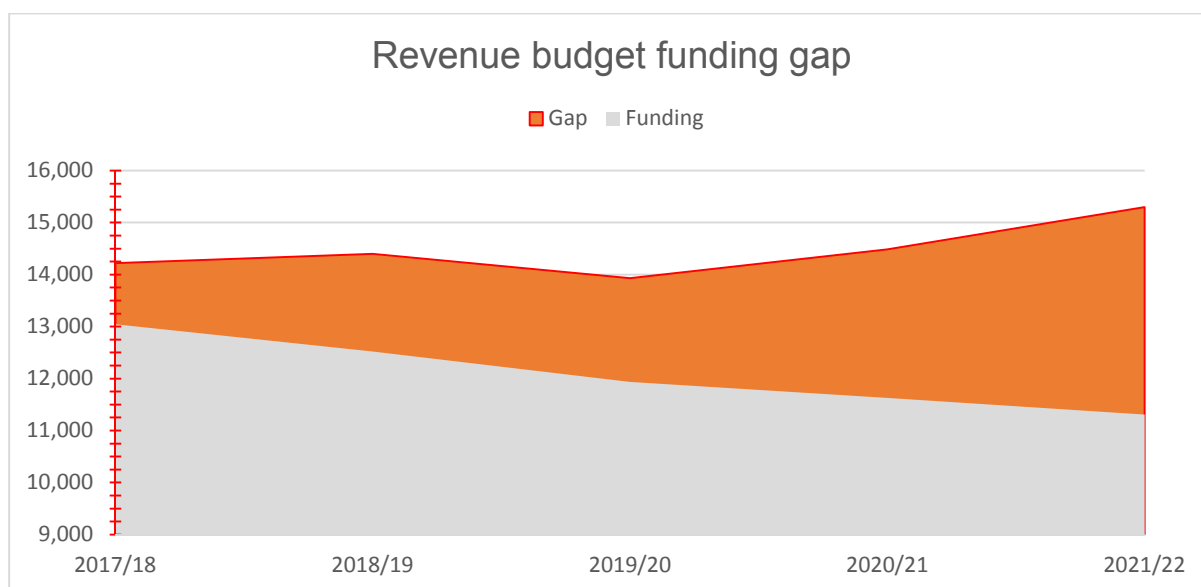
the basis of funding in 2019/20 continues into 2021/22. Ongoing funding after 2020/21 is an estimate by officers, and is subject to change. It also incorporates assumptions on interest income, and other known pressures on the council, such as inflation and salary increments.

46. Estimates of future receipts of new homes bonus are shown in table 3 below, and are also included in the MTFP (detailed in row 42). In total the council is expected to have received in excess of £12.2 million during the MTFP period.
47. The element of the bonus that relates to the new homes bonus premium is ring-fenced to support the provision of additional affordable housing.

**Table 3: new homes bonus**

Year earned	Year of receipt				
	2017/18 actual £000	2018/19 indicative £000	2019/20 indicative £000	2020/21 indicative £000	2021/22 indicative £000
2013/14	537	0	0	0	0
2014/15	763	0	0	0	0
2015/16	972	972	0	0	0
2016/17	675	675	675	0	0
2017/18	581	581	581	581	0
2018/19	0	778	778	778	778
2019/20	0	0	401	401	401
2020/21	0	0	0	128	128
2021/22	0	0	0	0	23
<b>Total</b>	<b>3,528</b>	<b>3,006</b>	<b>2,435</b>	<b>1,888</b>	<b>1,330</b>

48. Officers consider that the pressures highlighted are manageable in the period covered by the MTFP (in light of the reserves and balances available to the council and our ability to vary budgets and redirect funding). However, it is expected that savings will be required within the parameters set by the MTFP in future years, and this represents a significant challenge.
49. The graph and table 4 below illustrates the gap between funding and expenditure over the period of the MTFP.



**Table 4: revenue budget funding gap**

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Net expenditure	14,222	14,405	13,934	14,489	15,302
Funding	13,047	12,523	11,937	11,626	11,311
Gap	(1,175)	(1,882)	(1,997)	(2,862)	(3,991)
Gap cumulative	(1,175)	(3,058)	(5,054)	(7,917)	(11,908)

50. The council's MTFS states that the council will hold £50 million of investments of which £30 million can be invested in capital schemes that will produce a return of certainty. The remaining £20 million can be invested in treasury investments. Whilst the treasury investments are capable of being realised, investment in capital schemes is not capable of being realised.

51. As at 31 March 2022 the council is projected to have invested £30 million in the following capital schemes:

- Didcot leisure centre - £15 million
- Loan to South Oxfordshire Housing Association - £15 million

The remaining £20 million comprises £17 million held in long term investments, and £3 million held in capital and revenue balances.

52. Excluding the £50 million investment, the council is projected to hold £6.5 million of general revenue balances and £7.8 earmarked revenue reserves as at 31 March 2022.

## Communities Capital and Revenue Grant Scheme

53. On an annual basis, the council has considered the amount to be made available for the Community Capital Grant Scheme. From 2017/18, some of this funding has been allocated to revenue projects. Thus the council is asked to consider the amount to be made available for the Community Capital and Revenue Scheme and it is recommended that a grants budget of £1,000,000 be set for 2017/18.

## **The robustness of the estimates and the adequacy of reserves**

54. The Local Government Act 2003 places a duty on the chief finance officer (i.e. the head of finance) to report on the robustness of the estimates and the adequacy of reserves. The council must have regard to this report when making decisions about the setting of the budget.
55. The construction of the budget has been managed by qualified accountants and has been subject to challenge, specifically by strategic management board, the head of finance, other heads of service and cabinet members. Informal meetings of cabinet have considered the budget, and a briefing will be given to the council's scrutiny committee members which will be open to all councillors. In view of the process undertaken and his own knowledge of the budget, the head of finance is satisfied that the budget is both prudent and robust.
56. The council's practice is not to use interest in the year it is earned, but in later years. On the basis of the settlement the head of finance is satisfied that this allows retention of sufficient uncommitted balances at the end of the period to ensure that the overall level of reserves is adequate in relation to the proposed revenue budget and capital programme and that the budgets are sustainable. The enabling fund balance as at 31 March 2022 is estimated to be £5.8 million. In the MTFP the 2021/22 revenue budget is balanced by using a combination of un-ring-fenced NHB receipts and the enabling fund when the un-ring-fenced NHB receipts are extinguished.
57. The one significant risk identified is further possible changes to the NHB scheme in addition to those already announced.
58. Scheme changes already known and built into the estimates are :
- A move to five year payments for both existing and future bonus allocations in 2017/18 and then to four years from 2018/19;
  - the introduction of a national baseline of 0.4 per cent for 2017/18 for NHB below which allocations will not be made.
59. Should further changes occur a fundamental review of the council's budget will be necessary. Table 5 below shows that £7.029 million of expenditure budgeted for within the budget proposals from 2018/19 onwards is dependent on the receipt of NHB not yet received or confirmed as payable by the government. The table also shows that from 2018/19 onwards more NHB monies are being used to support revenue expenditure than are being received.

**Table 5.1: New Homes Bonus account**

Year	Opening balance £000	Receipt £000	Revenue expenditure £000	Closing balance £000
<b>2017/18</b>	<b>10,179</b>	<b>3,528</b>	(3,357)	10,350
2018/19	10,350	3,006	(5,070)	8,286
2019/20	8,286	2,435	(4,892)	5,829
2020/21	5,829	1,888	(5,178)	2,539
2021/22	2,539	1,330	(2,239)	1,630
<b>Total</b>		<b>12,187</b>	<b>(20,736)</b>	

Note that the figures in **bold** represent monies confirmed or received. The closing balance of £1.6 million has been ring fenced by the council for affordable housing.

**Table 5.2 Expenditure at risk**

	£000
Total expenditure to be funded from NHB per table 5.1	(20,736)
NHB funding received or confirmed (2017/18 in bold)	13,707
<b>Expenditure to be funded from NHB not yet received or confirmed</b>	<b>(7,029)</b>

60. The funding of local government will undergo change over the next few years as the government move to a 100 per cent business rates retention model and further reviews the new homes bonus scheme. In the light of this, consideration will be given to produce a medium term financial strategy for the council that will set the parameters and principle on which the council's budget will be built.

61. The head of finance's full report will be available at full council.

## Legal Implications

62. The cabinet needs to make recommendations to council on its spending proposals. Under the Local Government Act 2000 it is council that must agree the revenue and capital spending plans, and then set the council tax. Council will meet on 16 February 2017 in order to set the budget, and the council tax (including amounts set by Oxfordshire County Council and the Police and Crime Commissioner for the Thames Valley).

63. The requirement placed on council by the Local Government Act 2003 to set prudential indicators and for the chief finance officer to make a report to the authority on the robustness of the estimates and the adequacy of reserves are addressed within the body of this report.

## Equalities Implications of revenue savings proposals

64. The council has reviewed the revenue savings proposals in line with our public sector equality duties to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation,

- advance equality of opportunity between people who share a protected characteristic<sup>4</sup> and those who do not,
- foster good relations between people who share a protected characteristic and those who do not.

65. Consideration was also given to those groups not protected by legislation such as low income groups, in line with the requirement of the Equality Framework for Local Government

66. It is **the equality officer's view that all of the budget reduction proposals are likely to have a low or negligible equality impact.** Those reductions include:

- **Increase garden waste subscription fee** - It is perceived that the increase of £2 per year is likely to have a low equality impact. Residents can share bins if they do not need the full service or could take their garden waste to the household waste recycling centres. There is also the option to purchase a compost bin and discounts are offered on these if purchased at our compost give away days. However, we recognise the increase could prevent those on a low income still wishing to use the service who are unable to share with neighbours.
- **To close the young achievers scheme** - We do not consider there will be any equality impact of ceasing the scheme, as the scheme is not supporting vulnerable people and it is not likely to impact on the person's ability to take part in their chosen sport, art or citizenship. As our leisure provider GLL offers a similar scheme to our sports category we can encourage young people to apply to this instead of our scheme, which will account for most potential applicants to our scheme.
- **Cease to provide funding to Thames Valley Police (TVP), currently used to fund the Police Community Support Officers (PCSOs)** - The PCSOs are currently tasked to deal with risk, harm and vulnerability. If TVP are unable to bridge the gap in funding there could be a reduction of PCSO presence. This could contribute towards a decline in feelings of safety for elderly and vulnerable people. As PCSOs form a key part of their community safety policing, TVP will need to consider any potential impact.

## Other Implications

67. Agreement of the revenue and capital budgets authorises expenditure in accordance with the council's delegated powers and financial procedure rules. The officer, councillor or councillor body taking those decisions will take into account the human resources, sustainability and equality and diversity implications of individual spending decisions.

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<sup>4</sup> A 'protected characteristic' under the Act is colour, race, nationality, ethnic or national origin, disability, age, sex, gender reassignment, sexual orientation, religion, belief, marriage or civil partnership, pregnancy and maternity



## Conclusion

68. This report provides details of the revenue base budget for 2017/18, the capital programme 2017/18 to 2021/22, government grants (the settlement), uncommitted reserves and balances, the cabinet member for finance's budget proposals and the resulting prudential indicators.

69. In light of the information provided cabinet must make a number of recommendations to council regarding the revenue budget, the capital programme and the prudential indicators.

## Appendices

Appendix A.1	Revenue budget 2017/18
Appendix A.2	Opening budget adjustments
Appendix A.3	Inflation, salary increments and other salary adjustments
Appendix A.4	Essential growth
Appendix A.5	Base budget savings
Appendix A.6	Revenue contingency
Appendix B.1	Revenue growth
Appendix B.2	Revenue savings
Appendix C	Service budget analysis
Appendix D.1	Capital programme before growth
Appendix D.2	Capital growth bids
Appendix E	Prudential indicators
Appendix F	Medium term financial plan

## Background Papers

Provisional settlement figures (December 2016)

Medium term financial strategy 2017/18-2021/22 – Cabinet 1 February 2017, Council 16 February 2017

Council tax base 2017/18 – Cabinet 1 December 2016, Council 15 December 2016

Treasury management strategy – Cabinet 1 February 2017, Council 16 February 2017

## South Oxfordshire DC - revenue budget summary 2017/18

	2016/17 Budget	2017/18 Budget	Appendix Ref:
<b>Opening base budget 2017/18</b>		<b>14,369,062</b>	
<b>Revisions to base budget</b>			
Opening budget adjustments		(712,380)	Appendix A.2
Inflation, salary increments and other salary adjustments		129,016	Appendix A.3
Essential growth - one-off		1,382,022	Appendix A.4
Essential growth - ongoing		1,515,858	Appendix A.5
Base budget savings		(749,415)	Appendix A.6
Movement in revenue contingency		(79,983)	Appendix A.6
Movement in managed vacancy factor		60,000	
<b>Total base budget after revisions</b>	<b>14,369,062</b>	<b>15,914,180</b>	
<b>Growth proposals</b>			
Revenue - one-off		259,000	Appendix B.1
Revenue - ongoing		420,035	Appendix D.2
Capital (revenue consequences of)		27,080	Appendix B.2
<b>Savings proposals</b>		(197,072)	
Gross treasury income	(2,196,350)	(2,201,300)	
<b>Net expenditure</b>	<b>12,172,712</b>	<b>14,221,923</b>	
<b>Funding</b>			
Funding from reserves and New Homes Bonus	(2,359,799)	(4,703,093)	Appendix C
Funding from government grants and council tax	(9,812,913)	(9,518,830)	
<b>Total Funding</b>	<b>(12,172,712)</b>	<b>(14,221,923)</b>	
<b>Council tax yield required</b>	<b>6,114,307</b>	<b>6,457,969</b>	

## South Oxfordshire DC - 2017/18 budget build changes

## Opening budget adjustments

Year of bid	Summary	Spending profile				
		2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>ALL SERVICES</b>						
2015/16	Corporate costs	(7,647)	(7,647)	(7,647)	(7,647)	(7,647)
		<b>(7,647)</b>	<b>(7,647)</b>	<b>(7,647)</b>	<b>(7,647)</b>	<b>(7,647)</b>
<b>5 COUNCILS PARTNERSHIP</b>						
2016/17	Corporate contract savings	(261,757)	(261,757)	(261,757)	(261,757)	(261,757)
2016/17	Investment property income	270,000	270,000	270,000	270,000	270,000
		<b>8,243</b>	<b>8,243</b>	<b>8,243</b>	<b>8,243</b>	<b>8,243</b>
<b>CORPORATE STRATEGY</b>						
2013/14	Additional leisure staff	(31,080)	(31,080)	(31,080)	(31,080)	(31,080)
2016/17	Grounds maintenance additional payment	(18,750)	(18,750)	(18,750)	(18,750)	(18,750)
2014/15	Waste new properties	11,550	23,100	23,100	23,100	23,100
2015/16	Waste new properties	17,455	34,910	52,365	52,365	52,365
2015/16	Collection cost increases	23,958	47,916	71,874	71,874	71,874
2015/16	Delivery cost increases	11,240	22,480	33,720	33,720	33,720
2015/16	Funding for tree works	0	(5,000)	(5,000)	(5,000)	(5,000)
		<b>14,373</b>	<b>73,576</b>	<b>126,229</b>	<b>126,229</b>	<b>126,229</b>
<b>DEVELOPMENT AND HOUSING</b>						
2014/15	Community engagement	(48,000)	(48,000)	(48,000)	(48,000)	(48,000)
2016/17	Growth board	0	0	(50,000)	(50,000)	(50,000)
2016/17	Didcot Gateway	(250,000)	(500,000)	(500,000)	(500,000)	(500,000)
2016/17	Strategic site masterplanning	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
2016/17	Rough Sleepers - connections	0	(12,000)	(12,000)	(12,000)	(12,000)
2016/17	Studies to inform housing strategies	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
		<b>(473,000)</b>	<b>(735,000)</b>	<b>(785,000)</b>	<b>(785,000)</b>	<b>(785,000)</b>

## South Oxfordshire DC - 2017/18 budget build changes

### Opening budget adjustments

Year of bid	Summary	Spending profile				
		2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>HR, IT &amp; TECHNICAL SERVICES</b>						
2015/16	Statutory compliance officer	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
2014/15	Bi-annual residents survey	24,000	0	24,000	0	24,000
2016/17	Market town support	0	(33,000)	(33,000)	(33,000)	(33,000)
2015/16	Mastering Management	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
		<b>6,000</b>	<b>(51,000)</b>	<b>(27,000)</b>	<b>(51,000)</b>	<b>(27,000)</b>
<b>LEGAL &amp; DEMOCRATIC</b>						
2016/17	CCTV running costs	4,651	(14,792)	(14,792)	(14,792)	(14,792)
		<b>4,651</b>	<b>(14,792)</b>	<b>(14,792)</b>	<b>(14,792)</b>	<b>(14,792)</b>
<b>PLANNING</b>						
2014/15	Joint planning policy work	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
2014/15	Major applications	(93,000)	(93,000)	(93,000)	(93,000)	(93,000)
2014/15	Planning applications and pre applications advice	(29,000)	(29,000)	(29,000)	(29,000)	(29,000)
2016/17	S106/CIL monitoring officer	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
2016/17	Feasibility work and master planning - potential housing allocations	0	(100,000)	(100,000)	(100,000)	(100,000)
2016/17	Joint landscape study	(18,000)	(18,000)	(18,000)	(18,000)	(18,000)
2016/17	Recruitment retention	0	0	(90,000)	(90,000)	(90,000)
2016/17	Recruitment retention funding	0	0	28,000	28,000	28,000
2016/17	CIL officer	0	(20,000)	(20,000)	(20,000)	(20,000)
2016/17	CIL officer funding	0	20,000	20,000	20,000	20,000
2016/17	South Local Plan 2031	100,000	(100,000)	(100,000)	(100,000)	(100,000)
2016/17	Income funded resources	0	(184,000)	(184,000)	(184,000)	(184,000)
		<b>(80,000)</b>	<b>(564,000)</b>	<b>(626,000)</b>	<b>(626,000)</b>	<b>(626,000)</b>

## South Oxfordshire DC - 2017/18 budget build changes

### Opening budget adjustments

Year of bid	Summary	Spending profile				
		2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>STRATEGIC MANAGEMENT BOARD</b>						
2016/17	Management restructure savings	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
2014/15	Contract renewal	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
2015/16	Corporate services contract	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
		<b>(185,000)</b>	<b>(185,000)</b>	<b>(185,000)</b>	<b>(185,000)</b>	<b>(185,000)</b>
<b>GRAND TOTAL</b>		<b>(712,380)</b>	<b>(1,475,620)</b>	<b>(1,510,967)</b>	<b>(1,534,967)</b>	<b>(1,510,967)</b>

**South Oxfordshire DC - 2017/18 budget build changes**  
**Inflation, salary increments and other salary adjustments**

Summary	Spending profile				
	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>ALL SERVICES</b>					
Salary inflation	98,174	198,802	301,745	406,137	512,925
Salary increments	80,491	162,994	247,394	332,983	420,535
Other salary adjustments	(16,850)	(16,850)	(16,850)	(16,850)	(16,850)
Other net inflation	(32,799)	39,492	87,160	127,695	167,529
<b>GRAND TOTAL</b>	<b>129,016</b>	<b>384,437</b>	<b>619,449</b>	<b>849,964</b>	<b>1,084,139</b>

## South Oxfordshire DC - 2017/18 budget build changes

## Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>CLIENT TEAM</b>								
1	Security at Crowmarsh site	Security patrols required at Crowmarsh while the building remains in its current state.	One-off	20,000	0	0	0	0
2	5 Councils Partnership	Reprofiling of contract savings	Ongoing	612,794	1,044,600	276,622	203,643	87,923
3	Rental of 135 Milton Park	Rental of council offices at 135 Milton Park. Cost met from insurance settlement until January 2018. Assumption for budget purpose is that the lease will be extended.	Ongoing	161,250	645,000	645,000	645,000	645,000
4	Parking at 183 Milton Park	Cost of additional staff parking at 183 Milton Park. Assumption for budget purpose is that the lease will be extended.	Ongoing	42,000	42,000	42,000	42,000	42,000
				<b>836,044</b>	<b>1,731,600</b>	<b>963,622</b>	<b>890,643</b>	<b>774,923</b>
<b>CORPORATE STRATEGY AND WASTE</b>								
1	Increased contractor payments to the grounds maintenance contractor	This is an additional payment agreed by Cabinet to be paid to the grounds maintenance contractor as part of a three year extension	One-off	25,000	25,000	25,000	0	0
2	Recycling - Increased payments to Biffa - additional properties	Increased dry recycling and food collection payments to Biffa for additional properties. Based on a further additional increase of 400 properties being added to current predictions.	Ongoing	12,672	12,672	12,672	12,672	12,672
3	Purchase of replacement garden waste bins	Increased number of replacement damaged bins. Due to their age the number of bin having to be replaced is increasing. Based on actual bin replacements in 2015/16.	Ongoing	10,000	10,000	10,000	10,000	10,000
4	Decrease in garden waste income	Decreased income due to under achievement of predicted new customers in 2015/16 and current predictions for 2016/17.	Ongoing	25,000	25,000	25,000	25,000	25,000
5	Schedule I payments for disposal	Payment to OCC for disposal costs relating to schedule I collections for example nursing homes	Ongoing	10,000	10,000	10,000	10,000	10,000
6	Refuse - Increased payments to Biffa - additional properties	Increased refuse collection payments to Biffa for additional properties. Based on a further additional increase of 400 properties being added to current predictions.	Ongoing	10,000	10,000	10,000	10,000	10,000
7	Reduction in recycling credits	Reduction in income due to reduced recycling tonnage	Ongoing	28,142	28,142	28,142	28,142	28,142
8	Revenue grants	This reprofiling of an existing budget is required to give officers enough budget to pay the 2017/18 and 2018/19 revenue grants awarded. Budgets for 2019/20 and 2020/21 have been reduced by an equivalent amount.	One-off	92,788	32,321	(39,820)	(85,289)	0
				<b>213,602</b>	<b>153,135</b>	<b>80,994</b>	<b>10,525</b>	<b>95,814</b>

## South Oxfordshire DC - 2017/18 budget build changes

## Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>DEVELOPMENT AND HOUSING</b>								
1	<b>Housing related support - Funding of accommodation for rough sleepers</b>	To fund the provision of six complex needs beds (located in Oxford City) and seven high need beds for rough sleepers following the withdrawal of Housing Related Support funding by Oxfordshire County Council. This proposal has been to Cabinet Briefing and approved by an ICMD	One-off	36,300	36,300	36,300	0	0
2	<b>Syrian Vulnerable Person resettlement Scheme</b>	In response to a government request, both South and Vale have agreed to house and support up to eight Syrian refugee families (2 for South and 6 for Vale). A budget of £84,415 has been approved for this year. Smaller budgets are required for future years, due the reduced level of support needed over time	One-off	28,759	5,092	5,244	5,402	0
		This is funded in full by the Home Office		(28,759)	(5,092)	(5,244)	(5,402)	
3	<b>Development &amp; Regeneration Staff costs</b>	£96,000 budget approved by the previous Chief Executive to establish a permanent Development and Regeneration team was provided subject to the submission of an essential growth bid. The funding was agreed on the basis of a 50/50 split basis between South and Vale	Ongoing	48,000	48,000	48,000	48,000	48,000
4	<b>Berinsfield regeneration</b>	2017/18 share of the £1.5m virement from capital to revenue for the comprehensive regeneration strategy and delivery plan for Berinsfield. (Cabinet approved the virement in April 2016)	One-off	644,850	0	0	0	0
5	<b>Building capacity and accelerating housing growth</b>	Building capacity and accelerating housing growth. DCLG funded from previous years. ICMD approved August 2016. Funded by use of reserves	One-off	363,084	77,417	0	0	0
				<b>1,092,234</b>	<b>161,717</b>	<b>84,300</b>	<b>48,000</b>	<b>48,000</b>



## South Oxfordshire DC - 2017/18 budget build changes

## Essential growth

No	Title of bid	Summary	One-off/ Ongoing	Spending profile:				
				2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>PLANNING</b>								
1	Local Plan 2033	Local Plan costs of QC, examination inspector and update studies	One-off	200,000	100,000	0	0	0
2	Planning application advertising	Due to the increase in planning application work load (majors) where by legislation we have to place notices in the press, the budget is insufficient to cover costs. We have tried to absorb these costs and that they have increased in cost annually, but it is now too substantial to cover	Ongoing	40,000	40,000	40,000	40,000	40,000
3	Drainage advice (Monson)	To provide consultancy advice for DM applications regarding drainage and SUDs. Current budget £28K does not cover cost of service, which has been absorbed year on year, but now can't sustain. Current cost £44K. Balance required £16K	Ongoing	16,000	16,000	16,000	16,000	16,000
				<b>256,000</b>	<b>156,000</b>	<b>56,000</b>	<b>56,000</b>	<b>56,000</b>
<b>STRATEGIC MANAGEMENT BOARD</b>								
1	Council workforce review	Estimate of costs arising review of current workforce capacity	Ongoing	400,000	400,000	400,000	400,000	400,000
				<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>
<b>ALL SERVICES</b>								
1	Employers pension costs	Increases as a result of the triannual actuarial valuation of the LGPS	Ongoing	100,000	119,000	138,000	138,000	138,000
				<b>100,000</b>	<b>119,000</b>	<b>138,000</b>	<b>138,000</b>	<b>138,000</b>
<b>GRAND TOTAL</b>				<b>2,897,880</b>	<b>2,721,452</b>	<b>1,722,916</b>	<b>1,543,168</b>	<b>1,512,737</b>

## South Oxfordshire DC - 2017/18 budget build changes

### Base budget savings

Item		One-off / ongoing	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>CORPORATE STRATEGY</b>							
1	Reduction in contract payments to Biffa	Ongoing	(86,116)	(86,116)	(86,116)	(86,116)	(86,116)
2	Increase in food safety courses income	Ongoing	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
3	Increased income from community facility at Great Western Park	Ongoing	(1,362)	(1,362)	(1,362)	(1,362)	(1,362)
			<b>(89,478)</b>	<b>(89,478)</b>	<b>(89,478)</b>	<b>(89,478)</b>	<b>(89,478)</b>
<b>CLIENT TEAM</b>							
1	Station road Didcot car park income	One-off	(270,000)	0	0	0	0
2	Housing benefit costs	Ongoing	(150,432)	(150,432)	(150,432)	(150,432)	(150,432)
			<b>(420,432)</b>	<b>(150,432)</b>	<b>(150,432)</b>	<b>(150,432)</b>	<b>(150,432)</b>
<b>HR, IT &amp; TECHNICAL</b>							
1	Reduction in tourism budget	Ongoing	(4,750)	(4,750)	(4,750)	(4,750)	(4,750)
2	Other budget reductions	Ongoing	(907)	(907)	(907)	(907)	(907)
3	E-government budget saving	Ongoing	(5,848)	(5,848)	(5,848)	(5,848)	(5,848)
			<b>(11,505)</b>	<b>(11,505)</b>	<b>(11,505)</b>	<b>(11,505)</b>	<b>(11,505)</b>
<b>PLANNING</b>							
1	Building control income increase	Ongoing	(17,000)	(17,000)	(17,000)	(17,000)	(17,000)
2	Planning income increase	Ongoing	(211,000)	(211,000)	(211,000)	(211,000)	(211,000)
			<b>(228,000)</b>	<b>(228,000)</b>	<b>(228,000)</b>	<b>(228,000)</b>	<b>(228,000)</b>
<b>Overall total</b>			<b>(749,415)</b>	<b>(479,415)</b>	<b>(479,415)</b>	<b>(479,415)</b>	<b>(479,415)</b>

## South Oxfordshire DC - 2017/18 budget build changes

### Revenue contingency

<b>SUMMARY</b>		<b>Provision 2016/17 £</b>
<b>Revenue contingency 2016/17</b>		<b>518,388</b>
Movement		(79,983)
<b>Total revenue contingency budget 2017/18</b>		<b>438,405</b>

<b>DETAIL</b>		<b>Worst case liability (£)</b>	<b>Probability (%)</b>	<b>Provision 2015/16 £</b>
		<b>£</b>	<b>%</b>	<b>£</b>
<b>ALL SERVICES</b>				
1	General contingency	N/A	100	200,000
				<b>200,000</b>

<b>CORPORATE STRATEGY</b>				
1	Waste contract inflation costs	55,310	50	27,655
				<b>27,655</b>

<b>DEVELOPMENT AND HOUSING</b>				
1	Homelessness nightly paid	124,000	25	31,000
				<b>31,000</b>

<b>FINANCE</b>				
1	HB bad debt provision	60,000	95	57,000
				<b>57,000</b>

<b>CLIENT TEAM</b>				
1	Increase in recruitment costs	20,000	50	10,000
				<b>10,000</b>

<b>LEGAL AND DEMOCRATIC</b>				
1	External legal costs - other	40,000	95	38,000
2	Domestic homicide review funding	10,000	95	9,500
3	By-elections	14,000	50	7,000
4	Code of conduct investigations	5,000	25	1,250
				<b>55,750</b>

<b>PLANNING</b>				
1	Transport feasibility studies	50,000	95	47,500
2	Growth Board Programme Manager	10,000	95	9,500
				<b>57,000</b>

<b>Overall total</b>			<b>438,405</b>
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## South Oxfordshire DC - 2017/18 revenue budgets bids

No	Title of bid	Summary	One-off or ongoing?	South only or joint bid?	Spending profile:				
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>CORPORATE STRATEGY AND WASTE</b>									
1	<b>Leisure officer and delivery budget</b>	Additional leisure resource with delivery budget to advance health agenda..details to follow	One-off	South only	35,000	35,000			
2	<b>Individual Councillors Grant Scheme</b>	Creat a budget for individual councillors to support small community projects in their own area, to be funded from £1million allocation to Communities grant scheme	Ongoing	South only	189,000	189,000	189,000	189,000	189,000
3	<b>Leisure projects officer post - making this post ongoing</b>	This post was agreed in 2012 to deliver capital leisure projects including the new leisure facility in Didcot. Initially the salary budget was agreed for five years but due to the nature of projects coming forward and the expected time to delivery for existing projects, this post is now required for the foreseeable future. The post is split 50:50 with the Vale.	Ongoing	Joint	24,864	24,864	24,864	24,864	24,864
					<b>248,864</b>	<b>248,864</b>	<b>213,864</b>	<b>213,864</b>	<b>213,864</b>
<b>DEVELOPMENT AND HOUSING</b>									
1	<b>Development and regeneration administrative support</b>	Recruit one grade 2-3 admin support officer for the whole of Development and Regeneration team	Ongoing	Joint	15,500	15,500	15,500	15,500	15,500
2	<b>Berinsfield</b>	To provide a discretionary fund to support and enhance community led local services so that they can take on the proposed new community facilities that will emerge from Berinsfield Community Investment Scheme	One off	South only	50,000	50,000	0	0	0
					<b>65,500</b>	<b>65,500</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>
<b>FINANCE</b>									
1	<b>Emergency planning officer</b>	The purpose of this bid is to increase the current joint staff resource for emergency planning from 0.5FTE to 1FTE. The post is in the establishment list at G5 SCP 27, and the current EPO is seconded from OCC.	Ongoing	Joint	7,671	7,671	7,671	7,671	7,671
					<b>7,671</b>	<b>7,671</b>	<b>7,671</b>	<b>7,671</b>	<b>7,671</b>
<b>HR, IT &amp; TECHNICAL</b>									
1	<b>Local lottery scheme</b>	To introduce a local lottery scheme to raise funds for local voluntary & community groups, to be funded from existing community grants funding	One-off	South	22,000	0	0	0	0
2	<b>Grant scheme to support volunteer costs - one year pilot</b>	Introducing a new grant scheme to support potential volunteers with the costs of volunteering	One-off	South	25,000	0	0	0	0

## South Oxfordshire DC - 2017/18 revenue budgets bids

No	Title of bid	Summary	One-off or ongoing?	South only or joint bid?	Spending profile:				
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>HR, IT &amp; TECHNICAL continued</b>									
3	<b>Volunteer development officer post</b>	Additional resource to progress the Corporate Plan commitments to increasing volunteering in the district	One-off	South	34,000	34,000	0	0	0
4	<b>Condition surveys</b>	To carry out condition surveys on council properties in order to determine future maintenance needs	One-off	Joint	38,000	0	0	0	0
					<b>119,000</b>	<b>34,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>PLANNING</b>									
1	<b>Building Control Surveyor (trainee)</b>	As part of developing our own staff and to address a gap in the lack of qualified and experienced building control surveyors, the service has a strategy to 'grow our own' staff, support them through training and offer them career potential within the service. Funded from increase in building control income.	Ongoing	Joint	17,000	17,000	17,000	17,000	17,000
2	<b>CIL Support officer</b>	We currently have a temporary role for SODC until March 2017 (no budget), who checks all applications at registration stage whether the proposed development is CIL liable including floor space measurements. This has to be agreed with applicants, which is time consuming and challenging as every sqm affects the £ and CIL income. We have piloted work this year to see how we can absorb the additional work, but it is apparent at this stage, with it being new, that it is time consuming and it has taken nearly a full time position. We believe there are efficiencies and a post can achieve this work for the two councils. This work can be funded from CIL admin income applied as part of the CIL charge.	Ongoing	Joint	14,000	14,000	14,000	14,000	14,000
		The cost will be matched by an increase in CIL income	Ongoing	Joint	(14,000)	(14,000)	(14,000)	(14,000)	(14,000)
4	<b>Planning Appeals support</b>	Both councils have had an increase in planning appeals. At South we don't have 5YHLS and have had a significant number of appeals to date and five (currently) in the pipeline. This is demanding officer time and costs for temp additional resources/witnesses for both councils. We have an appeals officer to assist the professional witnesses and ensure we challenge cost cases. However, we need a planner to assist on some common aspects like the provision of our 5YHLS, working with the monitoring officer (non planner). This is a temp post for 2 years while we experience this intense period of appeals at both councils. This post will take some pressure off experienced planners who need to focus on the important planning arguments in the appeal.	One-off	Joint	17,000	17,000	0	0	0

## South Oxfordshire DC - 2017/18 revenue budgets bids

No	Title of bid	Summary	One-off or ongoing?	South only or joint bid?	Spending profile:				
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>PLANNING continued</b>									
5	<b>Major application and planning officers (keep existing posts)</b>	Three years ago we had an increase in major applications which has continued with our current 5YHLS position. We have also increased our income budget. The expenditure budget originally secured for these posts falls out 2017/18. The workload and income continues and we anticipate this work to continue until we secure a sound adopted Local plan. There are 2.5 posts (.5x majors, 1x senior, 1 x enq officer (latter deal with condition discharges on major apps). These roles mean that we can deal with customer applications and maintain our performance that meet Govt targets. Income has previously increased year on year and so cover the DM costs, however income is lower this year, but many applications are in the pipeline.	Ongoing	South only	156,000	156,000	156,000	156,000	156,000
6	<b>S106 Monitoring Officer</b>	Significant work has been undertaken to capture and monitor all our S106 agreements, secured, receipts and expenditure, with live data online and regular reports (six monthly) to T&P's and Cabinet/Cabinet member. Current post is funded until 31 March 2017. Some funding exists as an obligation to support the post in most s106 agreements and as the post holder assists with CIL demand notices and the managing of CIL income/expenditure, the post can be part funded by CIL. However 50% of the post needs to be funded elsewhere. (CIL in place at South, generating income, Vale expected to commence April/May 2017) Post is shared 50:50	Ongoing	Joint	18,000	18,000	18,000	18,000	18,000
		The cost will be partly matched by S106 income of £6,000 and an increase in CIL income of £2,000	Ongoing	Joint	(8,000)	(8,000)	(18,000)	(18,000)	(18,000)
7	<b>Neighbourhood planning support</b>	To provide planning officer and community engagement officer support to the neighbourhood planning role, dealing with the planning process. For example dealing with the designation process and reports, managing the progress of NPs, updating tool kit and funding regime and assisting NPGs in external bids for funding (lottery, locality). The use of an experienced planner to undertake this work is not a good use of their skills and time, when there is a shortage of experienced planners in the market. We need to better engage with T&Ps and NPGs to improve our support and provide a more efficient way of working, to help speed up the process of NPs. This bid amounts to a dedicated Enquiry officer and community engagement officer for neighbourhood planning, though they will support planning policy/service when required. These posts are shared (50:50)	One-off	Joint	38,000	38,000	38,000	38,000	0
					<b>238,000</b>	<b>238,000</b>	<b>211,000</b>	<b>211,000</b>	<b>173,000</b>
<b>GRAND TOTAL</b>					<b>679,035</b>	<b>594,035</b>	<b>448,035</b>	<b>448,035</b>	<b>410,035</b>

## South Oxfordshire DC - 2017/18 revenue savings proposals

No	Title of bid	Summary	One-off or ongoing?	South only or joint bid?	Spending profile:				
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>CORPORATE STRATEGY AND WASTE</b>									
1	Young Achievers Scheme	This proposal is to close the young achiever award (YAA) scheme. The sports category accounts for about 80 per cent of the applications we receive and most could apply to the scheme our leisure contractors (GLL) run, which offers more money than ours. We receive very few applications for the other two categories. We haven't spent the full budget allocated to this scheme for at least the last five years.	Ongoing	South	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
2	Brown Bin Income	Increase cost to customer of brown bin waste service above inflation	Ongoing	Joint	(36,382)	(36,382)	(36,382)	(36,382)	(36,382)
					<b>(51,382)</b>	<b>(51,382)</b>	<b>(51,382)</b>	<b>(51,382)</b>	<b>(51,382)</b>
<b>LEGAL AND DEMOCRATIC</b>									
1	Reduction in funding to Thames Valley Police (TVP)	Cease to provide funding to TVP, currently used to fund the police community support officers. This will be effective from 1 April 2017. The provision of this service to the public is the responsibility of TVP.	Ongoing	South	(99,190)	(99,190)	(99,190)	(99,190)	(99,190)
					<b>(99,190)</b>	<b>(99,190)</b>	<b>(99,190)</b>	<b>(99,190)</b>	<b>(99,190)</b>
<b>PLANNING</b>									
1	Reduced printing costs	To cease printing off planning application details to send off to town and parishes and save costs/staffing costs.	Ongoing	Joint	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
2	Provision of neighbourhood planning training sessions	To provide (chargeable) regular and repeat neighbourhood planning training for councillors/town & parishes outside our organisations about how to start/set up a Neighbourhood Development Plan	Ongoing	Joint	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
3	Provision of back up registration service	Following the sustainable success of registering planning applications within 24hrs, we could provide this back-up service virtually to other councils.	Ongoing	Joint	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
4	Provision of consultancy design service and training	Using our nominated South Urban Design Guide and, Vale's recent Design Guide, we can provide a chargeable service to other councils for developing design guides and (in due course) advise on scheme design/layout to address planning issues for other Local Planning Authorities.	Ongoing	Joint	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
5	Provision of councillor training sessions on planning	To provide chargeable regular and repeat planning training for councillors outside our organisations about the planning application process, material planning considerations and permitted development.	Ongoing	Joint	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
					<b>(46,500)</b>	<b>(46,500)</b>	<b>(46,500)</b>	<b>(46,500)</b>	<b>(46,500)</b>
<b>GRAND TOTAL</b>					<b>(197,072)</b>	<b>(197,072)</b>	<b>(197,072)</b>	<b>(197,072)</b>	<b>(197,072)</b>

<b>South Oxfordshire DC Service budget analysis 2017/18</b>		
<b>Budget head</b>	<b>Final Budget £</b>	<b>Final Budget £</b>
Corporate strategy		6,202,037
5 Councils partnership		1,589,069
Development & Housing		2,299,626
Finance		844,043
HR IT & Technical		1,058,357
Legal and democratic		1,368,553
Planning		1,995,048
Strategic management board		663,702
Managed vacancy factor		(135,618)
All services		100,000
Contingency		438,405
<b>Net cost of delivering services</b>		<b>16,423,223</b>
Gross treasury income		(2,201,300)
<b>Net expenditure</b>		<b>14,221,923</b>
<b>Government grant funding:</b>		
New Homes Bonus	(3,527,673)	
<b>Transfer to reserves</b>		
New Homes Bonus	3,527,673	
Didcot reserve	270,000	
Interest and dividends	2,201,300	
<b>Funding from existing resources:</b>		
<b>Transfer from reserves</b>		
Previous years interest	(1,857,000)	
Revenue grants reserve	(363,084)	
Revenue budget smoothing reserve	(1,597,366)	
New Homes Bonus	(3,356,943)	
		(4,703,093)
<b>Total net revenue budget</b>		<b>9,518,830</b>



## CAPITAL PROGRAMME TO 31 MARCH 2022 LAST UPDATED 23 JANUARY 2017

	No.	App/Prov	Scheme Total £000	Spend to 31.3.16 £000	2016/17 Original Budget	2016/17 Latest Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>APPROVED PROGRAMME</b>											
Client Team		App		581	0	126	0	0	0	0	0
Corporate Strategy		App		4,361	2,861	3,406	3,667	920	920	920	920
Development and Housing		App		6,731	193	168	1,649	0	0	0	0
Economy, Leisure and Property		APP		0	0	0	0	0	0	0	0
Finance		App		176	0	54	0	0	0	0	0
HR, IT and Technical Services		App		1,925	806	883	26	0	0	0	0
Legal and Democratic Services		App		11	0	1	0	0	0	0	0
Planning		App		0	0	0	0	0	0	0	0
<b>TOTAL APPROVED PROGRAMME</b>		App		13,785	3,860	4,638	5,342	920	920	920	920
PROVISIONAL PROGRAMME		Prov			5,973	8,058	1,696	8,903	11,466	2,392	1,083
<b>GRAND TOTAL</b>		Both		13,785	9,833	12,696	7,038	9,823	12,386	3,312	2,003

Cumulative Total Budget (Approved &amp; Provisional)

47,258

<b>CAPITAL FINANCING</b>											
Grants		Both			493	654	893	493	493	493	493
Developers contributions		Both			0	181	0	0	0	0	0
Usable capital and earmarked revenue receipts		Both			11,008	11,861	6,145	9,330	11,893	2,819	1,510
<b>GRAND TOTAL</b>		Both			11,501	12,696	7,038	9,823	12,386	3,312	2,003

SOUTH OXFORDSHIRE DISTRICT COUNCIL

CAPITAL PROGRAMME TO 31 MARCH 2022 LAST UPDATED 23 JANUARY 2017

No.	App/Prov	Scheme Total £000	Spend to 31.3.16 £000	2016/17 Original Budget	2016/17 Latest Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
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<b>Client Team</b>										
<b>Property</b>										
Car Park Resurfacing & Improvement	142	APP	200	148		52				
Car Park Furniture	249	APP	27	14		13				
Wallingford Cemetery	265	APP				5				
<b>Customer Service, Licensing &amp; Land Charges</b>										
Licensing Software Project		APP	7	5		2				
<b>IT Operations</b>										
Upgrade GIS	088	APP	20	15		5				
IT Infrastructure	251	APP	448	399		49				
			702	581	0	126	0	0	0	0

## CAPITAL PROGRAMME TO 31 MARCH 2022 LAST UPDATED 23 JANUARY 2017

	No.	App/Prov	Scheme Total £000	Spend to 31.3.16 £000	2016/17 Original Budget	2016/17 Latest Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>Corporate Strategy</b>											
<b>GWP</b>											
GWP Neighbourhood Community Centre	233	App	200	159		41					
<b>CIF Grants</b>		App									
Revenue Grants - 13/14 Delegated Powers	010	App	857	747		110					
Revenue Grants - 14/15 Delegated Powers	010	App	440	225		215					
Revenue Grants - 15/16 Delegated Powers		App	768	60		708					
Revenue Grants - 16/17 Delegated Powers		App	999	0		499	500				
<b>Other Grants</b>		App									
Chinnor Parish Council	256	App	220	200		20					
<b>Waste</b>		App									
Waste Management - wheeled bins	192	App	270	189		81					
<b>Open Spaces</b>		App									
Ladygrove Loop	180	App	439	425		14					
<b>Private housing renovation</b>		App									
Mandatory disabled facilities grants	011	App	N/A	N/A	875	938	1,675	875	875	875	875
Discretionary assistance	012	App	N/A	N/A	45	20	45	45	45	45	45
<b>Leisure</b>		APP									
Riverside Water Feature	193	APP	148	146		2					
Didcot Leisure Centre	227	APP	1,161	152	999	36	973				
Henley & Thame Leisure Centre	263	App	146	4		9	133				
Abbey Sports Centre - spend to save	273	APP	25	2	22	0	23				
Abbey Sports Centre - gym equipment replacement	285	APP			75	78					
Henley Leisure Centre capital investment	274	APP	420	146	199	206	68				
Park Sports Centre capital investment	275	APP	136	122		14					
Thames Leisure Centre capital investment	276	APP	62	8	50	2	52				
Thame Leisure Centre - splash pool	286	APP	207	0	200	9	198				
Thame Leisure Centre - gym equipment replacement	287	APP	196	0	189	196					
Thame Leisure Centre Floor	292	APP	77	77		0					
Leisure Centre - capital works	078	APP	1,907	1,699	207	208					
		App									
			8,678	4,361	2,861	3,406	3,667	920	920	920	920

SOUTH OXFORDSHIRE DISTRICT COUNCIL

CAPITAL PROGRAMME TO 31 MARCH 2022 LAST UPDATED 23 JANUARY 2017

	No.	App/Prov	Scheme Total £000	Spend to 31.3.16 £000	2016/17 Original Budget	2016/17 Latest Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>Development and Housing</b>											
<b>Private housing renovation</b>											
Social Housing Initiatives	057	App	5,560	5,405	180	155					
Online Housing Advice	228	App	25	12	13	13					
Growth Points	136	App	2,152	877		0	1,275				
Didcot Station Forecourt	207	App	811	437		0	374				
			8,548	6,731	193	168	1,649	0	0	0	0
<b>Finance</b>											
Fixed Asset System	190	APP	13	9		4					
<b>Arts Development</b>											
Cornerstone Capital Works	242	APP	167	167		0					
Cornerstone Café	294	APP	50	0		50					
			230	176	0	54	0	0	0	0	0

SOUTH OXFORDSHIRE DISTRICT COUNCIL

CAPITAL PROGRAMME TO 31 MARCH 2022 LAST UPDATED 23 JANUARY 2017

	No.	App/Prov	Scheme Total £000	Spend to 31.3.16 £000	2016/17 Original Budget	2016/17 Latest Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>HR, IT and Technical Services</b>											
<b>Technical</b>		APP									
Housing Act Works Refurbishment	103	APP	789	631	150	158					
Flood Alleviation	143	APP	74	41		33					
Riverside Park Link Road	245	APP	75	75		0					
Improvements to WCs at Henley	240	APP	96	33		63					
<b>Economic Development</b>		APP									
Town Centre Infrastructure	241	APP	88	88	70	0					
Broadband	250	APP	1,090	530	560	560					
Town Centre Initiatives	111	APP	301	275	26	0	26				
Wallingford Sports Park	284	APP	45	11		34					
<b>Carbon Management</b>		App									
Carbon Management Programme	176	App	231	211		20					
Energy Grants Scheme	237	App	45	30		15					
			2,834	1,925	806	883	26	0	0	0	0
<b>Legal and Democratic Services</b>											
Legal Case Management System	025	APP	12	11		1					
			12	11	0	1	0	0	0	0	0

## CAPITAL PROGRAMME TO 31 MARCH 2022 LAST UPDATED 23 JANUARY 2017

	No.	App/Prov	Scheme Total £000	Spend to 31.3.16 £000	2016/17 Original Budget	2016/17 Latest Budget £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<b>Provisional Capital Programme</b>											
<b>STRATEGIC MANAGEMENT BOARD</b>											
Town Centre Boost	234	PROV				192					
Capital Contingency	235	PROV			1,707	1,657					
<b>CLIENT TEAM</b>											
Car Park Resurfacing & Improvement	142	PROV			45	0	45				
Car Park Furniture	249	PROV				68					
Refurb Kidmore and Wallingford cemeteries	265	PROV				35					
<b>CORPORATE STRATEGY</b>											
Purchase of new bins	279	PROV			83	0	83	83	83	83	83
New Website	288	PROV			25	25					
External Capital Grants	009, 010	PROV			1,000	322	1,000	1,000	1,000	1,000	1,000
Leisure Centres Essential Works	173	PROV			220	220	220	250	220	220	
Didcot Leisure Centre	227	PROV			2,700	2,700		7,500	10,134	1,060	
Henley and Thame LC changing rooms	263	PROV				0	150				
Thame Leisure Centre Sports Hall	264	PROV				0	125				
<b>DEVELOPMENT AND HOUSING</b>											
Land purchase	268	PROV				2,000					
<b>FINANCE</b>											
Public Art - Chinnor cement works	247	PROV				25					
Public Art - Great Western Park	248	PROV				156					
Cornerstone Capital Works	242	PROV			25	22	25	70	29	29	
<b>HR, IT AND TECHNICAL SERVICES</b>											
Greys Road WC	291	PROV			120	120					
HAW Moulsoford	194	PROV				170					
Housing Act Works	280	PROV				150					
Flood Alleviation Wheatley	246	PROV				59					
Flood Defence	281	PROV				67					
<b>LEGAL AND DEMOCRATIC SERVICES</b>											
Replacement CCTV Cameras	271	PROV			48	70	48				
					5,973	8,058	1,696	8,903	11,466	2,392	1,083

## South Oxfordshire DC - 2017/18 capital budgets bids

No	Title of bid	Summary	One-off or rolling	South only or joint bid?	CAPITAL SPEND					REVENUE CONSEQUENCES				
					Spending profile:					Spending profile:				
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>CORPORATE STRATEGY &amp; WASTE</b>														
1	<b>Essential Works Leisure Centres</b>	To undertake the priority one and two works identified in recent condition surveys undertaken at our leisure centres. These were completed to establish the structural condition, mechanical, electrical and specialist plant and machinery.	Rolling	South Only	250,000	150,000	150,000	150,000	250,000	0	0	0	0	0
2	<b>Didcot Wave Essential Capital Works</b>	Didcot Wave is the council's busiest swimming facility and was built in the late 1980s. Due to the continuous high level of use, some of the key parts of the building are in need of replacement in order for the facility to continue to operate effectively and safely.	One-off	South Only	100,000	0	0	0	0	0	0	0	0	0
3	<b>Purchase of Wheeled Bins</b>	To purchase wheeled bins for new properties for the provision of the waste collection service.	Ongoing	South Only	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0
4	<b>Communities capital grants scheme</b>	Reallocation of grants funding from capital to revenue	Ongoing	South Only	(270,000)	(223,000)	(189,000)	(189,000)	(189,000)					
					<b>90,000</b>	<b>(63,000)</b>	<b>(29,000)</b>	<b>(29,000)</b>	<b>71,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>DEVELOPMENT AND HOUSING</b>														
1	<b>Rent management software for temporary accommodation</b>	To improve financial efficiency by purchasing a software module for the management of temporary accommodation rent accounts.	One-off	South Only	22,530	0	0	0	0	4,580	4,580	4,580	4,580	4,580
2	<b>Berinsfield A4074 pedestrian crossing</b>	Currently, Berinsfield residents need to cross the busy A4074 to access bus other local services and represents an unacceptably high risk to pedestrian safety. A pedestrian crossing, apart from reducing the risk of accidents, will provide residents with a clear, early and demonstrable sign of the Council's commitment to the Berinsfield Community Investment Scheme (BCIS) and secure the effective community engagement needed to make it a success.	One-off	South Only	150,000	0	0	0	0	0	0	0	0	0
					<b>172,530</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,580</b>	<b>4,580</b>	<b>4,580</b>	<b>4,580</b>	<b>4,580</b>

## South Oxfordshire DC - 2017/18 capital budgets bids

No	Title of bid	Summary	One-off or rolling	South only or joint bid?	CAPITAL SPEND					REVENUE CONSEQUENCES				
					Spending profile:					Spending profile:				
					2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
<b>HR IT AND TECHNICAL</b>														
1	<b>Continuation of fuel poverty grants</b>	Continuation of scheme to provide small scale grants to residents in fuel poverty to make essential improvements and repairs to their homes	One-off	South Only	15,000	15,000	15,000	0	0	0	0	0	0	0
2	<b>Broadband</b>	To maximise roll out of superfast broadband for residents and businesses in South Oxfordshire beyond the completion of phase 2 of the Better Broadband for Oxfordshire scheme	One-off	South Only	250,000	250,000	0	0	0	22,500	22,500	0	0	0
3	<b>Volunteer brokerage - IT solution</b>	This bid is to provide volunteer brokerage, to link potential volunteers with volunteering opportunities via an IT solution.	One-off	South Only	40,000	0	0	0	0	0	0	0	0	0
4	<b>Car Park Wallingford</b>	Provision of car parking in Wallingford	One-off	South Only	470,000	0	0	0	0	0	(15,000)	(15,000)	(15,000)	(15,000)
					<b>775,000</b>	<b>265,000</b>	<b>15,000</b>	<b>0</b>	<b>0</b>	<b>22,500</b>	<b>7,500</b>	<b>(15,000)</b>	<b>(15,000)</b>	<b>(15,000)</b>
<b>PLANNING</b>														
1	<b>Repairs to Castle Lane Wall</b>	To repair a section of the boundary wall of Wallingford Castle Meadows running along Castle Lane, Wallingford. Recent investigations have shown that a section of the retaining boundary wall is in a state of disrepair and, if it is not subject to repairs could collapse.	One-off	South Only	25,000	0	0	0	0	0	0	0	0	0
					<b>25,000</b>									
<b>GRAND TOTAL</b>					<b>1,062,530</b>	<b>202,000</b>	<b>(14,000)</b>	<b>(29,000)</b>	<b>71,000</b>	<b>27,080</b>	<b>12,080</b>	<b>(10,420)</b>	<b>(10,420)</b>	<b>(10,420)</b>



	A	B	C	D	E	F
1	<b>South Oxfordshire District Council</b>	<b>Budget</b>	<b>Indicative</b>	<b>Indicative</b>	<b>Indicative</b>	<b>Indicative</b>
2		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
3		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
4	<b>Base budget</b>					
5	Corporate strategy	5,906,677	5,906,677	5,906,677	5,906,677	5,906,677
6	5 Councils partnership	1,190,418	1,190,418	1,190,418	1,190,418	1,190,418
7	Development & Housing	1,599,023	1,599,023	1,599,023	1,599,023	1,599,023
8	Finance	668,924	668,924	668,924	668,924	668,924
9	HR IT & Technical	946,733	946,733	946,733	946,733	946,733
10	Legal and democratic	1,417,512	1,417,512	1,417,512	1,417,512	1,417,512
11	Planning	1,848,885	1,848,885	1,848,885	1,848,885	1,848,885
12	Strategic management board	361,938	361,938	361,938	361,938	361,938
13	Managed vacancy factor	(195,618)	(195,618)	(195,618)	(195,618)	(195,618)
14	Contingency	624,570	624,570	624,570	624,570	624,570
15	<b>Total base budget</b>	<b>14,369,062</b>	<b>14,369,062</b>	<b>14,369,062</b>	<b>14,369,062</b>	<b>14,369,062</b>
16	<b>Revisions to base budget</b>					
17	Opening budget adjustments	(712,380)	(1,475,620)	(1,510,967)	(1,534,967)	(1,510,967)
18	Inflation, salary increments and adjustments	129,016	384,437	619,449	849,964	1,084,139
19	Essential growth - one-off	1,382,022	271,038	21,480	0	0
20	Essential growth - ongoing	1,515,858	2,450,414	1,701,436	1,543,168	1,512,737
21	Base budget savings	(749,415)	(479,415)	(479,415)	(479,415)	(479,415)
22	Other movement in revenue contingency	(79,983)	(79,983)	(79,983)	(79,983)	(79,983)
23	Movement in managed vacancy factor	60,000	60,000	60,000	60,000	60,000
26	<b>Total revised base budget</b>	<b>15,914,180</b>	<b>15,499,934</b>	<b>14,701,063</b>	<b>14,727,830</b>	<b>14,955,573</b>
27	<b>Growth, savings and other budget adjustments</b>					
29	<b>Growth proposals</b>					
30	Revenue - one-off	259,000	174,000	38,000	38,000	0
31	Revenue - ongoing	420,035	420,035	410,035	410,035	410,035
32	Capital (revenue consequences of)	27,080	12,080	(10,420)	(10,420)	(10,420)
33	<b>Savings proposals</b>	<b>(197,072)</b>	<b>(197,072)</b>	<b>(197,072)</b>	<b>(197,072)</b>	<b>(197,072)</b>
34	Assumed future essential growth	0	500,000	1,000,000	1,500,000	2,000,000
36	<b>Net cost of services</b>	<b>16,423,223</b>	<b>16,408,977</b>	<b>15,941,606</b>	<b>16,468,373</b>	<b>17,158,116</b>
38	Gross treasury income	(2,201,300)	(2,003,870)	(2,007,590)	(1,979,840)	(1,856,090)
39	<b>Net expenditure</b>	<b>14,221,923</b>	<b>14,405,107</b>	<b>13,934,016</b>	<b>14,488,533</b>	<b>15,302,026</b>
40	New Homes Bonus	(3,527,673)	(3,005,779)	(2,435,147)	(1,888,175)	(1,330,155)
41	Transfers to/from earmarked reserves	2,181,523	3,187,779	2,895,147	2,316,175	1,662,155
42	<b>Amount to be financed</b>	<b>12,875,773</b>	<b>14,587,107</b>	<b>14,394,016</b>	<b>14,916,533</b>	<b>15,634,026</b>
43	<b>Financing</b>					
44	Revenue support grant	(572,386)	(191,980)	0	0	0
45	Business rates retention scheme	(2,430,842)	(2,502,554)	(2,582,540)	(2,634,191)	(2,686,875)
46	<b>Total start-up funding allocation</b>	<b>(3,003,228)</b>	<b>(2,694,534)</b>	<b>(2,582,540)</b>	<b>(2,634,191)</b>	<b>(2,686,875)</b>
47	Less - Parish share of council tax support grant	127,938	114,787	110,016	112,217	114,461
48	Less - tariff adjustment	0	0	232,955	237,614	242,366
49	Add - renewable energy	(90,098)	(90,098)	(90,098)	(90,098)	(90,098)
50	+/- estimated NNDR over/under collection	182,313	187,692	193,691	197,564	201,516
51	Collection fund surplus/deficit	(277,786)	(250,000)	(250,000)	(250,000)	(250,000)
52	<b>Council tax req'ment before reserves funding</b>	<b>9,814,912</b>	<b>11,854,953</b>	<b>12,008,039</b>	<b>12,489,639</b>	<b>13,165,397</b>
53	Use of New Homes Bonus to balance budget	(3,356,943)	(5,070,095)	(4,891,868)	(5,178,230)	(2,239,150)
54	Use of general fund balance to balance budget	0	0	0	0	(3,414,243)
55	<b>Council tax req'ment after reserves funding</b>	<b>6,457,969</b>	<b>6,784,859</b>	<b>7,116,171</b>	<b>7,311,409</b>	<b>7,512,003</b>
56	Tax base	55,557.2	55,962.2	56,370.2	56,781.1	57,195.0
57	Band D Council tax	116.24	121.24	126.24	128.76	131.34
58	Council tax increase from previous year	4.5%	4.3%	4.1%	2.0%	2.0%
59	<b>Usable balances at year end:*</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
60	General fund balance	(16,075)	(14,283)	(12,778)	(11,258)	(6,503)
61	Earmarked revenue reserves	(15,088)	(13,206)	(11,209)	(8,347)	(7,770)
62	Capital receipts	0	0	0	0	0
63	<b>Total</b>	<b>(31,163)</b>	<b>(27,489)</b>	<b>(23,987)</b>	<b>(19,605)</b>	<b>(14,273)</b>
64						
65	* Excludes balances held for the long term as per the Medium Term Financial Strategy					