



**VALE OF WHITE HORSE
DISTRICT COUNCIL**

STATEMENT OF ACCOUNTS

2017/18

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Vale of White Horse District Council
 135 Eastern Avenue
 Milton Park
 Milton
 Abingdon
 Oxfordshire
 OX14 4SB

Narrative statement

Introduction

This narrative statement provides a commentary on the council's performance during 2017/18. It is a guide to the council's performance against key targets, the most significant matters reported in the accounts, an explanation in overall terms of the council's financial position at the end of the financial year, and a commentary on the council's future prospects. This statement does not form part of the financial statements.

To assist the reader, a glossary of financial terms is provided on pages 85 - 91.

The council's accounts

The council's Statement of Accounts (SoA) shows the financial results of the council's activities for the year ended 31 March 2018, and summarises the overall financial position of the council as at 31 March 2018. It is prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice on local authority accounting in the United Kingdom ("the code"). The accounts have been compiled under International Financial Reporting Standards (IFRS).

In addition, the Annual Governance Statement sets out the purpose and nature of the council's governance framework. It also provides a review of the effectiveness of the governance framework, and highlights any significant governance issues. This statement is published as a separate document and is available on the council's website.

Introduction to Vale of White Horse

Vale of White Horse is the 11th most rural district in the south east region, with an average of 2.2 persons per hectare. Around 42 per cent of the population live in rural areas, outside the main towns of Abingdon, Faringdon, Grove and Wantage, and the Oxford belt.¹ Population in mid-2016 was 128,738; of these, 25,657 (20 per cent) were aged 65 or over, and 3,633 (3 per cent) were aged 85 or over.²

In 2030, the Office for National Statistics projects a population increase of 11 per cent to 140,100³ (an extra 13,400 people). It is expected that there will be 34,700 people aged 65+, comprising 25 per cent of the population. There are also projected to be 6,200 people aged 85+ (4 per cent of the population); this growth in the very old (+182 per cent) is higher than the England growth (+169 per cent).

Between 2001 and 2011, the total number of households in Vale of White Horse increased by 3,600 (+8 per cent). As of 2011, there were 49,400 occupied households in Vale of White Horse, 72 per cent of which were owned in full or with a mortgage. The majority of this growth was in private rented households which increases reliance on the private rented sector.⁴

¹ For this statistic, the following wards have been counted as "Urban": Abingdon Abbey Northcourt, Abingdon Caldecott, Abingdon Dunmore, Abingdon Fitzharris, Abingdon Peachcroft, Botley & Sunningwell, Faringdon, Grove North, Kennington & Radley, Wantage & Grove Brook, Wantage Charlton. All others have been counted as "Rural".

² 2015-based small area population estimates

³ 2014-based subnational population projections

⁴ Census 2011

Employment is high: of the resident population aged 16+, only 0.7 per cent claim out of work benefits, compared with 1.9 per cent across England.⁵

Whilst the district is generally affluent, this brings its challenges. In 2016, the cheapest (lowest quartile) market housing in Vale of White Horse was 10.08 times a lowest quartile salary, and the Vale of White Horse ratio of lowest quartile house prices to lowest quartile earnings remains above the England average of 7.72.⁶ This means that many people can't afford to buy, and many young people need to move out of the district.

Our corporate priorities

The council's corporate plan 2016 – 2020 contains our strategic objectives and corporate priorities for the period, our focus is:

- Housing and infrastructure
- Sustainable communities and wellbeing
- Building an even stronger economy
- Running an efficient council

How performance is measured

The council's activities are guided by our four-year corporate plan, and by fulfilling our statutory responsibilities. Key performance indicators are measured via the monthly board report, which is reported to the council's senior management team and cabinet; and an annual benchmarking report, which compares our performance to the other 200 'non-metropolitan' English district councils. Many of our services are provided through contractors, and the performance of our five major contractors is monitored through an annual review and report to the council's Joint (with South Oxfordshire District Council) Scrutiny Committee. Customer satisfaction is measured through a biennial face-to-face survey of residents; this includes satisfaction with services and the council generally.

HOUSING AND INFRASTRUCTURE

Our challenge is to deliver significant numbers of new homes. We aim to deliver the right balance of type and tenure of housing to meet housing needs, including starter and low-cost homes; to promote good quality design; and to promote self-build and custom-build initiatives, ensuring land is made available for this purpose. We are supporting communities to take control of development in their areas through Neighbourhood Plans. Contributions from new development and enterprise zones will be directed towards necessary infrastructure, including work to reduce flooding.

We will continue work to reduce homelessness.

Planning

In planning, we received 1,678 applications in 2017/18. Planning performance is measured through the board report in relation to speed of planning application determination and action on

⁵ Percentage of those out of work on either Jobseekers Allowance or Universal Credit, as a proportion of the population aged 16-64. Source: DWP through Local Insight, Jan 2018.

⁶ Housing Affordability data for 2016 from ONS: <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

enforcement cases. We monitor the quality of decisions through the number of planning appeals allowed.

Our performance on minor and major applications is on or above the national targets of 65 and 60 per cent respectively; at the end of 2017/18 we were achieving 86 per cent within eight weeks (minors), and 82 per cent within target time (majors). Performance for other applications was 10 per cent above the national target, at 90 per cent.

To support the growth in housing and employment, we have secured Section 106 (S106) contributions towards infrastructure from new development through legal agreements. During the financial year 2017/18, a total of £81 million (county and district contributions) was secured in S106 agreements from new development. A total of £1.4 million was spent during the 2017/18 financial year, including sums transferred to other council services such as waste collections and street naming, and over £279,000 to towns and parishes. These funds were spent from obligations secured across several financial years.

Following examination by an independent Examiner, we have adopted a Community Infrastructure Levy (CIL) schedule, which came into effect in November 2017. Alongside this schedule, we have adopted a revised S106 supplementary planning document, so it is clear to developers what falls under CIL and S106. We have sought £112,000 under Demand Notices and received £90,000 CIL income in the year.

At the end of 2016/17, nationally published figures put us 55th out of all district councils on major applications, 61st on minors and 36th on other applications.⁷

We adopted our Local Plan Part 1 in December 2016. The adopted Local Plan allocates around 20,500 new homes and 23,000 new jobs up to 2031. Our Part 2 Plan, which deals with Oxford City's unmet housing need, was submitted to the Secretary of State on 23 February 2018 for independent examination.

For 2017/18, the council received over £4.1 million of New Homes Bonus. For 2018/19, we expect to receive £4.1 million.

Meeting housing need

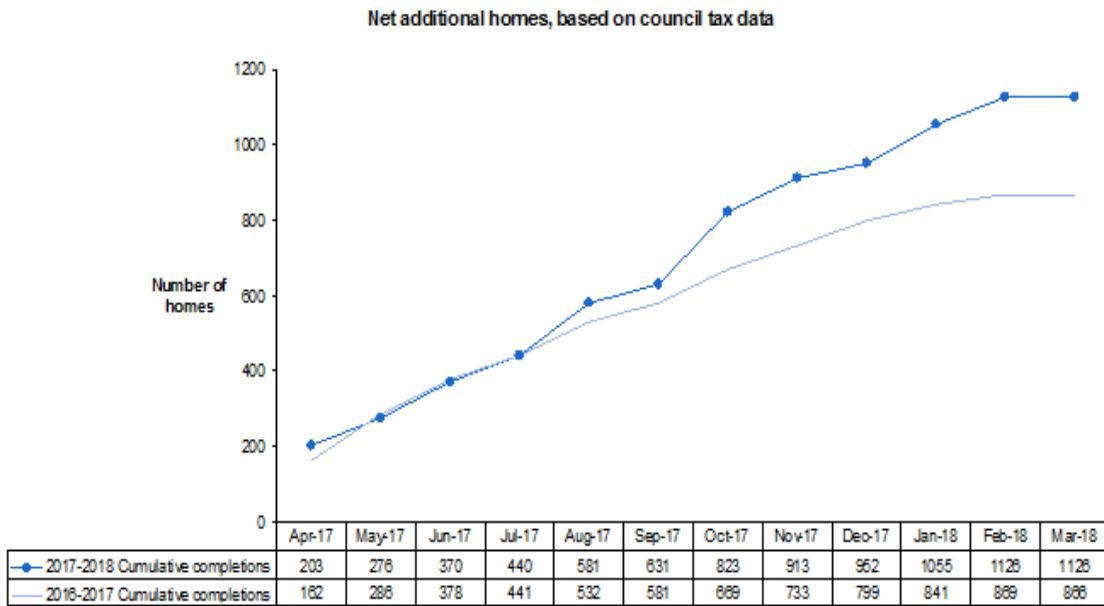
Because of high demand for housing, the attractive and accessible nature of the district and high house prices, our key challenge on housing is to ensure that we facilitate the delivery of new housing and achieve an appropriate mix of housing to meet local need.

During the year, 1,126 new homes have been built in the district, compared to 866 in 2016/17; completion of affordable homes was 311 - it was 336 in 2016/17 (see graphs 1 and 2 below). At March 2017, we were 7th compared to all district councils for affordable homes built.

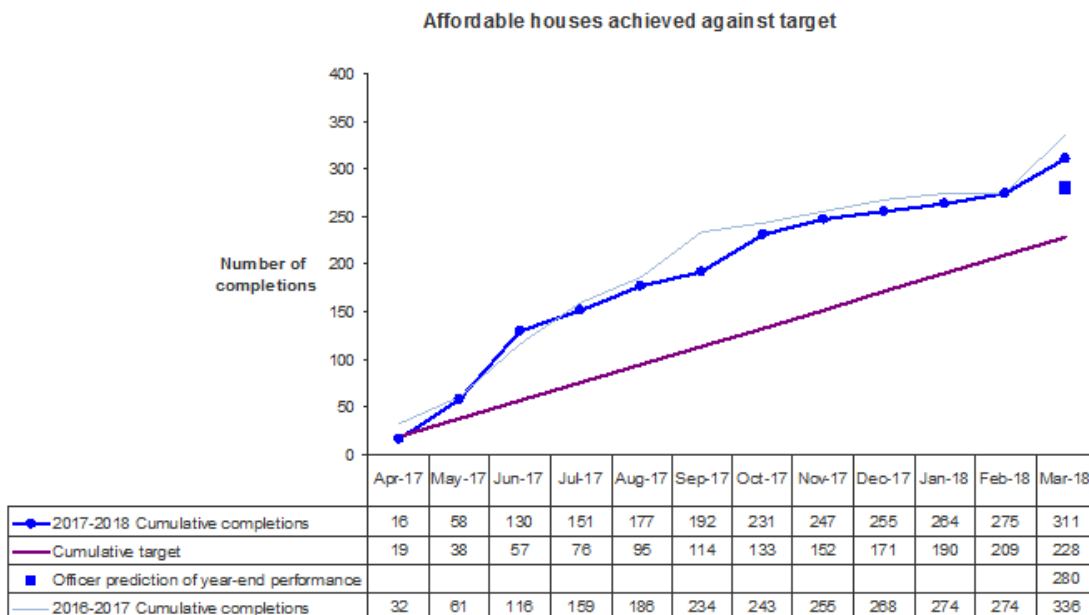
The Government require us to have at least five years' housing land supply for development, and we have at 31 March 2018, 6.8 years' supply across our district.

⁷ Source: .gov.uk website

Graph 1 - Net additional homes 2017/18



Graph 2 - Affordable homes built 2017/18



Homelessness reduction

The number of households at risk of homelessness approaching the council for assistance continues to rise year on year. We increased our work on homelessness to a record 559 successful homelessness preventions in 2016/17, compared to 460 in 2015/16 (latest available Government data).

We have done this by proactively engaging with customers at the earliest point and through positive partnerships with other agencies. These include Citizens Advice Bureau, Connection

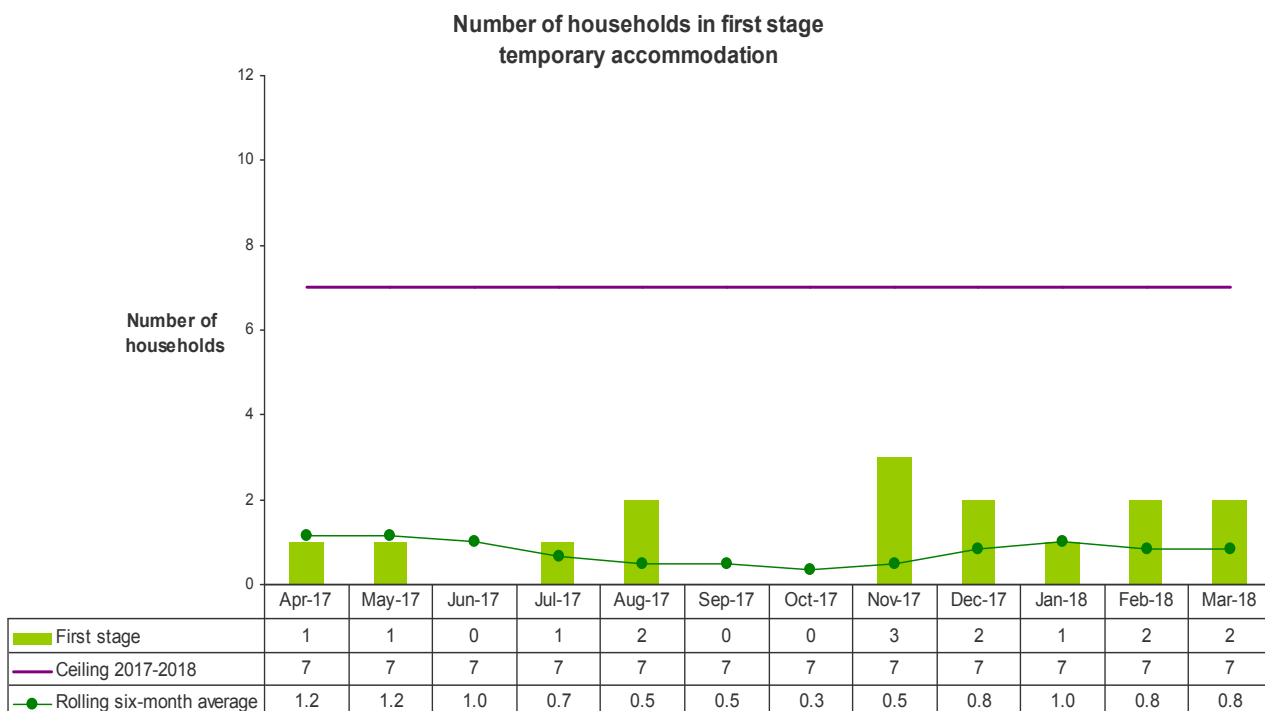
Agenda Item 7

Floating Support, and Wantage Independent Advice Centre, who provide debt and welfare advice to enable customers to remain in their own homes. We also use Enhanced Housing Options – an online assessment tool to help customers address their housing issues.

Our White Horse Lettings team is dedicated to helping low income families remain in the local area through affordable rents with a private landlord. We currently support approximately 120 tenancies in the Vale.

As of 31 March 2018, we had two households in emergency temporary accommodation; the rolling six-month average of households in emergency temporary accommodation was 0.8 (see graph below). The rolling six-month average length of stay for households in emergency temporary accommodation was just 23 days, compared to a ceiling target of 42 days.

Graph 3 - Number of households in temporary accommodation



Oxfordshire housing and growth deal

Together with the other five councils in Oxfordshire and the Oxfordshire Local Enterprise Partnership (OxLEP), we have entered into a deal with central government which is expected to see a total investment of £215 million in housing and infrastructure across Oxfordshire over the next five years.

SUSTAINABLE COMMUNITIES AND WELLBEING

Building sustainable communities means allowing towns and parishes to take control over their own development and to work to improve their area; it means residents have access to facilities and services to help them get active, be safe and enjoy a clean and healthy environment.

Grants

A fundamental part of our strategy to support communities to do things for themselves and create sustainable communities into the future is our grant schemes.

During the year we awarded over £180,000 in Capital and New Homes Bonus grants to 35 different projects, ranging from replacement roofs to new community gardens, and community training courses to a new youth café's start-up costs.

We gave a further £9,480 to 19 community festivals and events taking place in the district, ranging from opera festivals to community play days.

We also provided over £180,000 in core funding to five partnership organisations, including Wantage Independent Advice Centre, Citizen's Advice and Community First Oxfordshire.

Neighbourhood planning

We are keen to encourage communities to manage development in their local area through Neighbourhood Plans and we provide support to communities to do so. The district had some of the first Neighbourhood Plans in the country, and the numbers are increasing steadily, with 5 parishes who currently have an agreed plan, and a further 18 working towards it.

Waste and recycling

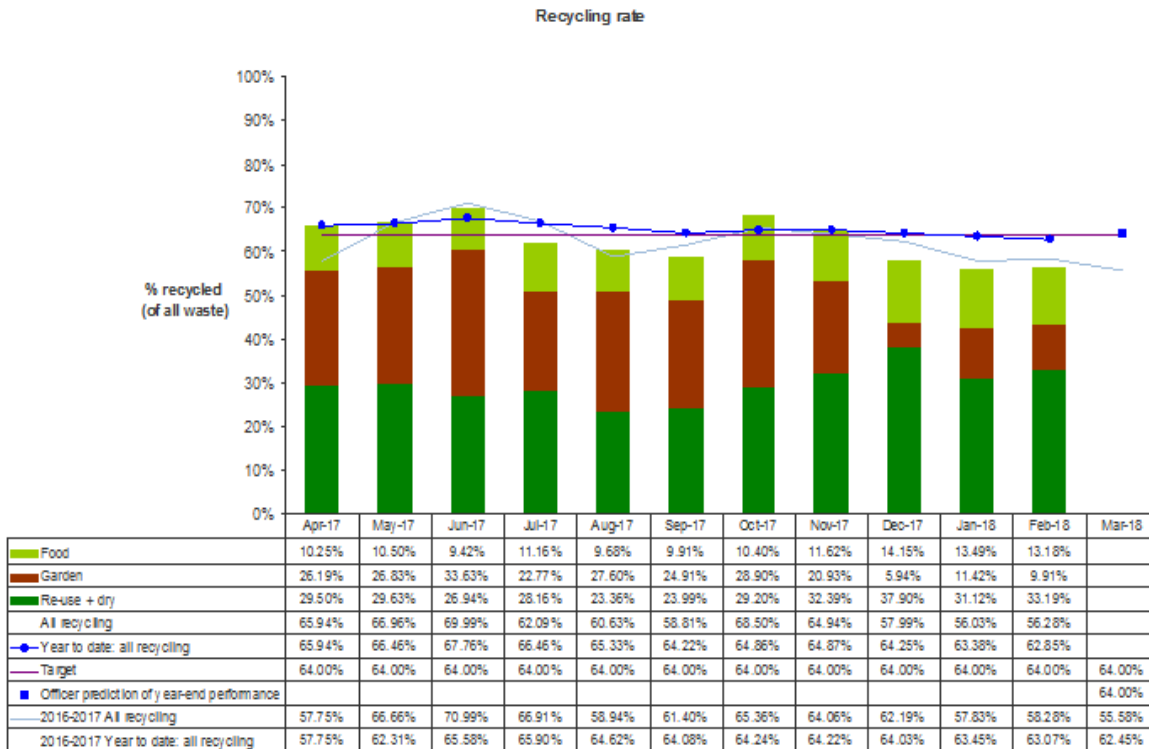
The council is proud of its record on waste and recycling; we have achieved efficiencies in our contract and maintained consistently high levels of recycling and customer satisfaction with the service provided. Recycling rates are high and we have been in the top five in the country for recycling for several years. During 2016/17, we have achieved a recycling rate of 62.5 per cent compared to 64.8 per cent (DEFRA's official figures) in 2015/16.

We carried out a very successful campaign in 2016/17 to reduce the amount of contamination in the recycling bins, this resulted in a reduction in the level of contamination from 12 per cent down to six per cent.

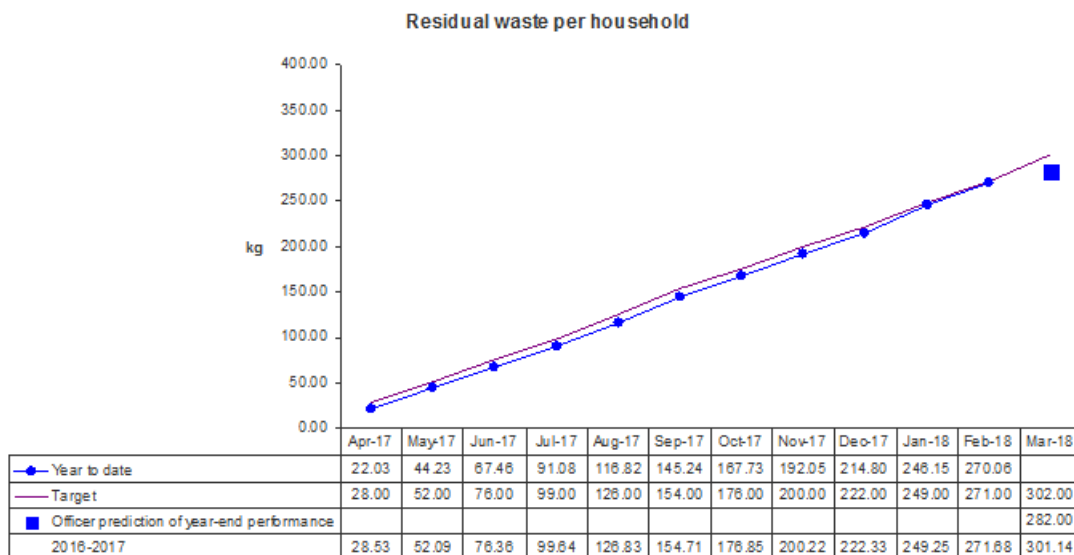
In year, we measure performance through our board report, which uses our own figures, not yet verified by DEFRA. Graph 4 below shows our performance in the past year up until end February (the latest available data). This also shows the breakdown of recycling by type.

Alongside this, residual waste has decreased slightly as at end February 2018, relative to end February 2017.

Graph 4 – Recycling rate 2017/18



Graph 5 – Residual waste 2017/18



Latest figures for dry recycling credits show we received £0.6 million in 2017/18; in 2016/17, the figure was also £0.6 million.

Customer satisfaction with our waste collection service is high, at 83 per cent.⁸

⁸ The source for customer satisfaction figures is the biennial residents survey.

Cleanliness

We know that cleanliness of the area is high on residents’ list of things they want us to focus on and have made this a priority. This year we have invested £80,000 towards a deep clean for every parish, which has been very popular. We have good levels of resident satisfaction with cleanliness, at 72 per cent.

Food safety

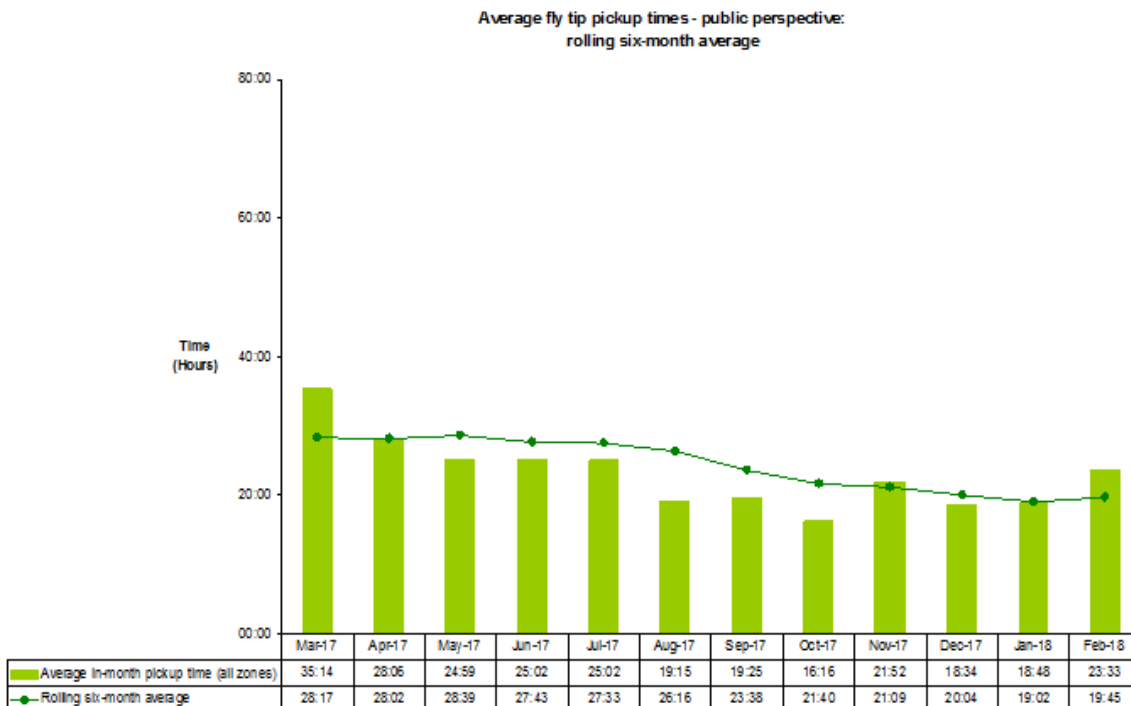
Through a risk-based inspection and enforcement programme, the councils will ensure that food businesses comply with food safety legislation, with the aim of 96 per cent of businesses being compliant by 2020. We aim to achieve this by working positively with businesses and providing advice on how to meet the required standards. A compliance trial in 2017/18 indicated that the percentage of compliant premises has increased to 94 per cent.

Fly tipping

The council’s action to tackle fly tipping aims to achieve two things: investigation, and enforcement action against those who commit it, with the long term aim of reducing the amount of fly tipping that occurs; and to clear it as quickly as possible where it does happen. Through our board report we monitor both of these aims; performance in 2017/18 is shown in the graphs below.

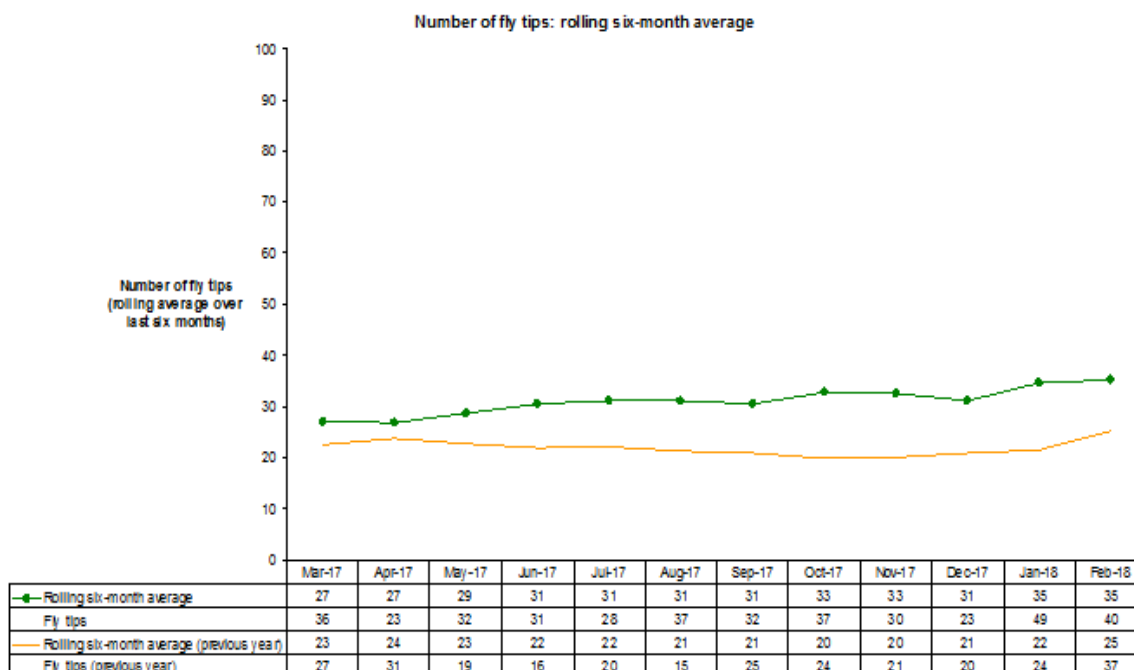
Average time to clear fly tips has decreased from 28:17 hours in March 2017 to 19:45 hours in February 2018. The average number of fly tips has increased slightly from 27 to 35 over the same period⁹.

Graph 6 - Fly tipping clearance time



⁹ Rolling six-month average

Graph 7 - Number of fly tips



Leisure

Our key aim regarding leisure is to increase participation in sport and physical activity. According to the new Active Lives survey, 68.4 per cent of people in Vale are active, doing over 150 minutes moderate intensity exercise a week, an increase of 2.8 per cent on last year. 18.5 per cent are inactive, which is below the national average of 25.7 per cent.

71 per cent of service users are satisfied with our sport and leisure services.

Our Go Active Gold project won Sports Project of the year at the Oxfordshire Sports Awards, recognition for two years of focused work at encouraging adults (60+) to lead more active lifestyles. This year also saw the introduction of Go Active Get Healthy with Diabetes. Since 2012, more than 25,000 people across South Oxfordshire District Council and Vale have actively engaged in the Go Active participation programmes.

We are very aware that development in the district needs to be matched by new facilities to meet a growing need. We received more than 600 responses to the Councils' proposals to build a new leisure centre for the Vale, with more than 84 per cent backing our plans. We have made good progress during this year with the aim of opening the new leisure centre in 2020. During this year, White Horse Tennis and Leisure Centre achieved QUEST excellence status, one of only 16 centres nationwide and the first public facility in the county.

Investment during 2017/18 has included a new play area at Abbey Meadows, and we are on schedule to open the newly refurbished outdoor swimming pool at Abbey Meadows this year at a cost of £1.3 million, in addition to a range of carbon-saving schemes to reduce carbon footprints and reduce costs.

The introduction of National Theatre Live has proved successful, with an average audience of 66 people per performance.

Cinema average attendance is 92 for adults and 62 for children. Customer satisfaction is up, with 96.4 per cent of all feedback being positive and complimentary.

BUILDING AN EVEN STRONGER ECONOMY

We are committed to supporting local business, and to creating the conditions to maximise growth and inward investment; much of this work is focussed on our two enterprise zones and work with SMEs. We realise that employers need infrastructure for growth, including excellent communications, and employees with the skills to meet their needs. Alongside this, we continue to support our market towns.

Strategic growth

Didcot and the Science Vale area (including part of neighbouring South Oxfordshire District) are the focus for a significant amount of housing and business growth as we work to attract high tech and design-based business into the area, and to support our small and medium sized enterprises (SMEs) to grow.

We have developed a Business and Innovation Strategy and launched an associated action plan for 2017-2020, to support SME businesses to be able to grow. We are also promoting the benefit of apprenticeships to local businesses.

We have continued to support the roll out of superfast broadband across the district, with over 96 per cent of the district now able to access it.

Enterprise Zone

The main focus for job creation is our enterprise zones. Our first enterprise zone, EZ1 covering Milton Park and Harwell, is performing strongly. EZ1 has seen cumulative growth in retained business rates income of more than £2 million since 2013/14. Our second enterprise zone, EZ2 covering a number of sites across Didcot, greater Milton Park and including the Didcot power station site, has been in place since 2016 and is seeing some early wins in terms of inward investment and some large businesses moving in.

Support for market towns

Along with our outstanding countryside, our historic market towns of Abingdon, Faringdon and Wantage are much of what draws visitors to our district, and we aim to make them vibrant and interesting places to live, work and visit. The council has funded market town co-ordinator posts in Faringdon and Wantage (total of £40,000 per annum) and supported the operation of the Abingdon Business Improvement District (ongoing operating costs of £13,000 per annum). We are also supporting the delivery of free public WiFi schemes in Botley, Faringdon and Wantage.

We have completed the sale of the West Way shopping centre in Botley to enable a major regeneration scheme.

Visitor economy

We continue to promote the district to visitors via www.southernoxfordshire.com and we are working with hotel operators and developers to encourage new hotel development in the district.

RUNNING AN EFFICIENT COUNCIL

Maintaining high levels of resident satisfaction with how the council runs things

Part of our philosophy, and one of our corporate priorities is to keep our share of council tax low whilst continuing to deliver high quality services. Over a number of years, the council has made significant savings through joint working, especially with our close partner South Oxfordshire District Council with whom we have saved costs on staffing, contracts and office accommodation.

This type of innovative joint working, along with sound financial management has helped to keep costs down and meant that we are able to keep the cost of council tax to our residents low.

The level of council tax for a Band 'D' property in 2018/19 is £126.69, which is the twelfth lowest of all non-metropolitan district councils.

Through our board report, we measure a number of key income streams, to ensure that we are both maximising income and understanding early where external factors might impact on budgets. During 2017/18:

- Planning income totalled £1.5 million against a budget of £1.7 million, this compared to income of £1.75 million in 2016/17.
- Land charges income totalled £209k compared to £234k in the previous year.
- Car parking income was £455k compared to £477k last year.
- The New Homes Bonus paid to the council for 2017/18 was £4.1 million, compared to a national average of £1.59 million, putting us 7th out of all 201 non-metropolitan district councils.
- Our Council Tax collection rate of 98.73 per cent, put us 40th when ranked against all district councils at end March 2017.

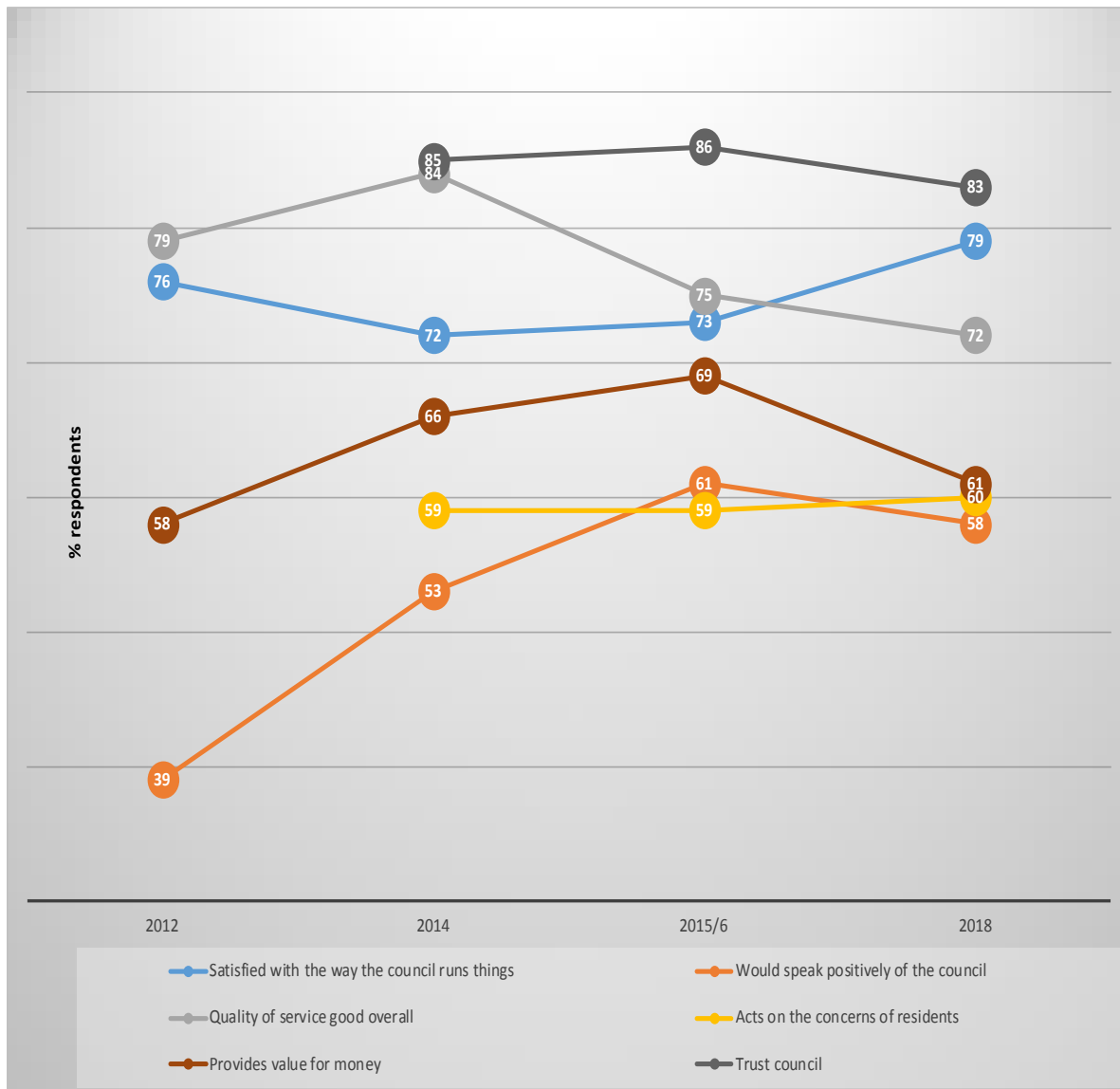
Chart 1 below demonstrates that residents are recognising that we are a council that provides good value for money for them.

Resident satisfaction

Chart 1 below shows how attitudes towards the council have changed over recent years.

Relative to the 2015/16 survey, four of the 2017/18 measures have decreased – three of these only slightly. Although 'Provides value for money' dropped from 69 per cent to 61 per cent, it is worth noting that the overall satisfaction measure 'Satisfied with the way the council runs things' increased from 73 per cent to 79 per cent, which is the highest value measured since the start of the survey. Additionally, the measure 'Acts on the concerns of residents' now stands at 60 per cent – again, the highest value of this measure to date.

Chart 1 – Attitudes towards the Council



66 per cent per cent of residents said that they felt informed about the council and its services.

Financial performance 2017/18

The paragraphs below show the council’s financial performance for 2017/18 in the following areas:

- revenue expenditure
- capital expenditure
- Treasury management activities.

It also discusses the Comprehensive Income and Expenditure Statement (CIES) for the year and its balance sheet at the end of the year.

Revenue outturn 2017/18

The council's funding requirement for 2017/18, including parish precepts, was £12.8 million, after accounting for the use of reserves and investment income. Net revenue spend for the year was £2.8 million below budget as shown in the table below, analysed across the council's service areas.

Service expenditure	Budget £000	Actual £000	Variance £000
Client team - 5 Councils Partnership	2,165	2,449	284
Strategic management board	889	703	(187)
Corporate services	1,779	1,372	(407)
Development and housing	1,911	730	(1,181)
Finance	197	223	26
Legal and democratic services	1,321	1,239	(82)
Planning	1,230	1,237	8
Waste, Leisure & Env Health	4,627	4,391	(236)
Contingency	281	0	(281)
Direct service expenditure	14,400	12,344	(2,056)
Interest Income	(379)	(610)	(231)
Borrowing Costs	63	0	(63)
Government grant income	(4,150)	(4,155)	(5)
Transfer to/from reserves	(798)	(1,229)	(431)
Net revenue spend	9,136	6,350	(2,786)
Transfer of surplus to reserves: Net revenue spend	0	2,549	2,549
Budget requirement set by council	9,136	8,899	(237)
Parish precepts	3,640	3,640	0
Total funding requirement	12,776	12,539	(237)
Revenue Support Grant (RSG)	(472)	(564)	(92)
Council tax income	(10,021)	(10,043)	(22)
Retained business rates	(2,283)	(2,093)	190
Total funding	(12,776)	(12,700)	76

Of the £2.8 million net revenue underspend above, £1.1 million represents slippage in one-off budgets that have been agreed as a budget carry forward to 2018/19. This includes £0.6 million of carry forwards in Development and Housing for development activity in respect of Science Vale and Didcot Garden Town, and £0.2 million in respect of delivering the Local Plan.

Capital outturn 2017/18

Capital expenditure totalled £3.2 million in 2017/18 and spend for the year was £3.1 million below the working budget. Material capital expenditure projects include

- leisure facilities – £1.8 million
- disabled facilities grants - £0.8 million

The main source of funding for the programme was the council's own reserves of capital receipts (money we have set aside from the sale of assets), with the balance made up by government grants and other contributions.

Further details on both revenue and capital expenditure for 2017/18 will be provided in an outturn report to Scrutiny Committee to be considered at its meeting in September 2018, which includes an analysis of the underspend.

Treasury management 2017/18

In accordance with the Treasury Management Strategy, by actively managing its investments, the council earned interest and investment income of £0.6 million against a budget of £0.4 million. In accordance with the council's Medium Term Financial Plan (MTFP) income from interest on investments is applied in year to support the revenue account.

Further details on treasury management for 2017/18 will be provided in an outturn report to be considered by the Joint Audit and Governance Committee, Cabinet, and Council later in the year.

Comprehensive Income and Expenditure Statement (CIES) 2017/18

The CIES presents the council's income and expenditure for the year based on accounting standards, rather than the amount to be funded from taxation. Councils raise taxation to cover expenditure in accordance with regulations but this may be different to the accounting cost. These adjustments are detailed in notes 2 to 4. After the total financing from government grants and local taxpayers of £18.9 million, the council's surplus on provision of services was £4.4 million.

This surplus is then adjusted further to produce the total comprehensive income and expenditure figure for the year which is a surplus of £16.1 million. This figure corresponds to the total movement on the balance sheet for the year.

Balance sheet

The reported net worth of the council increased from £39.3 million to £56.3 million at 31 March 2018, an increase of £17.0 million. This increase primarily reflects the capital receipt arising from the sale of the West Way Shopping Centre in January 2018 for £12.4 million.

This movement is also detailed in the Movement in Reserves Statement (MiRS).

At the balance sheet date the council had usable reserves of £39.6 million, made up of £18.2 million general fund balance (including earmarked reserves), £12.6 million in capital receipts and £8.8 million in unapplied capital grants.

Material events after the balance sheet date

There are no material events after the balance sheet date.

Collection fund

The collection fund is an agent's statement that reflects the statutory obligation of billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from local taxpayers of Council Tax and Non Domestic Rates (NDR) and its distribution to precepting bodies. For the council, the major council tax precepting

bodies are Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley.

On council tax, income of £88.1 million was received and £87.8 million was paid out in precepts and demands. After taking the provision for bad debts and balance brought forward into account, the surplus on the council tax collection fund balance at the end of the year was £3.3 million. This will be re-distributed to all major precepting authorities.

On NDR, £52.8 million was received and £49.9 million was paid out to the council, central government and Oxfordshire County Council (OCC). After taking the balance brought forward, provision for bad debts and the provision for appeals into account, the deficit on the NDR collection fund balance at the end of the year was £2.1 million. This will be shared between the council, central government and OCC.

The council is acting as the accountable body for the Oxfordshire Local Enterprise Partnership (OxLEP) and is retaining additional business rates collected from within the Science Vale, Didcot Growth Accelerator and Milton Park Extension Enterprise Zones on their behalf. As at 31 March 2018, the amount of business rates retained by the council on behalf of OxLEP was in excess of £4 million.

Future prospects

As part of the annual budget setting process for 2018/19, council agreed its Medium Term Financial Plan (MTFP) for 2018/19 to 2022/23. The MTFP provides a forward budget model for the next five years, highlighting known estimated budget pressures for new responsibilities and changes in legislation, predicted investment and capital receipts.

The MTFP highlights pressures the council anticipates in setting its revenue budget during the period covered. The key pressures are the anticipated reduction in government grant funding, and cost pressures in future years. In addition, further changes to the New Homes Bonus scheme and the introduction of full business rate retention may have a significant impact on the council's financial position in future years.

For 2018/19 the revenue budget is forecast to use £5.6 million of reserves. Based on the assumptions included within the MTFP it is estimated that the council's usable reserves will fall to £9.5 million by March 2023. This reflects the council's revenue reserves being used to maintain a balanced budget unless further savings can be found.

Officers consider that the pressures highlighted are manageable in this period, in light of the reserves and balances available to the council. The council has already made considerable revenue savings in recent years by:

- merging its management team with South Oxfordshire District Council,
- merging many of its operational service teams with South Oxfordshire District Council,
- undertaking joint procurement with other councils, and
- introducing "lean" business processes to reduce duplication and save officer time.

Continuation of initiatives like these is expected to help meet the financial challenges facing the council. As part of budget setting for 2018/19, council also agreed a capital programme to

2022/23 costing £32.2 million. This will be funded from a combination of prudential borrowing, the council's usable capital and revenue reserves and other contributions.

Council resources

Based on the council's budget proposals for revenue and capital, it is forecast that by 31 March 2023 the council will hold £9.5 million in usable reserves, made up of £1.5 million general fund balance and £8.0 million in earmarked revenue reserves. It is anticipated that the council's capital receipts will be fully expended by 2023.

William Jacobs
Head of finance and chief finance officer
28th September 2018

Statement of responsibilities for the statement of accounts

1. The authority's responsibilities

The authority is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those arrangements. In this authority, that officer is the head of finance and chief finance officer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- approve the statement of accounts.

2. Responsibilities of the chief finance officer

The chief finance officer's responsibilities include the preparation of the council's statement of accounts, which, in terms of the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom (the Code) is required to present a true and fair view of the financial position of the council at the accounting date and its income and expenditure for the year ended 31 March 2018.

In preparing this statement of accounts, the chief finance officer has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the local authority code.

The chief finance officer has also:

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that this statement of accounts presents a true and fair view of the financial position of the authority at 31 March 2018 and its income and expenditure for the year ended 31 March 2018.

William Jacobs CPFA
Head of Finance and Section 151 Officer

28 September 2018

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Independent auditor's report to the members of Vale of White Horse District Council

Opinion

We have audited the financial statements of Vale of White Horse District Council for the year ended 31 March 2018 under the Local Audit and Accountability Act 2014. The financial statements comprise the:

- Comprehensive Income and Expenditure Statement,
- Movement in Reserves Statement,
- Balance Sheet,
- Flow Statement,
- Financial statements notes 1 to 31; and
- Collection Fund and the related notes 1 to 3.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.

In our opinion the financial statements:

- give a true and fair view of the financial position of Vale of White Horse District Council as at 31 March 2018 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's (C&AG) AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chief Finance Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Authority's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the narrative statement set out on pages 3 to 18, other than the financial statements and our auditor's report thereon. The Chief Finance Officer is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Local Audit and Accountability Act 2014

In our opinion, based on the work undertaken in the course of the audit, having regard to the guidance issued by the C&AG in August 2017, we are satisfied that, in all significant respects, Vale of White Horse District Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement is misleading or inconsistent with other information forthcoming from the audit or our knowledge of the Council;
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014;
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects

Responsibility of the Chief Finance Officer

As explained more fully in the Statement of the Responsibilities for the Statement of Accounts set out on [page 19](#), the Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18, and for being satisfied that they give a true and fair view.

In preparing the financial statements, the Head of Finance and Chief Finance Officer is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to cease operations, or have no realistic alternative but to do so.

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General (C&AG) in August 2017, as to whether the Vale of White Horse District Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Vale of White Horse District Council put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the [name of body] had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our conclusion relating to proper arrangements.

We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the accounts of Vale of White Horse District Council in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice issued by the National Audit Office.

Use of our report

This report is made solely to the members of Vale of White Horse District Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signature

Andrew Brittain (Key Audit Partner)

Ernst & Young LLP (Local Auditor)

Reading

Date

The maintenance and integrity of the Vale of White Horse District Council web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.